

# 2024 CORPORATE SUSTAINABILITY REPORT

**Sustainable Futures:**  
Leading with Vision,  
Acting with Accountability

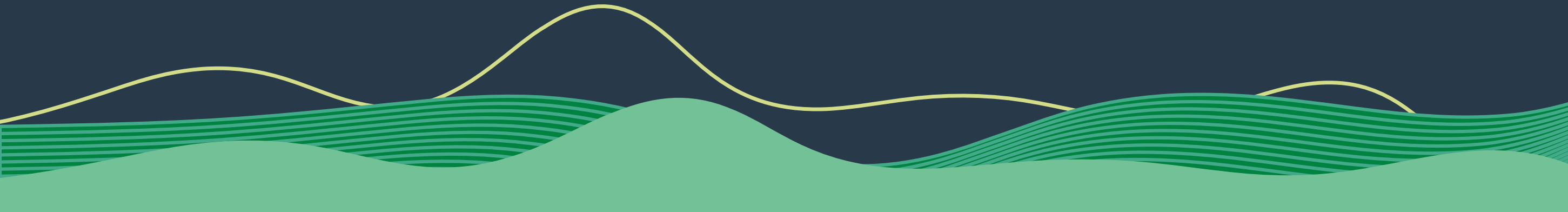
**1 First BanCorp**





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# Sustainability Strategy

- Message from the CEO
  - About this Report
  - Snapshot of Firstbank



**Aurelio Alemán**  
President and Chief Executive Officer

## Message from the CEO

First BanCorp has always been grounded in its unwavering commitment to operate a high performing, ethically guided, safe and sound organization, as well as focusing on our long-standing commitment to social responsibility and responsible growth. At First BanCorp, our mission is to partner with our customers to achieve their financial goals, nurture a culture of engagement and growth for our colleagues, deliver shareholder value, and build up our communities.

As we reflect on the past year, I am pleased with the progress we have achieved despite challenges and uncertainties that have surrounded the banking industry. In 2024, we continued to demonstrate that sustainability and long-term financial performance are deeply interconnected at First BanCorp. Our focus on strengthening governance, building customer trust, investing in environmental responsibility, and promoting employee well-being has allowed us to navigate a dynamic landscape with resilience and purpose.

By approaching sustainability as a driver of financial health, we mitigate risk, build long-term customer relationships, and reinforce the trust that underpins our success. From expanding digital security and fraud prevention systems to increasing financial inclusion and resilience through community development loans, every initiative has been aimed at creating lasting value.

We donated over \$1.4 million to nonprofit organizations across our regions, championing initiatives in education,

health, entrepreneurship, and environmental restoration. Through our *Rescue Our Coasts* initiative, a multi-sectoral partnership designed to mitigate the threat of coastal erosion in Puerto Rico, we planted over 11,480 native trees to safeguard vulnerable communities and support climate resilience.

Across our operations, we completed a full transition to LED lighting, reducing energy consumption while modernizing our facilities. We also advanced efforts to support our people, launching over 200 wellness initiatives, focused on mental, physical, financial, and social well-being. These actions reflect our belief that healthy, engaged teams drive strong results.

None of this would be possible without the people behind it. I am deeply grateful to our teams across regions for integrating these priorities into everyday decisions. They are building a more forward-looking Corporation that measures success by the lasting value we generate for our shareholders, our customers, and our communities.

We are proud of the progress we have made and energized for the work ahead. Thank you for your trust in First BanCorp and for being part of our journey toward lasting impact.

**Aurelio Alemán**  
President and  
Chief Executive Officer

# About This Report

This Corporate Sustainability Report (the “Report”) covers the progress of our Corporate Sustainability Program during 2024, with data and metrics reflecting the period of January 1 through December 31, 2024, or as of December 31, 2024, unless otherwise noted. The 2024 Corporate Sustainability Report outlines our commitment to sustainability and responsible banking. It provides an overview of the initiatives, impact, and progress across key Corporate Sustainability pillars. In some instances, we include information on initiatives that continued into 2025, which we have endeavored to note as such. Please see “[Forward-Looking Statements and Materiality](#)” in the Appendix for more information.

When we use the terms “First BanCorp,” “Corporation,” “FirstBank,” “Bank,” “we,” “us,” or “our” in this report, we mean First BanCorp and its subsidiaries, on a consolidated basis, unless we state, or the context implies, otherwise.

This report aligns with industry best practices and globally recognized frameworks, including the Sustainability Accounting Standards Board (SASB)

and the Taskforce on Climate-related Financial Disclosures (TCFD), which are both now part of the International Financial Reporting Standards (IFRS) Foundation, and the United Nations Sustainable Development Goals (UN SDGs).

We recommend that this report, which speaks only as of its date and is not intended to be an exhaustive recitation of all events, activities, or issues related to our Corporate Sustainability Program or operations, be reviewed in conjunction with First BanCorp’s 2024 annual report to shareholders (the “[2024 Annual Report](#)”) and proxy statement for the 2025 annual meeting of shareholders, filed with the Securities and Exchange Commission (SEC) on April 8, 2025 (the “[2025 Proxy Statement](#)”), which disclose additional information about our operations and financial performance. This Report is intended to provide more information from a different perspective and in more detail than that required to be included in other regulatory reports, including our filings with the SEC. This report is not part of or incorporated by reference into our SEC filings. We also guide readers throughout the report to additional sources on

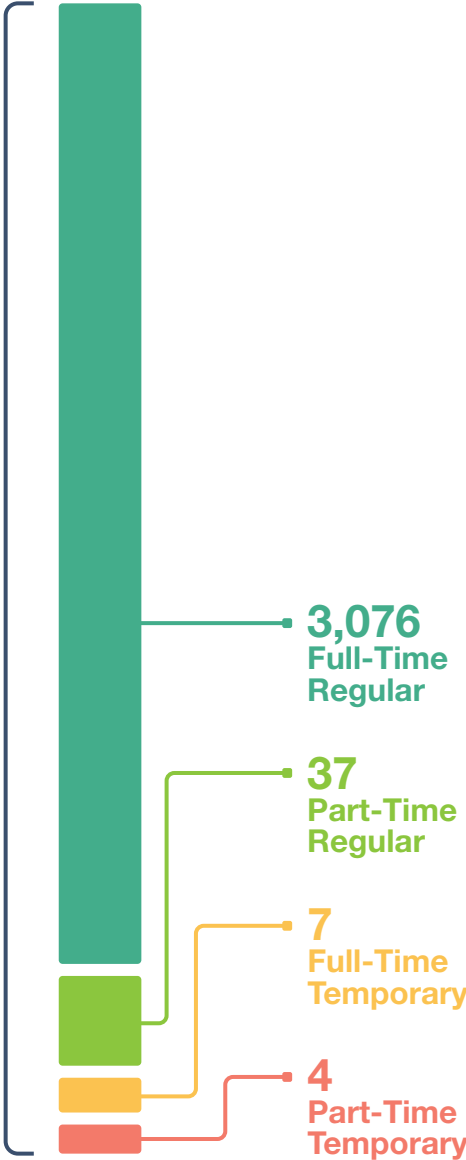


# Snapshot of FirstBank

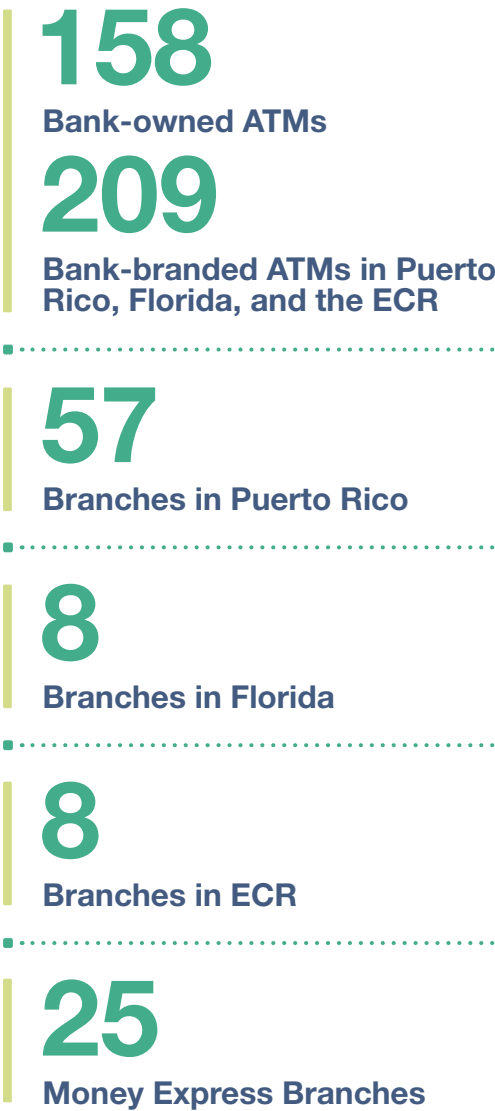
Founded in 1948, FirstBank Puerto Rico, First BanCorp’s NYSE: FBP) principal banking subsidiary, was the first savings and loan institution established in Puerto Rico. Today, we are a full-service provider of financial services and products and the second largest bank holding company headquartered in Puerto Rico, with additional operations in Florida, and in the U.S. Virgin Islands, and the British Virgin Islands (the latter two, referred collectively as the “Eastern Caribbean Region” or “ECR”).

## Employees

3,124 EMPLOYEES



## Banking Footprint<sup>1</sup>:



## Lines of Business:

- Retail Banking and Small Business
- Commercial and Corporate Banking
- Mortgage Banking
- Consumer Lending
- Auto Lending
- Insurance

## Assets:

\$19.3 billion

## Net Income:

\$298.7 million

<sup>1</sup>As of December 31, 2024



# Awards

This year, we were very fortunate to have been recognized once again by Forbes as one of America's Best Banks of 2025 and as one of the Top 50 Public Banks in the U.S. as compiled by S&P Global.

## **Puerto Rico**

We were awarded SBA Bronze Lender of the Year for the second consecutive year.

## **Florida**

Daily Business Review Best of Awards in the following categories:

- **Best Business Bank**
- **Best Bank for Commercial Real Estate Lending**
- **Best Community Bank**
- **Best Foreign National Mortgage Lenders**
- **Best Bank for Jumbo Loans**

These recognitions validate the success of our strategy and our commitment to continue delivering strong results for our shareholders and high-quality services to our customers.



*SBA Puerto Rico & US Virgin Islands District Office's 2024 Bronze Lender of the Year Award.*



*2024 Puerto Rico Lender Star Award of the Year, given by the U.S. Small Business Administration (SBA).*



*FirstBank was awarded the bronze prize in the Corporate Communications category at the 2024 SME Marketing Excellence Awards.*



# Vision

To become a financial institution recognized as the provider of outstanding customer experience by achieving the highest level of customer satisfaction and loyalty while enhancing shareholder value and supporting the communities we serve.

# Mission

Partner with our customers to achieve their financial goals through responsive, knowledgeable, and caring employees who are committed to shareholder value and the well-being of our communities.

# Values



Honesty



Commitment  
to Quality



Collaboration



Innovation



Responsibility



Community  
Involvement



Respect



Customer  
Focus



Agility

# Our Corporate Sustainability Strategy

Our corporate sustainability strategy is rooted in its long-standing mission to invest in our people, support our communities, and provide an excellent banking experience for our customers. This strategy aligns closely with the Bank's business objectives and seeks to create long-term financial value by addressing environmental, social, and economic priorities in a thoughtful and pragmatic manner.

Grounded in the belief that sustainability and business success go hand in hand, we focus our efforts on areas where we can make a measurable difference and contribute to a more resilient future. Through collaboration, innovation, and sound governance, we integrate sustainability considerations into core decision-making and daily operations across all regions. Our strategy is centered on three core pillars:

## *Environmental Stewardship*

We are committed to managing our environmental footprint by promoting energy efficiency, conserving natural resources, and implementing responsible waste and materials management practices. These efforts aim to support climate action and strengthen the resilience of the communities we serve.

## *Social Impact*

We focus on initiatives that enhance the financial well-being of individuals and communities, including access to affordable banking, customer protections, and investments in education, housing, and local economic development. Internally, we foster a culture of safety, engagement, and opportunity.

## *Economic Resilience*

We support sustainable growth by maintaining sound risk management, strengthening our lending practices, and expanding financial access. By aligning our operations with principles of transparency and accountability, we help ensure long-term value creation for our stakeholders.



*"Rescate Costero" volunteers*

Through this strategy, FirstBank views sustainability not only as a responsibility but as a lever for innovation, operational excellence, and stakeholder trust.

# Stakeholder Engagement

Understanding the perspectives of those we serve and work alongside helps us drive meaningful progress. We regularly engage with key stakeholders to ensure our sustainability initiatives remain relevant, responsive, and rooted in shared goals.

Stakeholder	Means of Communication		Sustainability Topics	
Colleagues	<ul style="list-style-type: none"><li>• Performance reviews</li><li>• Engagement surveys</li><li>• Emails</li><li>• FirstBank University</li></ul>	<ul style="list-style-type: none"><li>• Employee Assistance Program (EAP)</li><li>• Recognition program</li><li>• Internal domain sites</li></ul>	<ul style="list-style-type: none"><li>• Workplace culture</li><li>• Compensation</li><li>• Career growth and development</li></ul>	<ul style="list-style-type: none"><li>• Technology infrastructure</li></ul>
Customers	<ul style="list-style-type: none"><li>• Meetings</li><li>• Phone calls</li><li>• Emails</li></ul>	<ul style="list-style-type: none"><li>• Media</li><li>• Satisfaction surveys</li><li>• Events</li></ul>	<ul style="list-style-type: none"><li>• Customer service</li><li>• Product offerings</li><li>• Fees</li><li>• Accessibility</li><li>• Privacy and data security</li></ul>	<ul style="list-style-type: none"><li>• Communications</li><li>• Branch locations</li><li>• Product satisfaction</li></ul>
Shareholders and Investors	<ul style="list-style-type: none"><li>• Annual shareholder meeting</li><li>• Prompt correspondance</li><li>• Quarterly earnings calls</li></ul>	<ul style="list-style-type: none"><li>• Conferences</li></ul>	<ul style="list-style-type: none"><li>• Financial returns</li><li>• Human capital management</li><li>• Corporate sustainability</li></ul>	<ul style="list-style-type: none"><li>• Cybersecurity</li><li>• Company leadership</li><li>• Risk management</li><li>• Business strategy</li></ul>
Communities	<ul style="list-style-type: none"><li>• Community events</li><li>• Social media</li><li>• Grantmaking requests</li></ul>	<ul style="list-style-type: none"><li>• “I AM FIRSTBANK” volunteer program</li><li>• Conferences</li></ul>	<ul style="list-style-type: none"><li>• Affordable housing</li><li>• Community development and small business lending</li></ul>	<ul style="list-style-type: none"><li>• Volunteer support</li><li>• Climate change</li></ul>
Governments and Regulators	<ul style="list-style-type: none"><li>• Compliance reviews</li><li>• Meetings</li><li>• Seminars</li></ul>	<ul style="list-style-type: none"><li>• Phone calls</li></ul>	<ul style="list-style-type: none"><li>• Compliance with laws and regulations</li><li>• Sound governance</li></ul>	
Suppliers	<ul style="list-style-type: none"><li>• Meetings</li><li>• Phone calls</li></ul>	<ul style="list-style-type: none"><li>• Puerto Rico Minority Supplier Development Council</li></ul>	<ul style="list-style-type: none"><li>• Security management</li><li>• Human rights</li></ul>	

# II. Enhancing Customer Relationships

- Affordable Banking
- Product Development
- Accessibility Features
- Customer Engagement
- Fair and Ethical Selling Practices





# Affordable Banking

FirstBank offers a range of affordable products and services designed to meet the evolving needs of its customers. The Bank provides low-cost checking accounts, such as Cuenta UNO in Puerto Rico, the First Access Checking Account in Florida, and the Convenience Account in the U.S. Virgin Islands, which offer essential banking services with simple, clear terms. Additionally, savings products, like FirstOne and FirstTeen in Puerto Rico and First Savings and First One Savings in Florida, encourage financial responsibility from an early age, while other accounts provide flexibility for customers looking to grow their savings.

To support small businesses and entrepreneurs, FirstBank offers financing solutions, including loans guaranteed by the U.S. Small Business Administration (SBA), designed to provide accessible funding and foster economic growth. These initiatives reinforce the Bank's role in fostering local economic growth.

FirstBank is also committed to advancing financial inclusion by maintaining a strong branch presence in underserved communities. **In 2024, 18% of branches in Puerto Rico, 44% in Florida, and 57% in the U.S. Virgin Islands (USVI) were in low- and moderate-income (LMI) areas. This geographic distribution ensures services remain accessible to individuals and small businesses across the Bank's operating regions.**

*Fostering strong and lasting relationships with customers is at the heart of FirstBank's mission. By offering accessible financial solutions, ensuring exceptional service, and upholding the highest ethical standards, we strive to meet the evolving needs of those we serve.*



*FirstBank provides \$86.5M in financing to Grupo Felcon*

# Product Development

FirstBank ensures that all products and services are designed, developed, and maintained with integrity, transparency, and a strong focus on consumer protection. Every product or service offered undergoes a rigorous evaluation process to align with industry standards, regulatory requirements, and customer needs. This includes ensuring that products are free from unfair, deceptive, or abusive practices and are structured to provide clear, accessible, and responsible financial solutions.

To maintain effective oversight, FirstBank's Executive Risk Management Committee (ERMC), a management-level committee that assists the Board of Directors with oversight of the Bank's risk, plays a key role in reviewing and approving new products or services and modifications to existing ones. The depth of this risk assessment is determined by the complexity of the product or service, the potential material impact on customers, and operational considerations. The Enterprise Risk Management presents new product programs to the Board's Risk Committee. New channels and modifications that are evaluated by management are also presented to the Board's Risk Committee. For details on executive committees and Board oversight, please refer to page 60 and 61 of this report.

As part of FirstBank's commitment to responsible product lifecycle management, the Bank ensures:

**Comprehensive Due Diligence:** A thorough review is conducted before introducing any new product or service, assessing potential risks and regulatory compliance, among other factors.

**Structured Risk Management Framework:** Policies and procedures are in place to guide risk assessment for new activities and ensure alignment with corporate responsibility standards, as well as applicable policies and procedures.

**Change Management Oversight:** A structured process is used to manage and control the implementation of new operational processes, technologies, or significant product modifications.

**Performance Monitoring & Review:** Key performance indicators (KPIs) are tracked to evaluate product effectiveness, customer adoption, and risk exposure.

**Third-Party Oversight:** Continuous monitoring of vendor relationships ensures that external service providers maintain the same standards of quality, security, and compliance expected by FirstBank.



# Accessibility Features

Ensuring accessibility is a key priority in delivering an inclusive banking experience. FirstBank is committed to providing equitable access to financial services by integrating physical, digital, and customer service enhancements that support individuals with disabilities.

All of FirstBank's automated teller machines (ATMs) are equipped with braille numeric keypads and voice guidance systems available in both English and Spanish, allowing individuals with visual impairments to conduct transactions independently. Additionally, the Bank's website incorporates ADA-compliant features, including text-to-speech functionality, adjustable font sizes, enhanced color contrast, and keyboard navigation, ensuring a seamless experience for all users.

Beyond digital and physical accessibility, FirstBank also emphasizes inclusive customer support, with trained representatives available to assist individuals who may require additional accommodation when accessing banking services.



All of FirstBank's automated teller machines (ATMs) are equipped with braille numeric keypads.

# Customer Engagement

## Customer Experience

FirstBank enhances overall customer experience through a customer-centric approach driven by our Customer Experience Strategy team, and through continuous monitoring of customer service and performance metrics. The Customer Experience Strategy team evaluates and improves customer journeys to address pain points and strengthen satisfaction levels across all points of contact.

The Bank's approach to service is centered on personalized customer care, aligned with an omnichannel strategy that strikes the right balance between physical customer interactions and self-service options. In 2024, our Digital Banking app rating for iOS and Android increased from 3.3 and 3.4 to 4.7 and 4.8, respectively. Additionally, customer experience improvements are tracked through net promoter scores (NPS), service level metrics, and customer surveys, allowing for ongoing progress to improve the overall banking experience.



In 2024, our Digital Banking app rating for iOS and Android increased from **3.3** and **3.4** to **4.7** and **4.8**, respectively.

## Complaints Management Program

FirstBank's Complaint Management Program ensures timely, transparent, and compliant resolution of customer complaints across all markets. Structured under the three-lines-of-defense model, its framework and oversight are delegated among business units, compliance functions, and internal audit.

Governance of the program is exercised by the Board and Senior Management through the Complaints Management Unit (CMU). The CMU oversees daily operations and governance. Its responsibilities include coordinating complaint intake and resolution, facilitating staff training, supporting business units, and conducting trend analysis and root cause identification. The unit standardizes complaint resolution practices across the Bank in line with regulatory expectations.

The program operates in accordance with the Bank's Complaints Management Policy, which outlines the procedures, accountability structure, and escalation mechanisms required to manage complaints effectively and consistently. All complaints are logged and tracked in the Corporate Complaints Management System (CCMS), which allows for issue classification, monitoring, and escalation. As a general rule, complaints are expected to be resolved within 30 days of receipt, although timelines may be adjusted based on the complexity or regulatory nature of the case. The system issues automated alerts to ensure follow-up and avoid overdue resolutions.

The CMU reports on complaint trends, risks, and resolution metrics to the Corporate Complaints Committee quarterly. Complaints involving elevated risk, such as those related to legal issues, fair lending, or vulnerable customers, are escalated directly to management or designated departments for appropriate action. **As of April 2025, 44 business units are participating in the Corporate Complaints Management System, and 95% participated in annual trainings.**

The program includes regular reporting to the Chief Risk Officer through the Operations Center of Excellence, Compliance, Legal, Internal Audit, and the Executive Risk Management Committee and Complaints Management Committee. In addition, a quality assurance process is conducted of selected cases to assess effectiveness and consistency in resolution outcomes.

Internal Audit, acting as the third line of defense, performs independent assessments of the program's adequacy and adherence to policy. The Complaints Management Program is also subject to periodic updates and enhancements based on regulatory changes, internal feedback, and audit findings.

Through this structured approach, FirstBank aims to continuously strengthen its customer service standards, ensure regulatory compliance, and maintain a transparent, responsive process for addressing customer concerns.

# Fair & Ethical Selling Practices

## *Responsible Compensation Structure*

As a financial institution, we are subject to strict regulations for responsible sales and compensation practices. We prioritize integrity and transparency in every aspect of our sales processes, ensuring that customers receive accurate information and suitable recommendations tailored to their individual financial needs.

FirstBank fosters a culture where customer satisfaction, ethical conduct, and responsible sales practices take precedence over short-term gains. The variable incentive compensation structure is designed to support strategic business objectives while mitigating excessive risk-taking. Compensation plans seek to incorporate a balanced mix of performance goals, including portfolio growth, asset quality, digital banking enrollment, and responsible product originations.

Cross-functional oversight is embedded into the compensation framework, with collaboration across Human Resources, Finance, Enterprise Risk Management (ERM), and Compliance to assess sales evaluations, monitor budget alignment, and conduct risk assessments. Risk mitigation elements such as clawback provisions and compensation caps ensure that employee incentives align with ethical standards.

Additionally, the ERM department performs an annual risk review, ensuring that compensation structures support long-term customer relationships rather than short-term sales targets. In 2024, incentive compensation plans that were modified were reviewed by the ERM department to ensure they meet compliance and risk mitigation standards, ensuring alignment with ethical sales practices. The results of this review are presented to the Board's Compensation and Benefits Committee and the Risk Committee for final oversight and approval.

## *Sales & Lending Practices*

Fair and transparent access to financial services is a fundamental principle at FirstBank. The Bank actively encourages credit applications across all community segments, ensuring equitable lending opportunities, particularly for low- and moderate-income (LMI) individuals. FirstBank's lending practices emphasize clear disclosures, responsible underwriting, and compliance with fair lending laws such as the Equal Credit Opportunity Act.

To uphold high ethical standards, all branch and collections employees undergo annual specialized training in fair lending, sales practices, internal controls, telemarketing compliance, and protections against unfair, deceptive, or abusive acts or practices (UDAAP). **Employees in branches and collections units are required to complete Power Training sessions on fair lending and responsible sales practices.** These sessions empower employees with the knowledge to provide clear, compliant, and responsible financial guidance. Customers are informed of the reasons for loan or account application denials, as required by law.



## Responsible Marketing & Advertising

FirstBank's [Responsible Marketing Policy](#) governs all promotional activities to ensure transparency, integrity, and customer trust. Marketing communications emphasize up-front disclosure of product features, terms, fees, and conditions, empowering customers and prospects to make informed financial decisions.

To uphold the highest ethical standards, every marketing campaign or effort undergoes thorough compliance review and approval to ensure all relevant information is clear, visible, and as transparent as possible for customers to fully understand the terms and conditions of the different products, offers, and services. FirstBank's compliance program ensures that all promotional materials align with industry regulations, ethical standards, and brand accuracy.

FirstBank's marketing strategies seek to ensure that advertising reflects society as a whole, representing individuals with a wide range of backgrounds and experiences. The Bank's websites adhere to Web Content Accessibility Guidelines (WCAG) to ensure that financial information is accessible to all users.



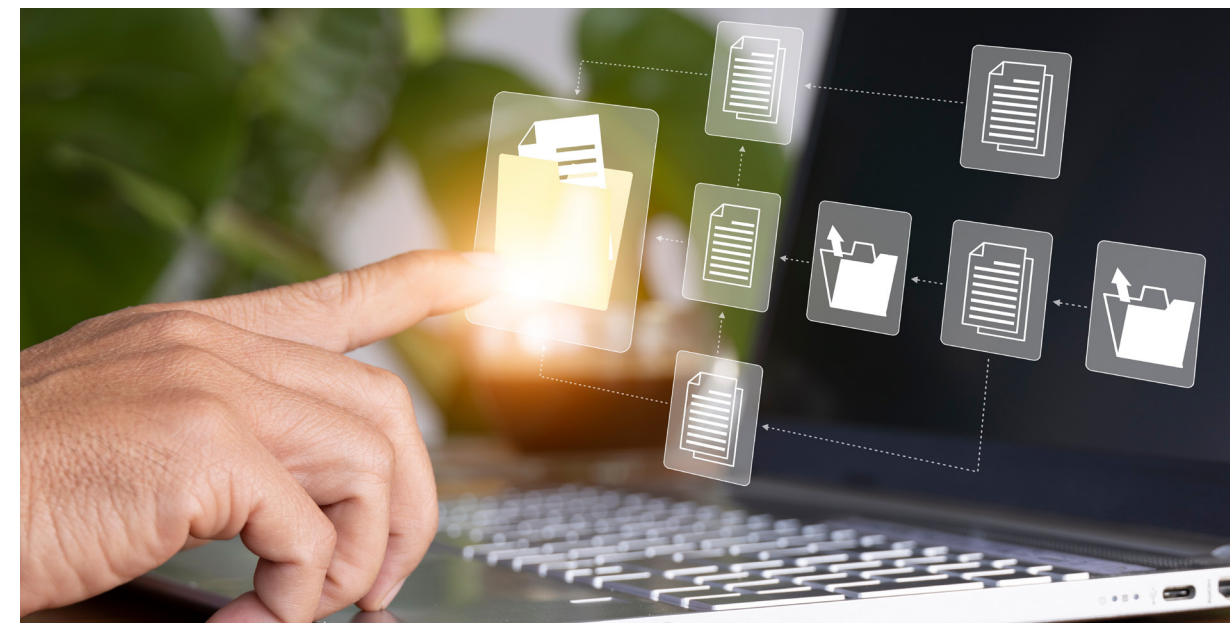
"More Than a Number – At FirstBank, You Are Our Priority"

## Debt Collection Policies & Procedures

FirstBank maintains ethical and transparent debt collection practices that align to industry regulations and prioritize fairness in customer interactions. Employees are trained to handle collections with empathy, professionalism, and respect, ensuring compliance with established guidelines for communication, documentation, and resolution strategies.

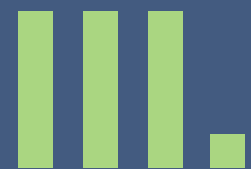
To assist customers experiencing financial hardship, FirstBank offers loss mitigation programs, including debt restructuring and payment plans, aimed at supporting long-term financial recovery. These programs align with Federal Financial Institutions Examination Council, Uniform Retail Credit Classification and Account Management Policy guidelines, ensuring regulatory compliance while maintaining customer dignity.

In 2024, 100% of eligible employees completed Fair Debt Collection Practices training. This training ensures that all employees handling collections adhere to regulatory requirements and internal standards, reinforcing the Bank's commitment to ethical debt resolution.



In 2024, **100% of eligible employees** completed Fair Debt Collection Practices training.





# Investing In Communities & Economic Development

Investing in Economic  
Development

Investing in  
Communities



*FirstBank supports the long-term economic vitality of the regions it serves through inclusive lending, strategic investments, and proactive community engagement. Our approach to community development emphasizes financial inclusion, small business support, neighborhood revitalization, and collaboration with nonprofit and public-sector partners.*

# Investing in Economic Development

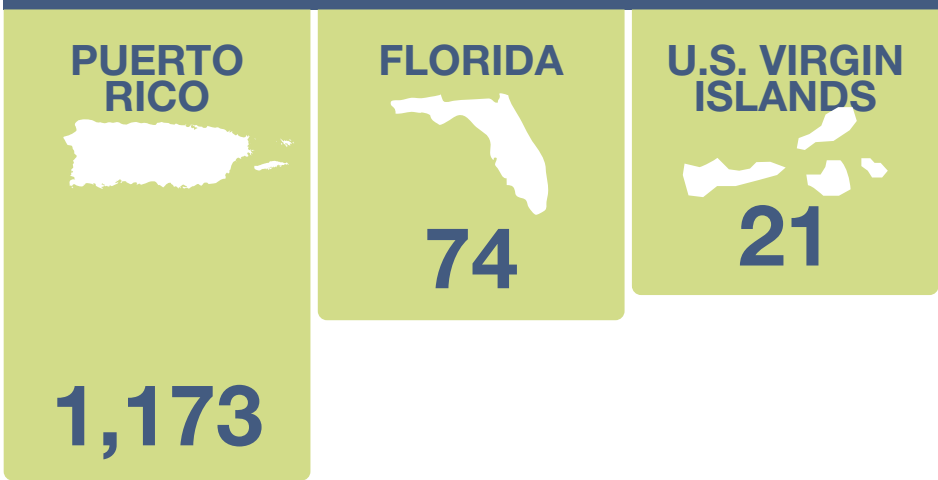
## Small Business Development

Small businesses drive local economies and represent a large portion of employment and community investment, especially in regions like Puerto Rico, the Eastern Caribbean Region, and Florida. As a commercial bank, FirstBank recognizes that access to capital remains one of the greatest challenges for these small businesses. FirstBank's small business lending strategy focuses on bridging that gap with flexible financing solutions that support long-term stability and growth. As of December 31, 2024, the Bank originated **1,268 loans under \$1 million**, totaling approximately **\$154 million** in support of small enterprises.



FirstBank grants refinancing to Hipódromo Camarero

## Number of 2024 CRA-Related Small Business Loan Originations



### 2024 Small Business Recovery Grant

In early 2024, FirstBank participated in the Federal Home Loan Bank of New York's Small Business Recovery Grant (SBRG) program that provided \$5 million in grant funding to support small businesses, including farms and nonprofit organizations. The program offered grants up to \$10,000 per eligible recipient, with a maximum of \$50,000 allocated per member institution. These grants aimed to assist small businesses facing economic challenges due to factors such as the rate environment, inflation, supply-chain constraints, and rising energy costs.

### Small Business Administration – Guaranteed Loans

As a U.S. Small Business Administration (SBA) certified and preferred lender, FirstBank offers expedited approval for SBA-backed loans. In 2024, we originated 62 SBA and State Small Business Credit Initiative (SSBCI) guaranteed loans, for an aggregate amount of \$17 million across our operating regions, an increase of \$3 million from the previous year. These included programs such as:

- Preferred Lender Program
- Certified Lender Program
- SBA Express
- Export Express
- CAPLines
- SSBCI (including projects through the Virgin Islands Economic Development Authority)

These tools enhance small businesses' access to long-term financing, while reducing risk exposure for the Bank.

## Recognition & Impact

FirstBank received the 2024 SBA Puerto Rico and Virgin Islands District Office Bronze Lender of the Year and 2024 Puerto Rico Star Lender of the Year awards. Eduardo Díaz Argimón, a FirstBank client, was named SBA Small Business Owner of the Year for Puerto Rico for his veterinary practice expansion and community contributions.



*FirstBank supports the acquisition of Caparra Animal Hospital by Dr. Eduardo Díaz Argimón*

Community Reinvestment Act

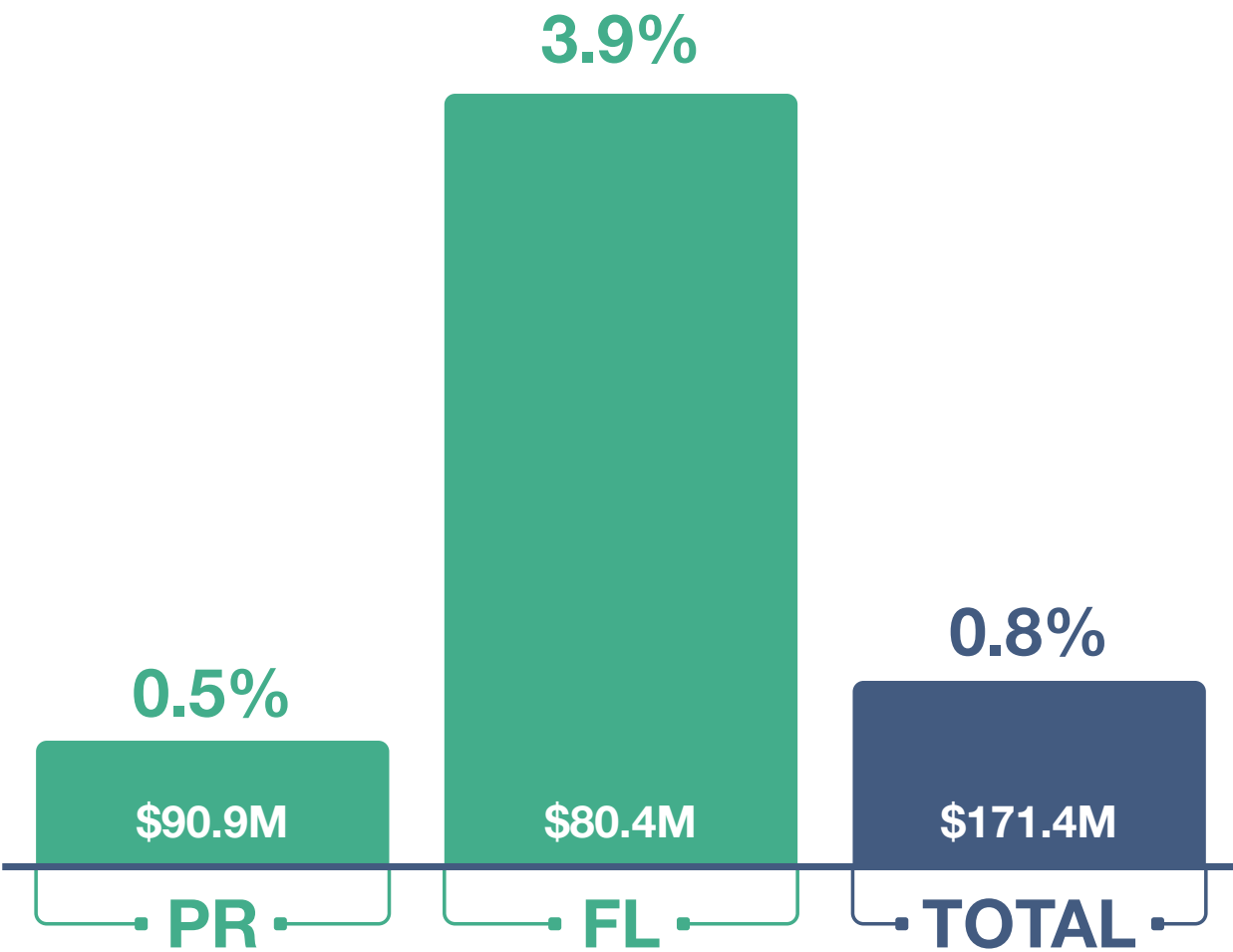
The Community Reinvestment Act (CRA) plays a critical role in guiding FirstBank’s efforts to serve the credit needs of all communities, including low- and-moderate income (LMI) areas. Through CRA-aligned investments, lending, and service initiatives, the Bank helps support affordable housing, economic development, and neighborhood revitalization across its regions. These efforts reflect a long-standing commitment to equitable access to financial resources and community-focused growth.

Consumer Lending within LMI Communities

Our consumer lending strategy supports individuals and families in LMI areas, helping them meet essential needs and build financial resilience. Through responsible lending practices and targeted outreach, we aim to reduce barriers and provide equitable opportunities for economic stability. **In 2024, 26% of our consumer loan originations were granted in LMI areas by census track and 47% by borrower income.**

CRA Investments

As part of its CRA strategy, FirstBank channels investments into vehicles that expand access to affordable housing and catalyze economic activity in underserved areas. As of December 31, 2024, FirstBank held **\$171 million in CRA-qualified investments**, representing **0.82% of total assets**. Qualified investments may be in the form of grants of cash or cash equivalents; deposits; purchases of certain securities or bonds; Fannie Mae Delegated Underwriting and Servicing (“DUS Bonds”); certified community development financial institutions (“CDFIs”); SBA licensed Small Business Investment Companies (“SBICs”); or certain in-kind donations of property or goods.





Community Development Lending

Community development lending plays a vital role in strengthening the local economy, creating jobs, and improving living conditions across FirstBank’s operating regions. As of December 31, 2024, FirstBank originated **66 community development loans, totaling \$781 million**, which represents a 66.5% increase as compared to 2023. These loans support:

- Affordable housing development and rehabilitation
- Infrastructure investments in LMI areas
- Disaster recovery and neighborhood stabilization
- Job creation through commercial and community-based projects

By financing projects with long-term social impact, FirstBank reinforces its commitment to economic growth and resilience.

Community Development Lending

PUERTO RICO

50

FLORIDA

10

U.S. VIRGIN ISLANDS

6

Community Development Highlights

**Puerto Rico:** Reyes Contractor Group Inc. received funding to support public housing repairs and school improvements, helping revitalize essential community infrastructure.

**Florida:** Lenbek LLC acquired the Royal Kids of Hollywood Learning Center, expanding access to early childhood education and generating local employment in Hollywood, FL.

**USVI:** VI Water and Power Authority (WAPA) secured renewed credit to strengthen utility infrastructure, ensuring reliable water and energy access for communities recovering from hurricanes Irma and Maria.



FirstBank Corporate Banking:  
Construction Lending Team



## Investing in Economic Development: Highlights

*Junte Boricua FirstBank floats*

### Junte Boricua

FirstBank partnered with GFR Media to launch Junte Boricua, a cultural and economic initiative that welcomed thousands of Puerto Ricans from the diaspora to reconnect with their roots while boosting the local economy through a series of events held across 78 municipalities. The program featured over 100 activities, including festivals, artisan markets, live music, and traditional food fairs, highlighting the island’s cultural richness and community pride. The event drew more than 50,000 additional visitors to Puerto Rico and generated an estimated \$75 million in local economic activity benefiting local businesses, artists, and tourism sectors across Puerto Rico.





*EDB and FirstBank close first SSBCI loan*

## ***Investing in Economic Development: Highlights***

### **Public-Private Partnership to Advance Small Business Growth**

In 2024, FirstBank became the first bank to close a financing deal with Puerto Rico's Economic Development Bank (EDB) under the State Small Business Credit Initiative (SSBCI), expanding access to capital for underserved entrepreneurs. The initiative includes two main alternatives, a Loan Participation Program, which allows the Bank to share risk with the public sector by having the EDB participate in eligible loans, and the second, a Collateral Support Program, in which the EDB provides cash collateral to help banks approve loans that lack enough security. By easing traditional lending constraints, the program strengthens small business resilience, supports long-term growth, and advances inclusive economic development across Puerto Rico.

# Investing in Communities

## Affordable Housing

Affordable housing lending is designed to create inclusive, sustainable communities where all individuals and families have the opportunity to thrive. FirstBank offers a range of government-backed mortgage programs to support first-time homebuyers and income-qualified borrowers:

- **FHA Loans:** Backed by the Federal Housing Administration, these loans support eligible borrowers with lower down payment requirements and more flexible credit criteria.
- **VA Loans:** Guaranteed by the U.S. Department of Veterans Affairs, VA loans provide eligible veterans and active-duty service members with financing options of up to 100% of a property’s appraised value.
- **USDA Rural Housing Loans:** As an approved lender under the Rural Economic and Community Development Program, FirstBank supports income-qualified homebuyers in designated rural areas through 100% financing options.

As of December 31, 2024, the Bank closed **827 federally guaranteed loans** totaling **\$141 million** in residential mortgage originations.



Affordable Housing projects

\$98M

Federal Housing  
Administration (FHA)  
599

\$18M

Rural Housing  
114

\$25M

Veterans Affairs (VA)  
114

Homebuying Assistance Programs

*FHLBNY Homebuyer Dream Program PLUS*

In 2024, FirstBank participated in the Federal Home Loan Bank of New York’s Homebuyer Dream Program, which provides grants for down payment, closing costs, and defrayment of nonprofit counseling agency-costs to help individuals purchase their first home. **FirstBank facilitated three loans, providing a total of \$58,500 in grants to first-time homebuyers in Puerto Rico and the U.S. Virgin Islands.**

*Community Development Block Grant (CDBG) Program*

The CDBG Program is a federally funded initiative that supports affordable homeownership for LMI individuals by providing financial assistance of up to \$55,000 per eligible household. Administered in partnership with local municipalities, the program helps cover down payments and other purchase-related costs, making homeownership more accessible to first-time buyers. Through a dedicated Mortgage Unit team that expedites loan processing, **FirstBank supported 342 families in Puerto Rico in purchasing their first home, disbursing over \$30.4 million in mortgage funding during 2024.**

*Community Lending Program*

To further expand access to homeownership, FirstBank launched a community lending program in our Florida region to assist borrowers in LMI areas. The program offers reduced down payment requirements and affordable, accessible loan terms tailored to meet the needs of underserved communities.

Development of Affordable Housing

FirstBank plays an active role in financing large-scale affordable housing projects across the region, supporting public policy objectives like the State Housing Plan and Puerto Rico’s Disaster Recovery Action Plan.

*Bridge Financing Support*

FirstBank is a proud partner of the Affordable Housing Fund for Puerto Rico (AHFPR), supporting the Bridge Financing Loan Fund. This initiative offers temporary financing to nonprofit developers awaiting federal or state reimbursements, ensuring uninterrupted construction and rehabilitation of affordable housing for vulnerable populations.

These efforts help close homeownership gaps and contribute to stronger, more resilient neighborhoods.

*Affordable Housing Development Highlights: Puerto Rico*

**Vista al Norte:** A \$21.5 million construction loan supported the development of 102 low-income rental units, offering resilient housing for families impacted by hurricanes.

**Brisas del Mar Village:** A \$27.5 million loan funded the construction of 123 affordable rental homes, with 12% of units accessible to individuals with mobility challenges and 3% equipped for sensory disabilities.

**Casa Bella Resort Living:** A \$2.7 million loan enabled expansion of an assisted living facility for older adults, adding 29 new units.

## Education & Financial Empowerment

FirstBank's education and financial empowerment efforts support individuals at every stage of life. Through scholarships, internship programs, financial literacy workshops, among others, the Bank seeks to promote access to opportunity and economic mobility.

### Financial Literacy Education

Educating individuals about financial matters is central to FirstBank's commitment to strengthening communities. We promote financial access and inclusion by offering comprehensive financial literacy seminars to our communities. Our Financial Literacy Program focuses on building foundational skills in budgeting, saving, credit management, and fraud prevention, particularly among underserved communities.

In 2024, our colleagues conducted **306 financial education workshops**, dedicating over **326 hours** across Puerto Rico, the U.S. Virgin Islands, and Florida. In Puerto Rico, our workshops impacted thirty-six (36) municipalities. These sessions reached close to **6,500 individuals** of all ages, with workshops delivered in public schools, elderly homes, public housing projects, small businesses, and LMI neighborhoods.

### Supporting Seniors

Recognizing the vulnerability of the elderly population to fraud and the ongoing digital divide, we launched targeted financial education sessions for our customers over 50 years old in collaboration with "TecnoAbuelos," a local nonprofit dedicated to bridging the digital divide for Puerto Rico's senior population. Through this collaboration, participants learned how to safely navigate online banking tools, recognize scams, and use mobile apps with confidence. This initiative was supported by ongoing fraud campaigns across our social media channels.



YOU First College Program

Our YOU First College Program is designed to support students in their academic and career development through scholarships and real-world learning experiences, made possible by strategic alliances with various universities in Puerto Rico. **Since the program's inception in 2021, we have granted over \$260,000 in scholarships and provided direct support to 113 students.**



YOU F1rst Scholarship Award Ceremony

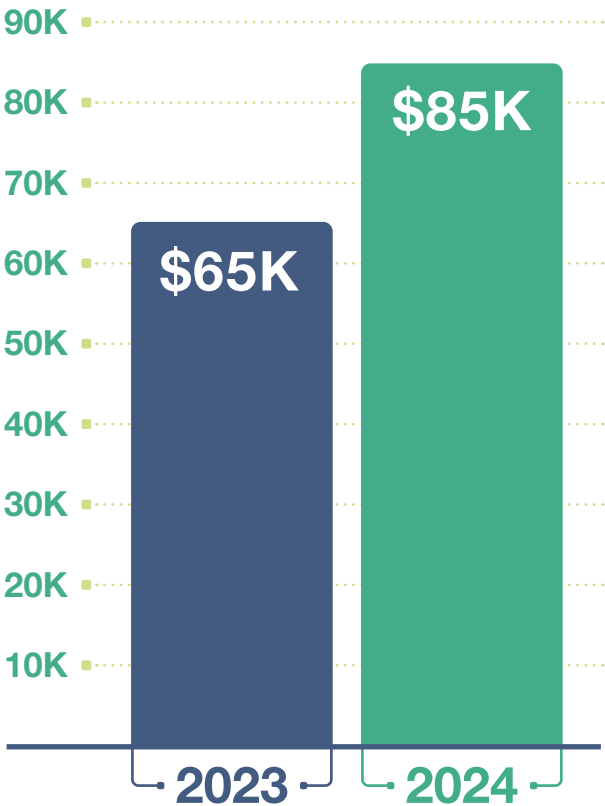
YOU F1rst Scholarship

**In 2024, FirstBank awarded \$85,000 in scholarships to 34 students** with strong academic performance and limited financial resources. The scholarships were granted in partnership with key academic institutions, including:

- University of Puerto Rico Río Piedras, Mayagüez and Arecibo Campus
- Ana G. Méndez University System
- Interamerican University Bayamon, San German and Metropolitan Campus
- Sacred Heart University
- Polytechnic University of Puerto Rico
- Catholic University of Puerto Rico

This initiative reflects FirstBank’s long-standing commitment to education and talent development, helping students receive the support they need to achieve their academic and professional goals.

YOU F1rst Scholarship



*First Internship Program*

Since 2011, the First Internship Program has served as one of our most effective recruiting tools for emerging professionals, offering hands-on experience and exposure to the banking sector. As part of our process, we participate in university-hosted events across the island and professional associations such as Information Systems Audit and Control Association (ISACA). In 2024, we hosted spring and summer sessions with participation from **20 student interns** who worked on projects related to business operations, optimization, and systems automation.

**Two interns accepted full-time roles at FirstBank; seven received extended project-based contracts.**



*“The Outfit” closet in the University of Puerto Rico- Río Piedras*



*First Internship Program Events*

*The Outfit*

As part of the You First College Program, “The Outfit” initiative provides University of Puerto Rico students on the Río Piedras campus access to professional attire for job interviews, internships, and career-related events. Through generous donations from our managers and executives, a dedicated on-campus space was created where students can select clothing free of charge, helping to reduce financial barriers as they enter the workforce. “The Outfit” reflects our commitment to supporting students beyond the classroom, fostering career readiness and professional development opportunities.



Philanthropy & Volunteerism



UNO te da la Mano anual volunteer event

Giving back to the community is one of our core values, embedded in the institution’s mission to promote sustainable and inclusive growth. We are committed to making a positive and meaningful impact beyond our organizational boundaries. Through a strategic combination of corporate donations, community partnerships, support for entrepreneurship, and employee volunteerism, we are focused on contributing to the well-being, empowerment, and resilience of the communities we serve in Puerto Rico, Florida, and the ECR.

Corporate Donations

Our corporate donations strategy focuses on empowering nonprofit organizations that advance housing, education, food security, health services, and community resilience. In 2024, this support reached a wide range of organizations addressing both urgent and long-term needs. We believe that nonprofit organizations are vital engines of social transformation and that corporate support is more than philanthropy—it is a long-term investment in the social and economic resilience of the communities we serve.

In 2024, we granted **221 donations** for a total of **~\$1.4 million**, across regions. In addition to financial contributions, FirstBank donated ~\$51,600 in in-kind support during 2024, including the use of branch and office spaces, equipment donations, and electronics to support nonprofit operations and community events.

PUERTO RICO



~\$1.1M

in 145 donations

FLORIDA



~\$157K

in 37 donations

U.S. VIRGIN ISLANDS



~\$112K

in 39 donations

## Highlighted Contributions

### Puerto Rico

**Habitat for Humanity of Puerto Rico:** Supported multiple housing rehabilitation initiatives, including the Women Build project and the “Un Toque de Cariño” Homeownership Program. Employees also participated in fundraising events such as the Puerto Rico Open and Plaza Las Américas outreach activities.

**Comedor de la Kennedy (San Juan):** Assisted with food security efforts, funding hot meals and essential supplies for over 5,000 elderly and children weekly. Employees also volunteered to support food packaging and delivery.



**Techos Pa’ Mi Gente:** Provided funds to reconstruct a family home in Peñuelas post-Hurricane Maria, enabling safe and dignified living conditions. The Bank also donated

the venue for the organization’s 2024 employee holiday event and supported its 5K fundraiser.



**Veteranos Combatientes de Arroyo:** Contributed to accessibility upgrades, including the purchase of an elevator and restroom renovations, to better serve veterans with disabilities.

**Plenitud PR:** Funded a bamboo construction training initiative for 10 individuals in Las Marías, promoting sustainable building practices and workforce development.

**Padre Venard Shelter:** Supported the installation of a therapeutic garden for the homeless and

participated in facility beautification through employee volunteering.



### U.S. Virgin Islands

**Community Foundation of the Virgin Islands (CFVI):** Supported the Angels Community philanthropic network and contributed to cancer patient assistance programs in the territory.

**Salvation Army, U.S. Virgin Islands:** Provided funding to sustain daily meal programs for vulnerable populations in St. Thomas.

### Florida

**Gang Alternatives, Inc.:** Funded the “Building Leaders of Character” program, serving

at-risk youth in Little Haiti through academic, life skills, and mentorship initiatives.

**Centro Campesino Farmworker Center:** Sponsored bilingual homebuyer education workshops and HUD-certified counseling to support immigrant and agricultural worker communities.



## Community Partnerships

### *United Way Puerto Rico*

We have been a long-time partner of United Way Puerto Rico and one of its Top 25 corporate supporters. In 2024, **30% of eligible colleagues** donated to United Way Puerto Rico through payroll deductions. This support provides critical funding to dozens of nonprofit organizations delivering frontline services in education, health, and financial stability.

### *Nonprofit Leadership Seminar*

Recognizing the value of strengthening the nonprofit sector's capabilities, in September 2024 we hosted the "Workshop for Nonprofit Organizations: Past, Present, and Future" seminar in Puerto Rico, in partnership with the Puerto Rico Certified Public Accounting Society. **Sixty-eight organizations** participated, and topics included the following:

- Tax exemption requirements and benefits
- Environmental, Social and Governance (ESG) and impact measurement
- Unrelated business income considerations
- Nonprofit strategy and capacity building

This initiative reflects our ongoing commitment to capacity building and knowledge sharing in support of Puerto Rico's third sector.

## Supporting Entrepreneurship

### *EnterPRize Business Competition*

In 2024, we continued with our multi-year collaboration with Grupo Guayacán to support the EnterPRize business-building competition, which empowers start-ups with training, mentorship, and capital. Grupo Guayacán is a private-sector nonprofit organization whose mission is to foster, promote, and develop private equity in Puerto Rico. Through our alliance, we awarded a special cash prize of \$20,000 in the Environment & Conservation category to Eco Arenas Vidrio Co, a glass recycling company turning waste into consumer products.

To date, we have contributed more than \$212,500 in support to EnterPRize and its participants. In addition to financial contributions, our Commercial Banking colleagues provided personalized coaching on topics such as financial management, pricing strategy, and business resilience.



*EnterPRize "Uno con el ambiente" award*

### *Entrepreneurship-Focused Giving*

Beyond EnterPRize, we supported several nonprofit organizations that promote entrepreneurship and economic inclusion:



- **Centro Sor Isolina Ferré:**

Co-sponsored the “Move Up” initiative, a business training and microgrant program that supported 16 early-stage entrepreneurs across San Juan, Ponce, and Guayama.



- **Centro Para Puerto Rico (Fundación Sila M. Calderón):**

Funded the “Programa de Formación Empresarial Rural Comunitario,” which trained residents from over 40 underserved rural communities in business planning, self-sufficiency, and economic empowerment.



- **Centro Microempresas y Tecnologías Agrícolas Sustentables (CMTAS):**

Funded staffing support for sustainable agriculture training programs targeting socioeconomically disadvantaged entrepreneurs in the island’s southern region.

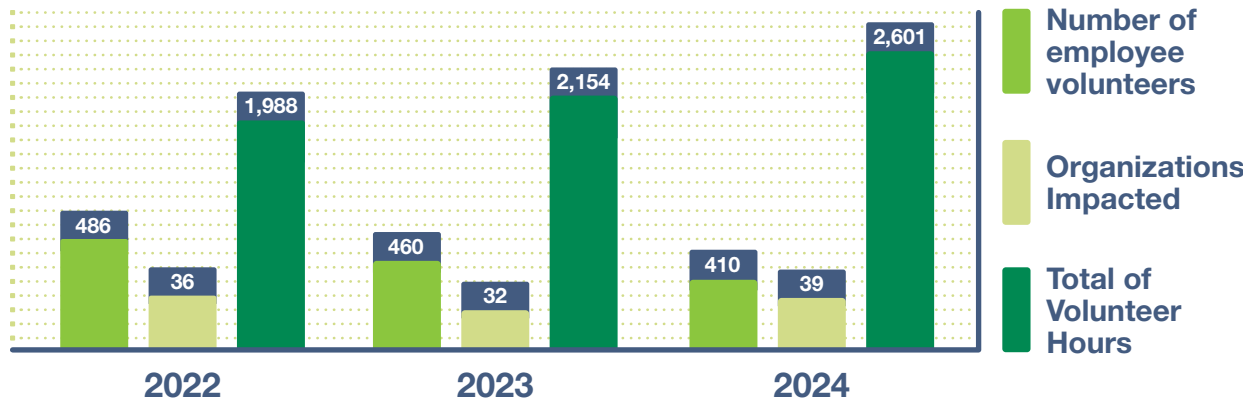
These efforts reflect FirstBank’s holistic approach to community reinvestment—going beyond traditional banking to help individuals launch and grow sustainable businesses.

Volunteer Program – “UNO te da la Mano”

Our employee volunteer program, "UNO te da la Mano," provides our colleagues with the opportunity to engage meaningfully in their communities. The program includes year-round participation in initiatives with nonprofit organizations, as well as an annual corporate-wide event where teams across regions dedicate time to service. **In 2024, our colleagues donated 2,600 volunteer hours and impacted 39 organizations across all regions.**



FirstBank’s volunteers



Community Engagement & Public Feedback

FirstBank builds meaningful impact through consistent engagement with nonprofit and civic organizations. These partnerships go beyond regulatory requirements and help us understand and address evolving community needs. As part of this commitment, FirstBank regularly hosts meetings with community groups to assess local priorities and explore partnership opportunities. The Bank also gathers and reviews community feedback to improve products, services, and outreach strategies, as well as encourage our colleague's participation on nonprofit board of directors and through volunteer programs.

In 2024, **33 colleagues** across Puerto Rico, Florida, and the ECR served on the board of directors of nonprofit organizations, contributing over **3,300 hours** in support of local initiatives. Their involvement included financial coaching, technical support, organizing fundraising events, advising on credit decisions, and contributing to administrative planning. Supported organizations span a wide range of sectors, including education, housing, youth development, and financial empowerment—such as Habitat for Humanity, Boys & Girls Club, VI Housing Authority, and others.

Through corporate philanthropy, partnerships, entrepreneurship support, and volunteerism, FirstBank continues to elevate its social impact and deepen its connection with the communities it proudly serves.

# IV.

## Cultivating a Purpose-Driven Workforce

- Holistic Employee Wellbeing
  - Empowering Career Development
  - Workplace Culture





*The Experience of Being ONE is our employee value proposition, which represents our people-first culture. We strive to create a workplace where our colleagues feel respected, supported, and empowered to thrive. Internal culture is guided by the belief that when people feel valued, heard, and that they truly belong, they bring their best self to work—contributing not only to the Corporation's long-term financial success, but also to the strength of our communities.*

## Holistic Employee Well-Being

### **First BanCorp Total Rewards Program**

FirstBank supports its workforce through a comprehensive Total Rewards Program designed to attract, retain, and reward top talent. The program leverages market data to ensure competitive base salaries and benefits, while offering performance-based variable pay programs for eligible positions. To maintain this standard, we proactively adjust our compensation structures and periodically review our minimum wage levels.

In line with this commitment, in 2024 our total compensation investment increased by 8% compared to the previous year. Actions taken included cumulative salary adjustments that reflect an investment of over \$15 million across 2023 and 2024. These enhancements are part of our strategic efforts to recognize employee contributions, promote pay equity, and strengthen our position as an employer of choice in the markets in which we operate.

The benefits package continues to offer a robust suite of options, including health and dental insurance, life and disability coverage, a 401(k)-retirement plan with employer matching, and access to a stock purchase program. In 2024, **85% of our colleagues participated in the health plan, and 87.2% contributed to the 401(k)-retirement plan.**



*FirstBank well-being initiatives*

Supporting Families

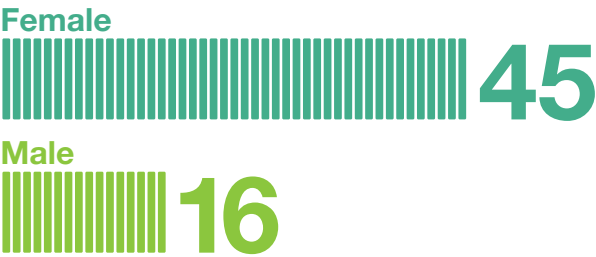
Our Corporation is committed to supporting our colleagues during pivotal life events through comprehensive family leave benefits and a culture of solidarity. In 2024, 18 colleagues utilized the marriage leave. Additionally, 160 colleagues took bereavement leaves, and 135 accessed the Family and Medical Leave Act (FMLA). Our current paid parental leave includes eight weeks for new mothers and 15 days for new fathers.

In addition, the Corporation continued its unique sick day donation program. In 2024, four employees received donated sick leave, while 65 employees donated a total of 98 days from their unused leave balances, reinforcing a culture of mutual care and support among colleagues.

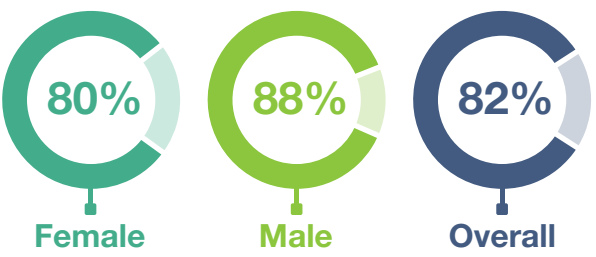
Parental Leave

2024

Total number of employees who took parental leave, by gender:



Retention rate, by gender of employees who took parental leave:



<sup>2</sup> Not a unique count

Employee Well-Being

FirstBank’s Health and Wellness Program remained a cornerstone of its people strategy. In 2024, 238 wellness initiatives were conducted, resulting in more than **17,600 working hours** dedicated to well-being. These initiatives spanned five interdependent wellness dimensions:

- **Health:** preventive care programs, vaccination and cardiovascular clinics, and informational booths.
- **Emotional:** mental health workshops and yoga sessions.
- **Physical:** kickboxing, circuit training, and ergo breaks.
- **Financial:** workshops on 401(k) planning, retirement strategies, and investing.
- **Social:** 22 team-based or community-driven wellness actions.

We received more than **12,500 participations<sup>2</sup>** in these wellness activities throughout the year.

Notable 2024 enhancements included the implementation of chiropractic care and massage therapy at corporate offices to help address musculoskeletal concerns. FirstBank also opened new pickleball courts to promote active lifestyles and employee engagement.

## Health & Safety

Protecting the safety and well-being of our colleagues is fundamental to how we operate. Our Facilities team ensures that every area of our offices has designated personnel trained to lead emergency evacuations and conduct annual safety drills.

Through our 1Health Services Program, we offer access to on-site clinics in two of our corporate buildings. The clinics provide a range of occupational health services, including evaluations of workplace accidents, vital sign checks, physical exams, and referrals for emotional health or workers' compensation. In cases of work-related injuries, 1Health Services determines eligibility for coverage under Puerto Rico's State Insurance Corporation and reports qualifying cases in accordance with OSHA 300 guidelines.

## Mental Health Support

The mental and emotional health of employees remains a core priority. In 2024, **139 branch managers completed Mental Health First Aid certification**, expanding frontline mental health support capacity across the Bank's network. The Bank's Employee Assistance Program (EAP) continues to provide 24/7 access to licensed professionals for employees and their families.

## Promoting Work-Life Balance

We continue to embrace flexible work arrangements to support a balanced professional and personal life. Hybrid work models remain in place across applicable departments, and client-facing units have implemented alternating work schedules on Saturdays and holidays. These measures are part of an ongoing effort to increase flexibility, reduce burnout, and strengthen employee satisfaction.





# Empowering Career Development

## Learning & Development Opportunities

At FirstBank, learning is considered a pillar of professional growth and business success. Through multiple programs, the Bank promotes a culture of continuous learning and career development across all levels of the organization. The Talent Management Department, within the Human Resources Division, spearheads training and development initiatives that strengthen skills, prepare employees for future opportunities, and ensure alignment with the Bank’s strategic goals.

Each year, the Bank assesses workforce needs and develops a comprehensive Training and Development Plan. This plan outlines internal and external offerings—including face-to-face sessions, virtual and online learning, professional certifications, and special development projects—accessible through FirstBank University, a corporate learning platform housed within the FirstTalent Center. Learning opportunities are structured around five key focus areas:

- Governance and Compliance
- Fundamentals
- Leadership
- Professional Development
- Specialized and Technical Development

All regular full-time and part-time employees are expected to complete at least 24 hours of training annually, combining mandatory and elective courses. In 2024, employees across all regions completed more than **109,700 hours of training**, with an average of 31 hours of training per employee. FirstBank invested an average of **\$147 per colleague in learning and development opportunities**.



FirstBank's training courses



## FirstBank University & Development Tools

Through FirstBank University, the Bank offers over 8,000 development resources, from technical training to soft skills development. The program is designed to empower employees throughout every stage of their career, serving as the hub for various growth opportunities including job rotations, mentorships, leadership development, and strategic project assignments.

Among the tools available is the Educational Reimbursement Plan, which supports employees pursuing undergraduate and graduate degrees in areas aligned with business such as finance, management, economics, and information systems. The plan reimburses up to \$100 per credit for bachelor's programs and \$150 per credit for master's programs, with reimbursement levels determined by academic performance. In 2024, 12 colleagues benefited from tuition reimbursement with an investment of approximately \$23,700.



Leadership Development trainings



## Leadership Development

Leadership training is key to building a strong pipeline of capable managers. To equip managers and supervisors with the tools to lead effectively, FirstBank offers two structured development paths:

- **Lead the Way:** Tailored for new supervisors, this program equips them with essential leadership and Human Resources skills. **In 2024, 33 new supervisors participated in Lead the Way for a total of 792 hours.**
- **FirstLeadership Development Program:** Designed for seasoned managers, it deepens leadership effectiveness through soft skills and advanced management training. **In 2024, 21 managers participated for a total of 504 hours.**

Additionally, the Bank launched a Mentoring Program focused on targeted skills development and career growth. This program is open to individuals seeking targeted training and guidance to enhance specific aspects of their careers. Mentees are carefully matched with leaders who can guide their development through a guided process.

FirstBank also offers a Coaching Program, which complements this offering by providing tailored consultative support to employees looking to sharpen specific leadership or management competencies. It is open to those who seek special consultative support in key areas of their careers. This program's objectives are to retain talented employees, improve leadership competencies and readiness of the internal talent pool. Coaching may be offered internally through peer leaders or externally by certified professionals.



## Learning Week



### FirstBank's learning events

Each year, FirstBank hosts Learning Week, a corporate-wide event that promotes professional and personal growth through interactive workshops, expert panels, and educational sessions. The week promotes a culture of development and encourages employees to explore new learning paths. **In 2024, we hosted 26 sessions with a total of 647 participants for 2,143 hours.**

By investing in robust learning frameworks, FirstBank cultivates a workforce equipped to adapt, lead, and innovate within a rapidly evolving financial landscape.





# Workplace Culture

## Recognizing the Best of One

At FirstBank, we foster a work environment where our FirstBankers feel valued for the work they do, for their talents and contributions to the success of the business. We offer a variety of programs designed to recognize and appreciate our FirstBankers. From peer recognition to leadership engagement, these programs foster a sense of connection and appreciation across the organization.

**Volunteer Recognition:** Each year, we recognize and celebrate those colleagues who give back to our communities, including department-wide acknowledgments for high volunteer engagement.

**The Best of ONE Awards:** FirstBank’s flagship nomination-based recognition program celebrates excellence in performance, innovation, customer service, and community service. In 2024, 101 colleagues were recognized across categories including Best Producer of Sales, Customer Service, One with Our Community, Best in Innovation and Efficiency, and the President’s Award, All for One.

**We are ONE:** This peer recognition initiative encourages FirstBankers to highlight each other’s contributions and achievements. More than 80% of our FirstBankers were appreciated and recognized by their colleagues.

**Unit Programs:** These programs are designed to empower managers with a structured way to recognize and celebrate achievements, reinforcing organizational values and commitment of their respective departments and units.

**Milestone Celebrations:** We recognize employees’ work anniversaries in five-year increments with commemorative pins, culminating in artisan-made pieces and a special event for FirstBankers who reach 35 and 40 years of service.



Culture and engagement events







*Evolving the Employee Experience*

We continually seek to understand the needs and experiences of our FirstBankers through focus groups and engagement surveys, which help identify strengths and areas of opportunity. These insights shape action plans at both the corporate and departmental level. While engagement surveys are typically conducted annually, First BanCorp remains agile and responsive to operational realities, ensuring continuity in providing FirstBankers with the tools they need to be successful and engaged. As a result of our survey conducted in 2023, our Corporate Engagement Committees identified key efforts and focus areas to continue optimizing the Experience of Being 1.

*Employee Recognition initiatives*





Advancing Opportunities

We believe opportunities start with creating an environment where employees have the tools and support to succeed based on their talents and contributions. Our approach to career development and performance management is rooted in transparency, accountability, and continuous growth.

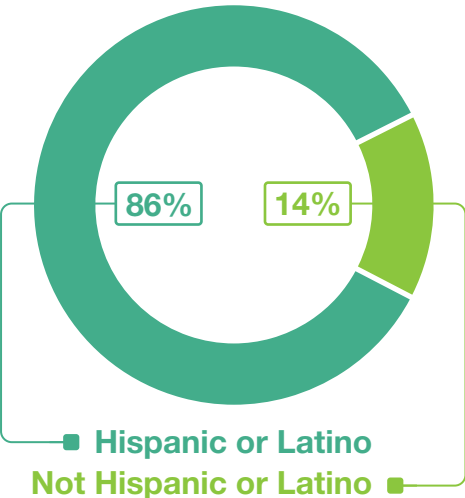
The Performance Management Program (PMP) is designed to align individual goals with the strategic priorities of the organization. At the beginning of each year, colleagues set their goals and review them in collaboration with their supervisors. These goals are revisited periodically through mid-year checkpoints and a formal year-end assessment that includes a self-evaluation

and supervisor feedback. This structure promotes clarity, encourages open communication, and reinforces a culture of continuous improvement. In 2024, 86% of our colleagues participated in the PMP.

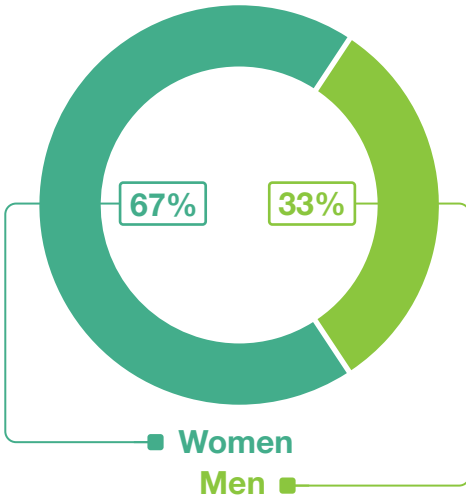
The Corporation continues to review programs and policies to ensure they meet the evolving needs of the workforce and reflect the diverse strengths of the team. By aligning talent strategy with our vision, mission, and values, we aim to build a workplace where everyone has the opportunity to grow, thrive, and contribute to First BanCorp's long-term success.

Workforce Composition Metrics<sup>3</sup>

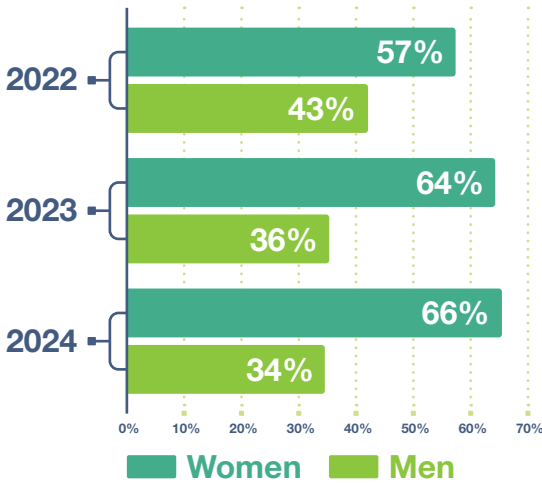
Workforce Ethnicity



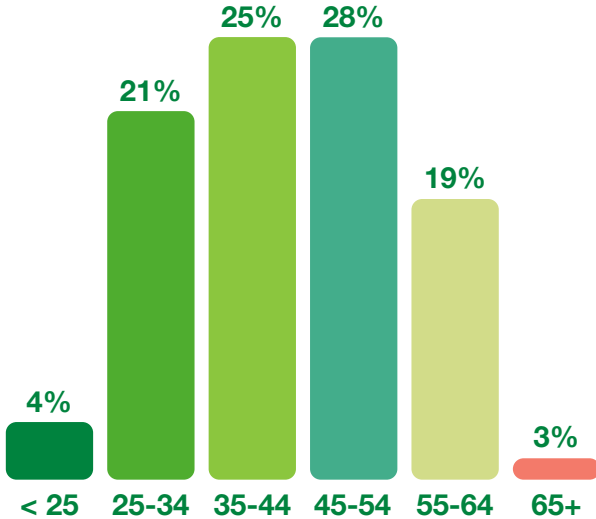
Gender Distribution



Management by Gender



Age Distribution



<sup>3</sup> Data is self-reported and represents our total workforce



Recruitment & Retention

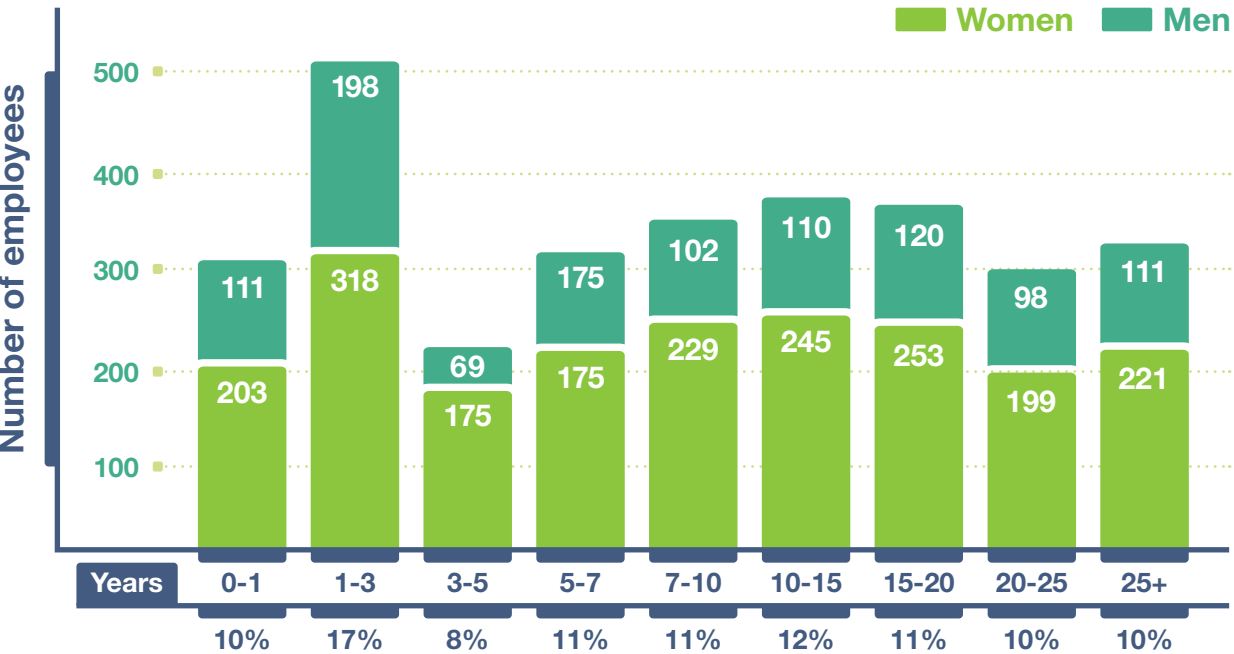
Our thoughtful and proactive approach to attracting and retaining talent focuses on early engagement and long-term development. Recruitment efforts include strategic partnerships with universities and participation in career fairs, student forums, and professional events. These relationships allow us to connect with high-potential prospect candidates early in their careers and to promote meaningful pathways into the financial services industry.

The Corporation is committed to developing their talent for the long term. **Approximately 44% of our colleagues have been with the Corporation for more than 10 years, a testament to a culture of stability, recognition, and**

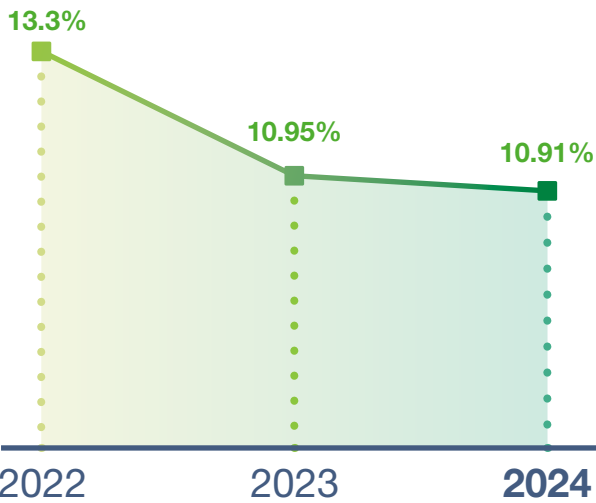
**opportunity.** We are focused on creating an environment where employees feel empowered to build careers within the organization.

In addition to structured onboarding and development pathways, internal mobility programs give colleagues opportunities to explore new roles and take on new challenges. The internal job posting system ensures that new opportunities are visible and accessible to all eligible employees, encouraging internal mobility and career progression. FirstBank aims to support continuous growth while promoting a culture of mutual respect, performance, and shared success.

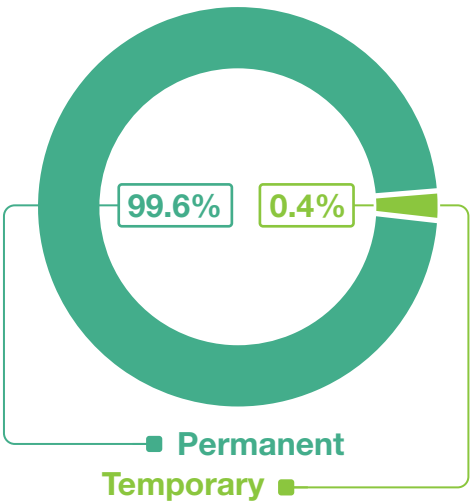
Workforce Tenure



Turnover Rate



Type of Employment



# V. Advancing Climate Action & Environmental Responsibility

- Sustainable Operations
- Building Climate Resilience
- Sustainable Finance & Lending



*As part of its commitment to responsible corporate citizenship, FirstBank continues to take practical steps to reduce its environmental impact and operate efficiently. The Bank recognizes that properly managing the use of resources, maintaining resilient operations, and supporting environmentally responsible initiatives are important for long-term financial performance and the well-being of the communities it serves. Through its internal practices and external engagements, FirstBank aims to contribute to sustainable progress in the regions where it operates.*

# Sustainable Operations

At FirstBank, environmental responsibility is an integral component of its operational strategy. Through the [One with the Environment Program](#), the institution actively works to reduce its environmental footprint and improve sustainability across all facilities. The program is anchored in three primary pillars—energy management, waste and recycling, and reforestation—and are referenced in our Sustainability Policy. This reflects FirstBank’s commitment to sustainable practices that support the health of the planet and the communities it serves.

## Energy & Water Management

FirstBank continues to invest in improving energy and water efficiency across its operations. In 2024, the Bank advanced its goal to reduce energy consumption by completing the transition to **LED lighting in 100% of its branches and buildings**, achieving a measurable reduction in energy usage. As a result of this, we reduced electricity consumption by approximately 1.3 million kWh, representing a 5.9% decrease compared to 2023. The Bank also monitored and managed water usage across its facilities, working to identify and implement water-saving strategies in line with local climate resilience needs.



**20.5 million kWh**  
total electricity consumption



**22.1 million kWh**  
total energy consumption  
(non-renewable)



**7.4 million**  
total gallons of water consumption

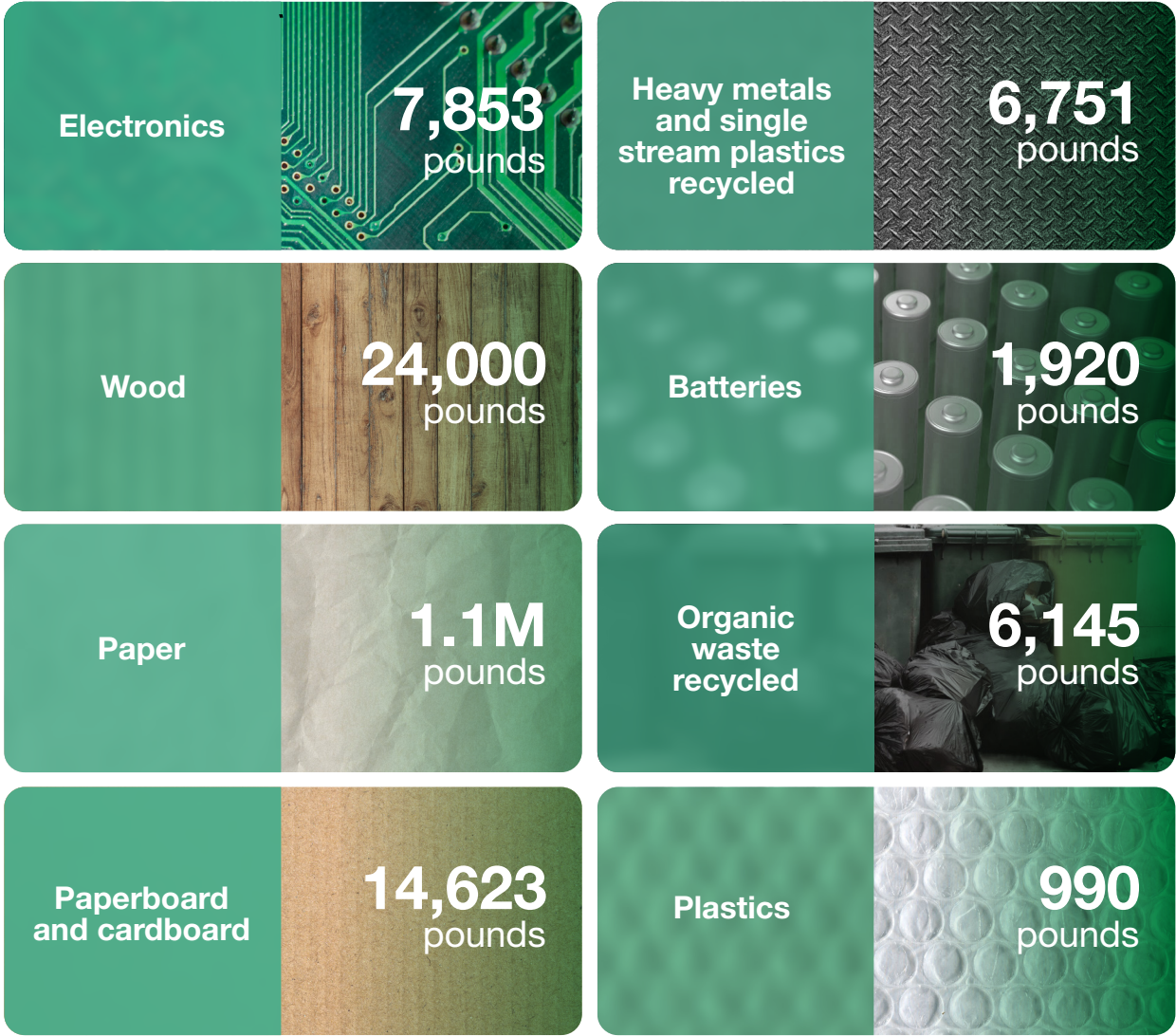


Waste Management  
& Recycling

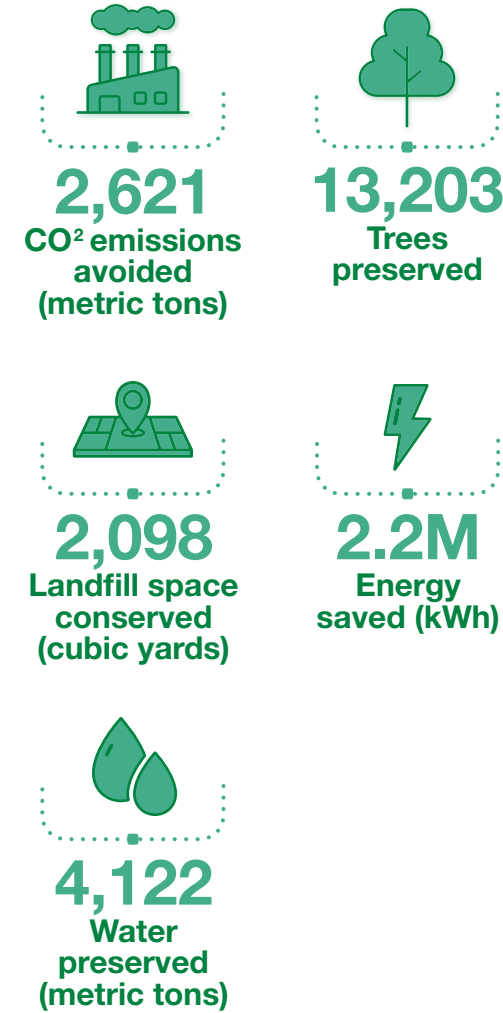
In 2024, FirstBank continued its comprehensive waste management program, which includes recycling of electronics, wood, paper, carpet tiles, heavy metals, batteries, organic waste, single-stream plastics, and cardboard. The Bank collaborates with Tais, a Puerto Rican firm that offers integrated solutions in recycling and composting. Through this partnership, food waste is diverted from landfills and transformed into compost to support local sustainable agriculture.

Through waste segregation, responsible disposal practices, and increased material recovery, FirstBank minimizes its environmental impact and promotes sustainable business practices.

Waste Management & Recycling (lbs)<sup>4</sup>:



Our Recycling Impact <sup>5,6</sup>

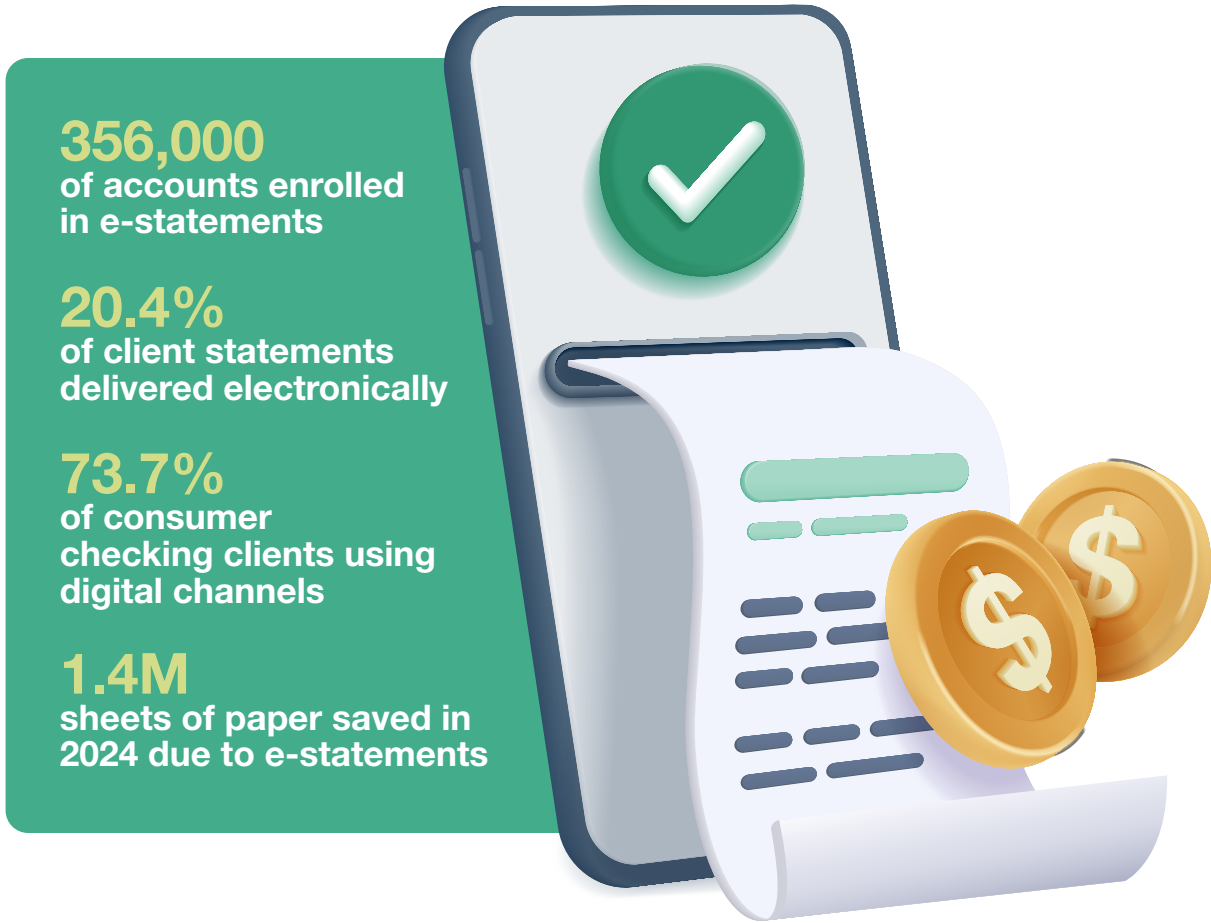


# Digital Adoption & Paper Reduction

Digital Banking continues to play an important role in reducing environmental impact. As more clients choose digital services, FirstBank has seen measurable reductions in paper usage through e-statements and online banking tools.



These digital efficiencies not only offer convenience to customers but also contribute to resource conservation, aligning environmental responsibility with technological innovation.



<sup>4</sup>Waste and recycling metrics from First BanCorp include the Puerto Rico region only.  
<sup>5</sup>Recycling impact metrics are based on electronics, paper, paperboard and cardboard, metals, heavy metals, and single-stream plastic recycling materials.  
<sup>6</sup>Impact metrics were provided by environmental impact reports from Iron Mountain (paper), IFCO Recycling (metals, single-stream plastic, paperboard and cardboard), and e-cycling environmental report (electronics).



# Building Climate Resilience

## *FirstBank Environmental Initiatives*

### **Rescate Costero**

Coastal erosion poses a serious threat to Puerto Rico, with over 60 miles of shoreline having retreated inland in recent years. This phenomenon is largely driven by powerful storms, such as Hurricane Maria in 2017, which caused immediate losses of 3 to 5 meters along its path, with some areas experiencing up to 40 meters of erosion. The consequences are profound, jeopardizing critical infrastructure, homes, and the livelihoods of coastal communities. The loss of natural barriers, including beaches and wetlands, reduces protection against future storms and heightens flooding risks.

Recognizing the urgency of this issue, FirstBank launched Rescate Costero in 2023 as part of its 75th anniversary—one of its most ambitious environmental initiatives to date. Designed as a three-year program, Rescate Costero seeks to combat coastal erosion across Puerto Rico through large-scale reforestation efforts. The program was developed in collaboration with key stakeholders, including government agencies, academic institutions, nonprofit organizations, and private-sector allies, underscoring a shared commitment to sustainability and coastal resilience.

By the end of 2024, Rescate Costero had successfully planted **11,480 trees**, benefiting **nine municipalities** and **approximately twelve communities**. These efforts are projected to help reduce **252 metric tons of CO<sub>2</sub> emissions annually**<sup>7</sup>, reinforcing natural coastal defenses and supporting biodiversity in the region.

FirstBank's dedication to environmental restoration through Rescate Costero has earned significant recognition. The Puerto Rico Manufacturers Association (PRMA) awarded the initiative the Sustainability Excellence Natural Solutions Award at its 15th Environmental Sustainability and Best Practices Summit. A cornerstone of the program is FirstBank's alliance with Vida Marina, a coastal conservation and restoration center led by researcher Robert Meyer at the University of Puerto Rico – Aguadilla. Vida Marina specializes in sand dune restoration, while FirstBank spearheads endemic plant reforestation. Through these complementary strategies, the initiative aims to mitigate coastal erosion and contribute to the preservation of Puerto Rico's environment, economy, and the well-being of its residents.



*"Rescate Costero" events*

<sup>7</sup> For the CO<sub>2</sub> calculation we used a conservative long-term estimate of 0.022 metric tons of CO<sub>2</sub> per year (22 kg CO<sub>2</sub>) as typically used in tropical reforestation efforts.





### Dona Tu Celu

Since 2014, Dona Tu Celu has been FirstBank's flagship electronic waste recycling program. Originally launched to recycle corporate mobile devices, it quickly expanded to include customer participation through drop-off bins at branches. The program promotes the responsible disposal of old mobile phones, chargers, and accessories, raising awareness about the environmental hazards of improper e-waste handling.

In 2024, FirstBank collected **1,331 units**, totaling **372 pounds** of recycled electronics. All proceeds from the recycling process were donated to Martín Peña Recicla, a nonprofit dedicated to improving solid waste management in communities surrounding Caño Martín Peña.



*Forest cleanup volunteer activity*

### San Patricio Urban Forest Commitment

Since 2021, FirstBank has upheld a five-year financial and volunteer commitment to the conservation and restoration of the San Patricio Urban Forest in Puerto Rico. With an annual donation of \$5,000 through 2026, the Bank actively supports biodiversity conservation efforts in this vital urban green space, which serves as a habitat for numerous native species, including endangered birds, reptiles, and amphibians.

In 2024, FirstBank employees continued their hands-on involvement by participating in reforestation activities, planting additional trees to strengthen the forest's ecological health. The Bank's ongoing support reflects its long-term dedication to preserving this essential ecosystem and fostering urban environmental stewardship.



## Environmental Donations

In 2024, FirstBank donated \$58,600 to support nonprofit organizations dedicated to environmental protection, conservation, and education.

### Highlighted Donations

- **COCO Puerto Rico:** Backed coastal conservation efforts, including school-based mangrove restoration projects, the revitalization of historic landmarks, and the establishment of a native plant nursery in Isabela.
- **Scuba Dogs Society:** Promoted marine conservation through coastal cleanups, public education campaigns, and advocacy for healthy marine ecosystems.
- **Comité Caborrojeño Pro Salud y Ambiente:** Funded environmental education workshops for students in low-income public schools in Cabo Rojo, highlighting the ecological and historical significance of the Cabo Rojo Salt Flats.
- **Museo de Reciclaje:** Advanced public awareness of recycling and circular economy practices through interactive exhibits and educational campaigns.
- **Taller Comunidad La Goyco:** Supported community-led environmental projects in urban San Juan.

These contributions complement FirstBank's direct programs and reflect our belief that nonprofit organizations are critical engines of social and environmental transformation. In an era of financial uncertainty, private donations and corporate partnerships play a crucial role in helping nonprofits sustain operations, scale impact, and address emerging challenges. FirstBank recognizes that investing in environmental causes strengthens community resilience, expands access to environmental education, and promotes sustainability for Puerto Rico's future.



*International Coastal Cleanup Day*

# Sustainable Finance & Lending

## *Environmental Risk Program*

FirstBank maintains an Environmental Risk Program to identify, evaluate, and manage environmental risks associated with loan originations, participations, loan workouts, and real estate transactions. This program applies to all regions and supports compliance with applicable federal and local environmental regulations.

Oversight of the program is formally integrated into the Bank's governance structure through the Risk and Credit committees, ensuring the program aligns with evolving regulatory expectations and enterprise risk appetite. The program is supported by defined policies, internal controls, and standardized protocols for evaluating environmental risk throughout the credit lifecycle. These include initial screenings, environmental questionnaires, and, when necessary, environmental site assessments conducted by qualified professionals in accordance with industry standards.

Relationship Officers and relevant personnel receive regular training to ensure consistent application of the program across all regions. Training is delivered on a recurring basis and is updated as regulatory guidance or internal procedures evolve. This ensures that frontline staff are equipped to identify potential environmental concerns early in the credit process and escalate them as appropriate.

Throughout this program, FirstBank reinforces its commitment to prudent credit risk management, regulatory compliance, and the long-term protection of its financial interests and those of its clients, while ensuring that lending decisions remain environmentally responsible and aligned with the Bank's governance framework.

FirstBank continues to integrate sustainability considerations into its lending practices, balancing financial prudence with long-term community impact. This strategic approach emphasizes responsible lending, sound credit practices, and opportunities that contribute to economic resilience and inclusive growth.

## *FirstBank's Commercial Loan Credit Policy*

The policy provides clear guidelines for lending decisions, risk management, and portfolio oversight. The policy is reviewed and approved annually by the Board to ensure alignment with the Bank's risk appetite, regulatory requirements, and long-term financial strategy.

Oversight is managed through the Chief Credit Officer and designated Board committees, with roles and responsibilities assigned across business units, credit officers, and risk management. These controls seek to ensure consistency, accountability, and transparency in the credit process.

To mitigate environmental and social risks, the policy incorporates sustainability factors into credit analysis. Lending decisions consider the borrower's industry and environmental risks. Certain sectors and loan structures—such as those related to agriculture, land acquisition, fossil fuels, weapons, or gambling—require enhanced due diligence and elevated internal review by the Bank's Chief Credit Officer or a higher lending authority. To ensure the Bank's long-term resilience, the policy continues to support projects that promote economic development and sustainable business practices, and it reinforces an appetite for lending that promotes renewable energy and clean technologies. This risk and opportunity-based approach ensures that lending activities reflect FirstBank's standards of prudence, integrity, and sustainability.



Advancing  
the United Nations  
Sustainable Development  
Goals (SDGs)

In 2023, FirstBank introduced an internal classification approach to identify commercial loans that support the advancement of the SDGs. This initiative not only strengthens FirstBank's ability to align lending activity with global sustainability priorities but also enhances long-term financial stability and growth.

Loans may be considered sustainability related when they are linked to initiatives or outcomes that reflect the aims of the SDGs, such as expanding access to clean energy, improving infrastructure, supporting inclusive economic development, or promoting climate resilience.

In 2024, FirstBank identified 45 SDG-related loans for a total of \$614 million:

SDG	Purpose	Amount
<div><b>SDG 3:</b> <b>GOOD HEALTH AND WELL-BEING</b></div> <div></div>	The goal is to promote healthy lifestyles, preventive measures, and modern, efficient healthcare for everyone. Targets include reduce mortality from non-communicable diseases, promote mental health, increase health financing, support health workforce, and support research, development, and universal access to affordable vaccines and medicines.	<b>\$ 141.4 million</b>
<div><b>SDG 4:</b> <b>QUALITY EDUCATION</b></div> <div></div>	The goal is to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Targets include equal access to affordable technical, vocational, and higher education, increase the number of people with relevant skills for financial success, and universal literacy and numeracy.	<b>\$ 36.1 million</b>
<div><b>SDG 7:</b> <b>AFFORDABLE CLEAN ENERGY</b></div> <div></div>	The goal is to ensure access to affordable, reliable, sustainable, and modern energy for all. Targets include increase global percentage of renewable energy, promote access to research, technology, and investments in clean energy, universal access to modern energy, and double the improvement in energy efficiency.	<b>\$ 26.9 million</b>
<div><b>SDG 8:</b> <b>DECENT WORK AND ECONOMIC GROWTH</b></div> <div></div>	The goal is to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Targets include universal access to banking, insurance, and financial services, sustainable economic growth, full employment, and decent work with equal pay.	<b>\$ 36.3 million</b>
<div><b>SDG 11:</b> <b>SUSTAINABLE CITIES AND COMMUNITIES</b></div> <div></div>	The goal is to make cities and human settlements inclusive, safe, resilient, and sustainable. Targets include safe and affordable housing, inclusive and sustainable urbanization, reduce the effects of natural disasters, strong development planning, and reduce the environmental impact of cities.	<b>\$ 323.4 million</b>

# VI.

## Upholding Governance & Integrity

- Oversight & Compliance
- Risk Management & Business Continuity
- Ethical Business Practices
- Responsible Sourcing & Vendor Management
- Cybersecurity & Information Protection



*Strong governance and ethical business practices are foundational to First BanCorp’s long-term financial success and resilience. The Corporation maintains transparent decision-making, regulatory compliance, and robust risk management frameworks that uphold the highest standards of integrity. Through comprehensive oversight mechanisms, we ensure accountability across all levels of the organization, fostering a culture of ethical conduct and responsible banking.*

**Independent Board**

- 8 out of 9 of our directors are independent
- An independent Chair of the Board with extensive duties
- Four fully independent Board Committees
- Frequent executive sessions of independent directors

**Strong Governance**

- 100% of Board directors have senior management and leadership experience
- 100% of Board directors have experience in financial services, investment, and strategic planning
- 78% of Board directors have audit and risk oversight experience
- 33% of the Board directors are women, and 67% are Hispanic
- Stock ownership guidelines for executive officers and non-management directors
- Annual Board and committee self-evaluations
- 9 years average Board tenure
- Two new directors elected within the last five years

**Robust Board Oversight**

- Board strategic oversight and review of ERM through the Risk Committee, Audit Committee, Credit Committee, and Asset/Liability Committee
- Oversight of cybersecurity and information security risk through the Risk Committee
- Oversight of corporate sustainability matters clearly delineated among Board, Board committees, and management
- The Board met nine times during 2024. Each of the current members of the Board participated in 100% of the Board meetings
- The various Board Committees met an aggregate total of 48 times

**Shareholder's Rights**

- Annual elections of all directors
- Majority voting in director elections



# Oversight & Compliance

## Board Composition & Oversight

First BanCorp’s Board of Directors plays a critical role in overseeing corporate sustainability, risk management, and sustainability-related disclosures. The Board is structured to provide broad expertise in risk management, financial services, and sustainability, while ensuring a high degree of independence and accountability. Directors receive ongoing training on corporate sustainability and governance best practices to strengthen oversight capabilities. To assist the Board with its duties, committees’ responsibilities, and understanding of other important developments impacting our business, through the Office of the Secretary of the Board, we provide external and internal training, educational opportunities, seminars, and/or workshops. Each director is required to complete at least eight hours of continuing education on an annual basis.



Roberto R. Herencia



Aurelio Alemán-Bermúdez



Luz A. Crespo



Tracey A. Dedrick



John A. Heffern



Juan Acosta Reboyras, ESQ.



Daniel E. Frye



Patricia M. Eaves



Félix M. Villamil

Board & Management-Level Sustainability Oversight

Since the formal establishment of FirstBank’s Corporate Sustainability Program in 2021, the institution has expanded sustainability-related integration across business functions. The Board shares oversight of First BanCorp’s sustainability policies and practices with the Executive Leadership Team (ELT). Sustainability, including ESG, responsibilities are integrated across several board committees:

**Corporate Governance and Nominating Committee:** Oversees sustainability policy, ESG risk management, strategy, and reporting. Ensures that board composition reflects a wide range of backgrounds and experiences.

**Compensation and Benefits Committee:** Reviews executive compensation policies and evaluates risk management implications related to incentive structures.

**Credit Committee:** Monitors the quality of the credit portfolio and oversees credit-related policies.

**Risk Committee:** Establishes our risk appetite and oversees compliance, vendor management, cybersecurity, and information security.

**Audit Committee:** Ensures financial reporting integrity, maintains financial controls, and oversees compliance with our code of conduct and ethics.

**Asset-Liability Committee:** Oversees FirstBank’s investment activities and ensures that investment strategies support sustainable community development projects that meet CRA criteria.

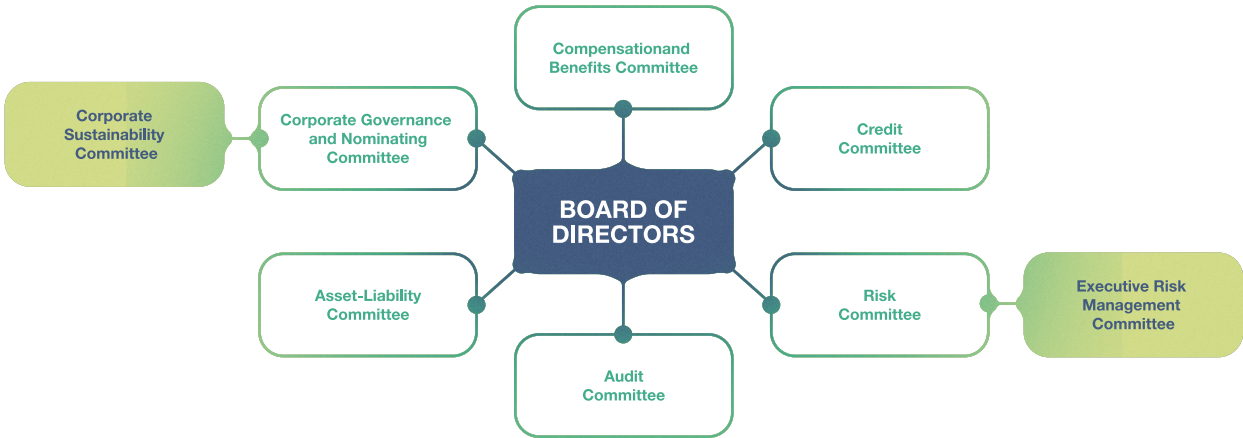
At the executive level, we ensure sustainability governance through dedicated committees and risk management frameworks:

**Executive Leadership Team:** Shares oversight of corporate sustainability policies and integrates ESG considerations into strategic decision-making.

**Executive Risk Management Committee:** Assists the Board in managing corporate risks, new products, and services; oversees stress testing; and ensures a strong risk management infrastructure.

**Corporate Sustainability Committee:** Develops and implements ESG policies and long-term sustainability strategies.

- Sets annual sustainability objectives and monitors progress.
- Aligns sustainability initiatives with business strategy and internal capabilities.
- Guides sustainability disclosures and metric establishment.
- Reports periodically to the GNC Committee, ensuring Board-level accountability for sustainability priorities.
- Composed of leaders from Human Resources, Enterprise Risk Management, Strategic Planning, Legal, Compliance, Finance, Marketing, and Corporate Internal Audit.



# Corporate Sustainability Policies

We have implemented a suite of policies that govern sustainability, corporate ethics, and risk management, ensuring alignment with regulatory requirements, stakeholder expectations, and industry best practices. These include:

**Sustainability Policy:** Defines strategic focus areas for environmental and social responsibility, guiding internal practices and stakeholder engagement to advance sustainable growth across its operations.

**Responsible Marketing Policy:** Ensures that all communications are transparent, accurate, and designed to empower customers to make informed financial decisions, avoiding unfair, deceptive, or misleading practices.

**Human Rights Statement:** Affirms our commitment to promoting and protecting human rights across all operations by integrating ethical standards into business practices. The Human Rights Statement is guided by the UN Guiding Principles on Business and Human Rights and focuses on promoting dignity, fairness, and equity.

**Supplier Code of Conduct:** Sets clear expectations for ethical business practices, labor standards, and environmental responsibility across all third-party relationships, reinforcing FirstBank’s values throughout its procurement processes.

**Corporate Governance Guidelines:** Establish the principles and framework for ethical leadership, board independence, and accountability, ensuring sound decision-making and oversight throughout the Corporation’s operations.

**Code of Ethical Conduct:** Outlines the principles and expectations that guide employee behavior, promoting integrity, transparency, and accountability across all areas of the organization. Outlines the principles and expectations that guide employee behavior, promoting integrity, transparency, and accountability across all areas of the organization.

**Risk Management Policy:** Establishes the framework for identifying, assessing, managing, and monitoring risks across the organization, ensuring alignment with the Bank’s strategic objectives and regulatory requirements.

Through this governance framework, we monitor sustainability risks, regulatory compliance, and performance tracking to maintain transparency and accountability.





## Sustainability-Linked Executive Compensation

The Corporation integrates sustainability-related objectives into its executive compensation framework to align leadership accountability with long-term sustainability goals. The executive compensation program is designed to drive business resilience, promote responsible risk-taking, and reinforce strong governance.

Since 2023, sustainability-related objectives have been included in performance assessments for certain members of the ELT, evaluating:

- Sustainability-related disclosures and transparency
- Social and community impact initiatives
- Progress on corporate culture, human capital development, and supplier management

Executive compensation decisions are reviewed by the Compensation and Benefits Committee, ensuring a structured and responsible approach to incentive alignment. For additional details, refer to [First BanCorp's 2025 Proxy Statement](#).



# Risk Management & Business Continuity

## *Risk Oversight & Management*

The Board's Risk Committee provides oversight of FirstBank's risk management framework, ensuring that risk policies align with regulatory expectations and corporate strategy. The Chief Risk Officer (CRO) leads the ERM, which oversees risk governance at the management level and reports directly to the Risk Committee of the Board.

As part of its corporate-wide risk management approach, FirstBank monitors its capital position in line with federal regulators' expectations. The institution conducts internal stress testing as part of its annual capital planning process, ensuring resilience under various economic conditions.

FirstBank's risk management framework is designed to proactively identify, assess, and mitigate risks across all aspects of operations. Key risk areas are annually evaluated by internal and external auditors, with the findings reviewed by the Board's Risk Committee to validate the effectiveness of FirstBank's risk management practices.

## *Risk Policy & Strategy*

FirstBank's Risk Management Policy establishes a structured approach to risk anticipation, mitigation, and oversight. This policy aligns with the Enterprise Risk Management (ERM) process, which ensures:

- Clear risk performance indicators to drive behaviors consistent with corporate strategy
- Alignment of risk practices with strategic planning objectives
- Defined risk management strategies for ongoing improvements
- Regular reporting to senior management and the Board for informed decision-making

A key component of this policy is the Risk Appetite Statement, which is reviewed annually by the CRO, the ERM, and the Board's Risk Committee to ensure alignment with strategic capital plans. Risk appetite metrics are monitored quarterly and reported to the Board.

## Business Continuity Management

FirstBank's Business Continuity Management Program (BCMP) ensures operational resilience by identifying potential risks that may threaten the institution's functions. The Business Continuity Management Committee, co-chaired by the Chief Operations Officer and the CRO, oversees the program's strategic execution.

The BCMP includes:

- Business impact analysis to identify critical operations
- Disaster recovery and incident response planning to ensure timely restoration of services
- Emergency preparedness protocols for climate-related risks, utility failures, cyber threats, and other disruptions

To manage high-severity incidents, FirstBank has an Incident Response Program that determines response strategies based on the nature and level of impact. For natural and other disasters, an Emergency Committee is activated to ensure safety and operational stability.





# Ethical Business Practices

## Code of Ethical Conduct

FirstBank's [Code of Ethical Conduct \(Code\)](#) establishes clear expectations for ethical behavior across all operations. Employees receive comprehensive training upon onboarding and annually thereafter to reinforce compliance and awareness of ethical standards. Human Resources reports annually to the Audit Committee on matters pertaining to the Code of Ethics including potential or actual violations. The Code is reviewed annually by management and undergoes a formal review cycle every five years.

Key areas covered in the Code include:

- Fraud prevention
- Equal opportunity and nondiscrimination
- Conflicts of interest

**In 2024, 100% of required employees completed training on the Code.**

FirstBank also maintains a Code of Ethics for the CEO and Senior Financial Officers, which is reviewed annually and approved by the Board every three years or when material changes occur. All senior financial officers must review and certify compliance with the code annually.

**In 2024, 100% of senior financial officers and the CEO acknowledged compliance with the Code of Ethics for the CEO and Senior Financial Officers. Any violation is subject to disciplinary action, up to and including termination.**

## Reporting Grievances & Concerns: Whistleblower Policy

FirstBank encourages employees to report concerns through direct escalation to supervisors or the Human Resources Employee Relations Unit. The institution also maintains a Whistleblower Policy, which includes the Protecting What is Ours program, a confidential and anonymous reporting hotline for:

- Suspected fraudulent activity
- Violations of laws, regulations, or company policies
- Conflicts of interest
- Retaliation or retribution concerns

Complaints submitted through these channels are tracked and investigated by the Corporate Internal Audit Department, with progress and resolutions reported quarterly to the Board's Audit Committee. The Whistleblower Policy applies to all members of the Corporation, including part-time, temporary, or agency-contracted colleagues. The policy also covers suppliers and service providers of the Corporation and protects—from admonishment, discipline, or retaliatory action of any kind—colleagues who in good faith report a whistleblower concern.

There are two established means for our colleagues to report such concerns:

**Third-Party Independent Hotline:** The Corporation has established a mechanism for confidential and anonymous submission of concerns through an independent third party accessible 24/7.

**Directly to the General Auditor:** Employees may raise their concerns in writing directly with the Corporation's General Auditor via email or other correspondence. This may be done on an anonymous basis.

## *Anti-Bribery, Anti-Corruption & Anti-Money Laundering Policies*

FirstBank enforces strict anti-bribery, anti-corruption, and anti-money laundering (BSA/AML) policies to uphold integrity and prevent financial crimes. These policies comply with the Foreign Corrupt Practices Act, Bank Bribery Act, USA Patriot Act, and Office of Foreign Assets Control (OFAC) requirements.

Key components include:

- Annual BSA Risk Assessments to monitor and mitigate risks
- Strict internal controls to prevent bribery, corruption, and facilitation payments
- Quarterly reporting of AML statistics to the Risk Committee, including suspicious activity reports, transactional alerts, and currency transaction reports
- Annual BSA/AML training for all eligible employees; **in 2024, the completion rate for BSA/AML training was 100%**

## *Government Affairs*

Public policy plays a crucial role in shaping FirstBank's business environment. The institution actively participates in policy discussions and industry associations that support responsible banking practices. While FirstBank engages in policy discussions, it maintains political neutrality, refraining from identifying with political parties or making corporate political contributions.

We are a member of the Puerto Rico Bankers Association (the "Bankers Association"), which represents most of the banking industry in Puerto Rico. Our CEO is a member and current president of the Bankers Association Board of Directors, representing the interests of our business and customers when the Bankers Association considers government legislation. We are also a member of certain banking associations in the U.S. Virgin Islands, the British Virgin Islands, and Florida that are responsible for representing the banking industry in their respective jurisdictions, as well as a member of the American Bankers Association.

# Responsible Sourcing & Vendor Management

## Vendor Management & Oversight



Vendor relationships are managed by the Vendor Management Committee (VMC), led by the Finance Department Expense Management Group. The Board's Risk Committee provides oversight of FirstBank's Vendor Management Program, ensuring its effectiveness in managing third-party risk. The VMC, composed of cross-functional leaders from Legal, Compliance, Risk Management, Security, Technology, Insurance, Finance, and Operations, meets quarterly and reports annually to the Risk Committee.

## Vendor Risk Management

FirstBank employs a risk-based approach to vendor selection and oversight, ensuring that third-party relationships are evaluated for financial stability, operational resilience, and regulatory compliance. Vendors are classified based on risk exposure, with higher-risk vendors undergoing enhanced due diligence and continuous monitoring.

As part of the evaluation process:

- Vendors with contracts above a specific threshold must complete a Related Party Questionnaire to ensure transparency in business relationships.
- Vendors undergo a risk assessment, with heightened scrutiny for those managing sensitive data or providing critical services.
- Sustainability assessments are conducted across all vendor tiers, considering environmental and social responsibility factors throughout the supply chain.



## Service Provider Code of Conduct

FirstBank maintains a [Service Provider Code of Conduct](#) to ensure that vendors operate in accordance with ethical business practices and corporate responsibility standards. The code includes provisions on:

- Prohibitions against child and forced labor
- Health and safety and labor laws compliance expectations
- Fair wages and working conditions, reasonable working hours, promoting equitable compensation, and safe work environments
- Environmental responsibility, encouraging vendors to minimize their ecological impact
- Human rights protections, ensuring that suppliers align with recognized legal and ethical standards

By embedding these principles into vendor agreements, FirstBank reinforces its commitment to responsible sourcing and ethical supply chain management.

## Supplier Engagement & Sustainability Considerations

FirstBank recognizes the importance of aligning vendor selection with sustainability objectives. In 2024, the institution expanded sustainability assessments across all vendor tiers, enhancing its ability to evaluate environmental and social responsibility factors within its supply chain. These assessments support responsible business practices while reinforcing FirstBank's broader sustainability commitments.

## Vendor Cybersecurity & Data Protection

As part of the Vendor Management Program, FirstBank maintains a Third-Party Risk Management function to address cybersecurity risks associated with third-party relationships. Vendors are categorized into risk tiers, with security requirements scaled according to the sensitivity of the services provided.

Key security measures include:

- Mandatory cybersecurity programs for critical vendors handling confidential information
- Ongoing monitoring of cybersecurity risk performance, assessing encryption, system hosting, network traffic, and breach history
- Use of data-driven tools to evaluate vendor cyber risk and prioritize security assessments, reducing delays in vendor onboarding
- Review of vendor compliance with regulatory data protection standards to prevent unauthorized access to client information

For security risks for critical vendors, we also use RiskRecon by Mastercard, which reports overall current performance, trends, and industry benchmarks. RiskRecon helps us to assess and manage cyber risk from new and existing third-party business relationships.

# Cybersecurity & Information Protection

## Cybersecurity

FirstBank manages cybersecurity risks through advanced technology platforms, governance controls, and continuous threat assessments. Cybersecurity risk is integrated into the Enterprise Risk Management (ERM) Program, supported by the Corporate Information Security Program (CISP) and the Corporate Incident Response Program (CIRP).

Cybersecurity risk is overseen by the Corporate Security Office (CSO), led by the Corporate Security Officer (CSO Officer), who reports directly to the Chief Operations Officer (COO). The CSO Officer also serves as Chief Information Security Officer (CISO), ensuring alignment between information security strategies and FirstBank's risk management framework. The Board's Risk Committee receives regular updates on security initiatives, risk mitigation strategies, and the effectiveness of the CISP.

The CISP is designed following internationally recognized security frameworks, such as the ISO 27000 series, including the ISO 27001 and the National Institute of Standards and Technology (NIST) Cybersecurity Framework. It provides structured guidance for identifying, assessing, and mitigating cyber threats, as well as responding to security breaches. An independent cybersecurity assessment of our risk and preparedness is performed and validated by our regulators on an annual basis. In the event of a cybersecurity event, the Corporation is committed to complying with applicable laws and regulations, including notifying data subjects, if applicable.

Key cybersecurity measures include:

- Ongoing penetration testing and vulnerability assessments to identify and remediate security risks
- Annual reviews of cybersecurity controls by independent auditors and regulatory bodies
- Real-time monitoring and threat intelligence tracking to prevent and detect unauthorized access
- Incident response protocols for rapid mitigation of potential cyber threats and stakeholder notifications as required by law

All employees and consultants with network access are required to complete comprehensive cybersecurity awareness training during onboarding and on an annual basis. This includes:

- Data security best practices and responsible information handling
- Phishing and cybersecurity attack simulations to test employee response readiness
- Ongoing security awareness communications regarding emerging threats

**In 2024, 99.7% of employees successfully completed cybersecurity awareness training.** FirstBank continues to strengthen its cybersecurity posture through continuous risk assessments, technological advancements, and employee education.

## Privacy & Data Protection

FirstBank adheres to federal and state regulations governing data privacy and confidentiality, ensuring responsible data collection, secure storage, and lawful use of personal information.

Privacy parameters are outlined in:

- **Privacy Policy:** Defines FirstBank's commitment to responsible data handling
- **Corporate Information Security Policy:** Ensures compliance with privacy laws and security standards
- **Service Provider Code of Conduct:** Mandates that vendors uphold strict data protection measures

Customers are informed about data collection, usage, and sharing practices, with clear disclosures regarding their rights and protections. In the event of a data breach, FirstBank follows strict notification procedures, ensuring timely communication with affected parties and regulatory compliance.

Security measures to protect customer data include:

- Encryption and secure access controls for sensitive financial information
- Ongoing risk assessments of data storage and processing systems
- Privacy training for employees to reinforce confidentiality protocols and regulatory compliance
- Customer support channels for reporting suspicious activity and resolving fraud-related concerns

## Consumer Fairness & Financial Protection

FirstBank is committed to protecting vulnerable populations from financial exploitation and ensuring secure banking services. Employees are trained to identify and report suspected cases of financial exploitation, ensuring compliance with internal policies and external regulatory obligations. FirstBank ensures compliance with best practices by prioritizing staff training, fraud prevention protocols, and proactive intervention measures.

The Bank actively works to prevent the unauthorized use of customer funds, credit, or assets—particularly among seniors and individuals with disabilities—reinforcing the Bank's efforts to maintain financial security and ethical banking.

## Anti-Fraud Measures & Consumer Protection

FirstBank upholds a strong commitment to protecting customer data and preventing financial fraud through proactive strategies and robust internal controls. The Bank implements rigorous procedures to secure personally identifiable information (PII) in accordance with applicable laws and regulations. A dedicated Security Help Center is available on the Bank's website, offering a 24/7 support line for customers to report suspicious activity. The Bank's fraud response team monitors for anomalies, investigates issues, and supports affected customers.

To reinforce these protections, employees complete annual training on consumer confidentiality, fraud prevention, and data privacy. These efforts are regularly reviewed and updated to ensure adherence to evolving best practices—prioritizing customer trust, safety, and ethical banking standards.



# VII.

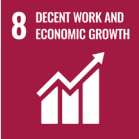


## Appendix

- UN Sustainable Development Goals (SDGs)
- SASB Disclosures
- Task Force on Climate-related Financial Disclosures/International Financial Reporting Standards S2 Disclosure


## United Nations Sustainable Development Goals (SDG)

In 2021, we started the process of aligning our ESG activities to the SDGs outlined below to help stimulate action and impact through 2030 with our business strategy, products, and services. The SDGs are a collaborative, global effort to build a better tomorrow. These 17 global goals and 169 corresponding targets address challenges of poverty, inequality, climate change, environmental degradation, peace, and justice.

SDG	Target Description	First BanCorp’s Position	Report Section
	End poverty in all its forms everywhere.	We invest in the strength and stability of low- and moderate-income communities by expanding access to credit, affordable housing, and economic opportunity. In 2024, 18% of our branches in Puerto Rico, 44% in Florida, and 57% in the U.S. Virgin Islands were located in LMI areas, helping bring essential financial services close to underserved populations. Through our Community Lending Program in Florida, we offer affordable mortgage solutions for families in LMI areas, supporting pathways to homeownership and greater financial security.	Please see the <a href="#">Affordable Banking, Economic Development</a> , and <a href="#">Affordable Housing</a> sections of this report for more information.
	Ensure inclusive and equitable high-quality education and promote lifelong learning opportunities for all.	We invest in education and financial empowerment as essential drivers of long-term community well-being. In 2024, we awarded \$85,000 in scholarships to 26 students with strong academic achievement and limited economic resources. Our employees also led 306 financial education workshops, dedicating 326 hours across Puerto Rico, the U.S. Virgin Islands, and Florida. These efforts reached some 6,500 individuals of all ages, with workshops delivered in public schools, elderly homes, public housing communities, small businesses, and LMI neighborhoods, helping build financial skills and promote economic resilience. In addition, all regular full-time and part-time employees are expected to complete at least 24 hours of training annually, combining mandatory and elective courses.	Please see the <a href="#">Education &amp; Financial Empowerment</a> , and <a href="#">Empowering Career Development</a> section of this report for more information.

SDG	Target Description	First BanCorp’s Position	Report Section
	Promote sustained, inclusive, and sustainable economic growth, and full and productive work employment for all.	We invest in economic opportunity and the empowerment of emerging professionals and small businesses. Through our First Internship Program, we provide students with meaningful exposure to the banking industry, hands-on project work, and pathways to career development. In 2024, we hosted 20 interns across spring and summer sessions. We also affirm our commitment to human rights through our Human Rights Statement, grounded in dignity, fairness, and equity across all operations. To strengthen small business resilience, we originated 1,268 loans under \$1 million in 2024, totaling approximately \$154 million in financing for entrepreneurs and local businesses.	Please see the <a href="#">Education &amp; Financial Empowerment</a> , <a href="#">Oversight &amp; Compliance</a> , and <a href="#">Economic Development</a> sections of this report for more information.
	Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.	We strengthen resilient infrastructure, sustainable industries, and innovation through actions that expand access and promote responsible growth. In 2024, we improved the accessibility of our banking network by equipping all our ATMs with braille keypads and voice guides. We advanced responsible lending by incorporating environmental and social considerations into credit decisions, supporting projects that promote clean energy, sustainable business practices, and long-term economic resilience. Through our continued support of Grupo Guayacan’s EnterPRize competition, we invest in the next generation of entrepreneurs, helping to drive innovation and build a more dynamic and inclusive economy.	Please see the <a href="#">Accessibility Features</a> , <a href="#">Sustainable Finance &amp; Lending</a> , and <a href="#">Philanthropy &amp; Volunteerism</a> sections of this report for more information.
	Reduce inequality within and among countries.	We promote reduced inequalities by investing in community development and expanding access to economic opportunities in underserved areas. In 2024, we originated 66 community development loans totaling \$781 million, representing a 67% year-over-year increase. Through our CRA strategy, we channel investments that support affordable housing, revitalize neighborhoods, and create jobs—holding \$171 million in CRA qualified investments as of December 2024. These efforts help strengthen local economies, improve living conditions, and advance greater financial inclusion across the regions we serve.	Please see the <a href="#">Economic Development</a> section of this report for more information.



SDG	Target Description	First BanCorp’s Position	Report Section
	Take urgent action to combat climate change and its impacts.	We advance climate action by reducing our environmental footprint and promoting sustainable practices across our operations. Through our One with the Environment Program, we focus on energy management, water reduction, and reforestation to drive measurable impact. In 2024, we completed the transition to 100% LED lighting across branches and corporate buildings, significantly improving efficiency. We continued to expand digital banking adoption, helping reduce paper use through e-statements and online tools. Our waste management program recycled materials ranging from electronics to plastics, and through our Dona tu Celu initiative, we collected 1,331 mobile devices, supporting responsible e-waste disposal.	Please see the <a href="#">Sustainable Operations</a> and <a href="#">Building Climate Resilience</a> sections of this report for more information.
	Protect, restore, and promote sustainable use of terrestrial ecosystems; sustainably manage forests; combat desertification; and halt and reverse land degradation and biodiversity loss.	We protect life on land by investing in conservation, reforestation, and the long-term resilience of natural ecosystems. In 2023, we launched Rescate Costero, one of our most ambitious environmental initiatives, aimed at combating coastal erosion in Puerto Rico through large-scale coastal planting. By the end of 2024, we had planted 11,500 trees across nine municipalities, contributing to an estimated annual reduction of 252 metric tons of CO2. We also continue our multi-year financial and volunteer commitment to the conservation of the San Patricio Urban Forest, helping preserve critical habitats and support biodiversity in our communities.	Please see the <a href="#">Building Climate Resilience</a> section of this report for more information.

Sustainability Accounting  
Standards Board

In developing this report, we aligned our disclosures with SASB Standards, now part of the IFRS Sustainability Standards, related to the commercial banks industry (FN-CB) and relevant topics from the consumer finance (FN-CF) industry to ensure that we address the ESG factors most relevant to our business. All data is as of December 31, 2024, unless otherwise noted.

Accounting Metric	SASB Code	2024 Report Response
Topic: Customer Privacy		
Number of account holders whose information is used for secondary purposes	FN-CF-220a.1	For the year ended in 2024, the number of account holders whose information was available to use for secondary purposes was 516,036. This is only used for cross-selling FirstBank’s product services; we do not share customer data with third parties.
Topic: Data Security		
(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	FN-CB-230a.1 FN-CF-230a.1	Please refer to our Form 10-K for the fiscal year ending December 31, 2024, for more information. The Corporation does not believe that risks from cybersecurity threats or attacks, including as a result of any previous cybersecurity incidents, have materially affected the Corporation’s business strategy, results of operations, or financial condition as of December 31, 2024.
Description of approach to identifying and addressing data security risks	FN-CF-230a.3 FN-CB-230a.2	<p>FirstBank manages cybersecurity risks through advanced technology platforms, governance controls, and continuous threat assessments. Cybersecurity is integrated into the Enterprise Risk Management (ERM) Program, supported by the Corporate Information Security Program (CISP) and the Corporate Incident Response Program.</p> <p>Cybersecurity risk is overseen by the Corporate Security Office (CSO), led by the Corporate Security Officer (CSO Officer), who reports directly to the Chief Operations Officer. The CSO Officer also serves as Chief Information Security Officer (CISO), ensuring alignment between information security strategies and FirstBank’s risk management framework. The Board’s Risk Committee receives regular updates on security initiatives, risk mitigation strategies, and the effectiveness of the CISP.</p> <p>The CISP is designed following internationally recognized security frameworks, such as the ISO 27000 series, including the ISO 27001 and the National Institute of Standards and Technology (NIST) Cybersecurity Framework. It provides structured guidance for identifying, assessing, and mitigating cyber threats, as well as responding to security breaches. An independent cybersecurity assessment of our risk and preparedness is performed and validated by our regulators on an annual basis. In the event of a cybersecurity event, the Corporation is committed to complying with applicable laws and regulations, including notifying data subjects, if applicable.</p> <p>Key cybersecurity measures include:</p> <ul style="list-style-type: none"><li>• Ongoing penetration testing and vulnerability assessments to identify and remediate security risks</li><li>• Annual reviews of cybersecurity controls by independent auditors and regulatory bodies</li><li>• Real-time monitoring and threat intelligence tracking to prevent and detect unauthorized access</li><li>• Incident response protocols for rapid mitigation of potential cyber threats and stakeholder notifications as required by law</li></ul> <p>All employees and consultants with network access are required to complete comprehensive cybersecurity awareness training during onboarding and on an annual basis. This includes:</p> <ul style="list-style-type: none"><li>• Data security best practices and responsible information handling.</li><li>• Phishing and cybersecurity attack simulations to test employee response readiness.</li><li>• Ongoing security awareness communications regarding emerging threats.</li></ul> <p>Please refer to the <b>Cybersecurity &amp; Information Protection</b> section of this report and our Form 10-K for the fiscal year ended December 31, 2024, for more information.</p>

Accounting Metric	SASB Code	2024 Report Response
Topic: Financial Inclusion & Capacity Building		
(1) Number and (2) amount of loans outstanding that qualify for programs designed to promote small business and community development	FN-CB-240a.1	<p>2024 Small Business Loans Number of loans: 6,458 Amount outstanding: \$376 million</p> <p>2024 Community Development Loans Number of loans: 66 Amount Outstanding: \$456 million</p>
(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programs designed to promote small business and community development	FN-CB-240a.2	<p>2024 number of loans: 115 Outstanding balance past due/nonaccrual: \$5.2 million</p>
Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	<p>We do not offer a no-cost retail checking account. We do, however, offer “Cuenta UNO,” First Access in Florida, and the Convenience Account in the U.S. Virgin Islands, as low-cost retail checking accounts.</p> <p>Cuenta UNO checking account:</p> <ul style="list-style-type: none"><li>• Minimum opening deposit: \$20</li><li>• Monthly service fee: \$3, discounted \$2.50 when opting out of paper statements via digital banking</li><li>• Transaction limits: unlimited transactions and processed checks</li><li>• Special offer for college students: monthly service fee waived for the first four years</li></ul> <p>First Access checking account:</p> <ul style="list-style-type: none"><li>• Minimum opening deposit: \$50</li><li>• Monthly maintenance fee: \$5, waived for seniors, students, and military personnel</li><li>• Transaction limits: unlimited transactions and processed checks</li><li>• Special offers: monthly fee waived with the following transactions per statement period: One or more direct deposit received, three online bill payments, three auto debits, 15 debit transactions</li></ul> <p>Convenience checking account:</p> <ul style="list-style-type: none"><li>• Minimum opening deposit: \$1</li><li>• No minimum balance</li><li>• Fixed monthly maintenance fee of \$5, waived for seniors 65 years and older</li><li>• Two free deposits or withdrawals per statement cycle</li><li>• \$0.50 per transaction through the teller window in excess of two items per statement cycle</li></ul>
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	<p>In 2024, our colleagues conducted 306 financial education workshops, dedicating 326 hours across Puerto Rico, the U.S. Virgin Islands, and Florida. In Puerto Rico, our workshops impacted 36 municipalities. These sessions reached some 6,500 individuals of all ages, with workshops delivered in public schools, elderly homes, public housing projects, small businesses, and LMI neighborhoods.</p>



Accounting Metric

SASB Code

2024 Report Response

Topic: Selling Practices

Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold

N-CF- 270 a.1

FirstBank’s compensation of its sales employees does not promote unfair sales practices. FirstBank has dedicated employees to selling its personal loans, auto loans, credit cards, insurance, mortgages, and personal lines of credit. FirstBank has over 20 incentive plans based on the position of the sales personnel. Incentive compensation for such employees including consumer finance, mortgage, platinum banking, and insurance products amounts on average to approximately 25% of their total compensation.

Topic: Incorporation of Environmental, Social, and Governance Factors in Credit Analysis

Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis

FN-CB-410a.2

In 2023, FirstBank integrated ESG considerations in the Commercial Loan Credit Policy. To mitigate environmental and social risks, the policy incorporates sustainability factors into credit analysis. Lending decisions consider the borrower’s industry and environmental risks.

Certain sectors and loan structures—such as those related to agriculture, land acquisition, fossil fuels, weapons, or gambling—require enhanced due diligence and elevated internal review by the Bank’s Chief Credit Officer or a higher lending authority. In addition, the following loans are not acceptable to the Bank:

- Loans for illegal purposes
- Loans without a reliable or identifiable primary and secondary source of repayment
- Loans for political party purposes (or related purposes)
- Loans to pay interest or principal payments on existing credit facilities as well as in other Banks, excluding cancellations because of a refinancing transaction
- Loans for speculative purposes
- Loans guaranteed by the shares of stock of First BanCorp
- Loans to start-up enterprises, where entrepreneurs and management do not have demonstrated experience in the line of business
- Pawn shops and cash checking businesses
- Loans to finance motels
- Loans to new borrowers under bankruptcy proceedings

To ensure the Bank’s long-term resilience, the policy continues to support projects that promote economic development and sustainable business practices, and it reinforces an appetite for lending that promotes renewable energy and clean technologies.

FirstBank also maintains an Environmental Risk Program to identify, evaluate, and manage environmental risks associated with loan originations, participations, loan workouts, and real estate transactions. This program applies to all regions and supports compliance with applicable federal and local environmental regulations.

Oversight of the program is formally integrated into the Bank’s governance structure through the Risk and Credit committees, ensuring the program aligns with evolving regulatory expectations and enterprise risk appetite.

The program is supported by defined policies, internal controls, and standardized protocols for evaluating environmental risk throughout the credit lifecycle. These include initial screenings, environmental questionnaires, and, when necessary, environmental site assessments conducted by qualified professionals in accordance with industry standards.

Accounting Metric	SASB Code	2024 Report Response
Topic: Business Ethics		
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	FN-CB-510a.1	For 2024, FirstBank did not experience material losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.
Description of whistleblower policies and procedures	FN-CB-510a.2	<p>FirstBank maintains a Whistleblower Policy, which includes the Protecting What is Ours program, a confidential and anonymous reporting hotline for:</p> <ul style="list-style-type: none"><li>• Suspected fraudulent activity</li><li>• Violations of laws, regulations, or company policies</li><li>• Conflicts of interest</li><li>• Retaliation or retribution concerns</li></ul> <p>Complaints submitted through these channels are tracked and investigated by the Corporate Internal Audit Department, with progress and resolutions reported quarterly to the Board’s Audit Committee. The Whistleblower Policy applies to all members of the Corporation, including part-time, temporary, or agency-contracted colleagues. The policy also covers suppliers and service providers of the Corporation. Please refer to the Reporting Grievances &amp; Concerns section of this report for more details.</p>
Topic: Systemic Risk Management		
Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1	First BanCorp is not a G-SIB.
Description of approach to integrate results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	FN-CB-550a.2	Although First BanCorp is not subject to the U.S. Dodd-Frank Act supervisory stress test requirement, we have established and implemented a Capital Policy that provides a comprehensive review of the Corporation’s capital planning process, capital deployment strategies, capital limits, triggers, and contingency action under distressed conditions. We have a comprehensive Capital Management Policy that provides a framework, defines objectives, and establishes guidelines to maintain an appropriate level and composition of capital in both business-as-usual and stressed conditions. Our capital management framework is designed to provide us with the information needed to comprehensively manage risk and develop and apply projected stress scenarios that capture idiosyncratic vulnerabilities, with a goal of holding sufficient capital to remain adequately capitalized even after experiencing a severe stress event. We have established a comprehensive governance structure to manage and oversee our capital management activities and compliance with capital rules and related policies. Please refer to our Form 10-K for the fiscal year ended December 31, 2024, for more information.

Activity Metrics	SASB Code	2024 Report Response			
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A	<b>2024 Personal Checking</b> Number of accounts: 356,077 Amount: \$2.56 billion	<b>2024 Personal Saving</b> Number of accounts: 169,894 Amount: \$2.20 billion	<b>2024 Small Business Checking</b> Number of accounts:15,887 Amount: \$248 million	<b>2024 Small Business Saving</b> Number of accounts: 1,092 Amount: \$23.6 million
(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	FN-CB-000.B	<b>2024 Personal Loans</b> Number of loans: 74,646 Value of loans: \$490 million	<b>2024 Auto &amp; Finance Leases</b> Number of loans: 112,374 Value of loans: \$2.93 billion	<b>2024 Credit Cards</b> Number of loans:157,234 Value of loans: \$321 million	
		<b>2024 Other Consumer Loans:</b> Number of loans: 20,175 Value of loans: \$21.2 million	<b>2024 Small Business Loans</b> Number of loans: 6,548 Value of loans: \$376 million	<b>2024 Corporate Loans</b> Number of loans: 466 Value of loans: \$3.33 billion	
Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	FN-CF-000.A	<b>Our number of unique consumers with an active credit card account as of December 31, 2024, was 140,189.</b>  We do not offer a pre-paid debit card account.			
Number of (1) credit card accounts and (2) pre-paid debit card accounts	FN-CF-000.B	<b>Our number of credit card accounts as of December 31, 2024, was 152,514.</b>  We do not offer a pre-paid debit card account.			



# Task Force on Climate-Related Financial Disclosures / International Financial Reporting Standards S2 Disclosure

Reporting Recommendation	Response
	<div>Governance</div> <div>Disclose the company’s governance around climate-related risks and opportunities.</div>
a. Describe the board's oversight of climate-related risks and opportunities.	<p>First BanCorp is committed to effectively managing the sustainability factors that impact our business. Our Board sets the tone at the top for this commitment to sustainability and responsible business practices, including climate considerations.</p> <p>Four of our five Board committees play a role in climate oversight and consider climate-related risks, opportunities, and impacts within their respective remits:</p> <ol style="list-style-type: none"><li>1. The Corporate Governance and Nominating Committee has direct oversight of ESG policies, practices, and disclosure in addition to oversight of corporate governance and operational risks related to human capital.</li><li>2. The Risk Committee is responsible for the oversight of the Corporation’s enterprise risk framework and is responsible for establishing the Corporation’s risk tolerance and risk profile. This includes oversight of certain key company risks, including emerging risks.</li><li>3. The Credit Committee has oversight of the Corporation’s policies related to all aspects of the lending function and credit risk management, including climate-related risks that may impact our lending activities.</li><li>4. The Asset/Liability Committee has oversight of policies and practices relating to asset and liability management, including the Corporation’s investment portfolio management.</li></ol> <p>Oversight of corporate sustainability through the Board and its committees strengthens our ability to effectively manage climate-related risks, opportunities, and impacts.</p>

Reporting Recommendation

Response

Governance

Disclose the company’s governance around climate-related risks and opportunities.

b Describe management’s role in assessing and managing climate-related risks and opportunities.

The implementation and management of our sustainability framework and strategy, including relevant climate considerations, has been delegated to our Corporate Sustainability Committee (the “Sustainability Committee”), a management committee composed of a cross-functional team of senior management. This group considers climate risks and opportunities related to banking, underwriting activities, and our operations.

The Sustainability Committee is composed of leaders from our corporate strategy and investor relations, corporate affairs, credit, marketing, human resources, finance, risk management, and compliance teams. The Sustainability Committee aligns corporate sustainability priorities and initiatives for the year for the Board’s Corporate Governance and Nominating Committee approval, sets long-term objectives and goals, and leads the annual reporting process on sustainability-related topics.

The Sustainability Committee meets periodically and reports to the Chief Executive Officer and the Corporate Governance and Nominating Committee of the Board. In 2024, the ESG Committee reported to the Corporate Governance and Nominating Committee of the Board twice. These reports and action items included considerations for enhancing our operational environmental footprint, including LED lighting, a new recycling program, the viability of renewable energy installations within our branches, and the integration of certain environmental and social-related risks into our credit policy.

The Corporation’s Corporate Sustainability Policy outlines our sustainability focus areas, including energy management and climate change risk. This policy applies to all First BanCorp employees, the Board, and other relevant stakeholders. It is updated at least once every two years and is reviewed and approved by our management team and the Board.

In addition to our Sustainability Committee, there are several management-level committees that support risk oversight. These committees include, but are not limited to:

- **Executive Risk Management Committee:** Oversees risk governance across the corporation at the management level.
- **Current Expected Credit Losses (CECL) Committee:** Oversees CECL-related processes, resources, models, and calculations.
- **Management Investments and Asset-Liability Committee:** Assists the Board in its oversight of the Corporation’s policies and procedures relating to asset and liability management.
- **Vendor Management Committee:** Oversees the Corporation’s policies, procedures, and practices relating to the Corporation’s vendor management efforts and evaluates the risks of third-party providers.
- **Business Continuity Management Committee:** Oversees our enterprise Business Continuity Management (BCM) program to ensure continued business operations in the event of a major disruption.
- **Emergency Committee:** Activates emergency and disaster recovery procedures to ensure the safety of personnel and the continuity of critical services.

Our Risk Management Policy guides our risk management processes and ongoing efforts to identify and realize opportunities.

Reporting Recommendation

Response

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning where such information is material.

a. Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term

The Corporation understands that the key to climate resilience lies within our ability to manage potential climate risks and maximize climate-related opportunities. We have identified several risks and opportunities, outlined below, and have processes in place to take appropriate action in the pursuit of long-term sustainability.

RISKS

Through our enterprise risk management (ERM) process, we have identified potential business risks that may be exacerbated by climate-related drivers. These risks may fall into one or more categories of risk, including policy and legal risk, reputational risk, market risk, and physical risk (acute and chronic).

We are subject to sustainability risks that could adversely affect our reputation and the market price of our securities.

There is an increased focus from certain government regulators, investors, customers, business partners, and other stakeholders concerning sustainability matters, and the expectations related to climate risk matters are rapidly evolving. The increased focus by investors and other stakeholders on the corporate sustainability practices of publicly traded companies, like us, has included or may in the future include expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor, and risk oversight and could expand the nature, scope, and complexity of matters that we are required to control, assess, and report. These requirements would likely result in increased sustainability-related compliance costs, which could result in increases in our overall operational costs. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, and our stock price.

For example, we may be exposed to negative publicity based on the identity and activities of those to whom we lend and with which we otherwise do business and the public’s view of the approach and performance of our customers and business partners with respect to sustainability matters. Any such negative publicity could arise from adverse news coverage in traditional media and could also spread through the use of social media platforms. The Corporation’s relationships and reputation with its existing and prospective customers and third parties with which we do business could be damaged if we were to become the subject of any such negative publicity. This, in turn, could have an adverse effect on our ability to attract and retain customers and employees and could have a negative impact on our business, financial condition, and results of operations. In addition, we could be criticized by sustainability detractors for the scope or nature of our initiatives or policies or for any revisions to these policies. We could also be subjected to negative responses by governmental actors (such as anti-ESG legislation or retaliatory legislative treatment) or consumers (such as boycotts or negative publicity campaigns) that could adversely affect our reputation, results of operations, and financial condition.

Our results of operations could be adversely affected by natural disasters, public health crises, political crises, negative global climate patterns, or other catastrophic events.

Natural disasters, whose nature and severity may be impacted by climate change, such as hurricanes, floods, extreme cold events, and other adverse weather conditions; public health crises; political crises, such as terrorist attacks, war, labor unrest, other political instability, trade policies, and sanctions, including the repercussions of the ongoing conflict in Ukraine, the conflict between Israel and Hamas, and the possible expansion of such conflicts to surrounding areas and potential geopolitical consequences; negative global climate patterns, especially in water-stressed regions; or other catastrophic events, such as fires or other disasters occurring at our locations, whether occurring in Puerto Rico, the U.S., or internationally, could cause a significant adverse effect on the economy and disrupt our operations. Certain areas in which our business is concentrated, including Puerto Rico and the USVI, are particularly susceptible to earthquakes, hurricanes, and major storms. Further, climate change may increase both the frequency and severity of extreme weather conditions and natural disasters, which may affect our business operations, either in a particular region or globally, as well



Reporting Recommendation

Response

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning where such information is material.

a. Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term

as the activities of our customers. The Corporation is also not able to predict the positive or negative effects that future events or changes to the U.S. or global economy, financial markets, or regulatory and business environment could have on our operations.

**Climate change, and efforts to mitigate its long-term effects, may materially adversely affect the Corporation’s business and results of operations.**

Concerns over the long-term effects of climate change have led and will continue to lead to governmental efforts around the world to mitigate those impacts. Consumers and businesses also may voluntarily change their behavior as a result of these concerns. The Corporation and its customers will need to respond to new laws and regulations as well as consumer and business preferences resulting from climate change concerns. The Corporation and its customers may face cost increases, asset value reductions, and operating process changes. The impact on our customers will likely vary depending on their specific attributes, including reliance on our role in fossil fuel activities. Among the impacts to the Corporation, we could face reductions in creditworthiness on the part of some customers or in the value of assets securing loans. The Corporation’s efforts to take these risks into account in making lending and other decisions, including increasing our business with climate-responsible companies, may not be effective in protecting the Corporation from the negative impact of new laws and regulations or changes in consumer or business behavior.

**OPPORTUNITIES**

We have identified opportunities within our business to act as a financing provider for companies engaged in clean and renewable energy sectors. We aim to continue driving lending and investments in areas that are aligned with responsible climate risk management and are within our credit policies and parameters.

b. Describe the impact of climate-related risks and opportunities on the company’s businesses, strategy, and financial planning

The Corporation incorporates sustainability and climate considerations into how we manage our business. The following aspects of our business and strategy have been influenced by climate-related risks and opportunities:

- **Products and Services:** Climate-related risks to our loan portfolio are managed via our credit governance processes. We have expanded the mandate for the Corporation’s Commercial Loan Credit Policy to further strengthen our ability to assess the downside risk of our credit investments while considering the transition and fiscal risks of our credit investments. Further, loans to entities within the oil and gas industry now have stricter approval requirements since updating our policy in 2023. We have set a clear path toward focusing on companies that value environmental and community stewardship. For more information, see Sustainable Finance & Lending.
- **Operations – Adaptation and Mitigation Activities:** The Corporation has invested in a robust Business Continuity Management Program that enables us to mitigate losses associated with, among other aspects, physical climate events. This program, linked to our ERM structure, facilitates swift identification of potential impacts that may threaten our operations and provides a framework for effective responses and adaptation measures that safeguard our business and other key stakeholders. The program is comprehensive and incorporates business impact analyses, disaster recover strategies, and emergency preparedness and response plans. For more information, see Business Continuity Management.

c. Describe the resilience of the company’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The Corporation has not undergone a specific climate-related scenario analysis; however, we have worked to build climate resilience within our business strategy and operations by integrating climate considerations into the management of our credit and loan portfolios and taking adaptive measures within our facilities that are most likely to be impacted by acute and chronic physical climate risks.

Reporting Recommendation

Response

Risk Management

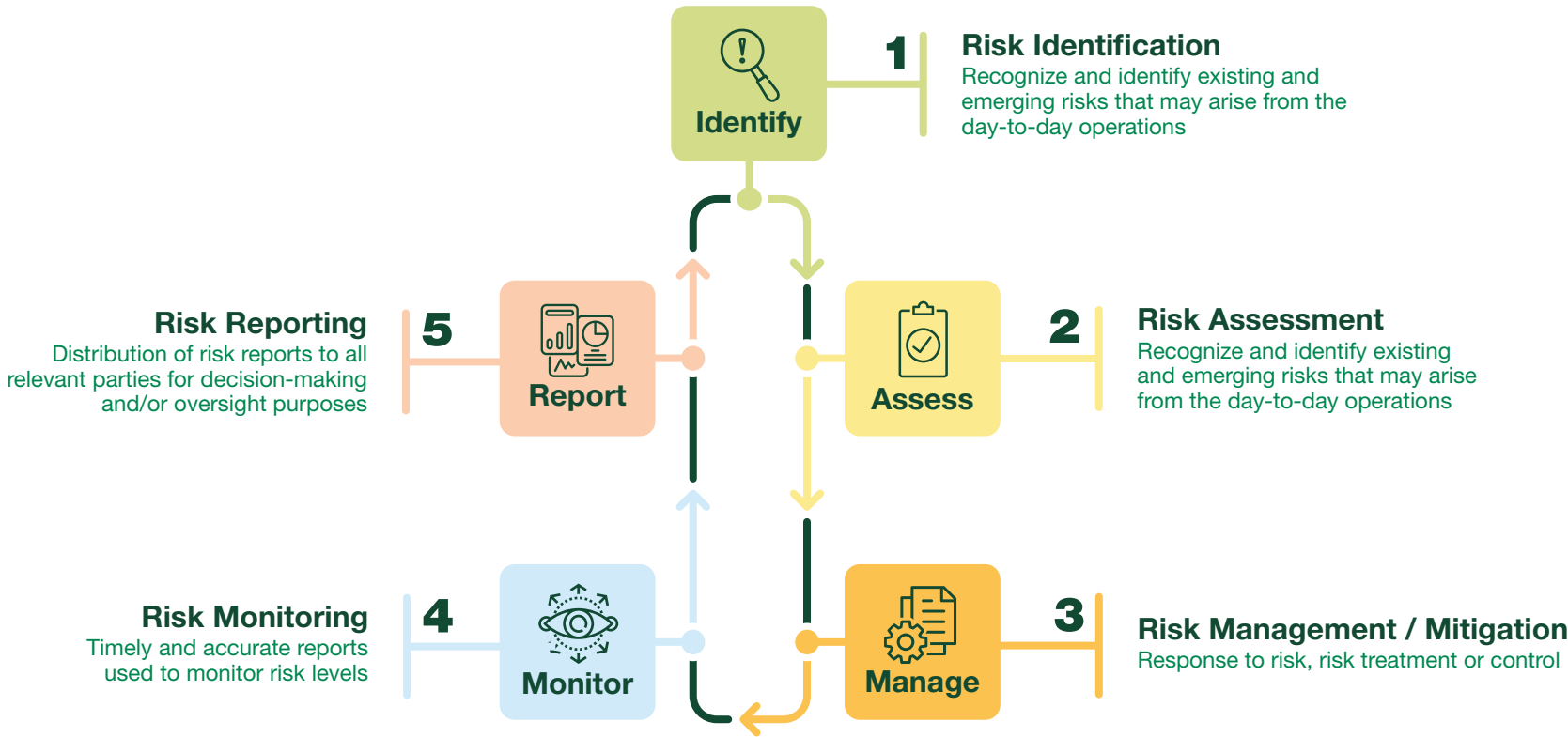
Disclose how the company identifies, assesses, and manages climate-related risks.

- a. Describe the company’s processes for identifying and assessing climate-related risks.
- b. Describe the company’s processes for managing climate-related risks.
- c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company’s overall risk management.

The Corporation’s process for identifying, assessing, and managing climate-related risks is embedded within our enterprise risk management (ERM) program. Our ERM program, which leverages the Committee of Sponsoring Organizations (COSO) ERM Framework, defines a comprehensive process that is applied enterprise-wide to identify potential events that may affect the organization, manage risk to be within our risk appetite, and inform strategic planning efforts.

RISK MANAGEMENT MODEL

Our risk management model focuses on five key areas outlined below:



Reporting Recommendation

Response

Risk Management

Disclose how the company identifies, assesses, and manages climate-related risks.

RISK TAXONOMY

Our internal risk taxonomy guides our risk identification process. This taxonomy includes the following risk categories at its highest level: legal and regulatory, credit, liquidity, market and interest rate, model, reputational, strategic, capital, operational, and technology.

RISK APPETITE

The Corporation’s risk management processes are completed within the context of our Corporate Risk Appetite Statement, which outlines the strategic, regulatory, operational, and financial parameters that reflect our corporate risk appetite and collective business judgment regarding risk-taking activities. The Corporate Risk Appetite Statement is driven by the corporate strategic objectives delineated by the Board and management, reflecting a combination of short-term stakeholder expectations and longer-term corporate strategies.

RISK CULTURE AND REPORTING

The Corporation leverages various methods to build and maintain our strong risk culture and communicate our risk strategy to internal and external stakeholders. These methods include internal trainings, regular enterprise risk profile reports to the Board and its Committees, and public disclosure of material risks to external stakeholders in the form of our SEC filings and voluntary sustainability reporting initiatives.

BUSINESS LINE AND CORPORATE RISK ASSESSMENT

At an enterprise level, the Corporation completes a Business Line and Corporate Risk Assessment exercise at least once every two years. This exercise enables us to identify and assess material risks faced by the corporation and develop action plans to manage top risks.

Identification

We deploy a top-down and bottom-up approach to identify potential risk factors within the parameters of our risk taxonomy. Each business line completes a self-assessment to identify risks in the context of its operating environment. At the corporate level, risks are identified through a collaborative process that leverages industry resources, such as the American Bankers Association Risk Library, to populate a comprehensive universe of possible risks and engages risk managers and subject matter experts throughout the Corporation to identify risks most relevant to our business. Identification processes at both the business line and corporate levels come together to create a well-informed view of identified enterprise risks.

Assessment

Our Business Line and Corporate Risk Assessment exercise involves a risk assessment process that enables us to anticipate the likelihood and severity of identified risks. Through this process, we evaluate material enterprise risks, the likelihood of occurrence, and the adequacy of existing controls to determine appropriate countermeasures and mitigating activities. The assessment considers the inherent risk, controls, and residual risk exposure. Review and challenge processes are conducted throughout the execution of this exercise.

Management and Mitigation

The final aggregated Corporate Risk Assessment along with action plans and top risks is reviewed by the ERM and Operational Risk Director and presented at the Enterprise Risk Management Committee and Board Risk Committee for final reviews.



Reporting Recommendation

Response

Risk Management

Disclose how the company identifies, assesses, and manages climate-related risks.

STRESS TESTING

The Corporation conducts enterprise-level stress testing exercises periodically to account for idiosyncratic and event-driven risks related to the ongoing business operations based on internally generated stress. We leverage scenarios tailored to our business and risks to assess potential impacts on our financial condition including losses, earnings, cash flows, capital, and liquidity. The Corporation macroeconomic scenarios baseline forecast includes climate change assumptions that are consistent with a weighted average of the assumptions underpinning a range of scenarios, including those from the Network for Greening the Financial System. In the baseline forecast for the macroeconomy, the following climate risk assumptions were adopted:

- Global CO2 emissions will fall by 64% from their pre-pandemic level by 2100.
- The global mean temperature will rise 2.5°C above its pre-industrial level by 2100.
- Global carbon prices will rise from \$3 to \$325 per ton by 2100.
- The global percentage of non-carbon-emitting energy consumption will rise from 17% to 71% by 2100.
- Chronic physical risk will shave six basis points from global GDP growth per annum, adding up to a cumulative 5.1% reduction by 2100.
- Economic loss due to acute physical risk will accelerate, rising from an estimated \$129 billion in the U.S. to nearly \$500 billion annually by 2050.

CORPORATE BUSINESS CONTINUITY MANAGEMENT PROGRAM

Our Corporate Business Continuity Management Program is committed to:

- Making the Corporation more resilient to potential threats
- Enabling it to resume or continue operations under adverse or abnormal conditions.

This is accomplished by the introduction of appropriate resilience strategies to reduce the likelihood and impact of a threat and the development of plans to respond and recover from threats that cannot be controlled or mitigated.

The Corporation’s Business Continuity Plan is developed, tested, and kept current following the recommendations in the Federal Financial Institutions Examination Council (FFIEC) Business Continuity Management Booklet and the best practices in the Disaster Recovery Institute (DRI) International Professional Practices and Business Continuity Institute.

Each business unit is responsible for developing and implementing a training/communication program to establish and maintain awareness of the unit’s Business Continuity Plan (BCP) and to train the unit’s staff so that they are prepared to respond during an event. Plans must include cross-training of staff members to permit flexibility of assignment during an emergency. The Business Continuity Manager assists the business units by providing BCP and DRP staff training to designated Business Unit Coordinators on an annual basis.

Reporting Recommendation

Response

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

- a. Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.
- b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.
- c. Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.

The Corporation is committed to assessing and managing our climate-related risks and opportunities and tracks several climate-related metrics within our facilities to serve as indicators for environmental performance.

ELECTRICITY CONSUMPTION (KWH)	
Puerto Rico	17.7 million
Eastern Caribbean Region	2.1 million
Florida	774,000
TOTAL	20.5 million

WATER USAGE (GAL)	
Puerto Rico	6.6 million
Eastern Caribbean Region	578,000
Florida	211,000
TOTAL	7.4 million

ELECTRICITY CONSUMPTION (KWH)	
Electronic Waste Recycling	8,000
Wood Recycling	24,000
Paper Recycling	1.1 million
Heavy Metal and Single-Stream Recycling	7,000
Battery Recycling	2,000
Organic Waste Reduction	6,000
Paperboard and Cardboard Recycling	15,000
Plastics Recycling	1,000

The Corporation is considering to disclose other climate-related metrics and targets in future reporting.

Forward-Looking Statements and Materiality

This report contains “forward-looking statements” within the meaning of the Private Securities Litigation Act of 1995. These statements are related to the Corporation’s future economic, operational, and financial performance and can be identified by the words “expect,” “anticipate,” “intend,” “should,” “would,” “believe,” “may,” “will,” “plans,” and similar expressions as well as variations of these words. These statements are based on First BanCorp’s current views and expectations and involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. These factors include, but are not limited to, uncertainties relating to the impact of adverse changes in general economic conditions in Puerto Rico, the U.S., the U.S. Virgin Islands, and the British Virgin Islands; climate-related conditions and natural disasters; an adverse change in the Corporation’s ability to attract new clients and retain existing ones, including through its digital banking initiatives; technological advancement; ESG matters, including our climate-related initiatives and commitments, as well as the impact and potential cost to us of any policies, legislation, or initiatives in opposition to our ESG policies; failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards relative to ESG concerns; and other risks discussed in our Form 10-K for the fiscal year ended December 31, 2024 and in our other filings with the Securities and Exchange Commission (SEC). The Corporation cautions readers not to place undue reliance on such statements, which speak only as of the date made, and advises readers to consider such various factors, some of which are in the Corporation’s control and some of which are not. These factors could cause actual results to differ materially from those expressed in or implied by such statements. The forward-looking statements contained in this report reflect our views as of the date hereof. The Corporation does not undertake and specifically disclaims any obligation to update any forward-looking statements after the date of such statements, except as required by law. The goals, plans, targets, and commitments discussed in this report are aspirational. We are committed to achieving them but cannot guarantee or promise that they will be achieved. Data pertaining to disclosures includes estimates and may be based on assumptions. Additionally, some figures in this report may be unaudited. This report uses certain terms, including “material,” to reflect the issues of greatest importance to the Corporation. Used in this context, these references may not be the same “material” as defined by or construed in accordance with U.S. federal securities laws, including SEC rules and regulations. No reports, documents, or websites that are cited or referred to in this document shall be deemed to form part of this report.



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