Environmental, Social & Governance Report 2025

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INTRODUCTION

Our Environmental, Social and Governance (ESG) practices highlight our commitment to our shareholders, our customers, our employees and the communities we serve. We strive to satisfy the financial needs of individuals, families and businesses in those communities, as well as make a positive impact through our philanthropic giving and volunteerism. Through our honest and ethical business practices, our team is committed to enriching our communities, working in unison to create opportunities and to serve.

The First Bancorp, Inc. (Nasdaq: FNLC) is the parent company of First National Bank. First National Bank has operated as a highly efficient, relationship driven institution for over 160 years. Cooperation and collaboration, while consistently pulling on the same rope, defines our past, and guides our future. With eighteen locations across six Maine counties, we serve individuals, families, businesses, municipalities, and non-profits throughout our region with a full range of financial services. We're proud of our unique culture of respect; intended to make all our customers feel valued.

Our Core Values

Our core values are the guiding principles behind our culture, actions and behaviors. Through our friendly, welcoming, and honest service we help our customers realize their financial goals and dreams. We value our customers by striving for excellence in each interaction. Our objective is to consistently exceed our customers' expectations.

- **Respect** - Respect for the individual is first and foremost. We value ourselves, each other, and the customers we serve.
- **Friendly** - We are welcoming. We provide friendly and responsive service at every customer touch point.
- **Dedicated** - We are committed to the success of our customers and, in turn, to the success of our employees, our Company and our shareholders. Through dedication we will achieve our goals.
- **Trustworthy** - We are honest and dependable. We put our trust in each other and our customers, and we honor their faith and confidence in us.
- **Integrity** - We believe in doing good and doing right by others. We will keep the promises that we make and do what is expected of us as individuals, employees and as a Company.
- **Community Focused** - We are truly part of the communities we serve. We are entirely invested in the success of these communities, through the good times and the bad.
- **Accountable** - We are accountable for every decision and commitment we make. We work with a sense of urgency and responsiveness. Should a mistake be made we act swiftly to address and rectify.

ENVIRONMENTAL

Emphasis on Digital Banking Products

We continue to see increased use of digital banking products.

» Online Banking had an increase of 15.45% in year-over-year enrollment.

» Approximately, 75% of Online Banking users are enrolled in Electronic Statements.

Corporate Technology

» Our document storage platform contains almost 3.4 TB of images. This represents 28 million document pages, commonly stored as Office files, PDFs, and images.

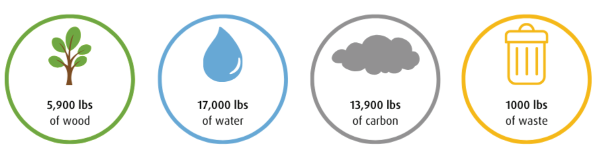
» Centralized secure data centers using virtual servers reduce physical hardware and optimize power usage.

» Video conferencing – FNB hosted more than 850 virtual meetings in 2024, totaling over 38,000 minutes reducing travel and related fossil fuel expense.

Reducing Paper Usage

» The use of electronic signatures on documents saved over 5,900 pounds of wood, 17,000 gallons of water, 13,900 pounds of carbon and almost 1,000 pounds of waste.

First National Bank's Environmental Savings



» 569,379 electronic statements and 32,396 electronic notices were sent to customers in 2024.

This compares to:

- Removing 1 car from the road
- Skipping 12 loads of laundry
- Conserving 17 trees
- Saving 91,829 pages of paper

Energy Consumption

» Most of our branches and our operations center have been upgraded to energy efficient interior LED lights or partially converted.

» We eliminated our daily courier runs between branches, saving miles of travel on our roads.

» Four of our branches and our operations center have been renovated with energy efficient HVAC systems for both heating and cooling. The Wiscasset branch has high efficiency condensing heating and the Eastport branch renovation, completed in 2024, included high-efficiency condensing heat with hybrid heat pump functionality.

» Other: As of Q3 2024 the Bank has partnered with hydroelectric and solar energy producers in green energy NEBCA agreements covering all buildings in the CMP footprint and all except one (Brewer) in the Versant footprint. We continue to look for opportunities in other markets.

Recycling

» We work with the non-profit, Give IT Get IT, helping people who can't afford a computer get a computer with software, support and a warranty. They do this by doing data destruction of our hard drives and then re-purposing any of our equipment that they can to help single parents go back to school, children of impoverished families get a computer for school or college, elders get a computer for telehealth or to stay in touch with loved ones and many other scenarios. In 2024, First National Bank donated 55 items weighing a total of 718 pounds. Twenty of those items were able to be reused, at a weight of 165 pounds. The equipment donated had a 36% reuse rate and was used to help people improve their position in life by becoming more self-sufficient through technology.

» We participate in single stream recycling in all Damariscotta facilities.

» We partner with a shredding company to securely shred and recycle all disposed paper.

ESG Investment Capabilities

First National Wealth Management (FNWM) works closely with clients and prospective clients to customize ESG-related concerns and incorporate their desires into the investments selected for their individual portfolios. From a practical standpoint, this could entail avoiding fossil fuel and related "sin" stocks and bonds and/or investing in funds that include companies that exhibit positive ESG qualities or those that fall into the category of impact investing. As part of the due diligence process, FNWM monitors the performance of ESG investments to ensure that the customer's goals are being reached from both an ESG and financial perspective.

In the Bank's investment portfolio, we currently hold some funds in green bonds and continue to research these options as a viable investment for the Company. In the lending portfolio we work with customers in the solar farm business and have financed several LEED certified commercial real estate projects.

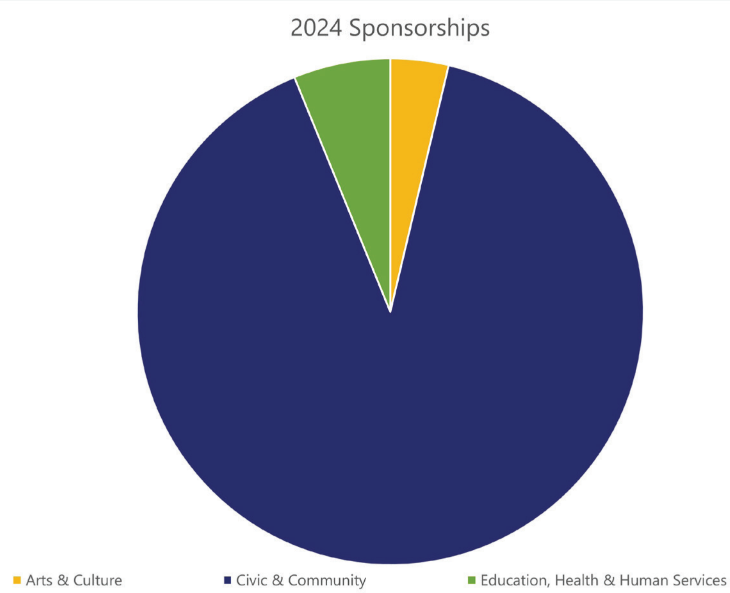
SOCIAL

The First Bancorp is proud to extend its great tradition of service beyond the walls of our branches by identifying and funding areas of community need that exist within our service region. Corporate donations, sponsorships, and employee volunteerism are the primary ways in which we demonstrate our support to a variety of worthy programs that directly serve our communities. Our Company can only be as strong as the communities we serve. We are proud to play a role in helping make each of our communities a better place to live and work.

Commitment to Community

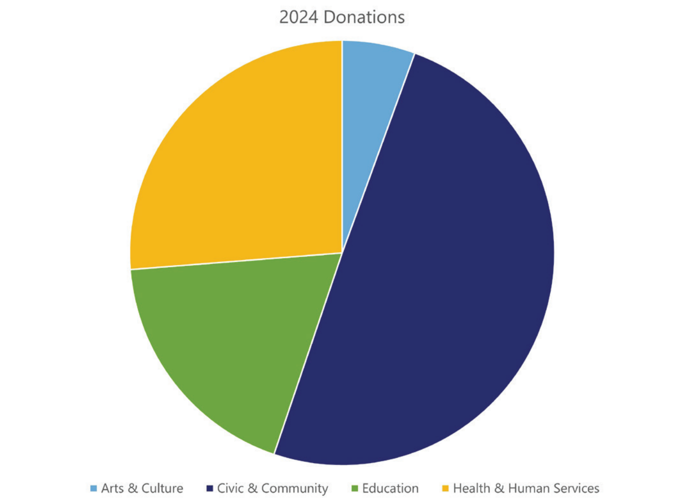
In 2024, we contributed over $817,000 through sponsorships and donations to organizations in our market area. This included several large capital campaigns to projects such as public libraries, food pantries, Habitat for Humanity, hospitals and schools.

Our employees volunteered over 11,400 hours of their time and raised over $15,000 for community causes through events such as races, walks, and casual days.



Supporting Local Businesses

We have continued our Dream First Community program, which supports local businesses while helping tackle food insecurity in Maine. When a customer shops using their First National Bank VISA® Debit Card at partner local merchants, First National Bank donates money to local area food banks.



This allows us to not only support the food pantries, but to encourage shopping locally. Bank local. Buy local. Give local.

Maine continues to have a high food insecurity rate, impacting 11.4% of households. On average, 1 in 4 Maine children are at risk for hunger, and 37% of them do not qualify for public assistance. In conjunction with our Dream First Community Program, our branches also held food drives in March to help support their local communities. They chose from local food pantries, school food pantries, or their local pet food pantries. In November, our Sugar and Spice Campaign collected over 400 pounds of kitchen pantry staples.

Community Reinvestment Act (CRA)

As part of our commitment to our Communities and our desire for all of our customers to "Dream Big" the Company seeks out opportunities to support organizations that work with the less fortunate in Maine and to promote job creation through small business lending. We have a sustained history of positive CRA ratings based primarily on:

- Lending primarily to customers in our market area;
- A commitment to engaging low- and moderate-income customers by lending in conjunction with the Maine State Housing Authority and by including small dollar loans in our portfolio;
- Support for local non-profits though donations, sponsorships and volunteerism.

In 2024, the Bank committed $50,000 in support of non-profits working to end food insecurity in Maine. The Bank donated to 47 organizations throughout our market area supporting food pantries, pet food pantries, organizations that provide nutritional meals to cancer patients, and Meals on Wheels.

In addition to our support of non-profits to end food insecurity, in 2024, we donated $151,800 to organizations working to better the economic lives of our market area's low to moderate income residents.

Financial Literacy

First National Bank is an active participant in the American Bankers Association's Teach Children to Save Program. Our teams were excited to visit our local schools to educate over 530 students at 20 area schools about money, banking and credit. Beyond Teach Children to Save, the Bank has worked with other organizations, such as the Girl Scouts of Maine and local high schools, to share information on financial literacy. With recent upticks in financial scams, Bank staff worked with local access television and other community groups to keep our customers, and the community at large, informed on the latest scams and tactics being used by fraudsters to steal their money. Reminding everyone that these scams exist and having them prepared for what to do if they fall victim is extremely important.

Financial Accessibility for All

First National Bank is committed to treating all customers fairly and providing a comprehensive lineup of banking services to meet the needs of our diverse customer base. These services include:

» Low cost or no-cost savings and checking products to meet customers where they are in their financial life cycle.

» A variety of overdraft options to help customers avoid excess fees and the embarrassment of a missed payment.

» A robust suite of digital banking products including on-line banking, mobile banking, mobile deposit, and online statements so customers can bank with us anywhere regardless of location or mobility status. We also offer online mortgage loan applications.

We are committed to offering our customers the best products possible and select these products through a rigorous research and project management process. We review our products and services at every customer touch point, from initial disclosure through implementation. Our goal is to make our customers' financial dreams come true by providing excellent products and customer service.

Composition of Workforce

The First Bancorp/First National Bank complies with all federal, state and local labor laws including but not limited to those related to child labor, forced labor and human trafficking. All employees are eligible to work in the United States. The minimum age for employment is generally 18 although we do run both high school and college student internship programs and may accept younger employees in those programs.

Age Diversity as of December 31, 2024:

Employee Age Range	% of employees
Over 65	3.5 %
56-65	18.4%
46-55	17.3%
36-45	22.8%
26-35	23.5%
Under 25	14.5%

When we have a vacancy, we use both national and local job boards to recruit, casting a wide net in order to hire the best possible candidate for the job. We are an equal opportunity employer.

Below is a gender-based snapshot of our workforce as of December 31, 2024:

	Female	Male
Total Workforce	77.5%	22.5%
Executive Management	50.0%	50.0%
Management	64.1%	35.9%

Compensation and Benefits

A full description of the Company's compensation policies and practices can be found in the Company's proxy statement. The proxy discusses executive compensation in detail and includes information about programs and benefits available to all employees. In general, position salaries are based on the value of the job as outlined in Pearl Meyer's banking compensation surveys for Northern New England and the Northeast. Other factors that influence salaries include past experience, tenure in the position and performance. The Company's base wage is well above both the federal minimum wage and the state of Maine minimum wage.

The Company provides a full complement of employee benefits including Company-paid life and long and short-term disability insurances, a generous cost-share for health insurance, Health Savings Account contribution and opportunities to purchase ancillary insurance products at competitive premiums. The Company also provides competitive time off in the form of sick, personal and vacation time, and birthday paid time off.

Employee Engagement

Employee engagement has been the cornerstone of our Company's last three strategic plans. We strive to be the employer of choice in all of the markets we serve by providing our employees a compensation plan that includes pay for performance, a bonus plan based on easy to understand key performance indicators and a benefits package that includes a generous reimbursement for health insurance and a competitive “safe harbor” 401(k) plan. Our real differentiator, we feel, is our culture. We truly believe in a flat organization where communication moves just as easily from the bottom up as from the top down. We offer employees a variety of mechanisms to provide direct feedback to the CEO and our Executive Team. In recent years, the CEO has undertaken several initiatives including employee breakfasts and management coffees to reach out to every employee. In 2023, all employees were given the opportunity to provide input into the 2023-2025 Strategic Plan. The new plan is extremely robust and will serve the Company well over the next three years. Video chats, weekly emails, various corporate blogs and an employee newsletter are all ways which information is communicated to our valued employees.

On an annual basis, we establish a series of corporate goals that are at the top of every employee’s goal sheet. Also on the goal sheet are the employee’s individual goals that tie directly to the corporate goals. By understanding how their goals assist the Company with overall goal achievement we further engage each employee in the Company’s mission and success.

Workplace Safety

The First Bancorp/First National Bank is dedicated to workplace health and safety. Our efforts to ensure a healthy and safe workplace reinforce our commitment to human rights. The First Bancorp/First National Bank and our employees strive to:

- Operate all aspects of business in a manner that protects the safety and health of employees and customers.
- Provide and use the resources needed to maintain safe and healthy workplaces.
- Identify and take reasonable measures to eliminate or mitigate potential workplace hazards, including blood-borne pathogens, ergonomic safety issues and related.
- Provide safety information to all employees and provide training relevant to our industry including active shooter protocols and robbery protocols.

In calendar year 2024, the Company reported three employees with minor workplace injuries, representing just .01% of the employee base. The Company has never recorded a work-related fatality.

Employees are also educated in how to recognize, report, and assist in harassment situations. The Company’s EVP/Chief Administrative Officer is the designated contact for any suspected harassment incidents and all employees have direct access to them. In recent years, we have provided Mental Health First Aid training conducted by NAMI of Maine to assist managers and others in recognizing and helping employees experiencing mental health issues. The Company also offers

an Employee Assistance Program (EAP) that employees can access for their own needs and the needs of their families.

Employee Opportunities & Leadership Development

The Company is committed to providing our employees the opportunity to grow and advance. In 2021 we added a Development Associate to our Training and Education Department who works with supervisors to create development and education plans for employees. Our employees are encouraged to take advantage of Center for Financial Training and Education Alliance classes to expand their banking knowledge. We also support employees completing their undergraduate and graduate degrees through our tuition reimbursement program and our relationship with Husson University. We also select employees annually to attend Northern New England School of Banking, New England School of Financial Studies and send, as needed, employees to ABA’s Marketing School, Compliance School and other targeted programs.

Internally, we have created a Dream Academy for employees we have identified as potential future leaders. Employees that participate in this program attend eight weeks of classes conducted by our Executive Management Team and selected outside individuals. The group also completes a final project directly related to the Bank’s strategic plan. This program has been extremely successful at both retention of the future leaders and implementation of strategic plan objectives. Established in 2022, our Dream Mentorship Program supports employees who are looking to be paired with a Mentor for personal and professional growth. This six month program has run for three terms and has proven to be successful for mentees and mentors alike.

In addition to being attentive to the development of future leaders, the Company has a robust succession planning process that provides for both a short and long-term success for all members of management. By identifying successors early and by planning for the retirements of key employees early, we can move forward without interruption and ensure

our employees are ready to lead when they are called upon to do so.

Diversity, Equity & Inclusion

The First Bancorp is the parent company of First National Bank, a Maine-based community bank with 18 branches from Wiscasset to Eastport. The Company is committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion, both in our employee base and on our Board of Directors. Valuing diversity and inclusiveness enables us to achieve our corporate mission and creates value for our customers, employees, business partners and shareholders.

Policy: Our people are the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our reputation and Company's achievement as well.

We embrace and encourage our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique.

The First Bancorp's diversity initiatives are included in our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

» Respectful communication and cooperation between all employees.

» Teamwork and employee participation, permitting the representation of all groups and employee perspectives.

» Work/life balance to accommodate employees' varying needs, to the extent that we can do so.

» Employer and employee contributions to the communities we serve to promote a greater understanding and respect for the diversity.

All employees of The First Bancorp/First National Bank have a responsibility to treat others with dignity and respect at all times. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored events.

Any employee found to have exhibited any inappropriate conduct or behavior against others may be subject to disciplinary action as outlined in the Company's Human Resources Manual.

Employees who believe they have been subjected to any kind of discrimination that conflicts with the Company's diversity policy and initiatives or any other policy detailed in the Company's Human Resources Policy Manual has the option to seek assistance from their manager or from the Human Resources Department.

GOVERNANCE

The Board of Directors of The First Bancorp and First National Bank along with the Executive Management Team is committed to setting a tone of service, leadership and accountability from the top down. Solid board leadership, effective governance and a strong strategic plan are the keys to responsible growth and the overall success of the Company.

Board Composition

The Board of Directors of The First Bancorp also serves as the Board of Directors for First National Bank. Currently, the Board consists of nine directors, eight of which are independent, and represent the Bank's market area. Tony McKim, the Company's President and Chief Executive Officer, who serves on the Board, is not considered independent. All of Company's directors are elected at the Company's Annual Meeting to serve one-year terms. The average tenure of the Company's directors is 15 years. Half of the current directors have served over 10 years. There is a mandatory retirement following the director's 75th birthday. The board and committees regularly hold executive sessions without the CEO and independent directors chair all of the committees.

Board diversity, independence & expertise

We seek to have a Board that is representative of the geographic area we serve with skills and experience to help us as a Company reach our strategic goals. Although the Company does not have a formal policy with respect to diversity, it is committed to creating an environment of diversity, equality and inclusion. Each of our outside Directors brings knowledge to the Company from their field of expertise including finance, human resources, marketing, economic development and leadership derived through their academic field of study, work experience, and management of their own companies and professional practices. Currently, 33% of the FNLC/FNB directors identify as female. As a community bank, it is important that our directors understand the markets we serve, particularly the banking needs of individuals and small businesses. 99% of our directors live within our market area, and 44% operate their own businesses.

The role of Board Chair is held by an independent, non-executive director, who is elected annually by the directors.

Anti-Money Laundering/Bank Secrecy Act

The First Bancorp, and its national bank subsidiary, First National Bank, comply with all tenets of the Bank Secrecy Act. We have a robust BSA/AML program which is subject to review and examination by both internal auditors and the Bank's regulator, the Office of the Comptroller of the Currency. The program is also validated annually by a third-party.

Code of Business Conduct & Ethics

Ethical conduct is the foundation of the Company's governance philosophy. Our Code of Conduct and Business Ethics applies to all directors, executive officers and employees of the Company and the Bank. The Board also has in place a separate Financial Code of Ethics which supplements the Code of Conduct and applies to the Company's CEO and CFO. The Financial Code of Ethics conforms to the requirements of the Sarbanes-Oxley Act of 2002 and Nasdaq listing standards. The Company's governance documents, including the Code of Business Conduct and Financial Code of Ethics can be found on our corporate website: https://investors.thefirst.com/governance/governance-documents/default.aspx

Whistleblower Policy

Reporting Violations of the Code of Ethics

Employees who become aware of any violation of the code or any other illegal conduct on the part of any employees must inform a member of the Bank's Executive Leadership Team immediately. Failure to disclose such conduct or obstructing another employee's disclosure of such conduct may subject the employee to disciplinary action, up to and including termination. No employee acting in good faith will be retaliated against for reporting suspected code of ethics violations, even if it is ultimately determined that no code of ethics violation occurred.

Reporting Auditing/Accounting Complaints

The Audit Committee of the Board of Directors of The First Bancorp (and First National Bank) has instituted a process for reporting concerns regarding questionable auditing and accounting matters as required under Sarbanes-Oxley, the law passed by Congress in 2002 in response to questionable practices that led to major issues at several large companies. This process allows employees to submit their concerns in a confidential and anonymous manner (if they so choose to be anonymous) directly to the outside director who is chair of the board's audit committee. Types of concerns that would be legitimate to report include financial statements not prepared using generally accepted accounting principles; collusion between management and auditors to falsify financial information to make the company appear in a better financial position than it truly is, and other matters that may misrepresent the company's overall financial condition. No employee acting in good faith will be retaliated against for reporting questionable audit or accounting matters.

Since the Company instituted the Whistleblower Policy, no complaints have been received.

Risk Management Practices

Our Board of Directors understands how critical it is to maintain the confidence of our customers, communities and employees. The Board proactively manages risks facing the Company through the establishment of a strong risk management culture as well as ongoing education and training for both employees and board members. We have a robust and comprehensive vendor management program to assess any vendor risks.

Through the Board's committee structure, board members interact with our outsourced internal auditing firm, our independent public accounting firm, and other specialized advisors who assist with asset liability management, compensation analysis, and the like. The Board's Audit Committee monitors compliance with a variety of regulations, internal controls, and hears reports from both the Bank's Technology Steering and Enterprise Risk Management committees. The chair of the Board's Audit Committee attends the quarterly meetings of the Enterprise Risk Management (ERM) Committee. The ERM Committee is a management committee that monitors the Company's risks.

In addition to the work of the Audit Committee, the full Board hears monthly reports from the Company's EVP/Chief Information Officer covering Capital Vendor Management, Cybersecurity, Information Security Risks and how the Company is remediating those risk. We continually make Investments in new technologies and engage in cybersecurity professionals to mitigate threats and to ensure we adhere to regulatory requirements.

To continue to learn more about the banking industry and recommended best practices, our employees and our Board engage with the Maine Bankers Association and the American Bankers Association, participating on committees, attending training and influencing public policy when appropriate.

Shareholder & Customer Communication

We are committed to transparency in communicating our financial performance to current and potential shareholders. Our primary means of communication with the investment community and our current shareholders is through our quarterly earnings releases and our annual report, all available to the general public, through our website along with all required filings with the U.S. Securities and Exchange Commission. Our President and CEO is also available to meet with shareholders upon request.

Our Board policies promote ethical business practice and the Board maintains open lines of communication with the Company's Executive Management Team and employees. The Bank's Executive Management Team attends all board meetings to review policies and to report on division activities. The Company's policy on Customer Confidentiality is reviewed at every board and committee meeting to remind all attendees of its importance. The Company's Code of Business Conduct and Ethics is reviewed annually, and all employees have a clear process for reporting violations through the EVP/Chief Administrative Officer who acts as the Code of Ethics contact person. Employees also have a means for reporting audit violations or suspect audit violations directly to the Board of Directors.

Additional Corporate Governance Information

More information about our corporate governance can be found on our website at https://investors.thefirst.com

LEADERSHIP

Board of Directors

Bruce B. Tindal, Chairman of the Board

Robert B. Gregory

Ingrid H. W. Kachmar

Renee W. Kelly

Tony C. McKim

Cornelius J. Russell

Stuart G. Smith

Kimberly S. Swan

F. Stephen Ward

Directors of The First Bancorp also serve as Directors of First National Bank

The First Bancorp Executive Officers

Tony C. McKim
President & Chief Executive Officer

Richard M. Elder
Executive Vice President & Chief Financial Officer

Christopher J. Austin
Executive Vice President & Clerk

First National Bank Executive Management Team

Tony C. McKim
President & Chief Executive Officer

Christopher J. Austin
Executive Vice President & Chief Legal Counsel Officer

Marcia L. Benner
Executive Vice President & Chief Administrative Officer

Jody L. Brown
Executive Vice President & Chief Risk Officer

Richard M. Elder
Executive Vice President & Chief Financial Officer

Jonathan W. Nicholson
Executive Vice President & Chief Lending Officer

Peter C. Nicholson
Executive Vice President & Chief Fiduciary Officer

Tammy L. Plummer
Executive Vice President & Chief Information Officer

Sarah J. Tolman
Executive Vice President & Chief Banking Officer