flagstar

Corporate Responsibility Report

2024

Let’s align the stars.



Contents

03 Why Corporate Responsibility Matters

04 Company Overview

05 Our Business Overview

07 Awards & Accolades

08 Our Vision & Values

09 Social

10 Community Focus

13 Philanthropic Giving

14 Nonprofit Spotlights

15 Promoting Financial Capability Through Philanthropy

16 Employee Assistance Fund

17 Corporate Contributions

18 Outreach & Volunteerism

19 Teammate Engagement

21 Everyone Thrives at Flagstar

22 Growing Together: Investing in Us

23 Employee Resource Groups

24 Vendor Opportunity

25 Meeting Customer Expectations

27 Governance

28 Corporate Governance

29 Code of Conduct & Code of Ethics

30 Data Security & Customer Privacy

31 Risk Management

33 Environmental Management System

34 Corporate Responsibility Materiality

35 Environmental

36 Sustainability

37 Greenhouse Gas Emissions

38 Energy & Sustainable Buildings

39 Water & Waste

40 Embracing Positive Changes

41 Sustainability Engagement

42 Sustainable Products & Services

43 Environmental Metrics

45 Disclosures



This Corporate Responsibility Report is published by Flagstar Financial, Inc., which is the bank holding company for Flagstar Bank, N.A. (hereinafter referred to as "Flagstar" or the "Company"). This annual Corporate Responsibility Report includes information regarding our corporate responsibility efforts covering the period between January 1, 2024 and December 31, 2024.

Why Corporate Responsibility Matters

A letter from our Executive Chairman, President, and CEO



2024 was a pivotal year for Flagstar Bank, as our Executive Leadership Team and Board of Directors drove a series of strategic initiatives aimed at positioning the bank for long-term growth and stability. This included enhancing the leadership team, adding industry-leading talent, increasing capital levels, improving our liquidity and funding profile, amplifying risk management and asset quality of the commercial real estate portfolio, and boosting the safety and soundness of our operations. We made tremendous progress in each of these areas over the past year, accomplishing a great deal in a relatively short period.

During the second half of 2024, we further increased our capital levels through the sale of several non-core businesses and assets – including our mortgage servicing right assets, the mortgage warehouse, mortgage servicing, and third-party origination businesses. Additionally, we have been making substantial investments in our commercial and corporate banking, and Flagstar's Private Bank, where we have added many new teammates throughout 2024, and plan to continue hiring in key roles in 2025.

At the end of last year, we introduced our 2025–2027 Strategic Plan, which at its core, articulates three Enterprise Strategic Goals:

1. **Transform Flagstar Bank into a top-tier performing, relationship-driven regional bank –** Flagstar is evolving from a traditional thrift to a more diversified commercial banking franchise. We've developed a model that provides investors with clear visibility into how each segment of our business contributes to overall performance.
2. **Create a customer-centric culture that prioritizes valuable relationships –** We strive to have a reputation of providing very high-quality service. We'll accomplish this by assessing how our customers interact with us and identify opportunities to improve their experience.
3. **Establish an effective risk management mindset that supports safe and sound operations –** In the regulatory world, we are considered a Category 4 bank which means that there are enhanced regulatory standards required of us. We are well down the path of building a strong and effective risk framework which will put us in the position as a strong bank recognized for its robust regulatory and risk governance framework.

Over the next three years as we strive to transform Flagstar Bank into a top-quartile performing regional bank, these three goals will serve as our north star. We feel that Flagstar is on the right path and makes progress every quarter.

In 2024, we also continued to strengthen our foundation for corporate responsibility. Amidst a year of significant changes, our unwavering commitment to responsible business practices remained. Throughout the year, we made substantial strides embedding corporate responsibility into our operations and promoting it as an integral component of our corporate ethos.

As part of this commitment, our charitable giving in communities was over $10.1 million in 2024. These funds supported organizations with grants, teammate giving, sponsorships, pro bono activities, and in-kind donations. Moreover, the Flagstar Foundation, in collaboration with contributions from our dedicated teammates continued its support of the Employee Assistance Fund. Since its inception in 2020, this initiative has provided vital assistance to teammates in times of need with cumulative contributions exceeding $371,250, reflecting our commitment to fostering a supportive and compassionate workplace culture where everyone feels valued and supported.

In 2024, Flagstar Bank's Community Reinvestment Act program contributed over $4.4 million to more than 150 community organizations. The Company's approach aims to find sustainable solutions with teammates volunteering their expertise and time in support of our communities. In 2024, teammates volunteered more than 8,500 hours at community organizations, participating with more than 490 different organizations. In addition, Flagstar provides multiple down payment assistance programs, CRA focused specialty mortgage programs that invests in first-time homebuyers and low to moderate-income families and communities. In its most recent review of the Company's community reinvestment activities, the Office of the Comptroller of the Currency, Flagstar's primary regulator, assigned Flagstar Bank a Satisfactory CRA rating.

Our corporate responsibility strategy is an important aspect of our culture to cultivate and promote prosperity for our key stakeholders. At Flagstar, we strive to create a workplace where all teammates feel respected, supported, and empowered to grow. Our teams are strengthened by a range of professional experiences and perspectives, enabling us to better serve our clients and communities nationwide. Across the organization, we've taken a practical, long-term approach to resource efficiency and business sustainability- balancing performance with responsible stewardship.

It is both a privilege and an honor to lead this remarkable Company alongside teammates who continually demonstrate talent, passion, and a shared focus on our clients, communities, and each other. Together, we are developing and fostering a culture of belonging and we look forward to sharing our accomplishments in the year ahead.

Sincerely,



Joseph Otting
Executive Chairman, President, and CEO

Company Overview

Our values are essential to who we are and have guided us to many successes in 2024.



Our Business Overview

Flagstar is a diversified consumer, commercial, and private bank and is one of the largest regional banks in the country. We meet our clients where they are on their financial journey and learn about their ambitions, ideas, and plans. Then, we offer tailored financial solutions to help them achieve their goals.

As of December 31, 2024, Flagstar Bank operated over 400 locations across 10 states, including strong footholds in the greater New York/New Jersey metropolitan region and in the upper Midwest, along with a significant presence in the fast-growing markets in Florida and across the West Coast.

In 2024, we took actions to further position ourselves for long-term success.

We sold certain parts of our mortgage business, including our mortgage servicing right assets and the mortgage warehouse, mortgage servicing, and third-party origination businesses. These decisions help us simplify our business model, focus on broadening the service offerings of our primary products and businesses, while sharpening our focus on fee generation and deposit gathering.

We also expanded our commercial and industrial leadership team with the hiring of several accomplished senior executives while building out our coverage and infrastructure by recruiting seasoned bankers to bolster our commercial and corporate banking growth strategy. We are driven by our commitment to partner with our clients to set and reach goals together, helping them take charge and thrive. Our focus is on four core lines of business that include Personal, Small Business, Commercial, and Private Banking.

Our customers can find additional information through our website, which provides our customers with 24-hour access to their accounts, information regarding our products and services, hours of service, and locations.

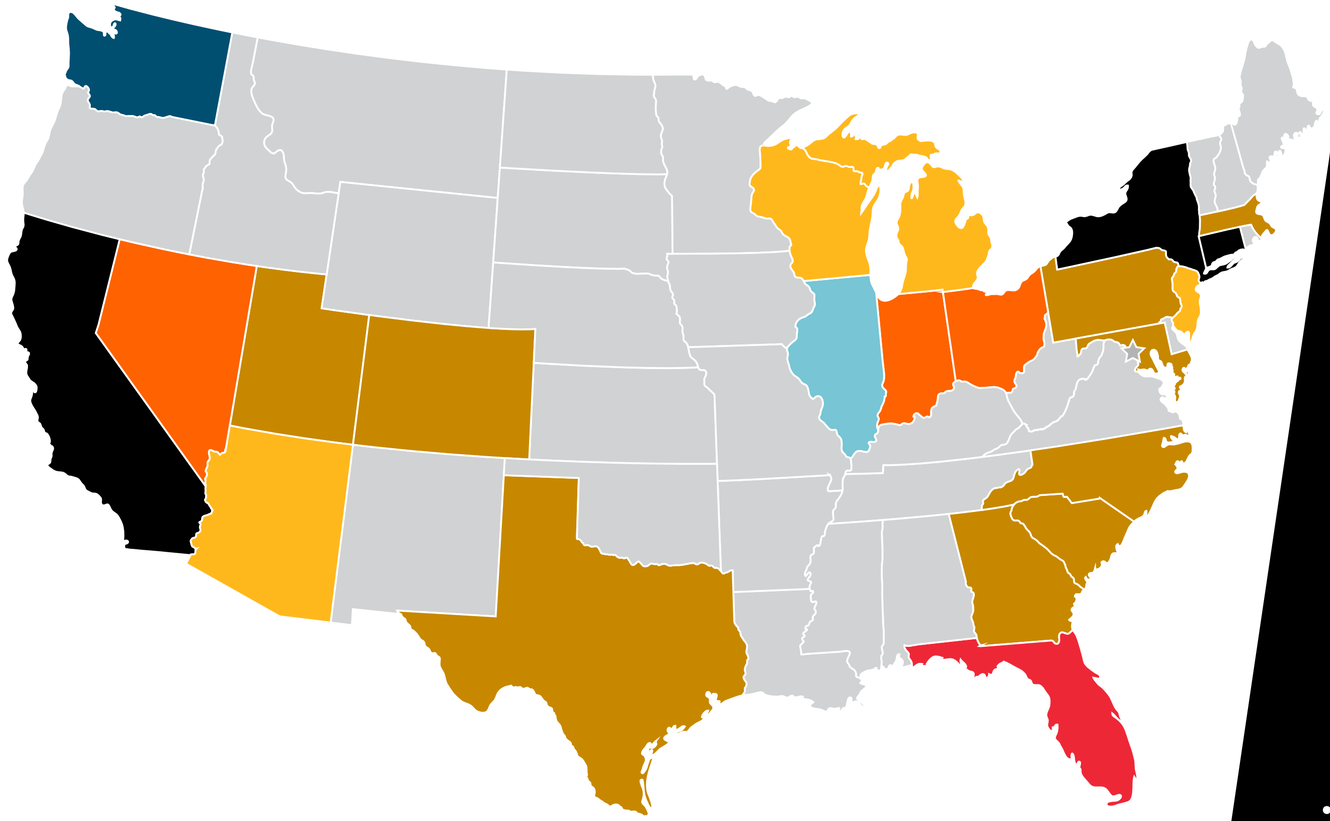
Our History

The Company was founded in 1859 as the Queens County Savings Bank, and was the first savings bank chartered by the state of New York in the New York City Borough of Queens. The Company went public in 1993 and has grown organically through a series of accretive mergers and acquisitions, including its acquisition of Flagstar Bancorp, Inc., and the assumption of certain assets and liabilities of the former Signature Bank from the Federal Deposit Insurance Corporation.

Flagstar Bank's origins date back to 1987 in Bloomfield Hills, Michigan when it was known as First Security Savings Bank. It was chartered as a federal savings bank in 1987 and adopted the Flagstar name in 1996, reflecting a series of acquisitions of its own.

Our Business Overview

- Bank branch
- Bank branch & Private Client Group
- Bank branch, Home Lending Office & Private Client Group
- Home Lending Office & Bank branch
- Private Client Group
- Private Client Group & Home Lending Office
- Homebuilders Finance Only



About the Company

Information for the investment community including extensive information about the Company, earnings releases, dividend announcements, and other press releases are posted upon issuance to the Investor Relations portion of the website.

Business Highlights*

- **15.1% total** risk-based capital ratio (Bancorp)
- **$100.2 billion** in assets
- **$75.9 billion** in deposits
- **$69.2 billion** in loans
- **6,990 teammates** nationwide

*AS OF DECEMBER 31, 2024.

Awards & Accolades

Bank On Certified since 2018 (for Flagstar One Checking)

Premier Member, ENERGY STAR® Certification Nation, 2022

Best for Vets Employer Military Times, 2024

Ranked No. 6 Largest Bank Mortgage Originator, Inside Mortgage Finance, Q3 2024

Top Producing Lender, MSHDA, 2024

Military Friendly Silver Employer, 2024

Best Overall Mortgage Lender, NerdWallet, 2024

America's Greatest Workplaces for Parents & Families, Newsweek, 2024

VETS Indexes Employer Award, 2024

Large Bank Tier



Our Vision & Values

Values are not just words. They define who we are, what we stand for, how we show up every day, and how we operate as individuals, teams, and as an organization.

Who We Are

Flagstar Bank is a collection of skilled bankers and lending experts who put the needs of our customers first. We listen to their stories and learn about their goals in order to provide the personalized solutions they need to succeed.

We take pride in making a difference*—for our customers and our communities.*



Vision

We're committed to creating an exceptional banking experience founded on relationships, driven by service, and measured by results.

Flagstar's Vision for the Future

Flagstar's vision for the future is designed to steer us toward a future marked by growth, enhanced client service, and stability. Importantly, it will also establish a clear pathway for ensuring safer and sounder operations, rooted in a strong risk governance framework. Our vision for the future is built around three enterprise goals outlined below:

Goal 1

Transform Flagstar Bank into a top-tier relationship-driven regional bank.

Goal 2

Create a customer-centric culture that prioritizes valuable relationships.

Goal 3

Establish an effective risk management mindset that supports safe and sound operations.

Our Corporate Responsibility Purpose

Flagstar focuses on corporate responsibility to cultivate and promote prosperity for our communities and stakeholders while sustaining the environment. Building a strong business goes beyond profit—it's about creating a sustainable ecosystem that serves stakeholders.

Flagstar is committed to behaving ethically, contributing to economic development, improving the quality of life for our teammates and their families, and positively impacting the local communities in which we operate, including society at large. A crucial step in our journey is assessing our existing practices, policies, and procedures to determine alignment with stakeholder expectations, as well as social and environmental principles. Key stakeholders include our customers, communities, teammates, and shareholders. Focusing our efforts on these audiences fosters a cycle of mutual benefit and prosperity.

Ultimately, our corporate responsibility journey is not a destination, but a continuous process of learning, improving, and adapting. By embracing corporate responsibility, Flagstar has created shared value for our shareholders and stakeholders and continues to build a resilient business.

Social



Supporting our communities and each other is part of our DNA.

Community Focus

Reinvesting in and rebuilding our communities.

Community Impact

Since the enactment of the Community Reinvestment Act in 1977, financial institutions have been encouraged to help meet the credit needs of the communities they serve — especially those with low to moderate incomes. At Flagstar Bank, we take that responsibility seriously. In 2024, our CRA program contributed over $4.4 million to more than 150 community organizations, reinforcing our commitment to meaningful, lasting impact.

Our approach centers on sustainable solutions. Flagstar teammates regularly volunteer their time and expertise to support community initiatives. We actively collaborate with local residents, civic leaders, and nonprofit partners to identify needs and deliver targeted support.

Flagstar offers a range of community-focused financial products and services, including multiple down payment assistance options, CRA-specific mortgage programs, and flexible banking solutions designed to uplift underserved populations. We also work closely with nonprofit organizations and government entities, such as the Federal Home Loan Bank of New York, to make homeownership more attainable for low- to moderate-income families.

In its latest assessment of our community reinvestment efforts, the Office of the Comptroller of the Currency–our primary regulator–awarded Flagstar Bank a Satisfactory CRA rating.

Community and Economic Development Impact

Flagstar is committed to strengthening the communities we serve by investing in affordable housing, supporting small businesses, and offering inclusive financial solutions. Through a wide range of community development loans and deposit products, we aim to drive economic opportunity and improve quality of life in our communities.

In 2024, our investments supported the development of safe, affordable rental housing for LMI individuals and families through our continued participation in the federally funded Low Income Housing Tax Credit Program. To date, Flagstar has financed 600 properties, resulting in the creation of 56,001 affordable housing units.

Recognizing the importance of small businesses in building vibrant local economies, Flagstar provided 766 loans totaling $246 million to businesses with loan amounts of $1 million or less. These investments help businesses expand, create jobs, and contribute to the long-term resilience of their communities.

We also maintain strong relationships with community development financial institutions, women-led business organizations, and other mission-driven entities that deliver essential services in underserved areas. Over the past year, Flagstar's financial contributions have enabled these organizations to access capital for impactful projects that may fall outside the scope of traditional banking. These funds frequently leverage additional public and private investments, amplifying their impact on LMI residents and neighborhoods.

Residential lending is a core part of our mission. We offer a range of products designed to meet the needs of all income levels, including borrowers who may face challenges saving for a down payment. Flagstar's Destination Home product provides 100% loan-to-value financing with no down payment required. Alongside this, our Gift Program offers up to $7,500 in grants to eligible borrowers—and up to $15,000 for those purchasing in high-cost areas—making homeownership more accessible to LMI families.

Community engagement is another cornerstone of our CRA program. Flagstar actively brings together local stakeholders to develop collaborative plans, initiate community organizing activities, and foster innovative solutions to pressing local needs. Through close partnerships with residents, nonprofits, and public and private organizations, we've helped deliver meaningful, measurable outcomes throughout all communities in our footprint.

At Flagstar, our commitment to inclusive growth and sustainable community development continues to guide our efforts. Together, we're building stronger, more resilient communities—one investment at a time.

2024 highlights*

- **Over $70.5 million** in CRA low-income housing tax credit investments.
- **$4.4 million** in CRA-qualifying grants and sponsorships from the CRA department.
- **Over $1.3 million** in CRA minority deposit institution investments.

*AS OF DECEMBER 31, 2024.



Community Focus

Recent Achievements

These programs were held in Macomb, Monroe, Oakland, Washtenaw, and Wayne Counties.

- **National Faith Homebuyers** received $100,000 in grant funds to support the Family Homeownership and Financial Self Sufficiency programs, which provide six core services:

1. **Intake Outreach Events.** Fear of rejection by prime market financial institutions leads most LMI families to use predatory lenders. NFH offers in-person and virtual homebuyer fairs and financial education events in partnership with Main Street lenders, public entities, unions, community-based organizations, and faith-based institutions to promote homeownership and financial self-sufficiency. These events reconnect underserved LMI families with Main Street bankers and empower them to take control of their financial lives.

2. **Homebuyer Education Course.** Virtual homebuyer education seminars provide an overview of the home-buying process, the importance of credit financial planning, and the obligations of ownership. Participants receive a Homebuyer Certificate that qualifies them for special mortgage products, down payment assistance programs, and private mortgage insurance discounts. NFH educates more than 1,000 LMI families each year.

3. **Homebuyer and Financial Counseling.** NFH counsels more than 1,000 LMI families seeking home ownership each year. Our counselors help families develop and implement a home ownership plan unique to their circumstances. The plans include establishing a banking relationship, increasing savings, improving credit, properly documenting income, starting or formalizing a small business, and sharing workforce development referrals. Counselors also connect families with reputable lenders, realtors, and builders upon client request. While nearly 35% of our families buy their first home within a year, some families remain in the program as long as four years while they improve their credit, increase earnings, and accumulate funds for a down payment.

4. **Downpayment Assistance Program Management.** NFH has developed, improved, and managed DPA programs for more than 45 public entities including Michigan's largest County (Wayne), City (Detroit), and in one of the most difficult development markets (Ann Arbor). NFH services include compiling documentation for compliance, ensuring properties are inspected, and facilitating the lending and closing processes. Since 1996, NFH-managed DPA programs have helped thousands of LMI families realize the dream of homeownership and lenders close low-risk LMI loans.

5. **Naturally Occurring Affordable Housing Ownership Preservation in LMI Communities.** Since 2010, NFH has acquired, rehabbed, and sold more than 500 homes to LMI families. NFH leverages NCST, Agency First Look, Bank REO, and note sales. The program addresses the critical shortage of "for-sale to owner" housing in LMI communities and helps curb the aggressive acquisition of properties for large-scale rental portfolios that can displace residents and undermine community stability and wellbeing.

6. **From Side Hustle to Business Ownership.** Many families in LMI areas have informal businesses that, if formalized, would allow them to become financially self-sufficient, purchase a home, and ascend to the middle class. NFH provides comprehensive support to help clients determine viability, develop a business plan, register their business, and connect with reputable service providers.





Community Focus

Recent Achievements Continued

- **Minority Business Development Institute** received $125,000 to support Minority Women Business Enterprises, Small Businesses, and Serviced Disabled Veteran Businesses to be prepared for Surety Credit (bonding) to become bankable and certified to bid on larger private and government contracts. The Minority Business Development Institute serves businesses in New York and throughout the country.

- **Black Leaders Detroit** received $100,000 to provide no-interest loans to minority small business owners who are based in Detroit and have been in operation for at least one year with assets representing less than $1 million.

- **Accessity** received $35,000 to support the Microlending Program in counties across California, including Los Angeles, Riverside, San Bernardino, and Orange County. Accessity's Microlending Program creates opportunities for entrepreneurs to start and grow their businesses through access to capital and education. These entrepreneurs are looking for ways to follow their dreams and create self-sufficiency through small business ownership. Small businesses continue to be the heart and backbone of our communities; they help create vibrant neighborhoods and business corridors, generate local tax revenue, and create jobs. Every Accessity loan creates or maintains two to three jobs on average.

- **HomeFree-USA** received $50,000 to support its sustainable homeownership efforts, including a network of affiliated agencies around the country. This grant will support HomeFree-USA's mission to build healthy, vibrant communities through economic development, affordable housing, and innovative programming.

- **Queens Economic Development Corporation** received $100,000 to support the Corona Plaza Vendor Support program which will help clients seeking to prepare food in a licensed commercial kitchen space and sell their products legally to the public in Corona Plaza, New York City. The goal of the program is for emerging food entrepreneurs to learn business skills as well as have the proper credentials to safely operate a food business.

Philanthropic Giving

Flagstar Foundation

The Flagstar Foundation is dedicated to fostering prosperity and wellbeing within our community. Our vision is to help create sustainable communities for all Flagstar Bank stakeholders and community members. We believe that the success of our communities directly translates to our success. Therefore, the Foundation prioritizes community-focused initiatives in each endeavor we undertake.

Our goal is to provide grants to 501(c)(3) nonprofit organizations that align with our corporate philanthropy priorities in the communities within the states of Arizona, California, Florida, Indiana, Michigan, New Jersey, New York, Ohio, and Wisconsin.

The Foundation prioritizes working with organizations that focus on arts and culture, workforce readiness for adults 19 and older, and financial capability through Volunteer Income Tax Assistance Programs. We aim to partner with small- to mid-sized, locally led, and locally-focused community organizations. Through strategic grant-making, we support the growth and sustainability of our nonprofit partners.

Flagstar Foundation grant opportunities are by invite only. Nonprofit recommendations are made collaboratively between Foundation staff and leadership in the communities where we have a banking presence.

Workforce Readiness

Workforce readiness is a critical factor in ensuring economic stability and personal growth, particularly for adults facing significant barriers to employment. Individuals with challenges such as re-entering the workforce after military service, limited education, disabilities, criminal records, or language barriers often struggle to secure and maintain good paying jobs. Addressing these obstacles through specialized workforce development programs, skills training, and support services enhances employability and economic independence.

We support organizations who are preparing individuals ages 19 and over with barriers to employment to earn a livable wage. Examples of programs we support include:

- **Apprenticeship programs**
- **IT certification programs**
- **Skilled trades training**
- **Literacy programs**

Arts and Culture

We believe that creativity and cultural expression are essential to the resilience and wellbeing of communities. By fostering opportunities for storytelling, artistic expression, and shared traditions we strengthen social connections, promote civic engagement, and empower local economies.

We support organizations addressing artistic and cultural access in underserved communities. This area covers visual, musical, and performing arts. We support programs such as:

- **Art therapy**
- **Art educational programs**
- **Community performances and exhibits**

Financial Capability

We support organizations serving individuals with LMI to build knowledge, wellbeing, security, and confidence. This priority area is accomplished by supporting nonprofit organizations offering Volunteer Income Tax Assistance tax preparation programs. VITA programs are essential for promoting economic equity and reducing the burden of tax filing on vulnerable populations.



Nonprofit Spotlights

Flagstar Foundation

The Foundation takes pride in offering both programmatic grants and grants covering operational costs. Our goal is to help sustain organizations improving their ability to achieve growth and make an impact. We also award board support and community involvement grants ranging from $500 to $5,000 for our teammates who are active in our local communities.

Flagstar Foundation 2024 Contributions:*

- **$3.44 million total**
- **Average grant range: $5,000 - $50,000**
- **200 grants to nonprofits**
- **62 grants totaling $242,000 to teammate nonprofit Board and volunteer activity**

Flagstar Foundation Total Contributions Since its Founding in 2017:*

- **995 grants totaling $16.8 million to nonprofits**
- **335 grants totaling $1.16 million to teammate nonprofit Board and volunteer activity**
- **$1,162,588 in contributions from Flagstar teammates**

Learn more about the Flagstar Foundation.

*AS OF DECEMBER 31, 2024.

Newark Arts
Newark, New Jersey

Newark Arts Council's mission is to power the arts to transform the lives of those who live in, work in, and visit the city of Newark, New Jersey. For 43 years, NAC has been the catalyst for accelerating Newark's extraordinary arts and culture sector, serving as the foundation to Newark's arts ecosystem of 5,000 arts workers, 1,500 artists, and thousands of residents and visitors. As advocates for adequate art funding, spaces, and coordination, NAC strategically partners to meet the needs of small budget, marginalized, and under-resourced communities to help them to thrive. In 2024, the Foundation proudly supported the Newark Arts Festival, a core program that attracts over 10,000 attendees annually and showcases local artists. With the support of this grant, NAC aims to increase festival growth and improve artist, partner, and attendee satisfaction.

Learn more about Newark Arts

Pal–O–Mine Equestrian, Inc.
Long Island, New York

Pal-O-Mine Equestrian began in 1995 as a therapeutic horseback riding program for individuals with disabilities and other vulnerable populations. Today, Pal-o-Mine offers eight programs tailored to meet individual needs based on one of the following goals: therapeutic, vocational, recreational, wellness, educational, or clinical. Pal-O-Mine serves a diverse population including veterans and those with a limited income, throughout Long Island and the five boroughs. In 2024, the Flagstar Foundation had the opportunity to support one of their signature programs, J-STEP Job Security Through Equine Partnership, which provides vocational training for adults with cognitive, physical, and/or psychological disabilities. Demonstrating Flagstar Bank's culture of giving back, Flagstar teammates have fostered organic volunteer engagement at Pal-o-Mine, contributing their skills, time, and passion to create deeper, more hands-on impact.

Learn more about Pal-o-Mine

Zelie's Home
Cleveland, Ohio

Zelie's Home is a caring community that empowers pregnant and parenting women to take positive and effective action on behalf of themselves and their children by providing physical, emotional, spiritual, and professional support. Opened in 2020, Zelie's Home provides a community setting where staff works with each mom to help them thrive as they embrace motherhood. Self-sufficiency, including continued education, workforce readiness, and earning a livable wage are goals for these mothers. Zelie's Home operates two homes where, in 2024, 69 families and over 200 individuals were served which includes alumnae moms and children. The Flagstar Foundation was pleased to support their workforce readiness in 2024. Participant growth is measured by Zelie's Home using the Maternity Housing Programs Evaluation Matrix, a tool developed by the National Maternity Housing Coalition to determine progress in certain categories of a mother's life like mental health, income, employment and employment readiness, savings, and debt.

Learn more about Zelie's Home

Promoting Financial Capability Through Philanthropy

Volunteer Income Tax Assistance

Support for our priority area of financial capability is demonstrated through our commitment to championing nonprofit organizations offering Volunteer Income Tax Assistance programs. Nonprofit organizations that offer VITA programs help provide free tax preparation services for the underserved. This service helps LMI individuals, persons with disabilities, the elderly, and limited English speakers file their taxes each year. In 2024, the Flagstar Foundation provided 22 grants to nonprofit organizations that offer VITA programs, totaling $655,000. The organizations represent eight of our key market areas in the states of Arizona, California, Indiana, Ohio, Michigan, New York, New Jersey, Ohio, and South Florida. Grants provided to these nonprofit organizations enable VITA programs to expand their efforts and reach more families that utilize free tax preparation services.



United Way of South Central Michigan
Lansing, Michigan

Continuing a valued VITA partnership, the Flagstar Foundation was excited to support the United Way of South Central Michigan's new VITA Mobile Unit, an innovative pilot program bringing tax preparation services to specific locations with a higher percentage of marginalized, elderly, and rural households. The Mobile Unit is a first-of-its-kind, dedicated VITA bus built specifically to provide free tax preparation to underserved individuals unable to access services due to transportation barriers. Centralized in the Lansing, Michigan area, the bus meets clients where they are by partnering with local community-based organizations and income-based apartment complexes to schedule on-site visits. The bus will also travel to surrounding rural communities and other critical areas where in-person site availability is less frequent. In 2024, the UWSCM served approximately 5,900 families. Participants received refunds totaling over $7.9 million, and they saved over $1.4 million in tax preparation fees.

In 2022, three local United Ways—Capital Area United Way, United Way of the Battle Creek and Kalamazoo Region, and the United Way of Jackson County—merged to create one single UWSCM serving a six-county footprint of Jackson, Clinton, Eaton, Ingham, Calhoun, and Kalamazoo counties respectively. UWSCM works across their new footprint mobilizing resources, fostering collaboration, and addressing critical social issues to create positive and lasting change.

Learn more about the United Way of South-Central Michigan

United Way of Marquette County
Marquette, Michigan

Committed to providing VITA access and emerging VITA sites, the Foundation is proud to be a key partner in the launch of a new VITA program led by the United Way of Marquette County. This area demonstrated great need as there are no other VITA sites operating in the Michigan Upper Peninsula, the closest VITA site being almost four hours away. The United Way of Marquette County serves very rural and isolated communities containing vulnerable populations. In addition to the grant award, local Flagstar employees are also supporting the work with their volunteer efforts.

Learn more about the United Way of Marquette County

El Nido Family Centers
Los Angeles, California

Founded in 1925, El Nido Family Centers is a Los Angeles-based nonprofit empowering youth and families through services that address poverty's root causes. El Nido's current mission is to empower families in low-income communities of Los Angeles County to break the cycle of poverty, child abuse, violence, academic failure, and teen pregnancy through outstanding educational, youth development, health, and therapeutic services.

A return grantee, the Foundation was glad to continue our partnership through supporting the hiring of an Outreach and Intake Specialist. This bilingual specialist (English/Spanish) will be critical to increasing community awareness, ensuring client preparedness, and providing tax education. Between February and April of 2024, 352 families received free tax assistance—a 27% increase over the previous year. As a result, a total of $616,599 was refunded, far surpassing the $400,000 goal.

Learn more about the El Nido Family Centers

Employee Assistance Fund

Taking care of our own in times of need.

Our Employee Assistance Fund was created to support Flagstar Bank teammates facing financial challenges in the wake of a federally-declared Qualified Disaster. EAF applications are received from teammates across the country. The fund helps cover costs such as basic living expenses, essential utilities, and other expenses that teammates might experience as a result of a federally-declared Qualified Disaster.

The EAF enables us to focus efforts inward on our teammates' needs and wellness. It demonstrates compassion and empowers us to come together to support each other.

Through the joint efforts of teammates and the Flagstar Foundation, ***we've provided nearly $371,250 in grants to 495 colleagues since the Fund's inception in 2020.***



Corporate Contributions

Flagstar is committed to supporting the mission of community organizations and causes that demonstrate a need in our key market areas through event sponsorships, grassroots community initiatives, and employee engagement.

Highlights from our year include:

Public Health Solutions
New York, New York

Flagstar is proud to have contributed $250,000 as a Luminary Sponsor of Public Health Solutions Gala on September 25, 2024 at the New York Historical Society. As one of the top sponsors, we are honored to support PHS's impactful mission. The funds raised from this event directly benefit services aimed at improving health equity, with a special focus on maternal health services for underserved communities.

At the Gala, 20 Flagstar employees attended and demonstrated our commitment to PHS's work. As we look ahead to 2025, we are excited to explore further opportunities for our employees to share their financial expertise with PHS staff and the communities they serve.

Cranbrook "Women Rock Science"
Bloomfield Hills, Michigan

Flagstar proudly sponsored the 7th Annual Cranbrook "Women Rock Science" event on October 9, 2024 in Bloomfield Hills, Michigan. This women-led fundraising event, hosted by the Cranbrook Institute of Science, celebrates women in Science, Technology, Engineering, Arts, and Mathematics and supports STEAM programs for Pre-K to 12th-grade students in underserved communities across Michigan.



In 2024, Flagstar contributed over $2.3 million through sponsorships and grassroots initiatives.

Oakland County Financial Empowerment Arts Contest
Troy, Michigan

Flagstar was the proud sponsor of the 2024 Financial Empowerment Arts Contest for the 13th year in a row. Oakland County public high school students were invited to submit 2-D and multi-media/video artwork related to the importance of financial empowerment. The contest winners received cash prizes from a $10,000 sponsorship by Flagstar.

There were over 144 student art submissions, including an array of mediums, such as 2-D (drawing, painting, photography, mixed media, and illustration) and video. Entries were judged on creativity, artistic execution, and the incorporation of the financial empowerment theme. A private reception was held for the 21 winners and honorable mentions in May at Flagstar's Regional Headquarters in Troy, Michigan.

Children's Health Guild
San Francisco, California

Flagstar sponsored the 2024 Spring Gala at the Fairmont in San Francisco, supporting the Children's Health Guild. Flagstar employees attended the event, engaging with CHG volunteers and families. CHG offers essential palliative care to children and families, bridging the gap between home and hospital with high-quality medical services, regardless of a family's financial situation.

Michael J. Fox Foundation
New York, New York

Flagstar was a major supporter of the Michael J. Fox Foundation for Parkinson's Research, contributing $100,000 in 2024. The foundation focuses on finding a cure for Parkinson's disease and improving therapies for those currently affected. Flagstar sponsored several events hosted in New York for the Foundation, including the Breaking Parkinson's Golf Outing (Brunch Sponsor on July 9), Epicure for Parkinson's (Master Chef Sponsor on September 19), and the A Funny Thing Happened on the Way to Cure Parkinson's Gala (Patron Level Sponsor on November 16). Flagstar representatives, including Rich Raffetto, Lucy Iannucci, and Salim Nazkani attended the gala.

Outreach & Volunteerism

Catalyzing positive change in our communities.

Volunteer Hours in 2024

Flagstar realizes the value of our teammates' volunteering in the community and the difference it can make. Flagstar teammates volunteered 8,593 hours with more than 490 different organizations in 2024. With opportunities to volunteer and connect with our local communities, we participated in activities such as food distribution and neighborhood clean-ups. In addition, teammates across our Company serve on scores of nonprofit Boards in their communities—an activity we are committed to facilitating, nurturing, and supporting.

Financial Education

A long- standing tradition and core pillar of our volunteer efforts is utilizing our community partnerships to provide financial literacy training and education to our customers. Through partnering with nonprofit organizations as well as using a variety of online toolkits that promote financial education, teammates volunteer throughout the year teaching financial literacy to students, homebuyers, business owners, and customers throughout the country. Our commitment to provide these educational volunteer programs for underserved communities allows Flagstar to support a positive change in our communities.

Volunteer Efforts with Junior Achievement

Flagstar is committed to positively impacting the communities we serve. One of the organizations we continued to support in 2024 was Junior Achievement, where we have made major commitments throughout our footprint. We have supported and participated in more than 50 impactful activities in 2024 that provided financial literacy, entrepreneurship, and workplace readiness skills for LMI youth. Flagstar has been fortunate to travel to schools and Junior Achievement Finance Parks all throughout the country to invest our time, talents, and financial support. As a whole, we look to ensure that the Junior Achievement experience was impactful to the students we had the privilege to serve.



Teammate Engagement

We recognize the importance of developing, engaging, and protecting our greatest asset—our teammates.

Talent Development

We strive to enhance the skills of our workforce by offering collaborative and effective training programs, including online learning opportunities. Training opportunities range from functional training, skill enhancement, and leadership development programs. Functional training opportunities include new hire programs or skill-based continued education related to an individual's job function. We offer development programs for all teammates, as well as leadership development programs, which reinforce our Company's core values. Our workforce across the country is informed and engaged through virtual learning and developmental opportunities.

Training is delivered in multiple formats including, but not limited to, live webinars, self-paced, or micro-learning. All training is assigned in a Learning Management System. Teammates can see upcoming training, track progress, review previous courses, and sign up for optional classes.

2024 Highlights



Live Functional Training

- **4,981** Participants
- **516** Sessions



Self-Paced Functional Training

- **~500** self-paced courses assigned/managed
- **63,330** self-paced completions (non-compliance training program)



Teammate Development

- **7** virtual instructor led courses, including New Hire Orientation | **729** Participants
- **400** self-paced courses from our content library | **7,101** Completions

Teammate Benefits & Wellbeing

At Flagstar, the tailored solutions we extend aren't just for our clients. We take this same tailored solution approach to benefit our teammates as well.

*We provide competitive pay, programs to facilitate financial security, and plans that **support teammate health and overall wellbeing.***

Financial Advantages

- Market-driven competitive pay practices
- 401(k) employer match
- Mortgage rate discounts and no fee checking accounts
- Referral bonuses for teammate candidates
- Technology, travel, and entertainment discounts

Teammate and Family Benefits

- Over three weeks of paid time off for most teammates
- 11 corporate holidays, plus a floating holiday
- Up to five paid days for bereavement
- Paid short-term disability leave (up to 25 weeks)
- Tuition reimbursement
- Paid parental bonding leave (up to six weeks) for birth, adoption, or foster placement

Wellbeing

- Subsidized insurance offerings: Medical (including diabetes, weight, and high blood pressure management), dental, life, and disability
- Voluntary benefit offerings (including vision, flexible spending accounts, accident, hospital, critical illness, group legal, auto, home, pet, and commuter)
- EAP with 24/7 live support
- Mental health and emotional wellbeing benefits (offered through our medical plans, such as self-help tools, in-person and digital therapy, and coaching; and through our EAP, such as interactive tools and platforms, confidential emotional support, and counseling)
- Free immunizations (physician or pharmacy)
- Monthly wellness newsletters



Teammate Engagement

Teammate Satisfaction

We periodically conduct surveys to assess teammate job satisfaction and boost our ability to attract, develop, and retain talented teammates. We maintain open communication with our teammates through various channels, including email, intranet, newsletters, town halls, and executive videos and messaging, and we routinely solicit employee feedback in our weekly digest emails and newsletters.

Teammate Evaluations

Flagstar is committed to cultivating an environment in which every employee is encouraged to innovate, excel, and contribute to our collective success as a company. Teammates participate in performance evaluations annually in which they first complete a self-evaluation and are then given quality performance feedback from leadership. Our performance reviews focus on goal achievement, the demonstration of our Company values, and risk management. For further development and growth, teammates establish goals that are unique to their roles and that align with team and bank objectives. Together, these foster mutual growth for both our teammates and the Company.

Workplace Safety

The health and wellbeing of our teammates remains one of our priorities. We continue to maintain safety protocols to help protect teammates and customers and ensure that these standards comply with applicable government regulations and guidance. Flagstar offers courses for teammates in our learning management system (Flagstar Learning Center) on the following safety-related topics: Active Aggressor, Workplace Harassment, and Information Security, as well as safety training courses for our retail banking employees who work in Flagstar branches.

We take measures to ensure safety on our properties, both within and outside our facilities, as well as adhere to our corporate policies that are designed to ensure teammate safety in their work environment.

Additionally, Flagstar offers broad-based work from home and hybrid work options for most teammates, continues to provide all teammates with virtual training, and sets up remote workers with appropriate equipment and resources as needed.

We reported 64 workplace safety incidents in 2024, *which equated to less than 1% of our teammate population.*

Everyone Thrives at Flagstar

A Commitment to Inclusive Excellence

At Flagstar, we are committed to fostering a workplace where teammates–from all geographies and cultural backgrounds–feel valued, respected, and supported in their growth. We recognize that a wide range of perspectives, backgrounds, and experiences strengthens our teams and helps us serve communities across our national footprint. By cultivating an environment of trust and respect, we create space for meaningful contributions, shared success, and achievement of better business outcomes.

How We Demonstrate Our Commitment to Inclusive Excellence:

- Encourage a variety of perspectives to drive innovation and success.
- Promote a culture of trust and respect, where teammates feel valued and supported.
- Recognize and leverage the unique talents and contributions of individuals to strengthen our teams.

Our Commitment to a Culture of Inclusion

The composition of our workforce encompasses many dimensions, including but not limited to background, experiences, and perspectives. We value different perspectives because they enhance collaboration, problem-solving, and decision-making across our organization.

We are committed to ensuring that all teamatess have access to the resources and opportunities they need to succeed. By building a workplace where all voices are heard and respected, we empower our teams to contribute meaningfully to Flagstar's success.

Great companies recognize that developing a culture of inclusion attracts top talent, strengthens customer relationships, and supports long-term business growth. Our commitment is ongoing, requiring continuous learning, engagement, and adaptation to meet the evolving needs of our workforce and the communities we serve.

At Flagstar, inclusion is embedded in our culture and contributes to our strong, engaged workforce and business success.

Self Assessments

To track progress and ensure alignment with our goals, we review metrics, gather feedback, and report our findings to senior management.

Flagstar operates with a continuous improvement mindset, and we strive to ensure that our efforts remain aligned with our long-term vision and strategy, with support from executive management.

We are dedicated to building a stronger, more resilient Flagstar that benefits our teammates, customers, and communities.





Growing Together: Investing in Us

At Flagstar, our collective voices shape a brighter future.

At Flagstar, we are committed to fostering a workplace where every teammate feels safe, respected, and valued. Providing opportunities to learn new insights is essential to upholding this commitment. We deliver training content for all teammates to assist in their personal and professional development.

In 2024 we hosted quarterly "Let's Talk About It" sessions focused on key topics like career planning, eliminating chaos and stress through time management, burnout and boundary setting, and wellbeing at work.

Community Partnerships

Working together to benefit our communities.

We have continued to build upon our efforts toward fostering a workplace culture where different perspectives, inclusion, and respect are fundamental. We remain committed to promoting an environment that values the unique experiences and contributions of all teammates.

2024 Key Partnership Highlights Include:

- **9/11 Meal Pack Day**
- **DisabilityIn**
- **Dutton Farm**
- **Soldiers' Angels**
- **Veteran-Owned Business Roundtable**

Employee Resource Groups

Teammate leadership drives visibility, engagement, and accountability.

The Mission of ERGs

Our ERGs and local engagement committees provide an empowering environment where teammates can build professional relationships, engage in career development opportunities, and participate in community outreach efforts aligned with Flagstar's values. ERGs are focused on promoting awareness and facilitating opportunities that enhance the professional growth of all teammates.

ERGs and Local Committees

ERGs and local engagement committees are voluntary, teammate-led initiatives that welcome all teammates, regardless of background or demographics. These groups are an integral part of Flagstar's commitment to encouraging an inclusive and collaborative workplace, where understanding and support is not only encouraged but is considered essential to success.

ERGs and local committees play a key role in offering networking opportunities, supporting career growth, and contributing to community outreach efforts that align with Flagstar's broader organizational objectives. These groups help strengthen our company culture, promote cross-team collaboration, and drive business success.

Our ERGs and local engagement committees focus on building connections and fostering professional development for all teammates. They create spaces for meaningful collaboration and awareness-building that bring diverse perspectives together, ensuring every teammate has an opportunity to contribute, learn, and grow.



Our efforts have been focused on the following groups:

ERGs:

- African American
- Asian American and Pacific Islander
- Asian and Indian
- Green (Environmental) Team
- Hispanic / Latinx
- Indigenous Native American
- Inter-Faith
- LGBTQ+
- Military Veterans
- People with Disabilities
- Women
- Young Professionals

Regional Committees:

- Indiana
- Jackson, Michigan
- Long Island, New York
- New York City
- West Coast (Arizona and California)
- West Michigan (Grand Rapids and Lansing)
- Wisconsin and Upper Peninsula



Vendor Opportunity

Our commitment to excellence includes our business partners.

Flagstar Bank is committed to working with a network of vendors that provide quality products, services, competitive pricing, first-rate performance, and delivery within the communities we serve. Cultivating a comprehensive pool of qualified vendors helps us innovate, create value, and hold a competitive edge, all while strengthening the communities we serve through our economic impact.

Partner With Us

We are dedicated to building quality business relationships by selecting suppliers that align with our business objectives and effectively manage risk. If you are interested in becoming a vendor for Flagstar Bank, please email us at vendoropportunity@flagstar.com. Our third-party management team will contact you for additional conversations, if there is any interest to learn more about your business' capabilities.

Engagement with our third-party management team and/or identifying as a small and/or underrepresented vendor will not produce a preferred supplier status.

2024 Accomplishments

- Participated in multiple signature events (e.g., networking events, matchmakers, expos, etc.) to identify qualified small and/or underrepresented businesses.
- Maintained our support with national certifying and/or advocacy organizations to promote supplier development opportunities and increase overall economic impact.

Meeting Customer Expectations

Our brand. Our purpose. Our customers.

Meeting Customer Expectations

The Flagstar logo has two stars. The outer star communicates power, responsibility, and purpose with each point signaling strength and stability. The inner star symbolizes our relationships with customers and clients because they are at the center of everything we do.

Customer Support

Teammates are available to support customers across an expansive geographic footprint through a variety of channels based on their business needs, preferences, and accessibility. Beyond platforms such as online banking and mobile banking, which allow customers to bank at their convenience, our expansive network of ATMs and our dedicated and talented bankers in hundreds of branches handle most interactions with customers in partnership with our Customer Engagement Center.

Connect with the Customer Engagement Center

- **The CEC is staffed with teammates seven days a week.**
- **Teammates are available via phone, chat, and email.**
- **CEC teammates bring a diverse background of customer service, banking, and financial services experience.**
- **Our CEC team is skilled in personal banking, business banking, and mortgage servicing.**

Customer Satisfaction

We take pride in offering a diverse suite of tools and resources to support teammates in delivering top-notch customer service. Contributing to our upstanding reputation of quality service is our approach to call monitoring and evaluations, coaching, talent development, and celebrating customer and teammate success. Our customers' highly-rated satisfaction is evident in the feedback we receive directly from them, primarily through customer satisfaction surveys.

> *Never knew banks like this existed in these days. The culture of your staff and customer service is extremely excellent. Didn't think I'd ever say that about a bank before. Every experience I've had with your team members has been great.*
>
> – Satisfied customer, November 2024

Approach

Surveys are generally presented after an experience or interaction, inviting the customer to share feedback on the interaction, including but not limited to:

- **Accessibility** to reach Flagstar.
- Level of **satisfaction** with service provided by the Flagstar team member.
- Teammate's **understanding** of the topic.
- Level of **knowledge** the teammate demonstrated.
- **Resolution** of the inquiry/request.
- Likelihood of customer **recommending** Flagstar to others.

Evaluated

Survey response data is analyzed for trends, themes, opportunities, and more. In addition, customer satisfaction and net promoter score data are key performance metrics. With satisfaction ratings **regularly exceeding the industry benchmark**, we continuously and consistently strive for excellence. **Customers are our north star; their feedback guides us to be our best.**

Customer Satisfaction 2024

80.1

Net Promoter Score 2024

40.8

Voice of the Customer

Our Voice of the Customer program promotes and enables teammates to document customer feedback (positive, neutral, and negative) received via phone, email, in person, and chat, in a company-wide repository. Through the VOC program, feedback is categorized following a methodology that allows us to identify increases, decreases, trends, themes, emerging issues, and more.

Feedback is a GIFT

We see feedback as a G.I.F.T. which allows us to Grow, Improve, and Fix Together. In 2024, Flagstar teammates logged more than 57,248 pieces of customer feedback. Their dedication to welcoming customers' sentiment, hearing and acknowledging feedback, and documenting interactions showcases the **customer relationships** our teammates have built in our pursuit to celebrate the positive, address the neutral, and resolve the negative.

Measured

VOC program feedback is compiled for applicable leaders and business partners, including partners in risk and compliance, to collaborate via G.I.F.T. forums on **customer experience improvement** strategies (i.e., complaint mitigation) both in process and on the horizon. Experience improvements include but are not limited to:

- **Teammate coaching/training.**
- **System enhancements.**
- **Updating forms, letters, or other customer-facing messages or communications.**
- **Procedure, user guide, or manual revisions.**
- **Streamlining processes for improved response times.**

Meeting Customer Expectations

Accessible Banking Services

In 2024, we continued our initiative to expand our services for customers with limited English proficiency to provide loan documents in both English and Spanish. For this initiative, our loan advisors must pass a third-party certification, which includes a verbal and written exam, for them to advertise that they speak Spanish on their website. When a borrower indicates Spanish as their preferred language, Spanish versions of key documents are provided in the initial and closing packages, such as the application and mortgage.

Accessible Online Banking

Flagstar's goal is to meet or exceed the requirements of WCAG 2.2 A/AA and to strive to provide accessibility to its website for everyone. The digital marketing team uses various tools and vendors to audit flagstar.com and mybankingdirect.com for ADA compliance. It is important to note that ADA compliance is on-going, and achieving an adequately accessible site is a continuous effort. Vendors and tools used to audit our sites can and will change on an annual basis, with the goal of always improving the accessibility of our websites.

Marketing & Selling Practices

Flagstar Marketing develops clear, compelling content to help consumers, customers, and high-net-worth businesses of all sizes make confident, informed decisions about our accounts and services.

Some 2024 highlights include:

- **Bringing banks together under one name:** The team kept customers informed as Flagstar, New York Community Bank, and facets of Signature and First Republic Banks came together under the new Flagstar brand.
- **Ethical marketing practices:** This new internal statement reflects our commitment to prioritize clarity, honesty, and fairness; use language, imagery, and placement that reflect the communities we serve; and work closely with compliance and legal partners to abide by current laws and regulations.
- **Flagstar One Checking:** As part of its national Bank On initiative, the Cities for Financial Empowerment Fund certified this low-cost account once again for making banking accessible to more people in the community.
- **Financial literacy and fraud prevention:** A new monthly newsletter connects financial literacy to everyday life, helps customers understand and use account features, and raises awareness about fraud. Additionally, the team creates regular social media content to help consumers protect their identities and accounts, along with monthly posts in support of the American Bankers Association's Banks Never Ask That anti-fraud campaign.
- **Sponsoring diverse interests:** Marketing's sponsorship team identifies community events for bank support. Our 2024 list ranged from the Long Island Ducks and Staten Island FerryHawks to the Broadway League Foundation's Juneteenth Celebration and Oakland County (Michigan) Treasurer's Financial Empowerment Arts Contest.



Governance

Integrity, guided by strategic, responsible leadership remains our top priority.

Corporate Governance

Guided by strategic, responsible leadership.

About Our Board of Directors

The Board of Directors provides oversight and direction to our executive management team on developing and implementing the Bank's long-term strategy. Among other things, the Board offers guidance on climate-related risks and opportunities, human capital management, and compensation philosophies. Flagstar's Board, which includes eight male and one female director, is a group of sophisticated and highly experienced leaders with a wide range of knowledge and expertise in the financial and other industries, including risk assessment, corporate strategy, public company financial reporting, technology management, and leadership development.

Board Governance

For additional details around our corporate governance, director independence, Board leadership structure, role in risk oversight, Board committees, executive compensation, and other governance practices, please review our latest Proxy Statement. Committee charters of the Board are published on our Corporate Governance webpage.

Board of Directors

Joseph Otting,
Executive Chairman, President, and Chief Executive Officer

Steven Mnuchin,
Lead Independent Director

Milton Berlinski

Alessandro DiNello

Alan Frank

Marshall Lux

Allen Puwalski

Brian Callanan

Jennifer R. Whip

Public Policy and Government Relations

Flagstar's business is subject to many laws and regulations that can have a significant impact on our ability to operate efficiently and generate value for our stakeholders. We believe that it is our responsibility to participate in the political processes that affect our business and our stakeholders. Flagstar works closely with our regulators to ensure compliance with laws and regulations at the local, state, and federal level.

In 2024, Flagstar decided to discontinue our political action committee for the foreseeable future. The Flagstar PAC had complied with all applicable local, state, and federal laws and was governed by the PAC Executive Committee.

Trade Association Membership

Flagstar belongs to several trade associations that represent the interests of the financial services industry and the business community. Many of these trade associations advocate on public policy issues that are important to our industry. On occasion, Flagstar has employed a professional lobbyist to participate in a specific trade association to help the Bank understand how laws and regulations may affect our business. Membership in these trade associations comes with an understanding that Flagstar may not always agree with the positions of these organizations or their members.

In the future, Flagstar will report more detail on our PAC, trade associations, and lobbying activities as we continue to develop our policies and disclosures on these topics.



Code of Conduct & Code of Ethics

Integrity remains our top priority.

At Flagstar Bank, integrity remains the foundation of how we do business. We are committed to cultivating a culture rooted in ethics, transparency, and accountability. Upholding these values is essential to meeting our responsibilities to our customers, teammates, shareholders, regulators, and the communities we serve.

Strengthening Our Program

In 2024, we continued to expand our ethics and compliance infrastructure to support a culture of integrity across the organization. Notable updates include:

- **The hiring of an Ethics and Compliance Program Manager to enhance our efforts in ethics awareness, cultural engagement, and training delivery.**
- **Launching Flagstar's first Ethics and Compliance Week, a bank-wide initiative aimed at reinforcing core compliance principles and highlighting the importance of acting with ethics and integrity in everyday decision-making. This marked a significant milestone in the ongoing maturity of our ethics program.**
- **Publishing the Ethics Report and Whistleblower Complaint Policy, which formalizes the Bank's approach to receiving, managing, and resolving ethics reports and whistleblower complaints in alignment with legal and regulatory obligations. This policy applies not only to Flagstar Bank but also to its covered affiliates and governs all operational activities associated with report intake and resolution.**

Our Codes

Flagstar maintains a robust Code of Conduct, which outlines our expectations for ethical behavior in the workplace. All teammates are required to read, understand, and abide by this Code as a condition of employment. Violations may result in disciplinary action, up to and including termination.

Flagstar also maintains a Code of Ethics for Senior Financial Officers, which outlines the enhanced principles and expectations covering the CEO, the CFO, the Chief Audit Officer, and all other professionals serving similar functions.

The Code of Conduct and the Code of Ethics for Senior Financial Officers are designed to supplement and reinforce the various subject matter-specific policies, procedures, and practices implemented across Flagstar to meet legal and regulatory requirements.

Reporting Ethical Concerns

To facilitate the reporting of potential ethical matters—including whistleblower complaints—we provide the **Flagstar Ethics Hotline**, a confidential reporting system managed by an independent third-party provider. Reports can be submitted anonymously through:

- **A toll-free telephone line.**
- **A secure online portal.**

While the hotline is primarily intended for internal use, third-party vendors and other covered external parties may also access the hotline to report concerns in alignment with the Bank's Ethics and Whistleblower Policies. All reports are entered directly into a secure platform, with access limited to authorized personnel responsible for evaluating and responding to the issues raised.

The Code of Conduct addresses a variety of topics and scenarios that may arise, including (but not limited to):

- **Fair Lending and Responsible Banking.**
- **Fair Employment Practices, Diversity, and Inclusion.**
- **Unlawful Discrimination and Harassment.**
- **Conflicts of Interest (including Outside Business Activities, Related Party Business Dealings, and Personal Business Dealings).**
- **Insider Trading.**
- **Gifts and Entertainment.**
- **Political Activities and Contributions.**
- **Third Party / Vendor and Supplier Relationships.**
- **Tied Business Dealings.**
- **Business Continuity.**
- **Privacy and the Protection of Flagstar and Customer Confidential Information.**
- **Bank Secrecy Act / Anti-Money Laundering, Office of Foreign Assets Control, and Embargoes and Sanctions Compliance.**
- **Whistleblower Policies and the Reporting of Ethics Concerns (including SOX 301 Reporting).**
- **Compliance with Applicable Laws and Regulations.**

Awareness of the Ethics Hotline is promoted through multiple channels, including the Flagstar intranet, Employee Handbook, and posters in common areas throughout the organization.

Training and Awareness

To further encourage ethical awareness and behavior, all teammates are required to complete annual ethics training. This mandatory training addresses a variety of topics, which may include:

- **Promoting a culture of inclusive behavior.**
- **Respecting one another at all times.**
- **Safeguarding our surroundings.**
- **Providing banking that strives to be personal, private, and secure for our customers.**
- **Doing the right thing.**
- **Avoiding conflicts of interest.**
- **Being financially responsible.**
- **Protecting our assets.**
- **Using resources appropriately.**
- **Complying with laws governing corporate and personal political activities.**
- **Reporting ethical concerns.**

This training may be supplemented with targeted or event-driven ethics communications throughout the year. Flagstar's Board of Directors also participates in annual ethics training, tailored to their unique responsibilities and oversight role.

For our documentation such as our Code of Conduct please visit Flagstar Corporate Governance webpage.



Data Security & Customer Privacy

Safety. Security. Stability.

Information Security and Data Privacy

At Flagstar, protecting confidential information is a priority. To meet the challenges posed by an ever-changing environment, we maintain information security and data privacy programs that are based on the following key pillars: Identify, Protect, Detect, Respond, and Recover.

Protecting customer information requires awareness and diligence on the our part and our trusted third-party providers. Flagstar has developed robust governance consisting of policies and procedures designed to meet both legal and regulatory requirements, as well as industry standards. Where confidential information is shared with our third-party providers, we leverage our third-party risk management function to ensure that proper data protection standards and mechanisms are in place. We've also built processes to identify cybersecurity threats and privacy-related vulnerabilities to help ensure our data and the data of our customers is well-protected. These processes have been developed in partnership with Flagstar's Chief Risk Officer, Chief Information Officer, Chief Information Security Officer, Head of Privacy Compliance, business unit leaders, and the Enterprise Risk Management team. These information security and data privacy standards apply to all teammates across Flagstar and, where relevant, our third-party providers.

To reinforce these expectations, all Flagstar employees were assigned mandatory information security and privacy awareness training. They were also required to acknowledge receipt and understanding of our related policies designed to ensure the secure handling of bank devices and customer information.

Teammates and contractors were also subject to quarterly penetration testing, which includes simulated teammate phishing exercises and social engineering techniques to reinforce key concepts, support adherence to policies and standards, and assess and enhance the effectiveness of the teammate training program.

Flagstar's Chief Information Security Officer performs ongoing oversight of the information security program and ensures that ongoing independent testing of implemented controls is performed with the support of our Enterprise Risk Management team. The results of this periodic testing are shared with the Technology Committee of the Board of Directors to ensure appropriate governance and awareness of the program. In the event that a data breach occurs, Flagstar Bank maintains a formalized Incident Response Plan supported by detailed operating procedures and runbooks to address information and/or computer security incidents.

We continued our involvement with #BanksNeverAskThat, *the American Bankers Association's awareness campaign to protect customer banking information.*



For additional details, please see our Privacy Notice, the Online Privacy Statement, and the California Privacy Notice & Policy.

Risk Management

Integrity remains our top priority.

Approach to Risk Management

The foundation of our risk culture begins with an appropriate tone set from the top. This tone is essential and encompasses not only what senior management says, but what it does. Senior management, including the Board, demonstrate their commitment to and support for risk management activities and incentives that encourage a strong risk culture throughout the Company. As a whole and at the committee level, Board members regularly review our risks and opportunities related to credit, liquidity, interest rates, price, strategy, compliance, operations, and reputation. As part of the Risk Governance Framework and the Company's risk assessment process, the Company includes identification and assessment of opportunities as well as risks. Additionally, the Board also has the responsibility for ultimate decisions relating to corporate responsibility risks and opportunities. Senior management demonstrates its support for risk management activities by:

- **Creating and investing in a comprehensive risk management framework.**
- **Providing ongoing training to increase knowledge and capabilities where applicable.**
- **Allocating significant amounts of management time to discussing risk and mitigation plans during Management Committee and Board meetings.**
- **Continuously supporting the risk management program and reinforcing its requirements.**

Risk Governance Framework

The Risk Governance Framework articulates Flagstar's approach to risk management through the following guiding principles:

- **Importance of a strong risk-minded culture across all personnel.**
- **Three Lines of Defense accountability model.**
- **Defined roles and responsibilities of the Board and Executive Management.**
- **Promote transparency and escalation through the establishment of a robust governance structure.**
- **Provide clarity over the risks the bank is willing to take and follow risk reporting practices to monitor the risk exposures.**
- **Importance of core risk management processes that are enabled through effective policies, taxonomies, talent management, systems, tools, and data.**

Risk Management Processes

The core risk management processes to manage risks throughout the organization are:

- **Risk identification: utilizing the risk appetite framework to identify the impacts of all risk drivers.**
- **Risk assessment, measurement and testing: assessing and testing efforts, enables monitoring of risk exposure against the Risk Appetite and the adequacy of controls. Prioritization is based on an impact scale linked to issues.**
- **Risk decision making: structuring a timely risk response and fostering accountability in mitigation and remediation of risk.**
- **Issue management: governing corrective actions plan design, management, and reporting.**

Three Lines of Defense

Flagstar Bank uses the Three Lines of Defense principle to manage all risks and opportunities. This principle operationalizes risk taking, oversight and assurance activities, and drives accountability to First Line Risk owners, provides for independent oversight and challenge by the Second Line, and independent risk assurance from the Third Line.

- **The First Line consists of front-line units that "own" the risk, as they are accountable for the outcomes of the risk-generating activities as well as for assessing and managing the risks.**
- **The Second Line, comprised of Risk and Compliance functions, is responsible for overseeing risk-related activities and for providing tools to manage the Bank's risks and opportunities.**
- **The Third Line is responsible for providing timely, relevant, independent, and objective assurance on the design and effectiveness of governance, risk management, and internal controls.**



Managing Third-Party Risk

Flagstar has a comprehensive program to manage risks related to our third-party relationships, aligned with the Bank's Risk Governance Framework and guidance issued by the banking regulators, and holding all teammates involved in these relationships accountable for managing risks. The director for Third-Party Risk Management is responsible for creating and maintaining a framework that protects and effectively manages the risks associated with the third-party management lifecycle from planning, due diligence, contracting, ongoing monitoring, through to termination.

Our portfolio of third-party providers is segmented based on inherent risk and business continuity criticality. Relationships deemed to have higher risk are subject to more frequent and thorough reviews.

As defined in our Third-Party Risk Management Framework, our Third-Party Risk Management Committee provides oversight and governance of identification, measurement, monitoring, and remediation of third-party risks.

Third-Party Originator Management Process

Third Party Originator relationships are established and governed through signed loan purchase agreements and Flagstar's Seller's Guide. We purchase closed loans from non-delegated and delegated correspondents and fund loans originated by brokers. All loans are either underwritten by Flagstar or the delegated lender's underwriters according to Flagstar criteria.

The Company formed a TPO risk committee to review and monitor these relationships, which reports to the Consumer and Retail Credit Policy Committee. Our TPO risk team uses a rating system to measure, monitor, and manage the quality of each TPO relationship, including referrals from other business units. Based on the performance rating or business unit referral, the team works with TPO and business unit partners to determine the appropriate course of action, up to and including termination. Third Party Originations was sold in October 2024.

Disaster Response and Business Continuity

Flagstar is committed to providing uninterrupted delivery of its products and services to clients. Our Business Continuity/ Disaster Recovery program is a critical component of our enterprise resiliency strategy, and is designed to plan for, respond to, and recover from disruptions, with a view to minimize their impact and facilitate prioritized recovery. Our all-hazards planning approach considers diverse event scenarios stemming from loss or unavailability of technology, third parties, locations and/or staff. Our goal is to operate with a confident state of readiness and continuous enhancement of our resiliency capabilities.





Environmental Management System

Flagstar utilizes an EMS to ensure the proper collection, storage, and transparency of our environmental, social, and governance data that is updated frequently, but at least on an annual basis. Our EMS is aligned with industry standards such as ISO 14001, ISO 50001, and ENERGY STAR® Guidelines for Energy Management. The EMS allows Flagstar to continuously improve our ESG performance, fulfill compliance obligations and risk mitigation strategies, and establish ESG goals and objectives for Flagstar to achieve through the “Plan-Do-Check-Act” approach. Flagstar will continuously update our EMS to allow for continuous process improvement and results for our ESG program.

Corporate Responsibility Materiality Assessment

Examining how our actions affect our business and the world we live in.

Stakeholder Survey Helps Us Prioritize Our Efforts

In 2022, Flagstar conducted its first Corporate Responsibility Materiality Assessment. The initiative helped us identify areas that could represent general business and climate-related risks and opportunities for the Company regarding our corporate responsibility.

In 2024, after merging with New York Community Bancorp and acquiring certain businesses from Signature Bank, Flagstar refreshed its Corporate Responsibility Materiality Assessment to capture feedback from new stakeholders.

To engage with our stakeholders, Flagstar surveyed over half a million internal and external stakeholders to determine which corporate responsibility topics they viewed as most important. The survey gathered feedback from a wide range of viewpoints, including key shareholders, customers from all business lines, rating agencies, suppliers, foundation grant recipients, business partners, community groups, local governments and municipalities, professional and trade organizations, our Board of Directors, and Flagstar teammates.

Participants answered 22 questions about various topics, including corporate governance, renewable energy, sustainable operations, inclusion, vendor opportunity, technology and innovation, marketing practices, health, safety and wellness, philanthropy, and volunteerism.

In addition to the surveys, Flagstar conducted in-depth interviews with our leadership team, performed desktop research, analyzed regulatory requirements, and considered recommendations from industry-leading corporate responsibility standards and frameworks.

The results of our Corporate Responsibility Materiality identified 22 material topics based on importance to both stakeholders and our business.

The findings from this assessment will help us prioritize our Corporate Responsibility reporting, strategy, and integration efforts as we further engage our stakeholders on our initiatives. Flagstar will update and refresh our Corporate Responsibility Materiality Assessment every two fiscal years to capture feedback from new stakeholders and changes to our industry.

Flagstar's Corporate Responsibility Materiality

Most Important

- Business Resilience
- Corporate Governance
- Culture & Values
- Inclusion
- Meeting Customer Expectations
- Sustainable Operations
- Teammate Acquisition, Development, & Retention

More Important

- Business & Technology Innovation
- Governance
- Health, Safety, & Wellness
- Human Rights
- Inclusion & Accessibility
- Marketing & Selling Practices
- Physical and Transitional Risks of Climate Change & Resilience

Important

- Board Corporate Responsibility Oversight
- Environmental Products & Investments
- Philanthropy & Volunteering
- Public Health
- Renewable Energy
- Responsible Supply Chain
- Transparent Disclosure
- Vendor Opportunity



Environmental

Flagstar believes sustainable business practices are responsible business practices.

Sustainability

Building a more sustainable business.

Establishing a Sustainability Foundation

Flagstar's environmental sustainability program is designed to support our customers, communities, and teammates, while actively minimizing our environmental footprint.

Flagstar's sustainability foundation is built upon three pillars:

- **Reducing the environmental impact of our business.**
- **Creating a company culture committed to sustainability.**
- **Building upon sustainable products and services to meet customer needs.**

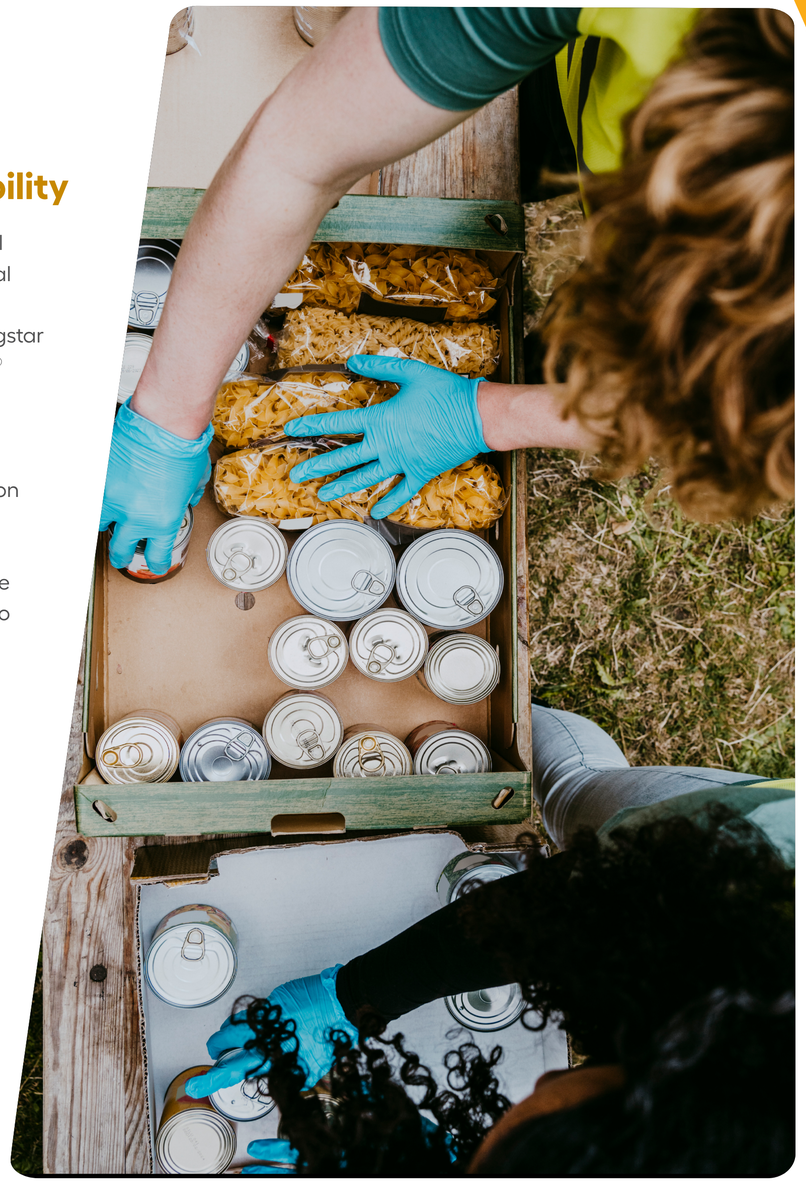
2024 Milestones

In 2024, we've developed additional programs and initiatives to further our sustainability program and minimize our overall environmental impact. Some notable milestones in 2024 include:

- **Enhancing efforts around energy, water, and waste data collection to report our environmental footprint for the entire operations of our Bank aligned with the Greenhouse Gas Protocol.**
- **Improving our energy efficiency within our operations, through LED retrofits, HVAC upgrades, energy-saving smart technology, insulation upgrades, and remote property monitoring projects.**
- **Expanding our sustainability products and service offerings across multiple industries to assist our customers with the transition to a low-carbon economy.**
- **Purchasing the Bank's first Renewable Energy Certificates, resulting in the retirement of 4,000 MWh worth of renewable energy.**

Operational Sustainability

Flagstar cares about our environmental footprint. Quantifying our environmental footprint is an important first step in improving our overall sustainability. Flagstar uses ENERGY STAR® Portfolio Manager® for benchmarking, data collection, assessment of property performance, and guidance for implementation of energy, water, waste, and GHG reduction strategies. In 2024, we made continued progress in environmental tracking by expanding data availability across more properties. Currently 63% of our portfolio is benchmarked.





Greenhouse Gas Emissions

Flagstar's inventory of our GHG emissions uses 2019 as a baseline and is in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Flagstar's GHG inventory collects and reports Scope 1 and 2 emissions for its entire portfolio of properties, estimating usage data for the properties where it is not feasible to collect. Six categories of our Scope 3 emissions are also reported, including business travel, employee commuting, upstream leases, downstream leases, purchased goods and services, and waste generated through operations. Other Scope 3 categories are in consideration for inclusion as we continue our data collection efforts. Flagstar has reduced Scope 1 and 2 emissions by 34% since 2019. Lowering Scope 1 and 2 emissions drives cost savings and operational efficiency for Flagstar, while underscoring our commitment to environmental stewardship.

Flagstar Bank will use the GHG Inventory to:

- Demonstrate environmental leadership.
- Identify opportunities to mitigate direct and indirect GHG emissions while reducing operational costs.
- Use data to identify current and future trends and benchmark progress.
- Assist the Company in decision-making over our environmental impact.
- Work with our facilities team to reduce Scope 1 and 2 emissions and identify the appropriate emissions reduction activities.

Energy & Sustainable Buildings

Energy

Flagstar strives to proactively manage costs while reducing our carbon footprint. We do this through negotiation of energy rates with local and national energy companies for branches and corporate offices. Flagstar is also working to improve energy efficiency through investment in facility and operational improvements across our property portfolio.

LED Retrofit Program

Flagstar utilizes an LED Retrofit Program to upgrade branch and corporate facilities with LED lighting. By working with suppliers and partnering with Expert Lighting Group, an additional 19 branch locations received LED lighting upgrades in 2024. Through this program, Flagstar has garnered a lighting energy reduction of 77% and a total energy savings over 10 years of over 14 million kWh.

Building Automation Program

TCS Ubiquity automated HVAC controls were installed in over 149 branch locations and 2 office buildings with Trane HVAC controls. This system tracks HVAC run time and allows for the implementation of temperature setbacks to reduce energy when the buildings are unoccupied, including holidays and weekends.

Sustainable Buildings

At the end of 2024, Flagstar had over 40 properties certified as green properties under the ENERGY STAR® certified buildings program. Flagstar continues to work to certify its properties and expects further progress going forward.



Water & Waste

Water

As good stewards of the environment, we work to conserve natural resources, including water. Our water use is primarily composed of domestic water and irrigation. We utilize irrigation systems management to the current landscaping agreements. This allows for landscapers to better control the irrigation systems and adjust throughout the season for current levels of rainfall and to only use water when necessary to maintain our landscape.

Water Efficiency Efforts in 2024 Include:

- Benchmarking usage and monitoring usage trends.
- Improving irrigation system controls to only irrigate landscape when absolutely necessary.
- Utilizing low-flow and high-efficiency fixtures and equipment within our portfolio of branches and corporate facilities.
- Providing non-bottled water options within our facilities.
- Adding a standard for all new branches to include dual water filters.

Waste

Flagstar strives to reduce its waste and increase recycling programs and initiatives throughout our branches and offices. We have started working on the combined collection and analysis of our waste data so that we can leverage accurate information to monitor our progress and establish goals in the future.

Waste Reduction Efforts in 2024 Include:

- Advancing collection of waste and recycling data.
- Recycling items within our branches and corporate facilities such as cans, water bottles, toner cartridges, and paper.
- Initiating paperless projects, such as paperless services in our branches and digital business strategies.
- Working with a third-party vendor to donate or recycle office furniture when possible so that our office furniture does not go to a landfill.





Embracing Positive Changes

Electronic Waste

Flagstar aims to reduce and reuse electronic equipment where possible. Some of our IT hardware, that are both reusable and do not contain proprietary and confidential information, are donated to select non-for-profit organizations for educational purposes. If not reusable, Flagstar sells IT equipment to approved hardware disposition vendors and the material resulting from the destruction may be sold as scrap. Certain equipment also has environmental destruction fees associated with it to ensure they are properly disposed.

Environmental Partnerships

As part of our ongoing work to integrate sustainable practices into our business and facilities, we've partnered with the U.S. Department of Energy Better Buildings Alliance and the U.S. Environmental Protection Agency ENERGY STAR® program. Additionally, Flagstar participates in other sustainability-focused groups such as the Bank Sustainability Roundtable and the American Banking Association Sustainability Working Group to learn and contribute towards best practices in sustainability and climate change mitigation for our industry. These partnerships will allow Flagstar to connect with other organizations to push beyond our initial steps towards sustainability in our operations.

Sustainability Engagement

Sustainability Playbook

Flagstar recently created our “Property Sustainability Playbook: A Guide for Climate Efficient Offices and Branches.” The Playbook is intended to be utilized as a useful tool to support increased efficiency and promote fiscal responsibility in our operations.

Co-created by the Corporate Responsibility, Marketing, Green Team ERG, and Facilities teams, the Playbook contains a sustainability questionnaire and proven no-cost or low-cost methods to improve energy efficiency, water efficiency, waste management, air quality, and green procurement within the Bank’s offices and branches.

The Playbook serves to drive awareness around employee safety and wellness, reduce purchasing and maintenance costs, increase recycling, and promote environmental awareness. The Playbook also seeks to encourage circular economy principles such as life-cycle costing, reducing GHG emissions from our operations, and pursuing green property accreditations for offices and branches.

Educating our Teammates on Sustainability

Embedding sustainability throughout our organization requires engagement with our teammates. This year, we looked at new and exciting opportunities to promote both our sustainability and overall corporate responsibility efforts. Flagstar engaged and educated our teammates through the development of multiple internal educational messages and trainings around environmental sustainability. Our ‘Sustainability Introduction’ course launched this year, providing our teammates with the opportunity to better understand how climate change impacts our business and the world, GHG accounting methodologies and reduction efforts, and the basics behind sustainability standards and frameworks. Over the past two years, we also took steps to increase teammate acumen to assess climate risk at the transaction level and upskill client engagement. Efforts included building awareness among lines of businesses and risk teams about the risks posed by climate change as well as the inclusion of sustainability information in our new hire training.

Green Team

Our Green Team ERG was launched over two years ago and contributes to fostering an environmentally-friendly workplace at Flagstar. Some of the ways that our Green Team has driven a positive environmental impact this year includes:

- **Hosting movie club events to discuss the themes of climate-related risks, adaptation and mitigation strategies, and how companies can adopt better risk management practices over climate change within their business model.**
- **Volunteering with numerous organizations throughout our Bank’s footprint that promote sustainability.**
- **Publishing a Green Team Newsletter highlighting ways for our teammates to get involved in sustainability efforts and highlight to all teammates initiatives and programs conducted by the Green Team.**
- **Providing seed packets of native flowers on Mother’s Day for teammates to take home to promote biodiversity.**





Sustainable Products & Services

Sustainable Suppliers

Purchasing green supplies is how we've began to incorporate sustainability within our supply chain. Flagstar has started to request information from our suppliers around purchases that include either recycled materials, have been remanufactured or refurbished, are part of the EPA Design for Environment, or are affiliated with ENERGY STAR®, Green Seal, Eco-aware, Eco-ID, or EcoLogo. Purchases tracked relate to office supplies, promotional products, breakroom supplies, janitorial items, and furniture. We will continue to track our sustainability purchases from our suppliers to better understand how we can incorporate sustainability within our supply chain.

Sustainable Products and Services

In 2024, Flagstar further developed our sustainable products and services to meet the needs of our customers and transform how we do business. Flagstar is proud to offer sustainability-related products and services to support our customers and foster resilient communities. In expanding our commercial lending vertical, Flagstar originated over $73 million in sustainability-related transactions in 2024. These transactions support the industries of renewable energy, waste management and recycling, and infrastructure and help fund the overall transition to a low-carbon economy.

Flagstar's Environmental Metrics

The following table reports Flagstar's environmental data relating to GHG emissions, energy, and water.

INDICATOR	TOTAL CONSUMPTION					2024			
	2019	2023	2024	% Change over 2019 Baseline	% Change from 2023 to 2024	Floor Area	Data Coverage Building Count	Data Coverage as a % of Total Floor Area (% sq. ft)	Intensity (usage/sqft)
GHG Emissions*									
Emissions Total ($MTCO_2e$) Emissions Total (Location-based)	58,717	41,907	128,894	120%	208%	-	-	-	-
Scope 1	5,801	4,136	3,767	-35%	-9%	4,694,593	563	100%	0.80
Scope 2 (Location-based)	42,012	27,603	27,948	-33%	1%	4,694,593	563	100%	5.95
Scope 3	10,904	10,168	97,179	791%	856%	-	-	-	20.70
Energy Performance (kBtu)									
Total Energy (Scope 1-3) - Facilities	422,015,058	277,058,797	325,073,660	-23%	17%	4,694,593	563	100%	69.24
from portfolio manager	300,374,041	223,489,666	205,816,177	-31%	-8%	3,010,692	365	64%	-
estimated	121,641,017	53,569,131	119,257,483	-2%	123%	1,683,901	198	36%	-
Water Performance (kgal)									
Total Water	105,839	77,493	64,120	-39%	-17%	4,694,593	563	100%	13.66
from portfolio manager	61,789	53,842	11,265	-82%	-79%	693,001	89	15%	-

*Emissions associated with Purchased Goods and Services and Waste account for 63% of 2024 Scope 3 emissions. These Scope 3 categories were not included in the 2019 baseline inventory due to limited data availability. Calculating emissions for a broader share of Scope 3 categories is crucial for Flagstar to meet upcoming GHG reporting compliance requirements and maintain their industry-leading reporting status, but render direct year-over-year comparisons of absolute emissions unreliable. These categories are thus excluded from metrics in this table where noted to facilitate a comparison of Flagstar's like-for-like emissions change over time.

Flagstar's Environmental Metrics

The following are disclaimers related to the environmental metrics presented on the page above, relating to GHG emissions, energy, and water from 2019 to 2024. Flagstar's reporting period is aligned with the calendar year.

Background

1. GHG emissions and energy consumption for all Flagstar property assets included via either consumption obtained from utility invoices or estimated using industry best practice. Please note, the data reported above includes all of Flagstar's leased and owned properties.

2. Natural gas and electricity consumption estimated for properties not included in ENERGY STAR Portfolio Manager using ENERGY STAR Data Explorer's energy intensity factors. Estimations are based on square footage and total months the property was identified as in operation during the reporting year.

3. Property asset square footage (area) used to calculate the Scope 1 and Scope 2 (location-based) emissions intensities is the sum of gross floor area for buildings that are within Flagstar's control boundary, not under construction, and owned in that reporting year. This means properties within Flagstar's operational control boundary and considered stable or in lease-/ fill-up for the reporting year are included. Properties not reporting square footages estimated that data point. To estimate square footage data for these properties, the first step was determination of the average floor area of all properties grouped by property-type. That average floor area was then used as the total square footage of a property missing that data.

4. Water consumption tracked (from utility invoices) or estimated (see note 5) for only properties contained within ENERGY STAR Portfolio Manager. Water estimates were completed for all non-ENERGY STAR Portfolio Manager properties, except for ATMs.

5. For properties with water consumption missing, water consumption is estimated using a portfolio-average water use intensity metric. The portfolio-average WUI is multiplied by the gross square footage of any property missing water consumption data.

Our GHG inventory is made up of the following emission sources:

Scope 1 — Direct GHG emission sources

- **Stationary fuel combustion (such as facility heating and emergency equipment).**
- **Mobile fuel combustion from company-owned/ leased vehicles.**
- **Fugitive emission sources.**

Scope 2 — Indirect GHG emission sources

- **Purchased electricity–procurement of RECs are accounted for in Flagstar's market-based emissions statement.**

SCOPE 3			
Emissions Type	**Base Year**	**Base Year Emissions**	**2024**
Scope 3 GHG Emissions ($mtCO_2e$) - Relevant Categories*			
Category 1: Purchased Goods & Services**	2024	79,567	79,567
Category 5: Waste	2024	1,994	1,994
Category 6: Business Travel	2019	818	954
Category 7: Employee Commuting	2019	9,120	12,954
Category 8: Upstream Leased Assets	2019	71	6
Category 13: Downstream Leased Assets	2019	895	1,705

*Scope 3 categories that are material to Flagstar's business activities and Flagstar maintains sufficient data to calculate or estimate emissions. Categories 1 and 5 were added to Flagstar's inventory in 2024.

**Includes emissions that could be categorized under Category 2: Capital Goods, as source data does not differentiate between capital and other goods.

Scope 3 — Indirect GHG emission sources in the complete value chain

- **Business travel, which includes the emissions from the transportation of teammates for business-related activities in vehicles owned or operated by third parties, such as aircrafts, trains, buses, passenger cars, and business travelers staying in hotels.**
- **Flagstar is developing and deploying virtual collaboration tools to reduce employee travel.**
- **Employee commuting, which includes emissions from teammate transportation between their homes and their worksites.**
- **Upstream and downstream leased assets, which includes Scope 1 and 2 emissions in tenant-controlled and co-working spaces.**
- **Waste emissions for all Flagstar locations, inclusive of reported and estimated data.**
- **Emissions from purchased goods and services.**



Disclosures

Sustainability Accounting Standards Board &
Global Reporting Initiative.

Disclosures

SASB

SASB DISCLOSURES	UNIT OF MEASURE	CODE	RESPONSE PAGE
COMMERCIAL BANKS			
Data Security			
Description of approach to identifying and addressing data security risks		FN-CB-230a.2	30
Financial Inclusion & Capacity Building			
(1) Number and (2) amount of loans outstanding that qualify for programmes designed to promote small business and community development	Number Presentation Currency	FN-CB-240a.1	10 See "Community Reinvestment Act" & "Community Pledge Agreement with the National Community Reinvestment Coalition" in 2024 Annual Report (pg. 21 - 22).
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Number	FN-CB-240a.4	10 - 12
Total amount of monetary 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	Presentation Currency	FN-CB-510a.1	See "Enhanced Stress Testing and Prudential Standards" (pg. 14 - 15), "Regulatory Capital" section of Item 7 (pg. 71 - 72) and Note 17 - Capital (pg.124 - 126) in the 2024 Annual Report.
Description of whistleblower policies and procedures		FN-CB-510a.2	29 & See "Whistleblower Policy"
Systemic Risk Management			
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	See "Enhanced Stress Testing and Prudential Standards" (pg. 14 - 15), "Regulatory Capital" section of Item 7 (pg. 71 - 72) and Note 17 - Capital (pg.124 - 126) in the 2024 Annual Report.

SASB DISCLOSURES	UNIT OF MEASURE	CODE	RESPONSE PAGE
COMMERCIAL BANKS			
Activity Metrics			
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number Presentation Currency	FN-CB-000.A	See Item 7 of the 2024 Annual Report (pg. 48 - 73) and Item 8 of the 2024 Annual Report (pg. 74 - 140) for information on our deposits.
Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Presentation Currency	FN-MF-270a.3	See Item 3 of the 2024 Annual Report (pg. 44 - 45) for disclosure of material legal proceedings.
CONSUMER FINANCE			
Customer Privacy			
Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Presentation Currency	FN-CF-220a.2	See Item 3 of the 2024 Annual Report (pg. 44 - 45) for disclosure of material legal proceedings.
Data Security			
Description of approach to identifying and addressing data security risks		FN-CF-230a.3	31
Selling Finance			
Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Presentation Currency	FN-CF-270a.5	See Item 3 of the 2024 Annual Report (pg. 44 - 45) for disclosure of material legal proceedings.

Disclosures

GRI

GRI DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021		**RESPONSE PAGE**
2-1	Organizational details	5, 2025 Proxy Statement (pg. 5) & 2024 Annual Report (pg. 7)
2-2	Entities included in the organization's sustainability reporting	2 & 2024 Annual Report (pg. 7)
2-3	Reporting period, frequency and contact point	2 & 2025 Proxy Statement (pg. 7)
2-4	Restatements of information	Indicated when necessary throughout the report.
2-5	External assurance	Flagstar did not yet seek external assurance for the contents in this report.
2-6	Activities, value chain and other business relationships	5-6 & 2024 Annual Report (pg. 7 - 27)
2-7	Employees	19-20 & 2024 Annual Report (pg. 10)
2-9	Governance structure and composition	28, 2025 Proxy Statement (pg. 11), & Corporate Governance Guidelines
2-10	Nomination and selection of the highest governance body	2025 Proxy Statement (pg. 20)
2-11	Chair of the highest governance body	2025 Proxy Statement (pg. 18)
2-12	Role of the highest governance body in overseeing the management of impacts	28 & 2025 Proxy Statement (pg. 12 - 13)
2-13	Delegation of responsibility for managing impacts	2025 Proxy Statement (pg. 21)
2-14	Role of the highest governance body in sustainability reporting	2025 Proxy Statement (pg. 20)
2-15	Conflicts of interest	29, Code of Ethics for Senior Financial Officers, & Code of Conduct
2-16	Communication of critical concerns	29, Code of Ethics for Senior Financial Officers, Ethics Report & Whisteblower Complaint Policy, & 2025 Proxy Statement (pg. 22)
2-17	Collective knowledge of the highest governance body	2025 Proxy Statement (pg. 16)
2-18	Evaluation of the performance of the highest governance body	2025 Proxy Statement (pg. 16 - 17)
2-19	Remuneration policies	2025 Proxy Statement (pg. 26 - 51)
2-20	Process to determine remuneration	2025 Proxy Statement (pg. 26 - 51)
2-21	Annual total compensation ratio	2025 Proxy Statement (pg. 47)
2-22	Statement on sustainable development strategy	8 & 2025 Proxy Statement (pg. 7 - 10)

GRI DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021 (CONTINUED)		**RESPONSE PAGE**
2-23	Policy commitments	Code of Ethics for Seniors Financial Officers, Ethics Report & Whistleblower Complaint Policy, Code of Conduct,& Corporate Governance Guidelines
2-24	Embedding policy commitments	Code of Ethics for Seniors Financial Officers, Ethics Report & Whistleblower Complaint Policy, Code of Conduct,& Corporate Governance Guidelines
2-25	Processes to remediate negative impacts	Code of Ethics for Seniors Financial Officers, Ethics Report & Whistleblower Complaint Policy, Code of Conduct,& Corporate Governance Guidelines
2-26	Mechanisms for seeking advice and raising concerns	2025 Proxy Statement (pg. 22)
2-27	Compliance with laws and regulations	See Item 3 of the 2024 Annual Report (pg. 44 - 45) for disclosure of material legal proceedings & See "Regulation and Supervision" in 2024 Annual Report (pg. 11 - 27)
2-29	Approach to stakeholder engagement	34
2-30	Collective bargaining agreements	None of Flagstar's employees are represented by a collective bargaining agreement as noted in the 2025 Proxy Statement (pg. 9)
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	2024 Annual Report (pg. 75 - 80)
201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Scenario Analysis
201-3	Defined benefit plan obligations and other retirement plans	2024 Annual Report (pg. 135 - 138)
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	42
203-2	Significant indirect economic impacts	10 & 2025 Proxy Statement (pg. 8 - 9)

Disclosures

GRI

GRI DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021 (CONTINUED)		**RESPONSE PAGE**
GRI 205: Anti-corruption 2016		
205-2	Communication and training about anti-corruption policies and procedures	Code of Conduct
205-3	Confirmed incidents of corruption and actions taken	2024 Annual Report (pg. 44 - 45)
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2024 Annual Report (pg. 44 - 45)
GRI 207: Tax 2019		
207-1	Approach to tax	2024 Annual Report (pg. 115 - 117)
GRI 3: MATERIAL TOPICS 2021		**RESPONSE PAGE**
3-1	Process to determine material topics	34
3-2	List of material topics	34
3-3	Management of material topics	34
GRI 302: Economic Performance 2016		
302-1	Energy consumption within the organization	43
302-2	Energy consumption outside of the organization	43
302-3	Energy intensity	43
302-4	Reduction of energy consumption	43
GRI 303: Water and Effluents 2018		
303-5	Water consumption	43
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	43
305-2	Energy indirect (Scope 2) GHG emissions	43
305-3	Other indirect (Scope 3) GHG emissions	43
305-4	GHG emissions intensity	43
305-5	Reduction of GHG emissions	43

GRI DISCLOSURES		
GRI 3: MATERIAL TOPICS 2021		**RESPONSE PAGE**
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	39
306-2	Management of significant waste-related impacts	39
306-4	Waste diverted from disposal	39
GRI 401: EMPLOYMENT 2016		**RESPONSE PAGE**
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	19
GRI 403: Occupational Health and Safety 2018		
403-6	Promotion of worker health	19-20
403-9	Work-related injuries	20
GRI 404: Training and Education 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	19
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	2025 Proxy Statement (pg. 16)
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Code of Conduct
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	10-12
GRI 415: Public Policy 2016		
415-1	Political contributions	28
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	See “Consumer Protection Regulations” in 2024 Annual Report (pg. 24
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	30



flagstar

102 Duffy Ave.
Hicksville, NY 11801