

# FEDERAL DEPOSIT INSURANCE CORPORATION

Washington, D.C. 20429

## FORM 8-K

### CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 8, 2021

## FIRST REPUBLIC BANK

(Exact name of registrant as specified in its charter)

**California**  
(State or other jurisdiction  
of incorporation)

**80-0513856**  
(I.R.S. Employer  
Identification No.)

**111 Pine Street, 2nd Floor**  
**San Francisco, CA 94111**  
(Address, including zip code, of principal executive office)

**Registrant's telephone number, including area code: (415) 392-1400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

#### Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.01 par value	FRC	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 5.125% Noncumulative Perpetual Series H Preferred Stock	FRC-PrH	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 5.50% Noncumulative Perpetual Series I Preferred Stock	FRC-PrI	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.70% Noncumulative Perpetual Series J Preferred Stock	FRC-PrJ	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.125% Noncumulative Perpetual Series K Preferred Stock	FRC-PrK	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.250% Noncumulative Perpetual Series L Preferred Stock	FRC-PrL	New York Stock Exchange
Depository Shares, Each Representing a 1/40th Interest in a Share of 4.000% Noncumulative Perpetual Series M Preferred Stock	FRC-PrM	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01      Regulation FD Disclosure**

Pursuant to Regulation FD, First Republic Bank (“the Bank”) hereby furnishes to the Federal Deposit Insurance Corporation slides that the Bank will present to analysts and investors on or after September 8, 2021. The slides are attached hereto as Exhibit 99.1. These slides will be available on the Bank’s website at [firstrepublic.com](https://www.firstrepublic.com).

The information furnished by the Bank pursuant to this item, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

**Item 9.01      Financial Statements and Exhibits**

**(d) Exhibits**

99.1      Slides presented by First Republic Bank to analysts and investors on or after September 8, 2021.

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 8, 2021.

First Republic Bank

By: /s/ Michael J. Roffler

Name: Michael J. Roffler

Title: Executive Vice President and  
Chief Financial Officer

**Exhibit 99.1**



FIRST REPUBLIC BANK  
It's a privilege to serve you®

# First Republic Bank

(NYSE: FRC)

## **Investor Presentation**

September 2021

Member FDIC and Equal Housing Lender 



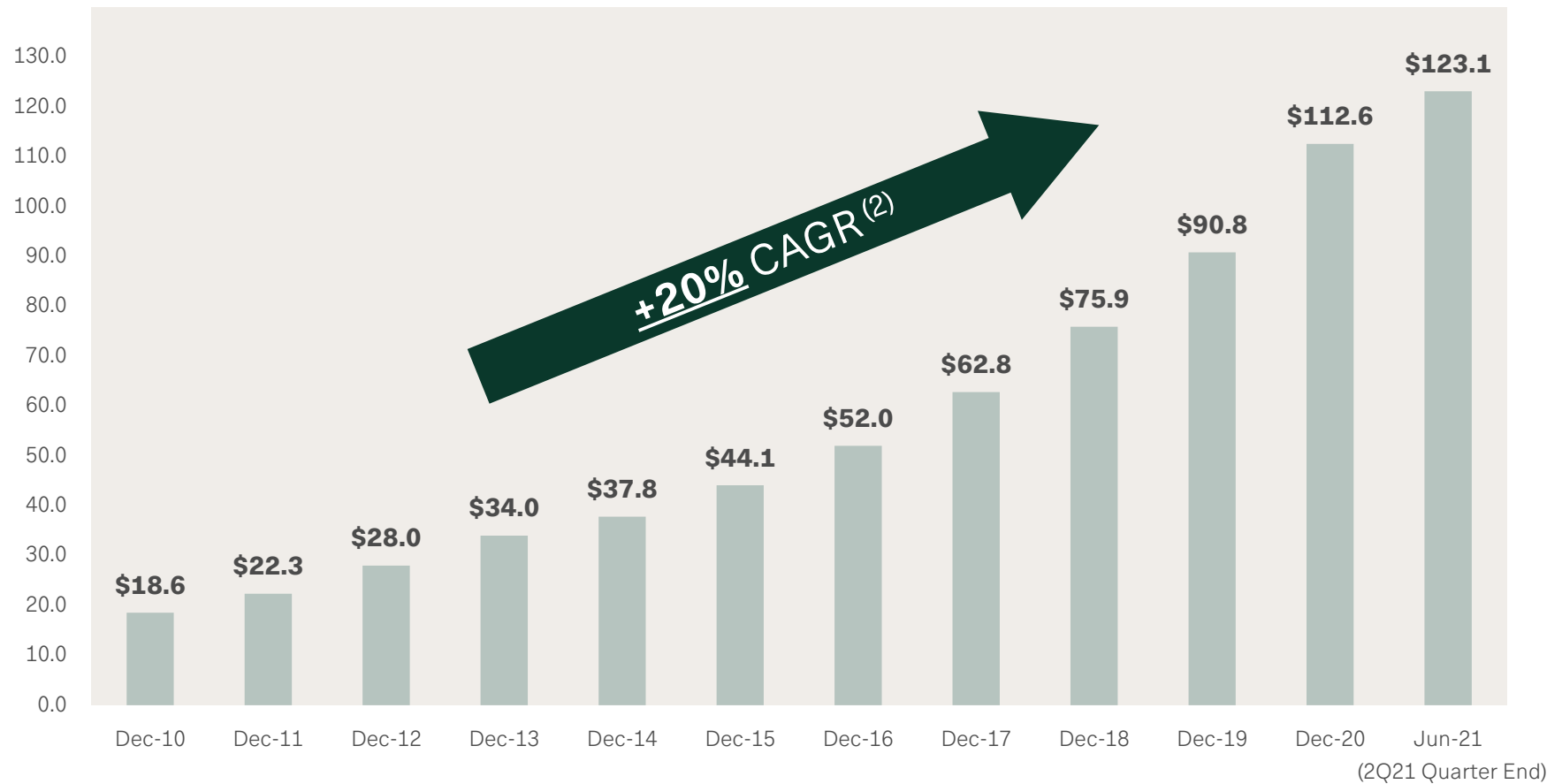
FIRST REPUBLIC  
It's a privilege to serve you®

# Over 10 Years of Consistent Growth Since Our Second IPO December 2010 — June 2021

First Republic Bank's client-centric model has delivered stable and consistent growth, driving significant outperformance for shareholders through a variety of environments

# Organic Growth: Loans

## Total Loans (\$ in Billions) <sup>(1)</sup>

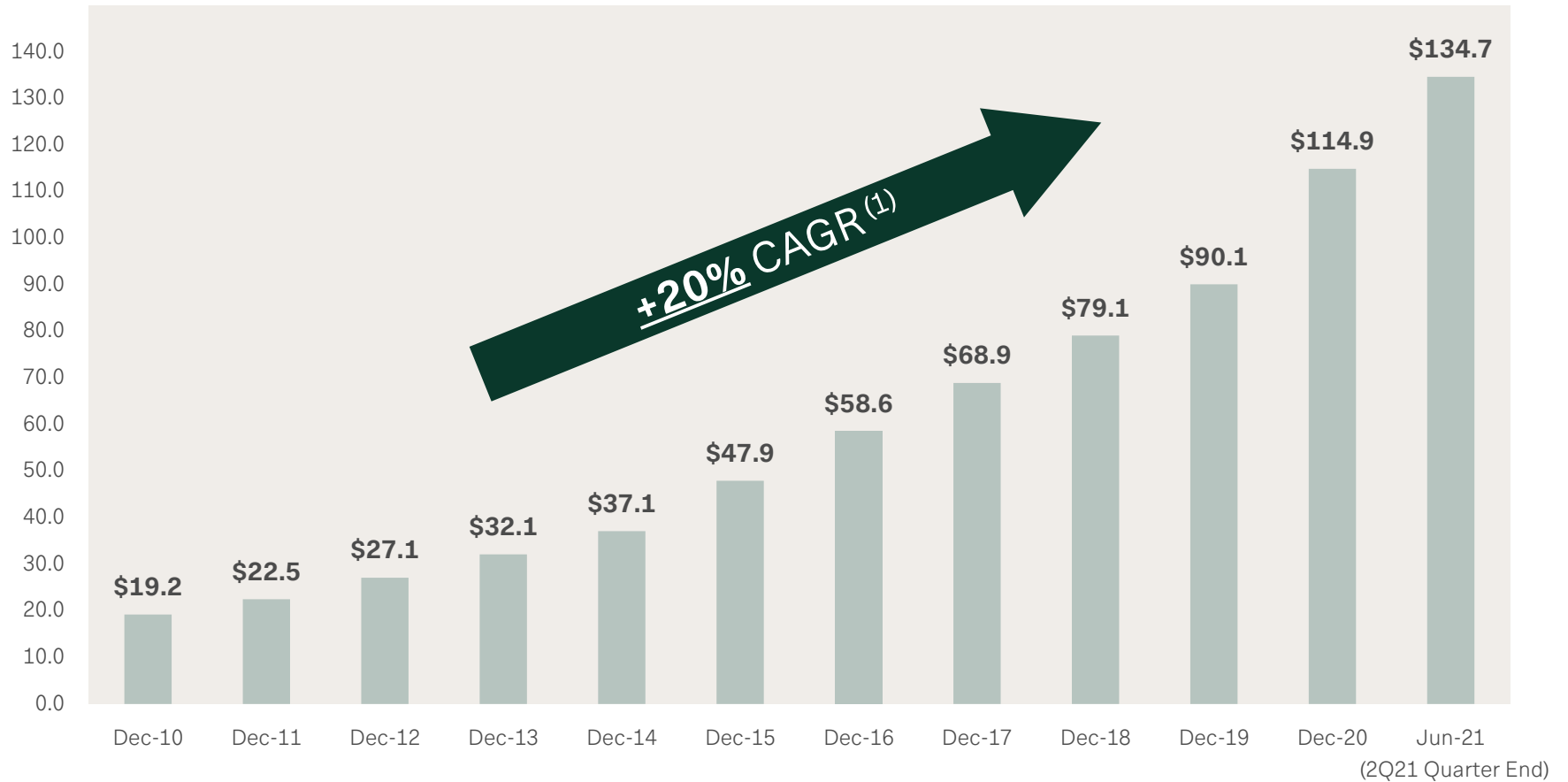


(1) Represents amortized cost, excluding loans held for sale.

(2) 10.5-year compounded annual growth rate ("CAGR") from December 31, 2010 through June 30, 2021.

# Organic Growth: Deposits

## Total Deposits (\$ in Billions)

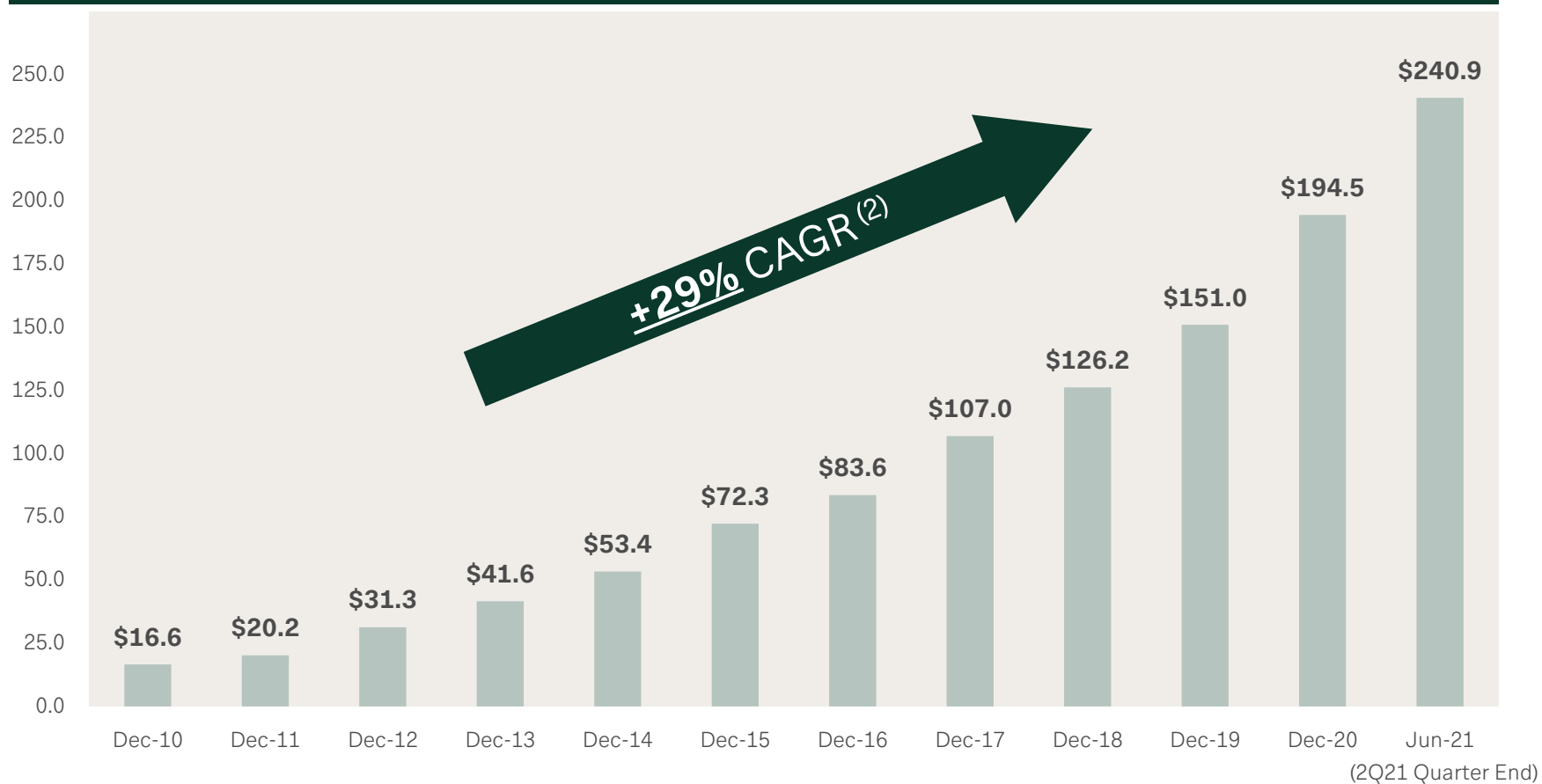


(1) 10.5-year CAGR from December 31, 2010 through June 30, 2021.

# Wealth Management Asset Growth



## Assets Under Management or Administration (\$ in Billions) <sup>(1)</sup>



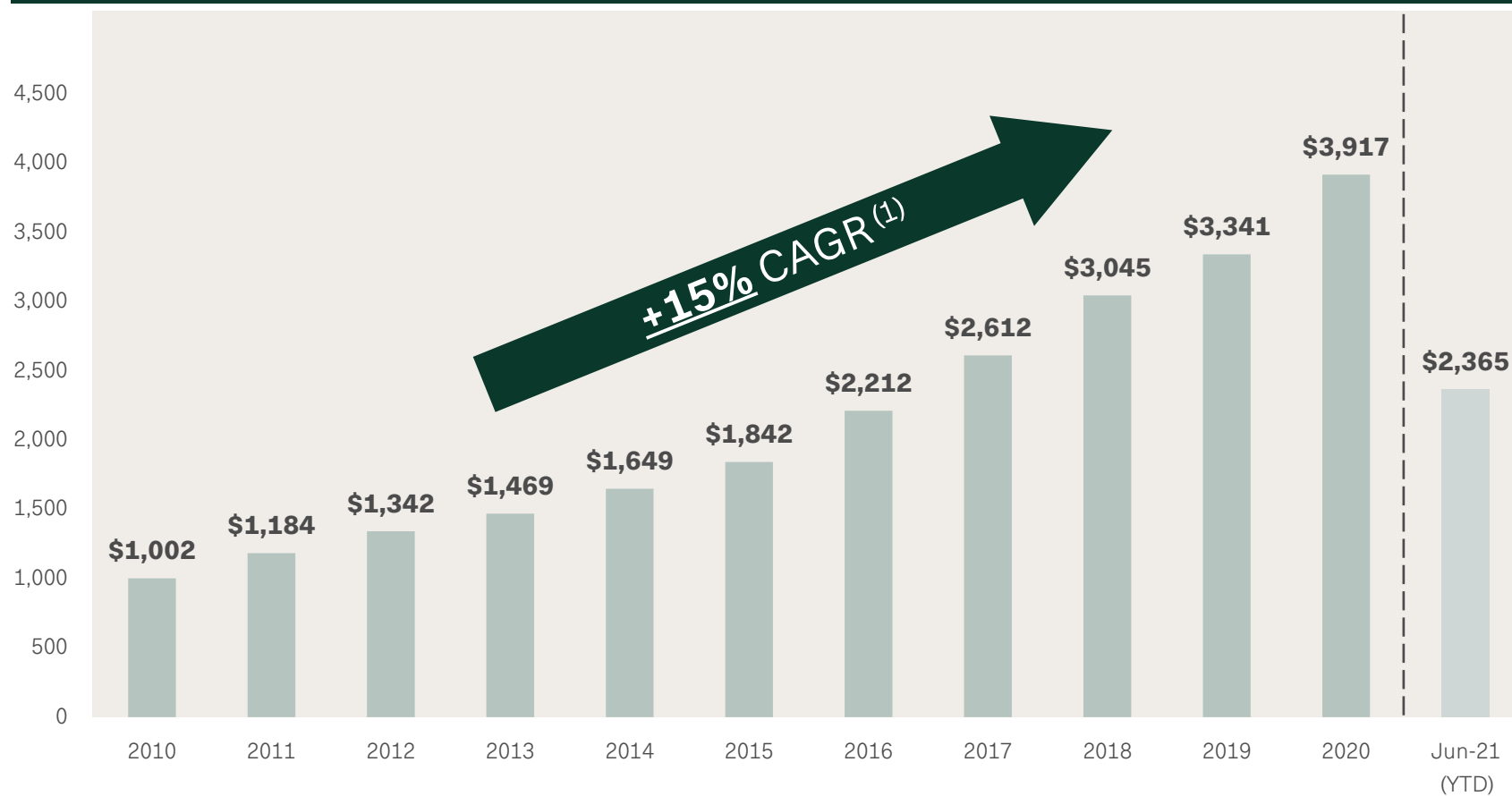
(1) Excluding account balances that are swept into Bank deposits and safekeeping assets from the Bank's private equity and venture capital clients.

(2) 10.5-year CAGR from December 31, 2010 through June 30, 2021.



# Strong Growth in Revenues

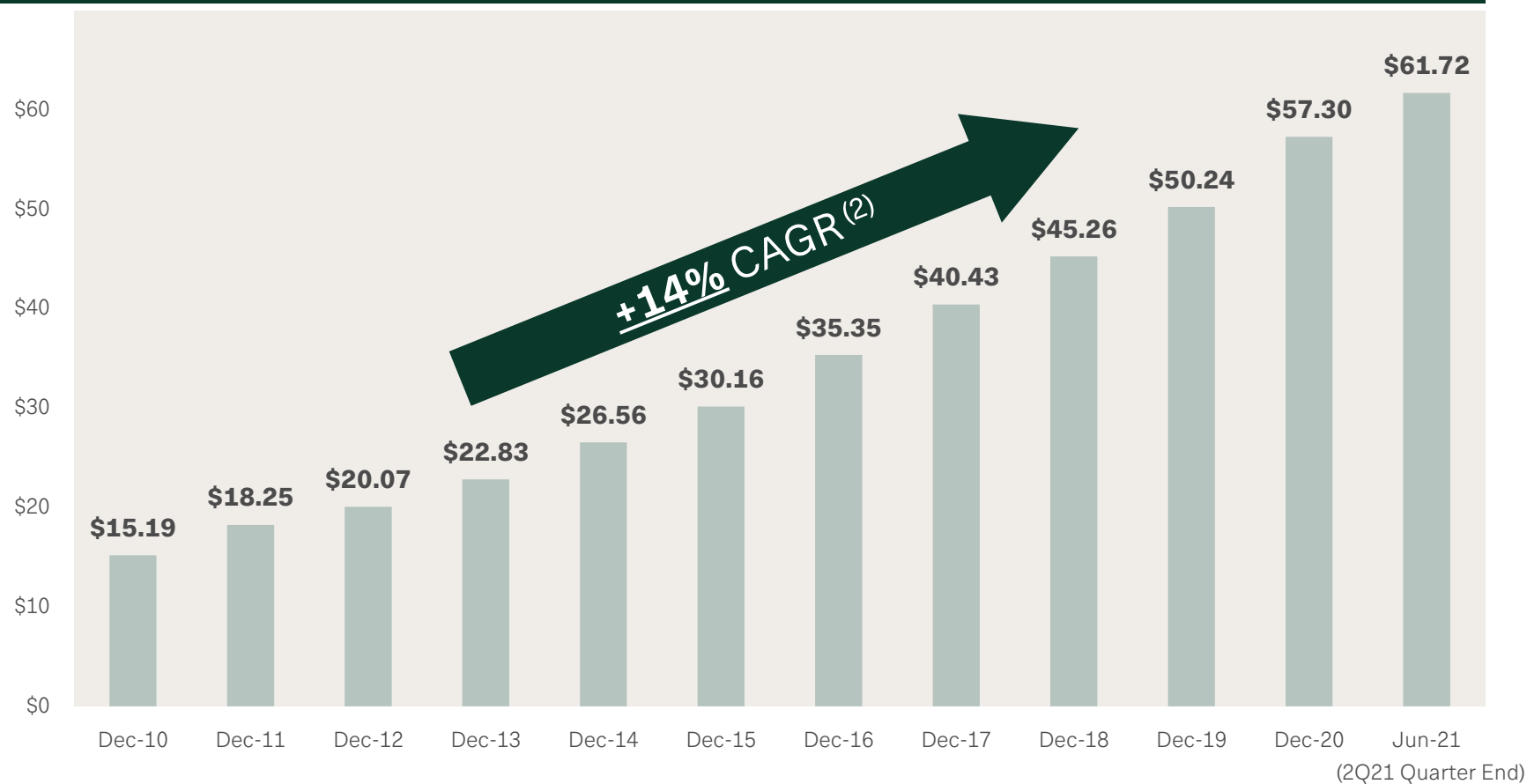
## Revenues (\$ in Millions)



(1) 10-year CAGR from full year 2010 through full year 2020.

# Tangible Book Value Per Share

## Tangible Book Value Per Share <sup>(1)</sup>



(1) Tangible book value per share is considered a non-GAAP financial measure. Refer to the Notice slide for a discussion of non-GAAP financial measures and slide A8 in Appendix for a reconciliation of this non-GAAP financial measure to the most comparable GAAP measure.

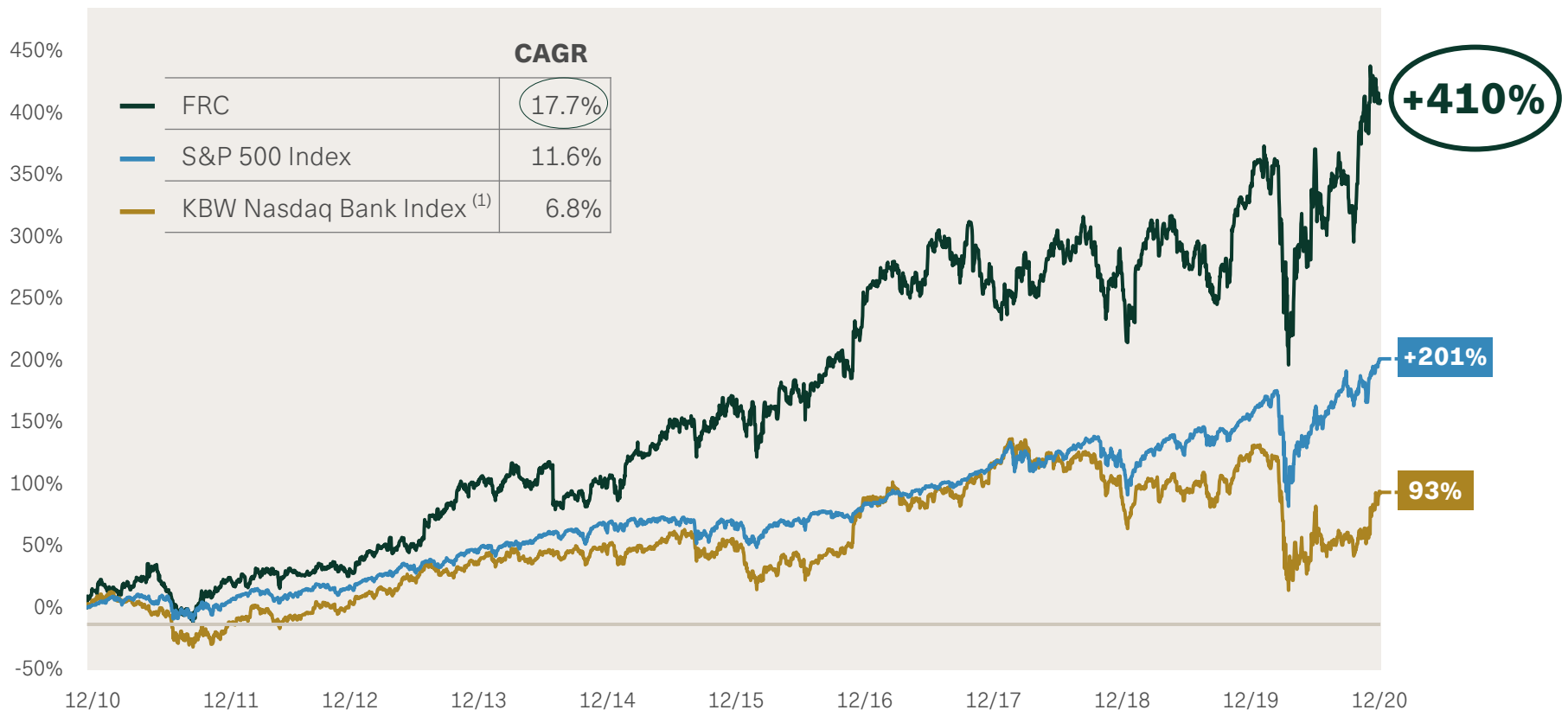
(2) 10.5-year CAGR from December 31, 2010 through June 30, 2021.

# Share Price Performance



First Republic doubles the performance of the S&P 500 and quadruples the performance of the KBW Bank Index

FRC vs. Indices: 12/8/2010 (Second IPO) – 12/7/2020 (10 Year Anniversary)



Source: Bloomberg

(1) Index consists of 24 banking stocks representing the large U.S. national money centers, regional banks, and thrift institutions. First Republic is a component of this Index.



FIRST REPUBLIC

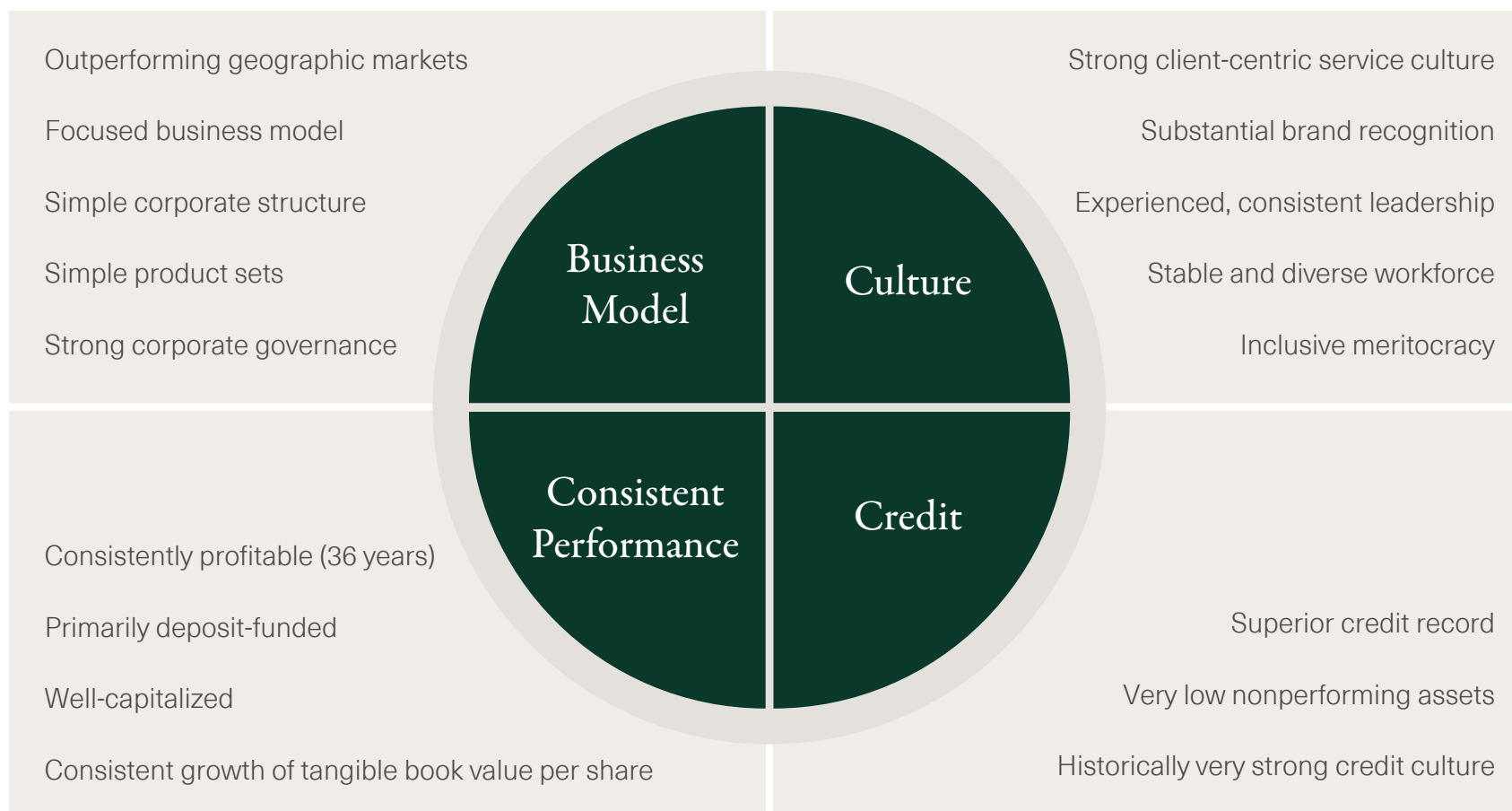
It's a privilege to serve you<sup>®</sup>



# Why First Republic?



**Founder-led with a consistent focus on long-term, client service, and stability**



**First Republic is a constituent of the S&P 500 Index and KBW Nasdaq Bank Index**

## Relationship-Based, Client-Focused Approach



- Single point-of-contact for clients
- Culture focused on extraordinary service – proven client satisfaction <sup>(1)</sup>
- Strong credit driven incentive structure
- Over 50% of growth from existing clients <sup>(2)</sup>
- Another 25% of growth from satisfied clients' word-of-mouth referrals, thus 75% of growth is directly from existing clients <sup>(2)</sup>
- Employee stability + model stability = client stability

(1) See Net Promoter Score on slide 13.

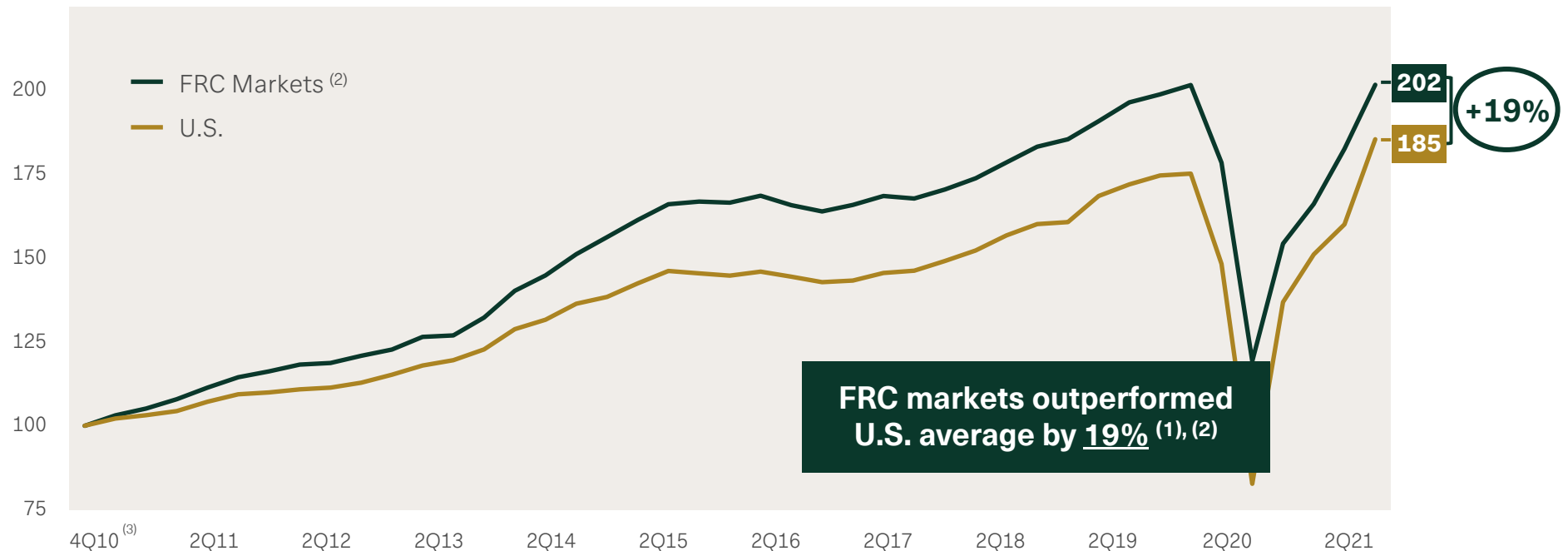
(2) See slide 14. Client referrals represented 31% of checking deposit growth for 12/31/2007 to 12/31/2020 and 28% of new loan originations for 1/1/2015 to 12/31/2020.

# Strong Geographic Markets



## Operations in select, urban coastal markets

### First Republic Markets Economic Indices <sup>TM</sup> (1)



(1) The First Republic Markets Economic Index <sup>TM</sup> is a proprietary index, produced in conjunction with Rosen Consulting Group and designed to indicate aggregate economic performance of FRC's markets utilizing publicly available regional economic data.

(2) FRC markets (8 in total), in aggregate and weighted by loan balances outstanding as of June 30, 2021, have grown 102% since 4Q 2010 compared to 85% for the U.S. as a whole, or 19% higher growth comparatively. These 8 markets are: San Francisco, Los Angeles, San Diego, Portland, New York, Boston, Newport Beach and Palm Beach. Excludes Jackson, Wyoming, which was opened in December 2018. See slide 18 for a breakdown of First Republic's loan portfolio by geographic market.

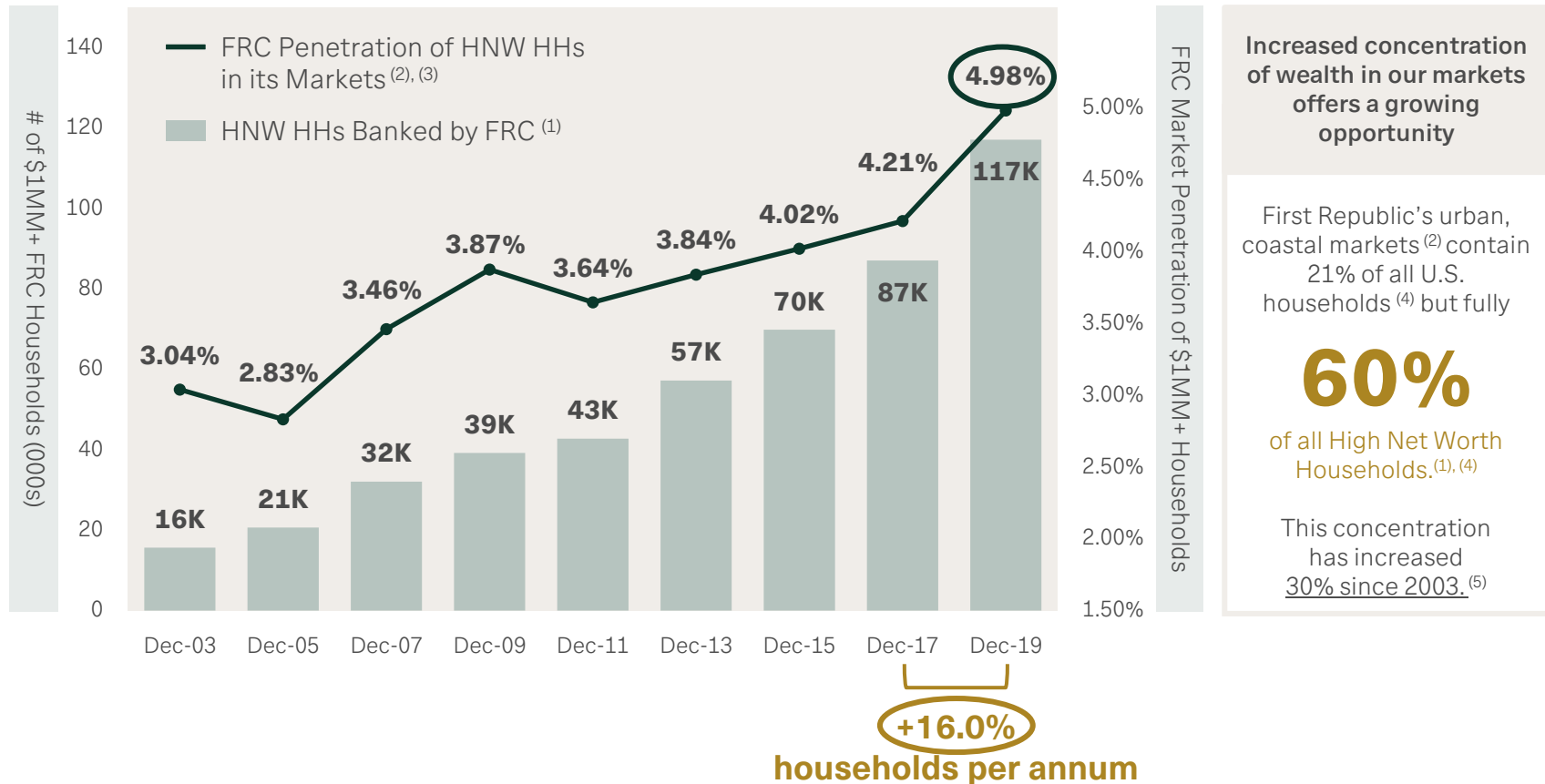
(3) Assumes the FRC and U.S. Market indices begin at 100 on December 31, 2010.

# Market Share Growth



Substantial upside remains despite strong, consistent growth

## Capgemini Consulting Study: Growth in High Net Worth Households <sup>(1)</sup>



Source: FRC/Capgemini Consulting study (2020)

(1) High net worth households ("HNW HHs") defined as households with at least \$1 million of investable assets. Represents approximately 50% of First Republic's client households as of December 31, 2019.

(2) As of December 31, 2019, FRC markets include San Francisco, Los Angeles, San Diego, Portland, New York, Boston, Newport Beach, Palm Beach and Jackson.

(3) Figures include Boston beginning in December 31, 2005; Portland in December 31, 2007; Palm Beach in December 31, 2011 and Jackson in December 31, 2019.

(4) As of December 31, 2019.

(5) The growth in concentration of HNW HHs in FRC markets has been steady every measurement period – increasing at an annual rate of approximately 1.6% since 2003.



# 2020 Net Promoter Score (“NPS”)

First Republic service model is a disruptor in the banking sector

2020 Top Service-Focused Brands <sup>(1)</sup>	
83	First Republic – as “Lead Bank” <sup>(2), (3)</sup>
73	First Republic – Overall <sup>(2)</sup>
71	Southwest
70	Ritz Carlton
62	Apple <sup>(4)</sup>
43	Airbnb
36	U.S. Banking Industry Average

FRC client satisfaction **over 2x** higher  
than U.S. Banking Industry

- Exceptional service is our key organic growth driver: word-of-mouth referrals from very satisfied clients
- NPS measures client loyalty and likelihood to actively “refer”
- Leads to strong growth and very low client attrition rates

(1) Source: SATMETRIX NPS (2020) for brands listed and U.S. Banking Industry Average, excluding FRC. Please note: the brands listed under ‘Top Service-Focused Brands’ are brands selected for comparison purposes.

(2) Source: FRC/Greenwich Associates NPS Study (2020).

(3) Over 50% of First Republic clients self-designate First Republic as their “Lead Bank.”

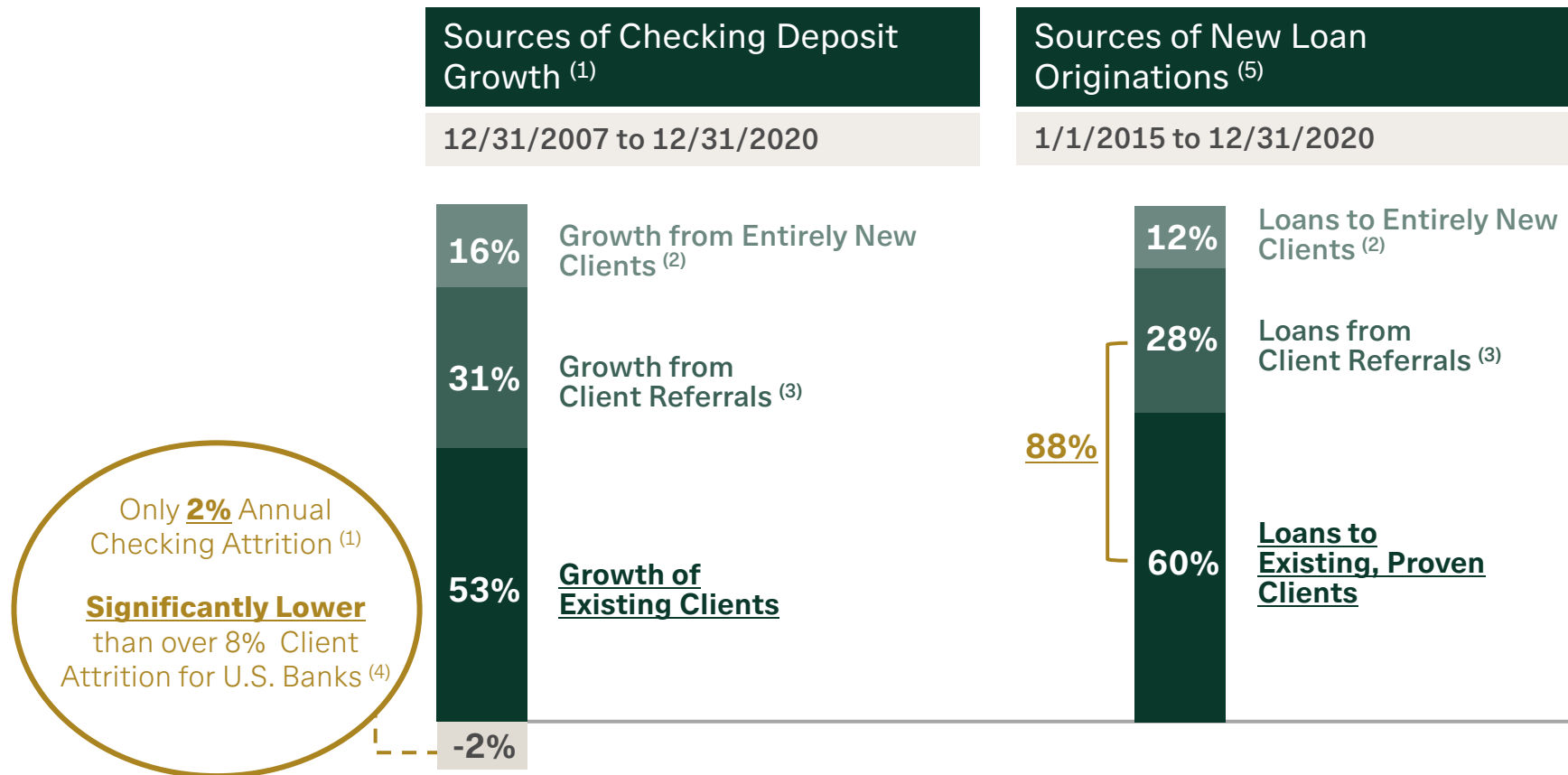
(4) Reflects industry scores for laptop computers, Apple’s industry scores for tablet computers and smartphones is 60 and 51, respectively.

# Service Model Drives Organic Growth



Focus on client service = satisfied clients = strong referrals + very low attrition

Satisfied clients do more with First Republic and refer new clients



(1) As measured by change in balances. Checking defined as all business and consumer checking, excluding money market checking.

(2) New clients defined as new relationships that joined FRC within the calendar year. The balances represent the combined accounts within the calendar year.

(3) Referrals as identified by KYC referral information for the first customer of new relationships in 2015-2020.

(4) Source: Harland Clarke. Represents U.S. banking industry client attrition data from 2014-October 2017.

(5) Based on principal balance at origination, for loans originated during 2015-2020, excluding overdraft lines of credit and refinanced FRC loans. Includes all loan originations whether on balance sheet, sold or currently held for sale.

# Our Clients Say It Best



“First Republic makes everything easy.  
Our banker understands our mindset  
and is always quick to respond.”

Ashwin Krishnan | Airbnb  
Lavanya Krishnan, M.D. | Arya Derm  
Clients Since '17

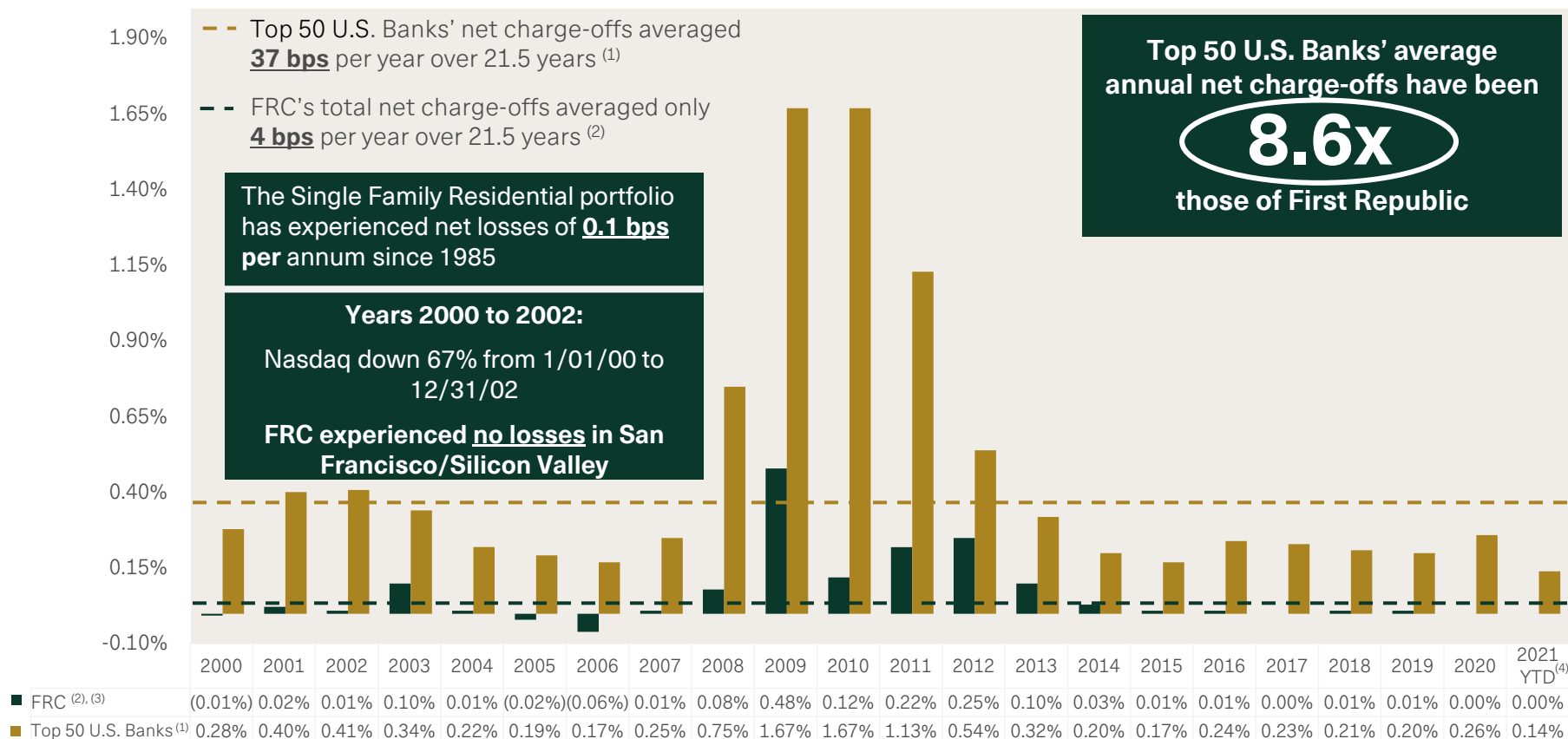
“The service at First Republic is unmatched.  
They go out of their way to meet our needs.”

Ghia Griarte | Ponte Partners  
Rod Brewster | Pingtumi  
Clients Since '11



# 2000-2021: Loss Experience - All Loans

## Net Charge-Offs (Recoveries) as % of Average Loans



(1) Source: S&P Global Market Intelligence. Comprised of the median for the top 50 U.S. Banks by asset size, including FRC, as of December 31 of each corresponding year, and June 30, 2021.

(2) Includes estimated charge-offs on divested loans for period from July 1, 2010 to December 31, 2018.

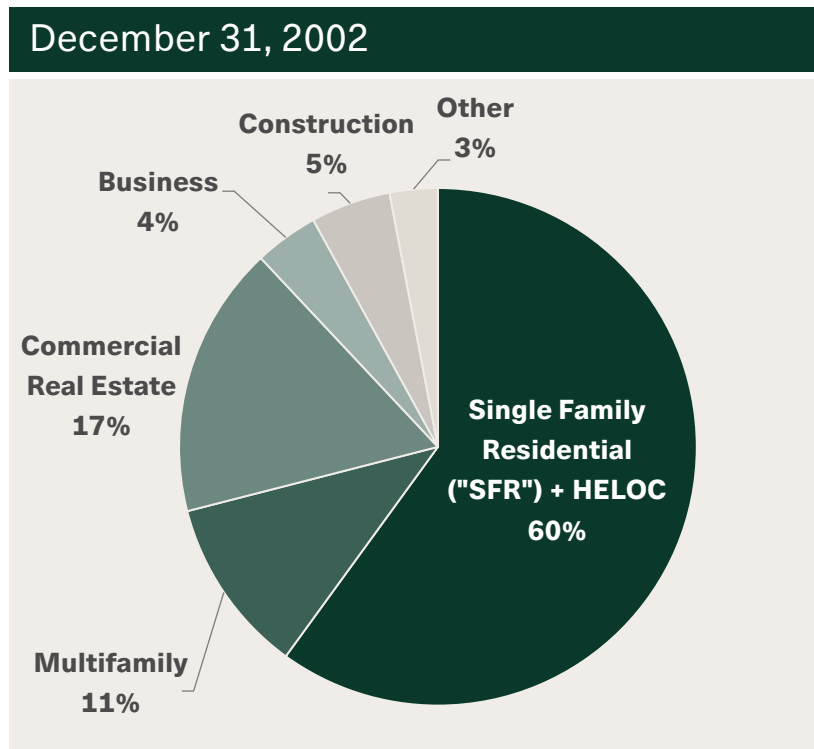
(3) Beginning in 2009, net charge-offs include charge-offs against unaccreted loan discounts, if any.

(4) Calculated on an annualized basis.

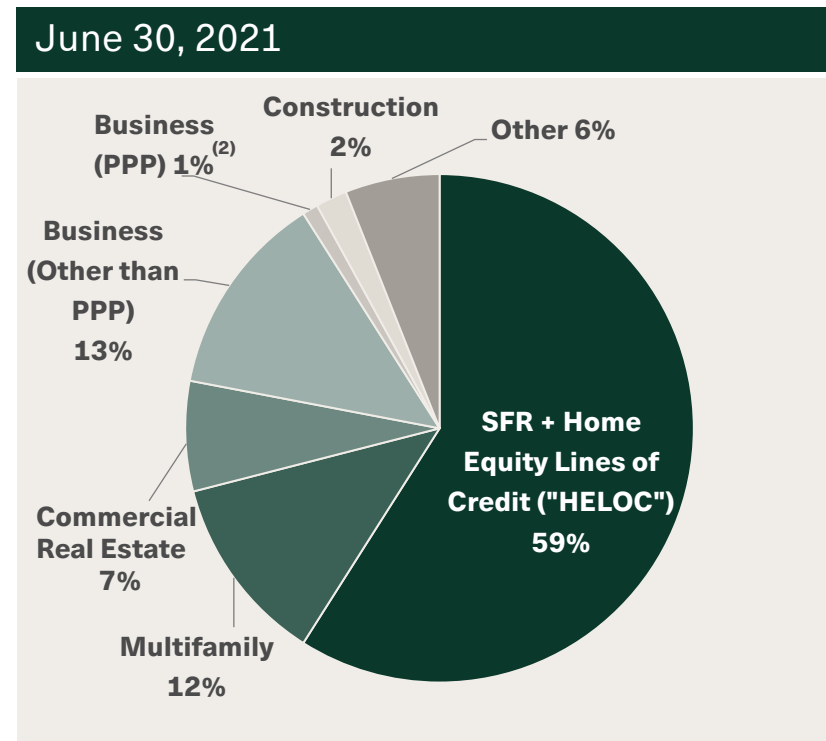
# 2002-2021: Stability – Loan-type

Approximately 80% of loans are collateralized by real estate <sup>(1)</sup>

↓ 18.5 years ↓



**SFR + HELOC = 60%**



**SFR + HELOC = 59%**

(1) As of June 30, 2021, including loans held for sale.

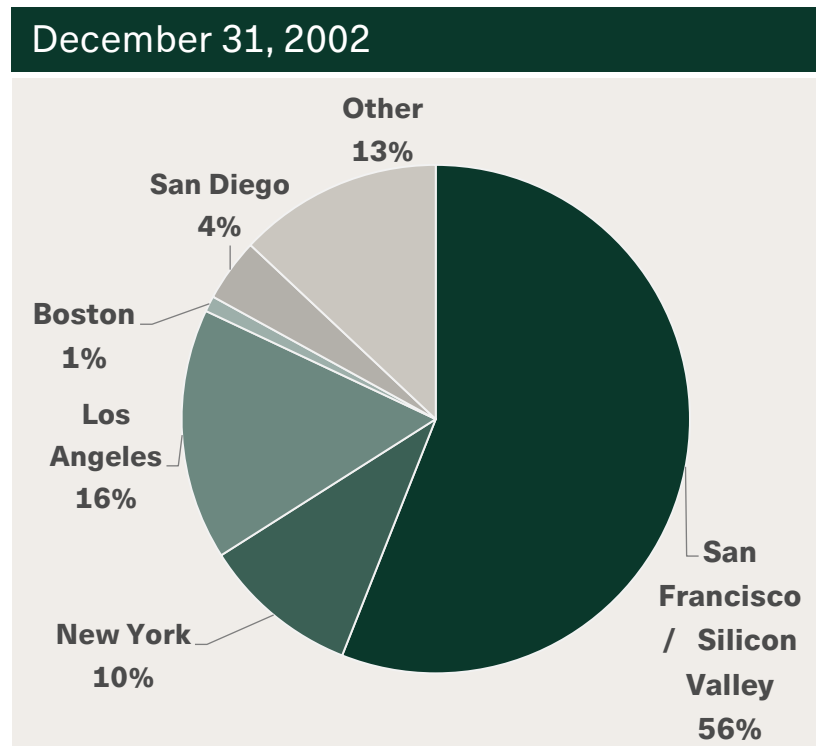
(2) Beginning in April 2020, the Bank became a lender under the Small Business Administration's Paycheck Protection Program ("PPP").

# 2002-2021: Stability – Loan Geography

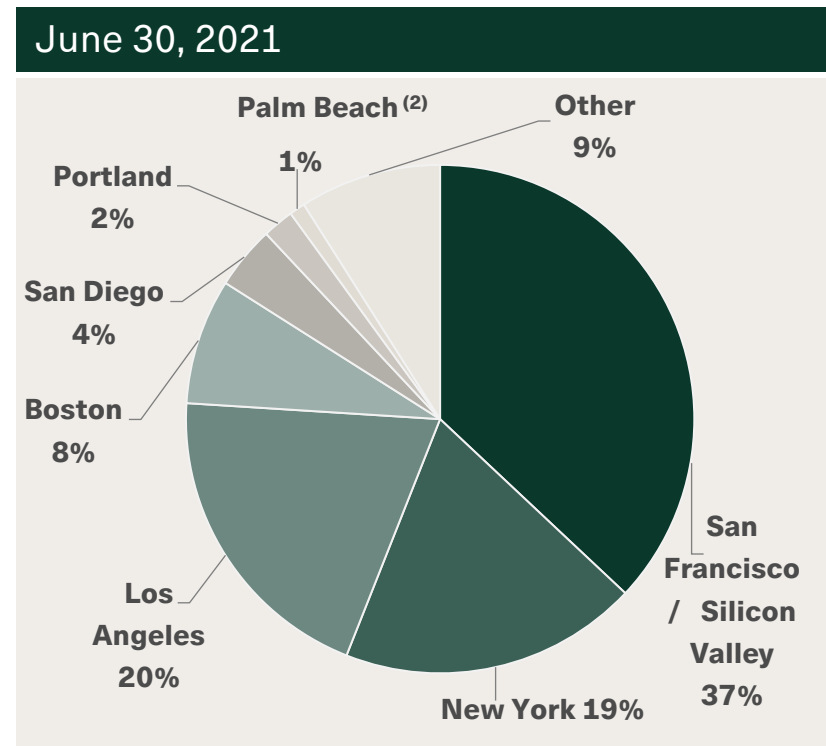
Consistent urban, coastal markets = local knowledge

**90% of all real estate loans are located within 20 miles of an FRC office <sup>(1)</sup>**

18.5 years



**SF + NYC + LA = 82%**



**SF + NYC + LA = 76%**

(1) As of June 30, 2021.

(2) Entered Palm Beach, FL, following New York and Boston clients, in 2013.

# Conservative Real Estate Loan Characteristics



## Low LTVs on loans originated over past 2 years <sup>(1)</sup>

### Single Family Residential ("SFR") Loan Characteristics

	<u>Median</u>
Loan Size	\$780,000
LTV <sup>(2)</sup>	59%

- Approximately 80% of total loans are collateralized by real estate <sup>(4)</sup>
- All loans are fully underwritten and documented
- Debt service coverage ratios for MF and CRE are very strong

### Multifamily ("MF") Real Estate Loan Characteristics <sup>(3)</sup>

	<u>Median</u>
Loan Size	\$1.6M
LTV <sup>(2)</sup>	54%

### Commercial Real Estate ("CRE") Loan Characteristics <sup>(3)</sup>

	<u>Median</u>
Loan Size	\$1.5M
LTV <sup>(2)</sup>	45%

(1) Originated 3Q 2019 through 2Q 2021.

(2) Loan-to-Value ("LTV") at origination.

(3) For term loans, balances are based on original loan amount. For lines of credit, amounts are based on total commitment.

(4) As of June 30, 2021, including loans held for sale. See slide 17.

# SFR Borrower Characteristics

## Strong borrowers lead to safer credit

Single Family Residential (“SFR”) Borrower Credit Characteristics	Past 2 Years’ <b><u>Median</u></b> <sup>(1)</sup>
Loan Size	\$780,000
Loan-to-Value (“LTV”) <sup>(2)</sup>	59%
FICO	778
Liquidity	\$613,000

(1) Originated 3Q 2019 through 2Q 2021.

(2) LTV at origination.



# Stable and Conservative Loan Underwriting Standards FIRST REPUBLIC BANK

## Weighted average loan-to-value (“LTV”) at origination (dollar weighted)

	Single Family Residential <sup>(1)</sup>	HELOC <sup>(2)</sup>	Multifamily	CRE	Construction
Loans Originated in:					
2010	57%	57%	61%	51%	60%
2Q21	60%	50%	51%	45%	56%
Total Loan Portfolio as of:					
6/30/21	57%	50%	51%	46%	55%

(1) Includes loans held for sale.

(2) Presented on a combined LTV basis, including the first residential mortgage and a second lien, where applicable.

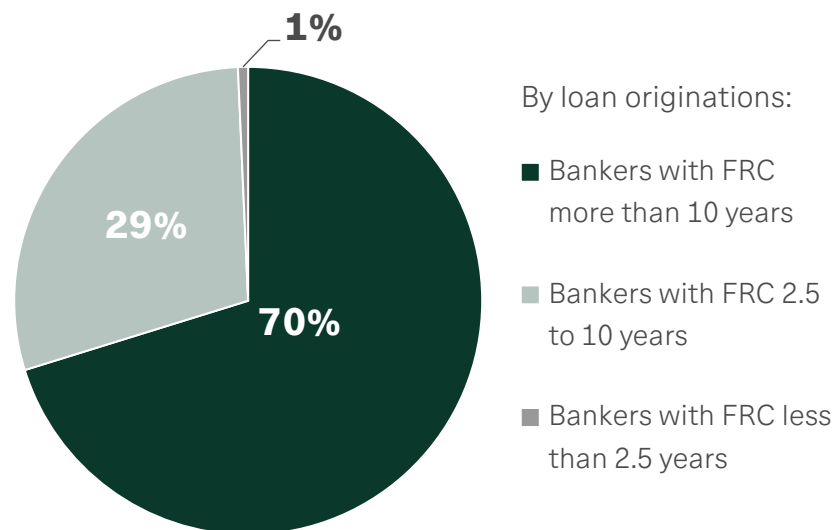
# Low Banker Turnover

Banker stability = client stability & strong credit

Fully **91%** of loans, since 1985, originated by bankers still with First Republic

- Stability of people is integral to high-touch, consistent relationship banking model
- Culture results in higher workforce retention rate, key to client service excellence
- Credit quality is a cultural cornerstone, reinforced with a credit clawback provision and weekly, all-company loan meetings since 1986

Since 1985, \$349 billion in loans originated, with only 10 bps **cumulative** total net losses <sup>(1), (2)</sup>

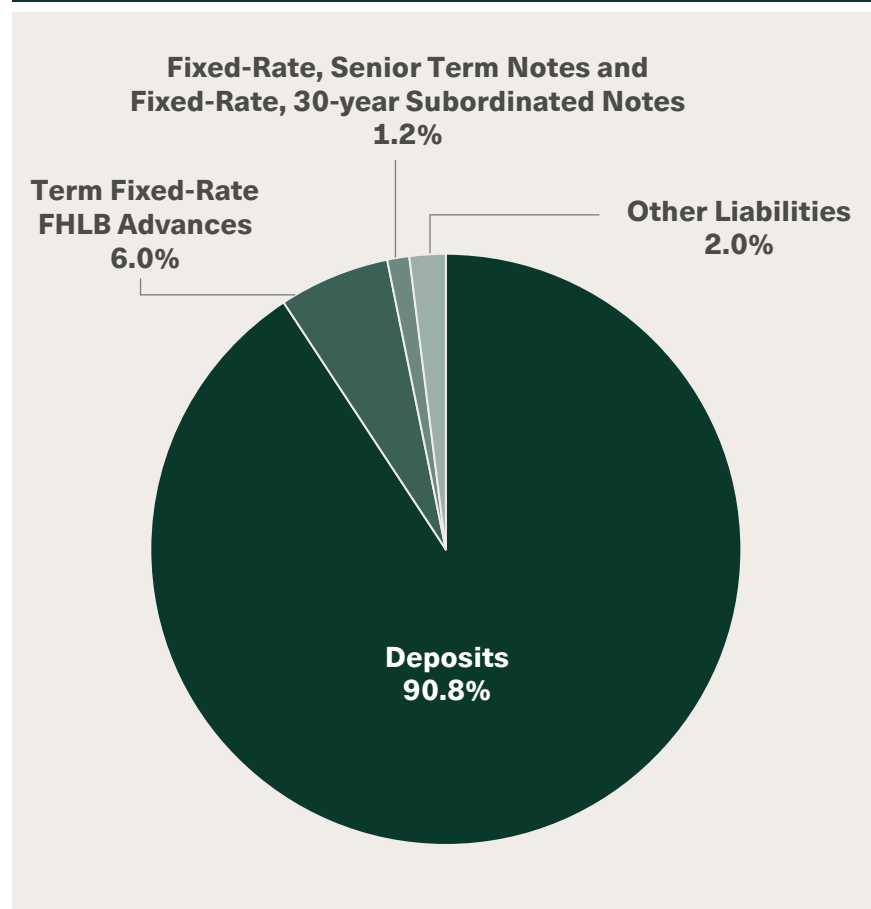


(1) Includes loss experience on loans retained by Bank of America. From 1985 through June 30, 2021, the Single Family Residential loan portfolio has experienced net losses of only 0.1 bps per year. See slide A2.

(2) Excluding PPP loans.

# Stable Funding – Primarily Deposits

By Source 6/30/21



Deposit funding **91%** of total liabilities

- Debt funding <sup>(1)</sup> less than 8% of total liabilities
- No short-term borrowings

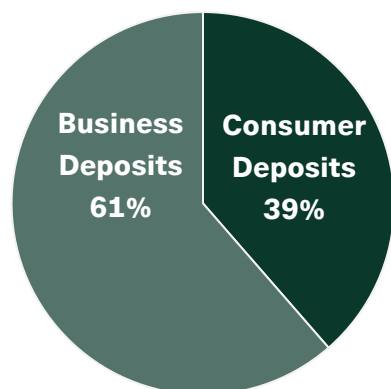
**Total Deposits = \$134.7 billion**  
**as of 6/30/21**

(1) Comprised of term fixed-rate Federal Home Loan Bank ("FHLB") advances (\$9.0 billion); fixed-rate, senior term notes (\$499.1 million fixed-rate and \$498.1 million fixed-to-floating rate notes) and fixed-rate 30-year subordinated notes (\$778.5 million).

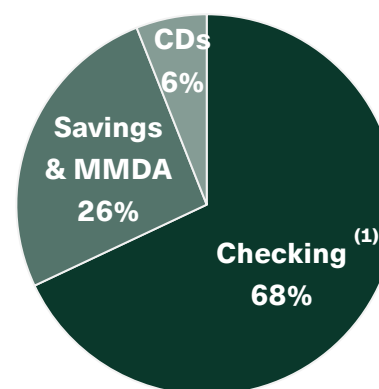
# Diversified Deposits

Reflects long-term, stable and deep relationships

## By Source 6/30/21



## By Type 6/30/21



**7 bps**

2Q21 Cost of Deposits

## Average Deposit Account Size 6/30/21

Consumer	\$125,000
Business	\$468,000

## Perspective on Operational Size

First Republic has only approximately **1/5th** the number of deposit accounts compared to the average \$100-250 billion U.S. bank <sup>(2), (3)</sup>

- Greater ability to provide extraordinary service per relationship
- Greater ability for oversight per relationship

(1) As of June 30, 2021, the average size of bank-wide checking accounts was \$205,000.

(2) \$100-250B Total Assets U.S. Bank group is based on top tier bank holding companies, commercial and savings banks, ranked by total assets as of June 30, 2021. FRC and U.S. subsidiaries of foreign banks are excluded. Broker-dealers, regulated depositories and specialty lenders are also excluded based on differences in their business models. Data is sourced from S&P Global Market Intelligence.

(3) As of June 30, 2021, the average size of FRC deposit offices was over \$609 million per office.

# Business Banking

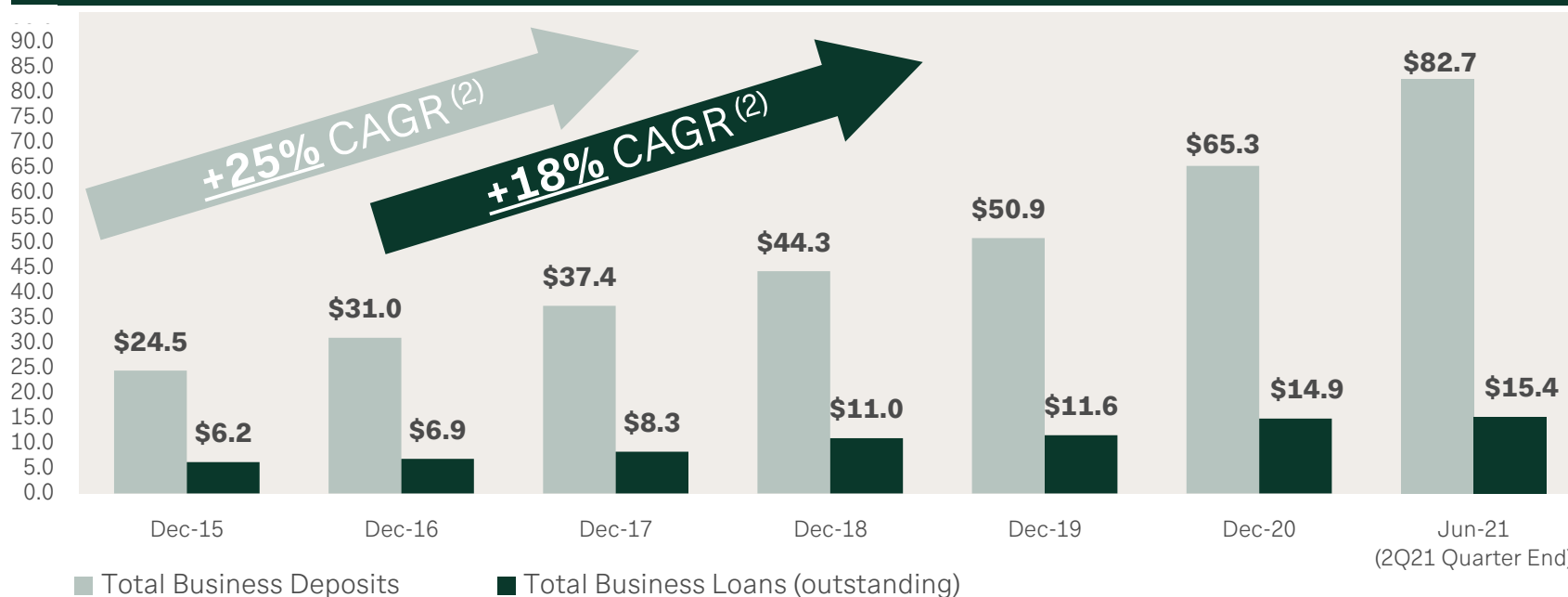


Largely a direct result of personal banking clients recommending us for their businesses and non-profit organizations

As of 6/30/21

- Average business loan = \$5.9 million
- **5.4 to 1** business deposits/loans outstanding
- Average business deposit = \$468,000
- Rate paid on business deposits 2Q21 = **7 bps**

## Business Deposits and Loans <sup>(1)</sup> (\$ in Billions)



(1) Loan amounts represent amortized cost, excluding PPP loans.

(2) 5.5-year CAGR from December 31, 2015 through June 30, 2021.

# Business Banking: Loan Portfolio



Percentage of Business Banking Portfolio by Loan Type <sup>(1), (2), (3)</sup>	%
Private Equity / Venture Capital Funds	57%
Non-Profit Organizations / Schools	25%
Real Estate Related Entities	4%
Investment Firms	3%
Aviation / Marine	3%
Professional Service Firms	1%
Vineyards / Wine	1%
Clubs and Membership Organizations	1%
Other	5%
Total Business Banking Loan Portfolio	100%

- Business loans outstanding represent **14%** of total loan portfolio <sup>(1), (4)</sup>
- Focused on targeted verticals with substantial lending expertise and experience

(1) Represents percentage of loans based on amortized cost for loans outstanding as of June 30, 2021.

(2) Total business line utilization was 36% as of June 30, 2021.

(3) Excluding PPP loans.

(4) Comprised of 13% business loans (other than PPP) and 1% of PPP loans. See slide 17.

# FRC Client Relationship Lifespan Is Doubling



(1) Includes term loans and beginning June 2020, includes personal lines of credit ("PLOC").

# Attracting the Next Generation: Programs



Lending programs attracting high quality clients earlier in their career

## Household Debt Refinance <sup>(1), (2)</sup>

Consolidating consumer debt into  
a single monthly payment

<b>Cumulative Number of Households <sup>(4)</sup></b>	<b>30.5K</b>
<b>Average Age of Borrower <sup>(5)</sup></b>	<b>33</b>
Average FICO	771
Total Loans Outstanding	\$2.3B

## Professional Loan Program ("PLP") <sup>(1), (3)</sup>

A loan program that gives employees  
a way to invest with/in their firms

<b>Cumulative Number of Households <sup>(4)</sup></b>	<b>6.1K</b>
<b>Average Age of Borrower <sup>(5)</sup></b>	<b>38</b>
Average FICO	770
Total Loans Outstanding	\$1.9B

- (1) Loan amounts are based on unpaid principal balance as of June 30, 2021. The entire household debt refinance portfolio had delinquencies over 30 days at June 30, 2021 representing less than 1 bps of total loans outstanding and charge-offs representing less than 4 bps of originations since inception. The PLP portfolio had delinquencies over 30 days at June 30, 2021 representing less than 5 bps of total loans outstanding and charge-offs representing less than 1 bps of originations since inception.
- (2) Includes term loans and beginning June 2020, includes personal lines of credit.
- (3) Typically collateralized, and in many cases guaranteed by firms.
- (4) Represents the total number of households acquired since inception, as of June 30, 2021. Includes households with outstanding loans as well as paid off loans.
- (5) Average age of borrower at the time of origination. Other than being 18 years old or legally able to enter into a contract, there are no age requirements or age restrictions for loan eligibility.

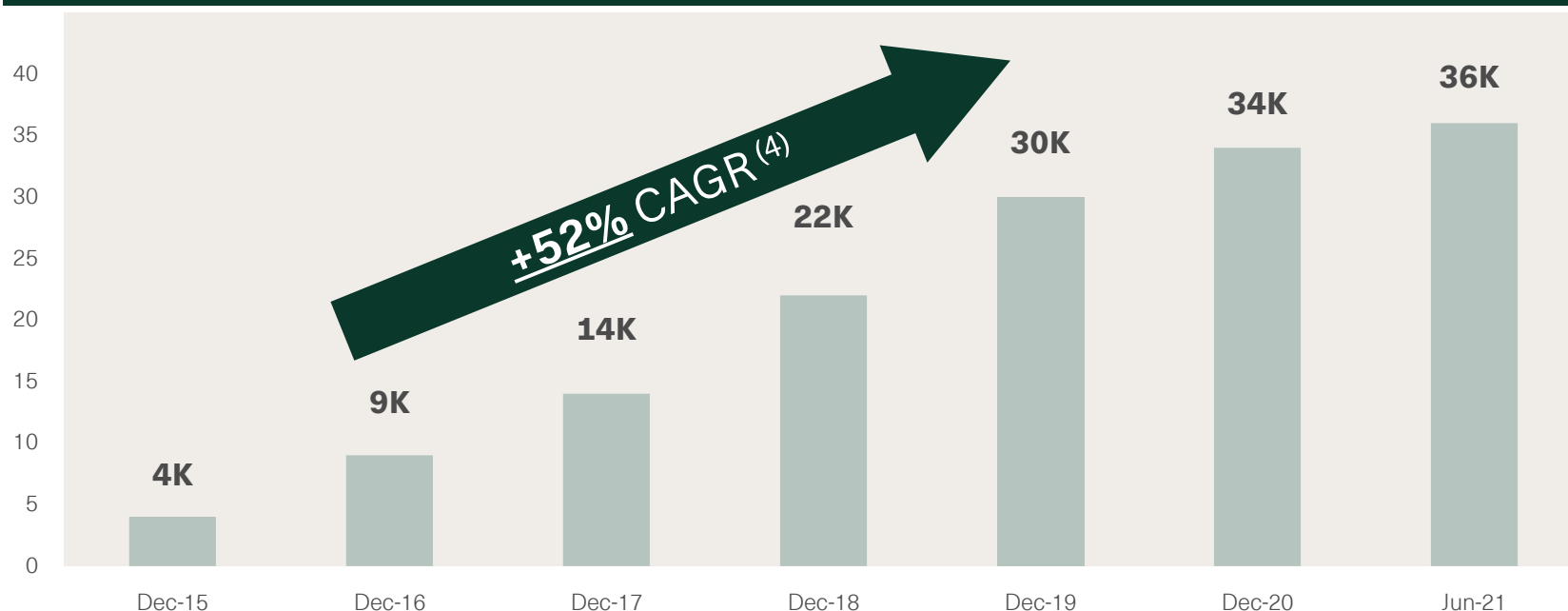


# Attracting the Next Generation: Growth



Relationships acquired through our household debt refinance <sup>(1)</sup> and professional loan programs now represent fully **33%** of consumer borrowing households <sup>(2)</sup>

Cumulative Number of Households (000s) <sup>(3)</sup>



**High client satisfaction level for these households creates a significant growth opportunity as these young professionals develop. <sup>(5)</sup>**

(1) Includes term loans and beginning June 2020, includes personal lines of credit.

(2) As of June 30, 2021. Up from 9.2% as of December 31, 2015.

(3) Represents the total number of households acquired through household debt refinance and professional loan programs since inception at December 31 of each corresponding year and June 30, 2021. Includes households with outstanding loans as well as paid off loans. Based on household's initial household debt refinance/PLP origination date.

(4) 5.5-year CAGR from December 31, 2015 through June 30, 2021.

(5) Source: FRC/Greenwich Associates NPS Study (2020).

# Attracting the Next Generation of Clients



First Republic has a holistic strategy to attract the millennial/next generation of clients to First Republic

## Household Debt Refinance ("PLOC")

Consolidating consumer debt, including student loans, into a single monthly payment

## Professional Loan Program ("PLP")

A loan program that gives employees a way to invest in their firms

## First Time Homeowners Program

An expanded home loan program offering discounts for new mortgage clients

## Eagle Invest

An automated investment management service with a personal touch

## Deposit Promotions

Promotional deposit pricing to help attract new professionals

## Partnerships with Leading Companies

A program offering companies special discounts on deposit, lending, PWM, and Eagle Invest services<sup>(1)</sup>

(1) Private Wealth Management ("PWM") fee income includes investment management, brokerage and investment, insurance, trust and foreign exchange fees.

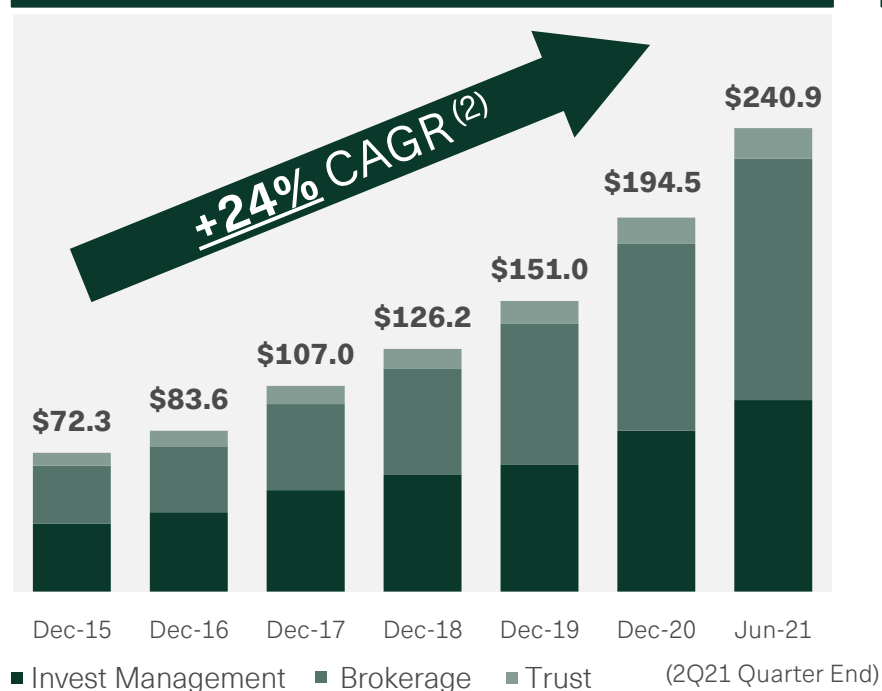
# Private Wealth Management



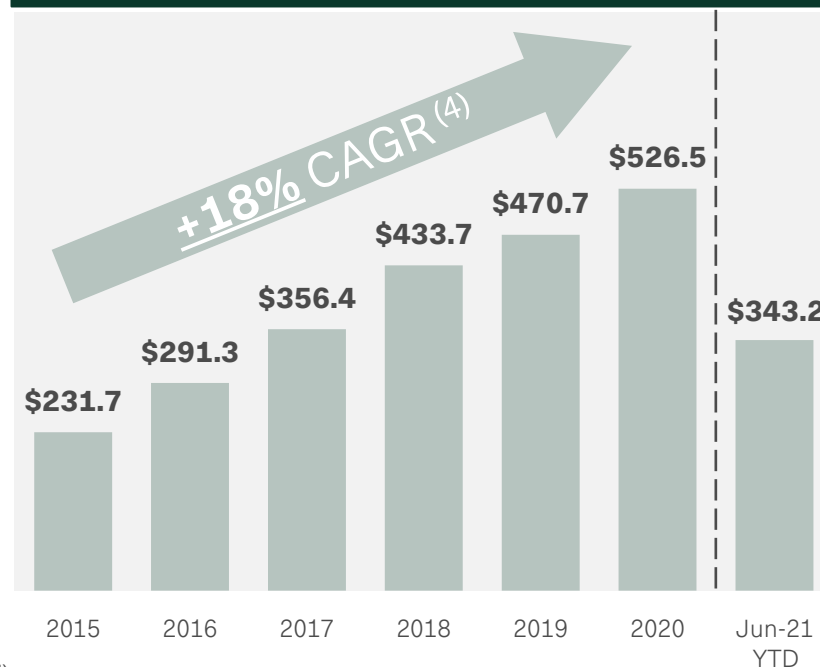
## A strong and growing franchise

- Open architecture platform provides unbiased perspective
- Strong and growing referrals between bank and wealth management
- Ability to attract exceptional wealth management teams
- Stable source of deposits through sweep accounts and bank referrals

Assets Under Management or Administration <sup>(1)</sup>  
(\$ in Billions)



Fee Income <sup>(3)</sup> (\$ in Millions)



(1) Excluding account balances that are swept into Bank deposits and safekeeping assets from the Bank's private equity and venture capital clients.

(2) 5.5-year CAGR from December 31, 2015 through June 30, 2021.

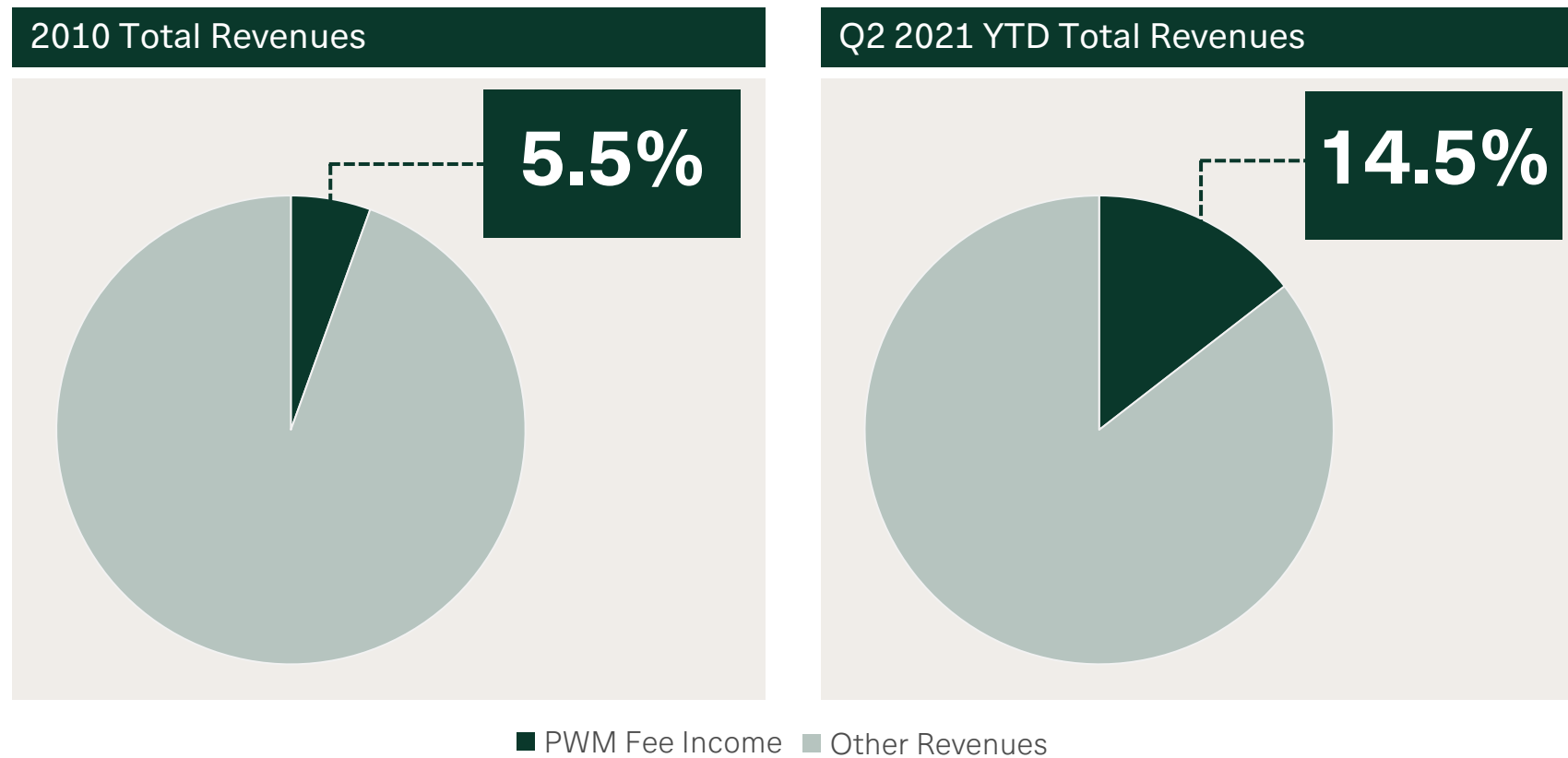
(3) Private Wealth Management fee income includes investment management, brokerage and investment, insurance, trust and foreign exchange fees.

(4) 5-year CAGR from full year 2015 through full year 2020.

# Private Wealth Management: Revenues

Strong contribution to total revenues

**2.6x increase in share of revenues since 2010**

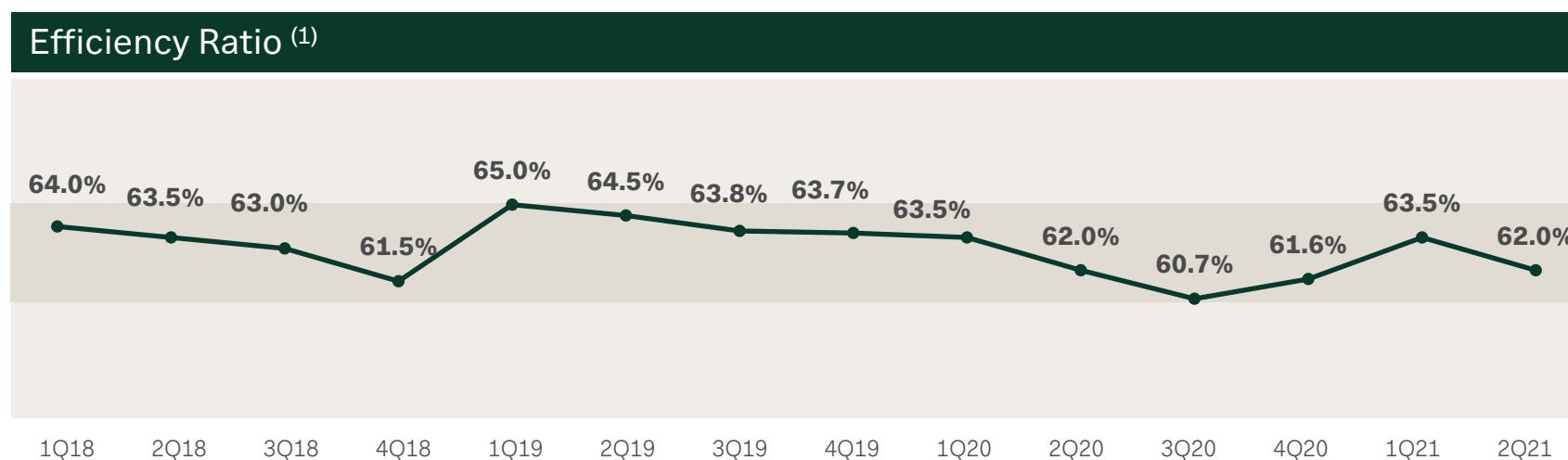


# Stable Efficiency Ratio



## Efficiency ratio encompasses significant investments in:

- Our differentiated, high-touch service model
- Technology and operations to scale our differentiated service level and provide a strong foundation for the future
- A growing overall franchise and wealth management business
- Acquiring the next generation of clients to power long-term growth



(1) The provision for unfunded loan commitments is included in the provision for credit losses beginning in 2020. For prior periods, the provision for unfunded loan commitments is included in other noninterest expense.

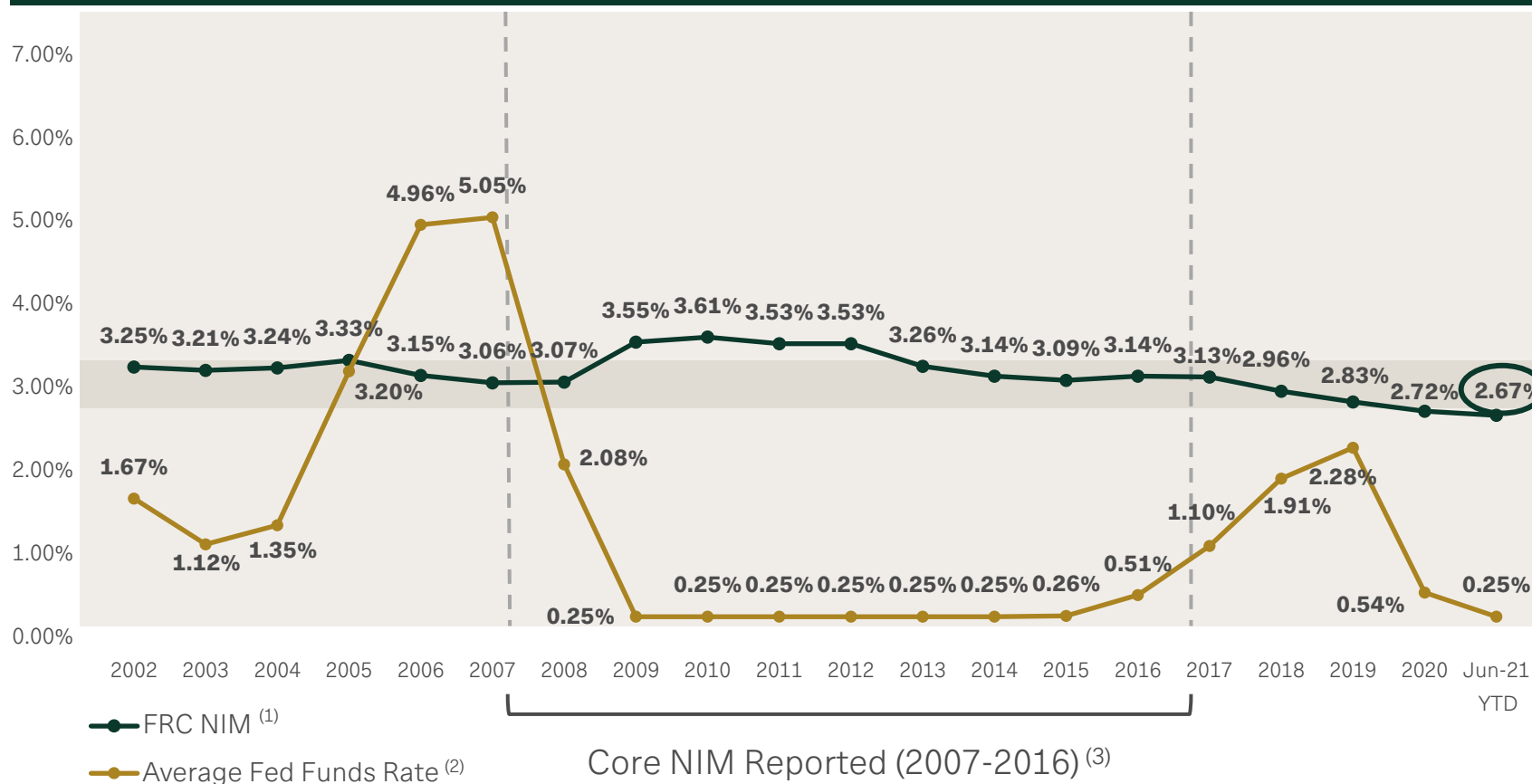
Note: Efficiency ratio is calculated by dividing noninterest expense by the sum of net interest income and noninterest income.

# Net Interest Margin



Stable net interest margin in a variety of interest rate environments

## Net Interest Margin ("NIM") <sup>(1)</sup>



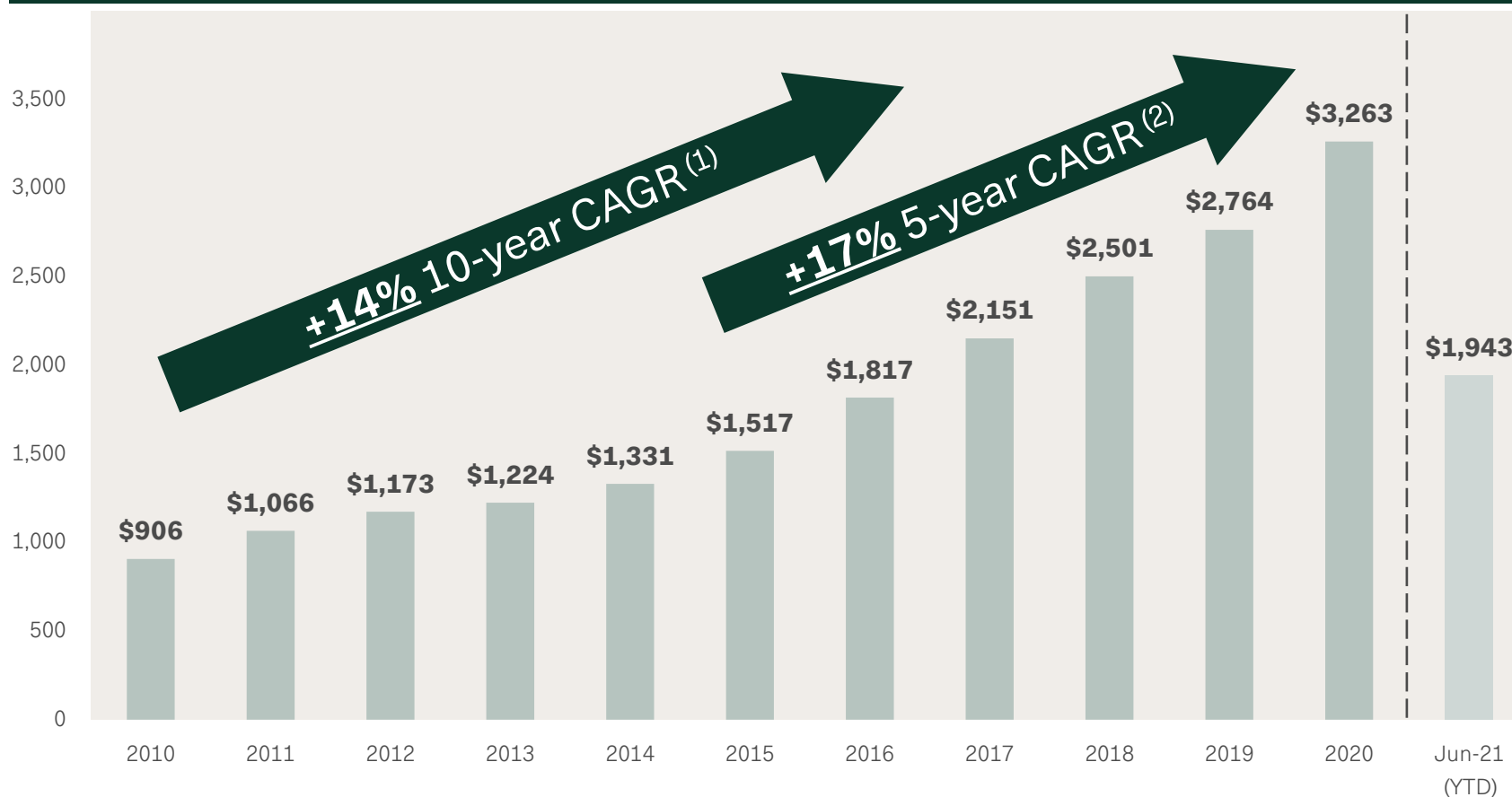
(1) Beginning in 2018, reflects the new reduced federal tax rate of 21% following the enactment of tax reform legislation in December 2017. This includes the impact on tax efficient investments. This has no effect on net interest income.

(2) Represents full-year average, except Jun-21 YTD, which represents year-to-date average.

(3) For 2007 through 2016, the net interest margin is presented on a non-GAAP basis ("core net interest margin") to exclude the effects of purchase accounting and other one time items. For a reconciliation of the core net interest margin to its equivalent ratio under GAAP for these periods, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Use of Non-GAAP Financial Measures" in the Bank's Annual Reports on Form 10-K for the years ended December 31, 2010 through December 31, 2016 and in the Bank's Registration Statement on Form 10, as amended.

# Net Interest Income Growth

## Net Interest Income (\$ in Millions)



(1) 10-year CAGR from full year 2010 through full year 2020.

(2) 5-year CAGR from full year 2015 through full year 2020.

# Net Interest Income Simulation



## Estimated change in net interest income under interest rate scenarios

	First 12 Months <sup>(1)</sup>	Next 12 Months <sup>(2)</sup>
Ramp <b>+100</b> basis points over next 12 months	+1.2%	+6.8%
Ramp <b>-100</b> basis points over next 12 months	-1.8%	-7.7%

Note: The projections assume gradual parallel shifts upward and downward of the yield curve in even increments over the first twelve months, followed by rates held constant thereafter ("Ramp"). See page 114 of the Bank's 2Q 2021 Form 10-Q, available on its website, which also includes additional scenarios.

(1) For the twelve months ending June 30, 2022.

(2) For the twelve months ending June 30, 2023.



# Total Shareholder Return (TSR)

FRC vs. Index:

June 16, 1987 – January 26, 2007 (Sale to Merrill Lynch) <sup>(1), (2)</sup>



Source: Bloomberg

(1) Initial IPO occurred in August 1986, trading information available on Bloomberg from June 16, 1987 to January 26, 2007 (date prior to announcement of sale).

(2) Calculations include reinvestment of dividends into the same stock (FRC) or index (S&P 500).

(3) Calculation includes acquisition price of \$55.00 per share and does not include reinvestment of dividends. Including 44% acquisition premium.

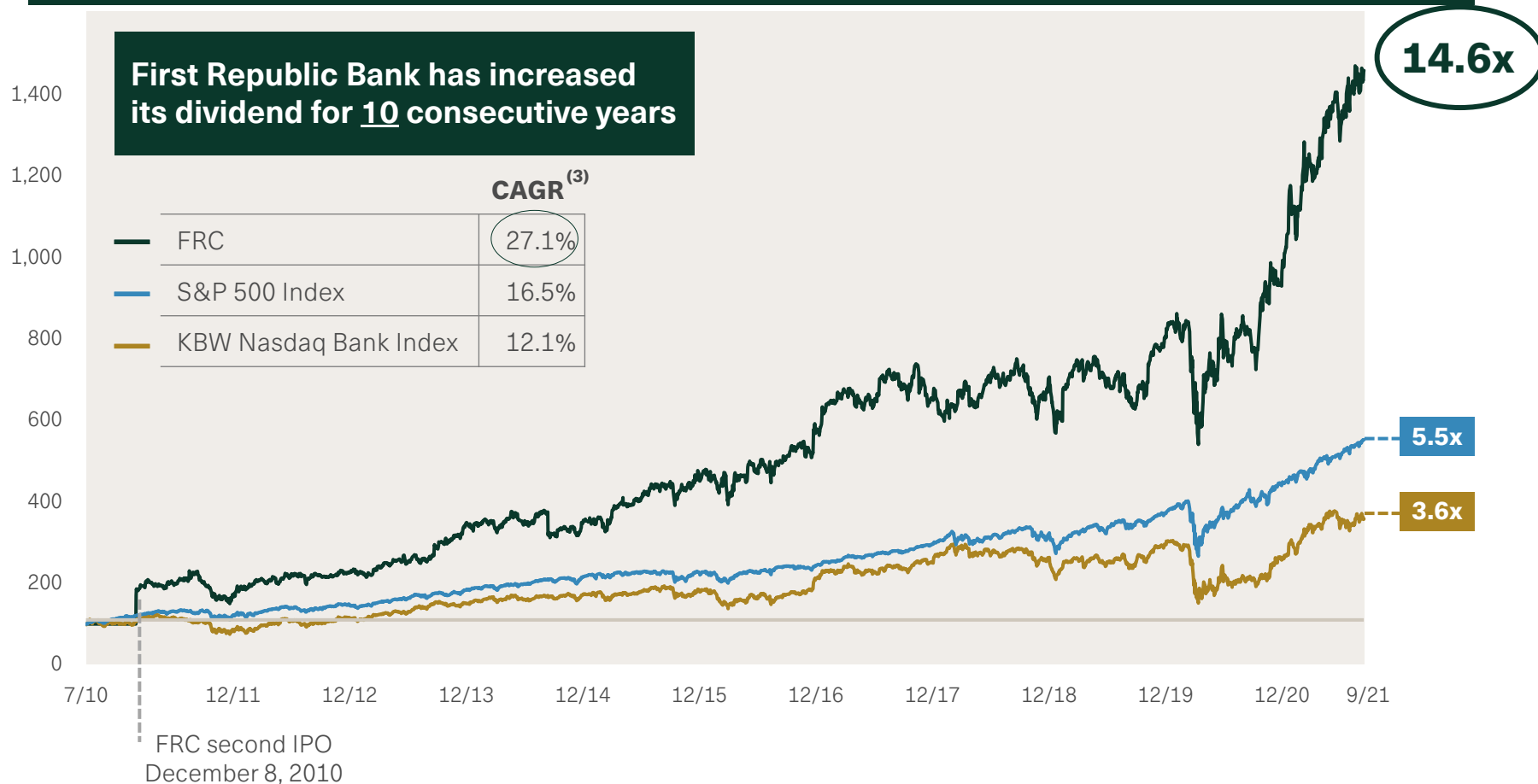
(4) Tangible book value per share as of December 31, 2006. Calculation includes acquisition price of \$55.00 per share and does not include reinvestment of dividends.

# Total Shareholder Return (TSR)



FRC vs. Indices:

7/1/2010 (Divestiture from Bank of America) – 9/3/2021 (Present) <sup>(1), (2)</sup>



Source: Bloomberg

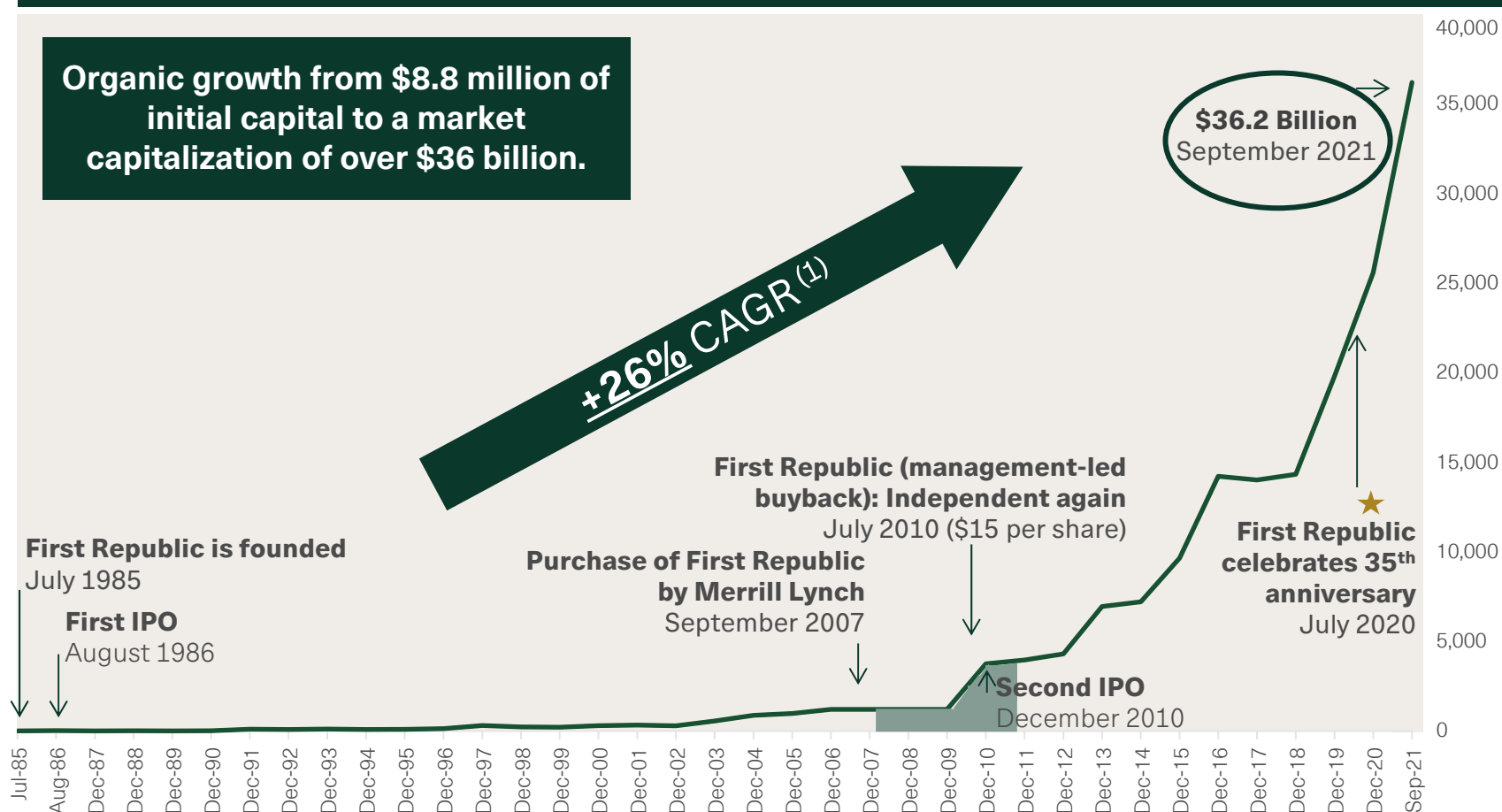
(1) All calculations include reinvestment of dividends into the same stock (FRC) or index (S&P 500 and KBW Nasdaq Bank Index).

(2) From divestiture from Bank of America on July 1, 2010, at a price per share of \$15.00, through September 3, 2021.

(3) 11.17-year CAGR from July 1, 2010 through September 3, 2021.

Note: From September 2007 to June 30, 2010, First Republic Bank was a division of Merrill Lynch Bank & Trust Company, F.S.B. and subsequently Bank of America, N.A. No trading data is available on FRC during this time as the stock was not listed on any exchange.

7/1/1985 (De Novo Founding) – 9/3/2021 (\$ in Millions)

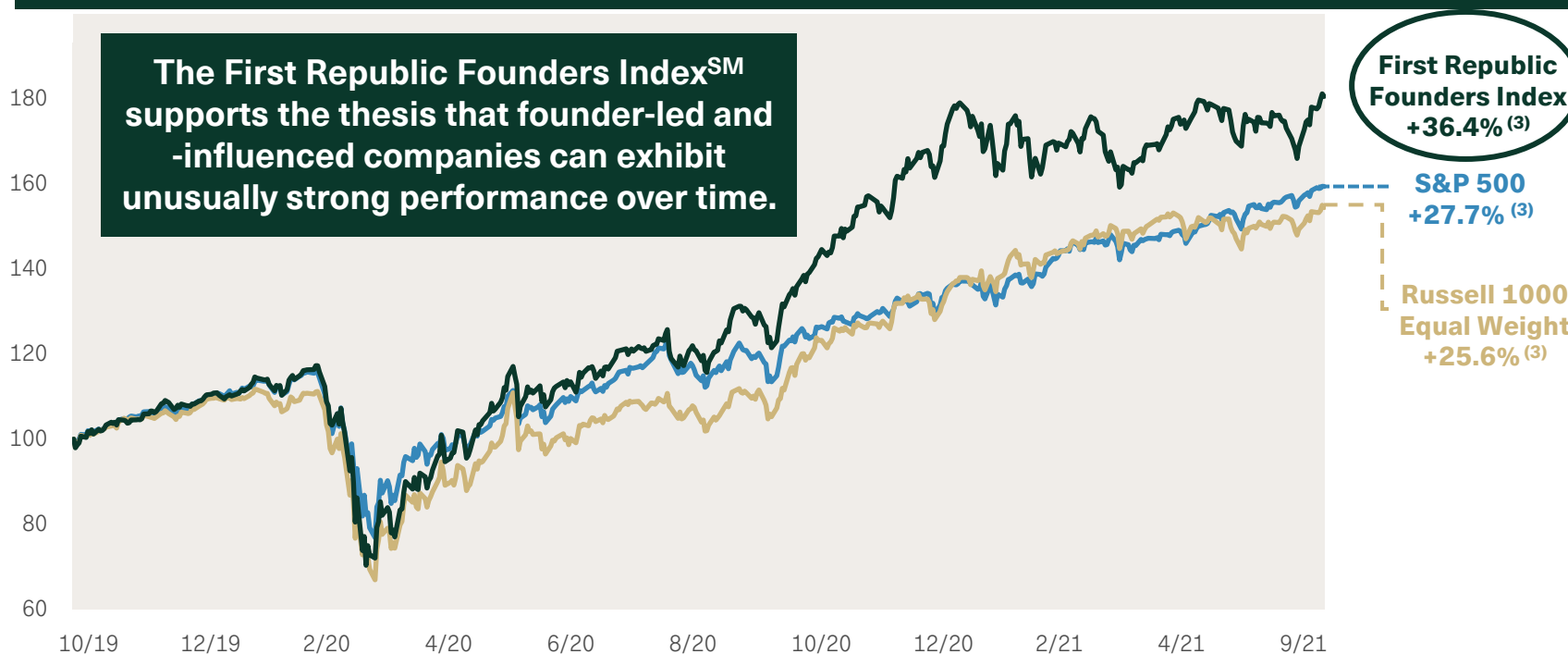


(1) 36.17-year CAGR from July 1, 1985 through September 3, 2021.

# First Republic Founders Index<sup>SM</sup> Outperformance



10/7/2019 (First Republic Founders Index<sup>SM</sup> Inception) – 9/3/2021 <sup>(1), (2)</sup>



Source: Bloomberg

(1) All calculations include reinvestment of dividends into the same stock (First Republic Founders Index) or index (S&P 500 and Russell 1000 Equal Weight).

(2) The First Republic Founders Index is a rules-based benchmark of equity securities in which the founder or founders remain actively involved and a key influence in the companies' strategy. The equal-weighted Index defines a founder-influenced company as one in which the founder or founders serve in a key executive role and/or on its board of directors. The Index is based on a proprietary quantitative screening methodology to select companies for inclusion. Companies are selected from a universe of stocks in the Russell 3000 Index, and the following factors are used to determine a company's inclusion in the Index, and all criteria must be satisfied: (1) a company must have one or more founders currently involved in the business, (2) the company must be a member of the Russell 3000 Index, (3) the company must meet a minimum market capitalization, (4) the company must meet a minimum liquidity, and (5) the company must not be a penny stock. A company is removed from the Index if any of the above-mentioned criteria are no longer met. The Index held 419 securities as of 6/30/2021.

(3) 1.91-year CAGR from October 7, 2019 through September 3, 2021.

# Notice



This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements in this presentation that are not historical facts are hereby identified as "forward-looking statements" for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipates," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimates," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases and include statements about economic performance in our markets and growth in our loan originations and wealth management assets. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them.

Forward-looking statements involving such risks and uncertainties include, but are not limited to, statements regarding: projections of loans, assets, deposits, liabilities, revenues, expenses, tax liabilities, net income, capital expenditures, liquidity, dividends, capital structure, investments or other financial items; expectations regarding the banking and wealth management industries; descriptions of plans or objectives of management for future operations, products or services; forecasts of future economic conditions generally and in our market areas in particular, which may affect the ability of borrowers to repay their loans and the value of real property or other property held as collateral for such loans; our opportunities for growth and our plans for expansion (including opening new offices); expectations about the performance of any new offices; projections about the amount and the value of intangible assets, as well as amortization of recorded amounts; future provisions for credit losses on loans and debt securities, as well as for unfunded loan commitments; changes in nonperforming assets; expectations regarding the impact and duration of the COVID-19 pandemic (collectively referred to as "COVID-19" herein); projections about future levels of loan originations or loan repayments; projections regarding costs, including the impact on our efficiency ratio; and descriptions of assumptions underlying or relating to any of the foregoing.

Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to: significant competition to attract and retain banking and wealth management customers, from both traditional and non-traditional financial services and technology companies; our ability to recruit and retain key managers, employees and board members; natural or other disasters, including earthquakes, wildfires, pandemics or acts of terrorism affecting the markets in which we operate; the negative impacts and disruptions resulting from COVID-19 on our colleagues and clients, the communities we serve and the domestic and global economy, which may have an adverse effect on our business, financial position and results of operations; interest rate risk and credit risk; our ability to maintain and follow high underwriting standards; economic and market conditions, including those affecting the valuation of our investment securities portfolio and credit losses on our loans and debt securities; real estate prices generally and in our markets; our geographic and product concentrations; demand for our products and services; developments and uncertainty related to the future use and availability of some reference rates, such as the London Interbank Offered Rate and the 11th District Monthly Weighted Average Cost of Funds Index, as well as other alternative reference rates; the regulatory environment in which we operate, our regulatory compliance and future regulatory requirements; any future changes to regulatory capital requirements; legislative and regulatory actions affecting us and the financial services industry, such as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), including increased compliance costs, limitations on activities and requirements to hold additional capital, as well as changes to the Dodd-Frank Act pursuant to the Economic Growth, Regulatory Relief, and Consumer Protection Act; our ability to avoid litigation and its associated costs and liabilities; future Federal Deposit Insurance Corporation ("FDIC") special assessments or changes to regular assessments; fraud, cybersecurity and privacy risks; and custom technology preferences of our customers and our ability to successfully execute on initiatives relating to enhancements of our technology infrastructure, including client-facing systems and applications.

For a discussion of these and other risks and uncertainties, see First Republic's FDIC filings, including, but not limited to, the risk factors in First Republic's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any subsequent reports filed by First Republic with the FDIC. These filings are available in the Investor Relations section of our website. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout our public filings under the Exchange Act. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

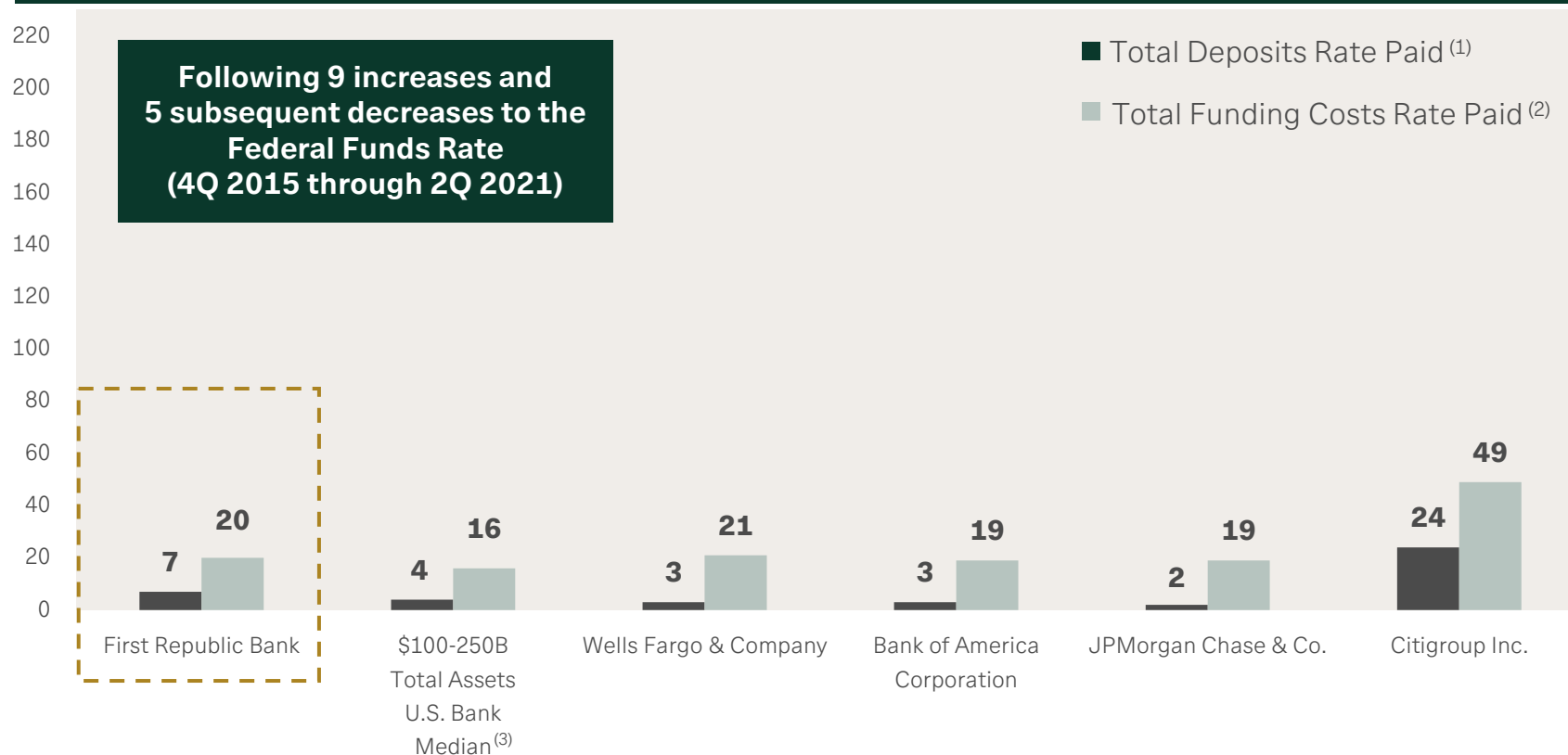
This presentation includes certain non-GAAP financial measures used by the Bank, including core net interest margin and tangible book value per share. Core net interest margin is a non-GAAP measure that was used in 2007 through 2016. For additional information on core net interest margin, see slide 34. In addition, management believes that tangible book value per common share is a useful additional measure to evaluate our performance and capital position without the impact of goodwill and other intangible assets and preferred stock. For a reconciliation of tangible book value per share to its most comparable GAAP measure, see slide A8 in Appendix. We believe that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information that is not otherwise required by GAAP or other applicable requirements. These non-GAAP financial measures should be considered in addition to, not as a substitute for, financial measures prepared in accordance with GAAP.

**For Additional Information:**  
Visit the Investor Relations section at [firstrepublic.com](https://firstrepublic.com)  
or email [investorrelations@firstrepublic.com](mailto:investorrelations@firstrepublic.com)

# Appendix: Cost of Total Liabilities Comparison



## 2Q 2021 Average Cost of Total Liabilities (In Basis Points)



Note: Rates are annualized. FRC data is sourced from the Bank's 2Q 2021 Form 10-Q. Peer data is sourced from S&P Global Market Intelligence for all banks.

(1) Total deposits rate paid represents the weighted average interest paid on interest-bearing and noninterest-bearing deposits.

(2) Total liabilities rate paid represents the weighted average interest paid on interest-bearing deposits, noninterest-bearing deposits, senior debt, subordinated debt, and other interest-bearing liabilities.

(3) \$100-250B Total Assets U.S. Bank group is based on top tier bank holding companies, commercial and savings banks, ranked by total assets as of June 30, 2021. FRC and U.S. subsidiaries of foreign banks are excluded. Broker-dealers, regulated depositories and specialty lenders are also excluded based on differences in their business models.

# Appendix: Exceptional Credit Quality



Only 10 bps of cumulative losses on all loans originated since founding in 1985 <sup>(1)</sup>

(\$ in millions)	Years of Origination	Cumulative Net Losses <sup>(2)</sup>		Total Originations
<b>Residential real estate <sup>(3)</sup></b>	<b>1985 – 2Q21</b>	<b>\$78.9</b>	<b>0.04%</b>	<b>\$188,849</b>
Multifamily/commercial construction <sup>(4)</sup>	1990 – 2Q21	38.1	0.27%	14,199
Commercial real estate	1989 – 2Q21	57.9	0.33%	17,733
Multifamily	1989 – 2Q21	62.0	0.22%	28,142
Business <sup>(1), (5)</sup>	2000 – 2Q21	91.1	0.13%	71,998
Unsecured	2000 – 2Q21	12.5	0.12%	10,298
Stock and other secured	2000 – 2Q21	3.4	0.02%	17,769
<b>Cumulative</b>	<b>1985 – 2Q21</b>	<b>\$343.9</b>	<b>0.10%</b>	<b>\$348,988</b>

(1) Excluding PPP loans.

(2) Includes estimated charge-offs on divested loans retained by Bank of America for period from July 1, 2010 to December 31, 2018. First Republic Bank was sold to Merrill Lynch in September 2007; through the acquisition of Merrill Lynch it became part of Bank of America in January 2009; then it became independent again through a management led buyback in July 2010.

(3) Originations and losses include single family loans, home equity lines of credit, single family construction loans, as well as all single family loans sold in the Secondary Market. Includes a \$7.4 million loss in 2006/07 related to a business loan fraud in New York.

(4) Includes non-owner occupied single family construction loans.

(5) Includes a business loan loss of \$40 million involving fraud.

## Appendix: Prudent COVID-19 Loan Modifications <sup>(1)</sup>



Remaining modifications total \$634 million, representing only 0.5% of total loans <sup>(2), (3), (4), (5)</sup>

June 30, 2021 (\$ in Millions)

	Unpaid Principal Balance	LTV <sup>(6)</sup>	Average Loan Size	Number of Loans
Single family	\$124	60%	\$1.1	116
Home equity lines of credit	2	64%	\$0.3	6
Single family construction	2	75%	\$2.4	1
Multifamily	161	51%	\$6.4	25
Commercial real estate	157	47%	\$5.2	30
Multifamily/commercial construction	9	45%	\$8.9	1
Capital call lines of credit	-	n/a	-	-
Tax-exempt	141	n/a	\$23.5	6
Other business	30	n/a	\$2.5	12
Stock secured	-	n/a	-	-
Other secured	2	n/a	\$0.4	6
Unsecured <sup>(7)</sup>	6	n/a	\$0.1	60
<b>Total</b>	<b>\$634</b>			<b>263</b>

The majority of modifications in 2020 were made in April and May with an initial duration of 6 months.

As of June 30, 2021, \$3.4 billion of loans have completed their deferral period or are no longer outstanding. 99% of the outstanding loans were current.

(1) COVID-19 loan modifications are not classified as troubled debt restructurings.

(2) Includes 62 loans totaling \$274 million that have completed their deferral period, but for which a regular payment is not yet due.

(3) Includes 136 loans totaling \$328 million that received additional relief beyond their initial modification period.

(4) Excludes loans that have completed their deferral period and returned to a regular payment schedule or are no longer outstanding.

(5) Loan modifications requested by borrowers that were in process but not yet completed as of June 30, 2021 totaled \$7 million for initial relief, and \$2 million for additional relief beyond the initial modification period.

(6) Weighted average LTVs for real estate secured loans are based on appraised value at the time of origination.

(7) Consists of household debt refinance loans.



# Appendix: Exposure To COVID-19 Industries



## Limited exposure to certain areas most directly impacted by COVID-19

- Loans to retail, hotel and restaurant industries represented only 2.1% of total loans as of June 30, 2021
- As of June 30, 2021, the Bank had modifications of these portfolios totaling \$92 million, only 0.1% of total loans <sup>(1)</sup>
- The Bank does not originate automobile loans, credit card loans, and does not lend to oil and gas companies, casinos, airlines or most other travel-related businesses

### June 30, 2021 (\$ in Millions)

	Unpaid Principal Balance	LTV	Average Loan Size	Number of Loans	Personal Guarantee %
Retail	\$1,859	49%	\$2.6	729	78%
Hotel	468	48%	\$7.3	66	76%
Restaurant <sup>(2)</sup>	210	49%	\$1.1	199	95%
<b>Total <sup>(3)</sup></b>	<b>\$2,537</b>			<b>994</b>	

(1) COVID-19 loan modifications are not classified as troubled debt restructurings.

(2) Approximately 74% of loans to restaurants are real estate secured.

(3) Amounts in the table above exclude \$50 million of loans to hotels and \$214 million of loans to restaurants under the PPP.

# Appendix: Strong Capital Ratios



	First Republic 6/30/21 <sup>(1)</sup>	Regulatory Requirements	
	Actual	Well-Capitalized Ratio	Minimum Capital Ratio Plus Capital Conservation Buffer <sup>(2)</sup>
<b>Tier 1 Leverage Ratio</b>	8.05%	5.00%	4.00%
<b>Common Equity Tier 1 Ratio</b>	9.51%	6.50%	7.00%
<b>Tier 1 Risk-Based Capital Ratio</b>	11.38%	8.00%	8.50%
<b>Total Risk-Based Capital Ratio</b>	12.60%	10.00%	10.50%

(1) Beginning in 2020, ratios reflect the Bank's election to delay the estimated impact of the Current Expected Credit Losses ("CECL") allowance for credit losses methodology on its regulatory capital, average assets and risk-weighted assets over a five-year transition period ending December 31, 2024.

(2) As of June 30, 2021, our capital conservation buffer was 4.60%, which exceeded the minimum requirement of 2.5% required to be held by banking institutions.

# Appendix: First Republic Credit Ratings



Credit ratings reflect consistently strong capital levels, asset quality and liquidity

## Moody's

### Long-Term Parent Company Ratings

<b>First Republic (FRC)</b>	<b>A1</b>
JP Morgan (JPM)	A2
Bank of America (BAC)	A2
Wells Fargo (WFC)	A2

## Standard & Poor's

### Long-Term Parent Company Ratings

<b>First Republic (FRC)</b>	<b>A-</b>
JP Morgan (JPM)	A-
Bank of America (BAC)	A-
Wells Fargo (WFC)	BBB+

## First Republic Credit Ratings

	Long-Term Deposits <sup>(1)</sup>	Corporate Long-Term	Short-Term Credit <sup>(2)</sup>	Senior Unsecured Notes <sup>(3)</sup>
Moody's	<b>A1</b>	<b>A1</b>	<b>P-1</b>	<b>Baa1</b>
Standard & Poor's	<b>A-</b>	<b>A-</b>	<b>NR</b>	<b>A-</b>
Fitch	<b>A</b>	<b>A-</b>	<b>F1</b>	<b>A-</b>

Source: S&P Global Market Intelligence. As of September 3, 2021.

Please note, a credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organization.

(1) Standard & Poor's does not provide a long-term deposits rating. The corporate long-term rating is shown.

(2) NR = Not Rated. Standard & Poor's no longer maintains a short-term credit rating on First Republic Bank.

(3) 2.50% senior fixed-rate notes due 2022 and 1.912% senior fixed-to-floating rate notes due 2024.

# Appendix: Business Activities Not Undertaken



**This list includes the activities in which we do not currently intend to engage. As the Bank evolves, we will maintain and reevaluate this list periodically to ensure it continues to reflect our strategy and capabilities.**

- No proprietary trading
- No market making in equities
- No trading assets or liabilities
- No cross-currency swaps
- No clearing services
- No underwriting transactions in debt and equity markets
- Not a commercial paper issuer, backstop provider or guarantor
- No underwriting of IPOs
- No exotic derivatives
- No junk bond investments <sup>(1)</sup>
- No foreign sovereign debt investments
- No wholesale lending or borrowing of securities to or from financial institutions
- No depository institution, foreign bank or credit union debt positions
- No loans to foreign governments
- No credit card issuance or auto loan originations
- No low-doc or no-doc, sub-prime lending
- No negative amortization loans (minimal amount in run-off)
- No reverse mortgages
- No foreign offices
- No factoring
- No sale of loan servicing on originated loans <sup>(2)</sup>
- No commercial letters of credit (i.e. trade finance)
- No conduit securities lending transactions
- No domestic or foreign holding company and no holding company subsidiaries

(1) Does not include unrated securities.

(2) Except for Bank of America retained loans.

# Appendix: Non-GAAP Reconciliation



## Book Value and Tangible Book Value per Share Reconciliation

	As of December 31,											As of June 30,
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<i>(\$ amounts in millions)</i>												
Total shareholders' equity	\$2,139	\$2,520	\$3,400	\$4,160	\$4,779	\$5,706	\$6,909	\$7,818	\$8,678	\$9,851	\$11,751	\$13,275
Less: Preferred stock	-	-	499	890	890	990	1,140	990	940	1,145	1,545	2,142
Total common shareholders' equity (a)	2,139	2,520	2,901	3,270	3,889	4,716	5,769	6,828	7,738	8,706	10,206	11,133
Less: Goodwill and other intangible assets	182	159	266	239	217	309	315	290	274	235	228	225
Total tangible common shareholders' equity (b)	\$1,957	\$2,361	\$2,635	\$3,031	\$3,672	\$4,407	\$5,454	\$6,538	\$7,464	\$8,471	\$9,978	\$10,908
<i>(number of shares in thousands)</i>												
Number of shares of common stock outstanding (c)	128,858	129,372	131,273	132,768	138,269	146,110	154,292	161,696	164,902	168,621	174,124	176,742
<i>(\$ per share amounts in actuals)</i>												
Book value per common share (a) / (c)	\$16.60	\$19.48	\$22.10	\$24.63	\$28.13	\$32.28	\$37.39	\$42.23	\$46.92	\$51.63	\$58.61	\$62.99
Tangible book value per common share (b) / (c)	\$15.19	\$18.25	\$20.07	\$22.83	\$26.56	\$30.16	\$35.35	\$40.43	\$45.26	\$50.24	\$57.30	\$61.72



FIRST REPUBLIC BANK  
It's a privilege to serve you®

# Corporate Responsibility at First Republic Bank

Our success is predicated upon inclusion, diversity and a culture of caring:  
for each other, our clients and our communities.



**2020**

Corporate Social Responsibility Award  
Foreign Policy Association

Member FDIC and Equal Housing Lender 

# A People First Approach

Our empowered colleagues are dedicated to building strong clients and communities, ultimately resulting in the success of our shareholders.



“ Our business model of providing exceptional service to our colleagues, clients and communities is a reflection of our values and drives our consistent, sustainable growth.

Doing the right thing and creating shareholder value are one and the same at First Republic. ”

– Jim Herbert  
*Founder, Chairman and Co-CEO*

# Maintaining Our Culture: Core Values



## Do the Right Thing

We strive to do things right at First Republic. We also recognize that we're a business of humans; mistakes will happen. Therefore, our mandate is to do the right thing: act with integrity, own your actions, correct mistakes, learn from experience.



## Provide Extraordinary Service

We always aim to exceed expectations and serve our clients in unexpected ways. We'll take on only what we can do right. Our business may be about wealth management and banking, but our success is all about service—exceptional customer service.



## Respect the Team

Everyone at First Republic makes a difference and everyone at First Republic deserves to feel that his or her contribution is valued. We place high value on collaboration because we know that the power of many is greater than the power of one.



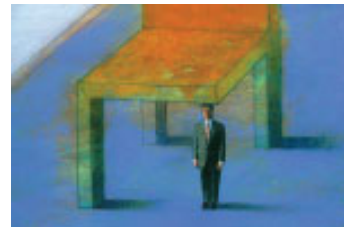
## Move Forward, Move Fast

There are two types of organizations—organizations that spend time checking and organizations that spend time doing. We're doers. We value action and decisiveness and recognize that the best opportunities come to those that act quickly.



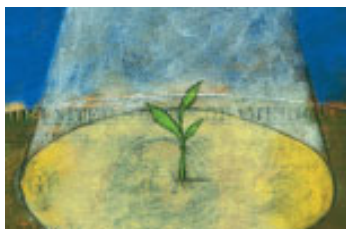
## Think Positively

We operate in an environment of trust and encourage openness and flexibility. We hire positive people who act positively. Our goal is to "manage toward yes."



## Take Responsibility

At First Republic, it's not enough to do our own jobs well. Making sure our clients are satisfied is everyone's job. So if something needs fixing, we step up to the plate, "own" the problem and make things right.



## Grow

We've evolved greatly since our inception, expanding ourselves and our business purpose. At First Republic, we embrace change and every person has the opportunity to grow and contribute. We want our people to soar.



## Have Fun

We know that if everyone enjoys their work they'll do a better job—and our clients will feel the difference. It's really that simple.



# COVID-19: Providing Consistent Care and Support



**Committed to serving our colleagues, clients and communities during challenging times.**

## **1** Supporting Our Colleagues

### **FOCUSING ON HEALTH AND WELL-BEING**

- Paid time off and paid sick leave
- Three additional paid days off
- COVID-19 testing covered at 100%
- Bonus and ongoing remuneration for remote office costs
- Employee Assistance Program offering employer-covered counseling sessions
- Employer-paid One Medical membership for colleagues and dependents
- Employer-paid Calm app membership
- Education sessions on work-from-home methods and CARES Act legislation

## **2** Serving Our Clients

### **STRENGTHENING RELATIONSHIPS IN ALL ENVIRONMENTS**

- Frequent client touchpoints and communications
- Client-friendly modifications for clients experiencing hardship
- Small Business Administration's Paycheck Protection Program
- Assistance with overdraft and late fees
- Epidemiologist-guided Preferred Banking Office strategy
- Go Digital promotion to encourage clients to bank from home

## **3** Caring for Our Communities

### **SUPPORTING THOSE IN NEED DURING CHALLENGING TIMES**

- First Republic COVID-19 Fund
- Community Advisory Board donation plan and matching gift program
- Grants to support existing nonprofit clients in need
- Sponsorship commitments honored for nonprofit partners
- Digital resources for our nonprofit communities and virtual volunteering

Our comprehensive benefits offering and enriching development opportunities enable colleagues to be their best when serving clients.

### Select Programs to Promote Advancement, in Keeping with Our Culture and Values

**Executive Education** at Harvard, Stanford, Tuck and Wharton to further strengthen leadership and encourage openness to ideas.  
*Over 125 leadership participants<sup>(1)</sup>*

**Culture Carrier Roundtable** to reinforce our culture, which is built on diverse perspectives and empowerment of the individual.  
*Over 1,200 participants<sup>(1)</sup>*

**Leadership Training** to improve manager skills in empathy, communication, motivation and coaching.  
*Over 900 participants<sup>(1)</sup>*

**Mentor Program** to provide coaching, facilitate career growth and expand professional relationships.  
*Over 500 participants<sup>(1)</sup>*

### Select Benefits



**\$30 Per Hour  
Minimum Wage**



**Mortgage Discount  
Program**



**Employer-Paid Student  
Loan Paydown**



**Commuter Transit  
Subsidy**



**Paid Time Off to Vote**

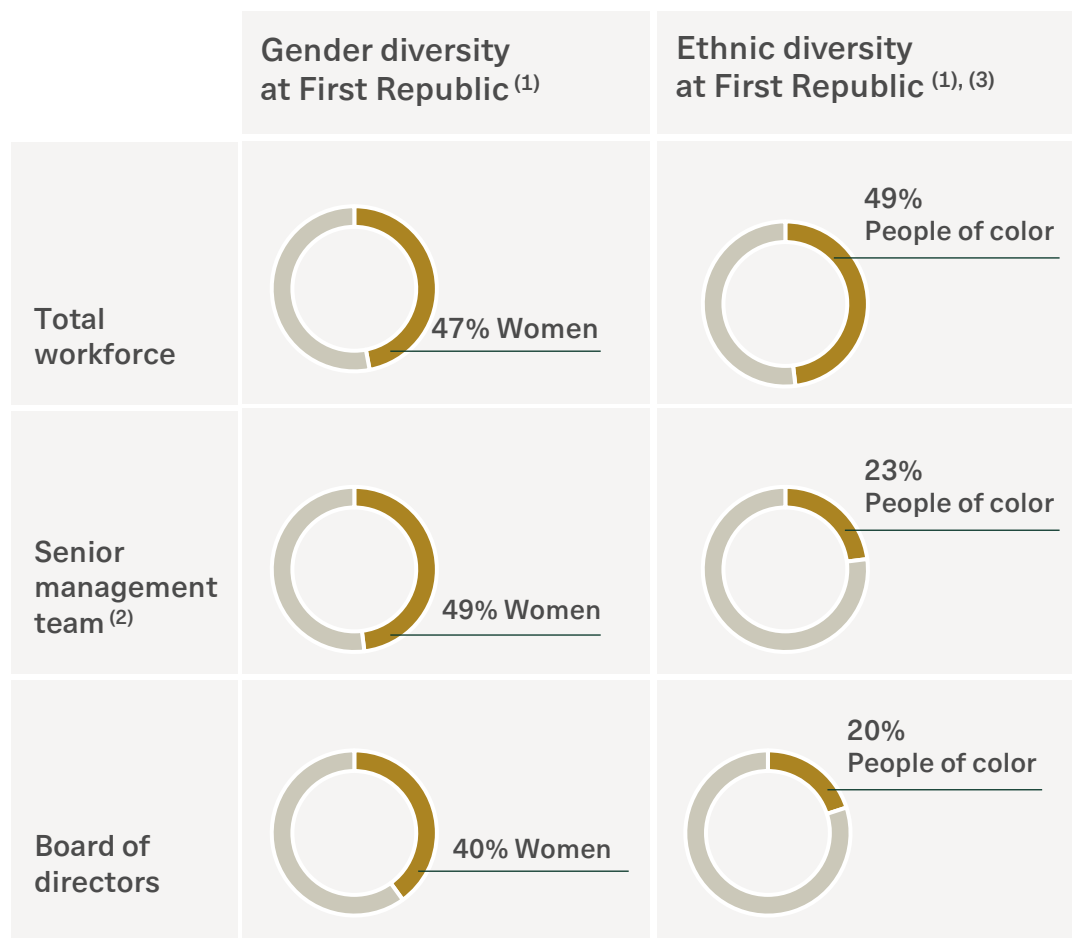


**2 Paid Days to Volunteer  
with Nonprofit Organizations**

For a more comprehensive overview of employee benefits, visit [firstrepublic.com/careers](https://firstrepublic.com/careers).

(1) Total workforce data as of December 31, 2020.

Since our founding, diversity has been a key competitive advantage.



We have always believed that having a diverse team and inclusive culture creates a more successful enterprise and opportunities to better serve our clients and communities.

We reflect the demographics of the vibrant, diverse communities where our colleagues live and work. In fact, **over 50 languages** <sup>(4)</sup> are spoken by our colleagues.

(1) Total workforce and senior management team are as of December 31, 2020. Board members are as of September 8, 2021.

(2) Senior management (82 employees) is defined as those people with a bank title of Regional Managing Director, Executive Managing Director or Senior Vice President and above, as well as subsidiary titles Executive Vice President and above.

(3) "People of color" includes all nonwhite ethnicities as defined by the Equal Employment Opportunity Commission ("EEOC"), which include American Indian / Alaska Native, Asian, Black, Native Hawaiian / Pacific Islander, two or more races, and Hispanic or Latinx.

(4) As of June 30, 2020.

**We have enhanced our DEI through recruitment, professional development and support.**

### Recruitment and Professional Development

We are working with more than a dozen organizations with expertise in sourcing diverse talent and are building in-house capabilities in diversity recruiting.

We committed to filling half of our internships with students from underrepresented communities.

We partnered with McKinsey & Company's Black Leadership Academy to accelerate the progression of our Black leaders.

### Supporting One Another

We expanded the number of Colleague Community Networks to provide opportunities for colleagues to build strong relationships and ties between members and allies.

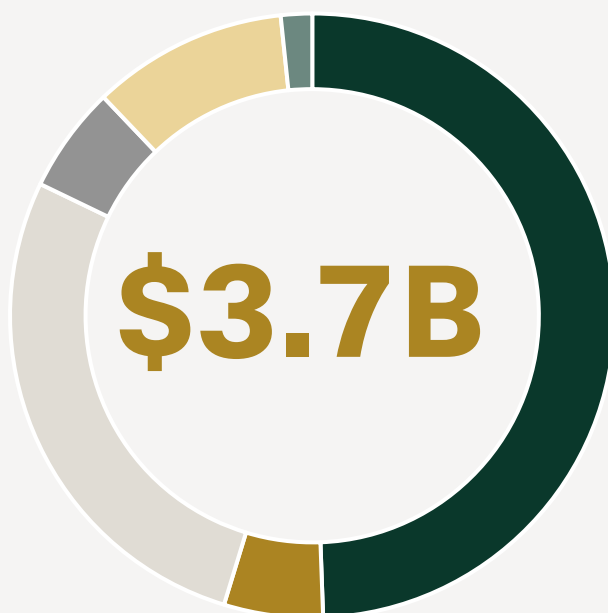
We established a Racial Equity Advisory Board and our CEO and President became executive sponsors of our DEI Council.

We hosted more than 50 discussions about racial and ethnic inequity, systemic racism and bias.

**We are partnering with Management Leadership for Tomorrow (MLT) to develop our comprehensive DEI strategy.**

We are committed to caring for our communities with the same passion and energy with which we serve all clients.

During 2020, we dedicated **\$3.7 billion** in lending and investment capital, equivalent to 2.9% of total bank assets <sup>(1)</sup>, to support underserved and underrepresented communities.



- Community Development Loans in High Minority Communities **(\$1.8B)**
- Low-Income Housing Tax Credit Investments for Affordable Housing **(\$193M)**
- Home Lending to Black and Latinx Clients **(\$1.0B)** <sup>(2)</sup>
- Small Business Lending in High Minority Census Tracts **(\$207M)**
- PPP Small Business Lending in High Minority Census Tracts **(\$381M)**
- CRA-Qualified Municipal Bond Investments **(\$61M)**

(1) Full-year 2020 average total assets.

(2) Includes loans originated and purchased by the Bank.

Our comprehensive community engagement strategy is informed by our Community Advisory Board and is aligned with the Community Reinvestment Act.

## Satisfactory Community Reinvestment Act rating for 29 consecutive years

Supporting affordable housing		Supporting home ownership	Developing our local economies
<b>Community Development Loans</b> <b>\$5 billion <sup>(1)</sup></b>	<b>LIHTC Investments</b> <b>Over \$2 billion <sup>(2)</sup></b>	<b>Eagle Community Home Loans</b> <b>\$3.6 billion <sup>(5)</sup></b>	<b>Community Development Loans</b> <b>\$4.2 billion <sup>(1)</sup></b>
<ul style="list-style-type: none"> <li>Finance the acquisition and maintenance of affordable rental units</li> <li>More than 80% of total Community Development Loans made in 2020 were located in predominantly minority neighborhoods</li> </ul>	<ul style="list-style-type: none"> <li>Contributed to the development of over 118,000 <sup>(3)</sup> affordable, low-income rental units.</li> <li>51% minority tenants <sup>(4)</sup></li> <li>Financed approximately one affordable rental unit for every single family residential loan made from 2010 to 2020</li> </ul>	<ul style="list-style-type: none"> <li>This program offers special fixed rates, plus dedicated bankers and customized service, to borrowers in underserved minority areas</li> <li>55% to minority applicants <sup>(6)</sup></li> <li>23.0% of single-family loans in LMI <sup>(7)</sup> census tracts compared to 19.9% for peers <sup>(8), (9)</sup></li> <li>12.7% of single-family loans to LMI borrowers compared to 12.6% for peers <sup>(9), (10)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Loans for economic development and community service and revitalization, lend to small businesses and invest in CRA-qualified municipal bonds.</li> <li>Our work in processing Paycheck Protection Program loans in 2020 supported over 100,000 jobs</li> </ul>

(1) Includes multifamily, commercial real estate loans, nonprofit organizations and other commercial entities that meet the CRA standards for "community development." Balances are cumulative through period-end. Loans originated from 2011 through 2020, the most recent publicly available time period.

(2) Low-Income Housing Tax Credits ("LIHTC"). Represents amount committed from 2010 through 2020.

(3) Number of units from 2010 through 2020.

(4) LIHTC Tenants- Race/Ethnicity by Head of Household – HUD as of December 31, 2017.

(5) Total funding since program inception in 2015 to 2020.

(6) Percentage based on number of loans.

(7) Low to Moderate Income (LMI)

(8) Percentage of single family residential loans funded by unit in low- to moderate-income census tracts, as determined by Home Mortgage Disclosure Act data ("HMDA").

(9) Aggregate market single family residential lending activity for all lending institutions within FRC's community reinvestment assessment areas, as determined by data under HMDA. Data as of December 31, 2019.

(10) Percentage of single family residential loans funded by unit to low- to moderate-income borrowers, as determined by HMDA.

As the bank for nonprofits, we have deep relationships with many of these service driven organizations that strive to make our communities better.



Supported **over 750** non-profit institutions with charitable contributions and grant awards in 2020

First Republic provides every employee with 2 paid work days for volunteerism, with **over 21,500** service hours in 2020

- We have over 4,200<sup>(1)</sup> nonprofit clients and 25%<sup>(2)</sup> of all our business loans outstanding are to nonprofit organizations and independent schools
- First Republic increased its volunteer corps by 20% in 2020 in order to address the needs of our communities during this challenging time
- In 2020, more than 300 First Republic colleagues serve as a board or committee member of a nonprofit organization
- We have a network of more than 30 Volunteer Ambassadors across the company who work within their teams to pair colleagues with volunteer opportunities that match their skill set or passion in 2020

(1) As of December 31, 2020.

(2) As of June 30, 2021.

We are focused on managing our impact on the environment and supporting clients in managing their impact.

To celebrate Earth Day 2021, we partnered with the National Forest Foundation to plant 100,000 trees.

#### 1 Tree

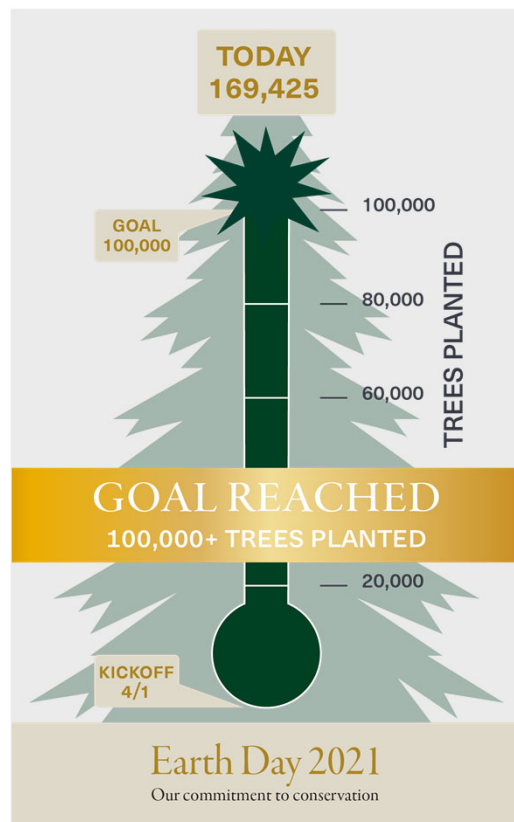
Donate \$1 as part of our 2:1 Colleague Matching Campaign

#### 10 Trees

Volunteer 1 hour through Eagle Cares

#### 25 Trees

Encourage a client to enroll in paperless statements



- We do not lend to carbon intensive industries such as oil and gas.
- We serve more than 100 environmentally focused nonprofit organizations.
- We offer a First Republic Green Discount on loans for LEED certified commercial and construction programs, as well as portfolio management choices for environmentally conscious clients.
- Our comprehensive paper and plastic recycling program saved over 6,600 trees in 2020.
- We installed solar energy panels to reduce our overall energy consumption at many of our offices in the San Francisco Bay Area.
- We have partnered with Corporate Citizenship, a global consultancy specializing in sustainable and responsible business, to further identify and focus our environmental impact initiatives.
- In 2019, we launched Eagles for Earth, an employee-run Colleague Community, seeking to positively shape the First Republic footprint.
- With 82 Preferred Banking Offices, First Republic operates with a low physical footprint relative to our size.





## Holistic approach to effective cybersecurity, data and risk management



“First Republic Bank’s cybersecurity services are second to none.”

Hanson Bridgett LLP

Kristina Lawson, Managing Partner (left)

Joan Cassman, Partner (center)

Teresa Pahl, Partner (right)

Clients Since '05

### Board Accountability

- Directors' Information Security and Technology Committee in place to ensure that information security, technology and cybersecurity issues and risks have board-level priority, and that appropriate risk management strategies are in place

### Client & Employee Education and Awareness

- Internet Security Health Checks for clients, which include a review of their devices' security settings as well as recommendations to enhance online security
- Cybersecurity Awareness Sessions to educate clients and their employees on the latest cybersecurity threats and how to identify them before they become cyber attacks
- Personalized online exposure assessments, and monitoring for online fraud and risk indicators specifically used to perpetrate credential stealing and financial fraud
- Client access to cybersecurity experts
- Regular employee information security awareness training

### Vendor Due Diligence

- Information security due diligence to ensure that our vendors protect confidential information in accordance with our information security policies and standards

### Ongoing Program Evaluation & Enhancement

- Risk assessments to identify, measure and manage risks to the Bank's information assets
- Annual SSAE-18 SOC 1 reporting, third-party testing and auditing of information security controls
- Online activity monitoring to identify and prevent fraud
- Ongoing monitoring of the dark web to protect the Bank, clients and key vendors
- Regular disaster recovery and crisis management exercises to ensure continued operations

## Strong corporate governance includes accountability to and engagement with our shareholders.

With board oversight and shareholder feedback, the following corporate governance enhancements have been made:

- Formed Information Security and Technology Committee under Board oversight in 2016, in keeping with our commitment to addressing cybersecurity
- Incorporated a Net Promoter Score (client loyalty) and an efficiency ratio metric in our compensation program for all Named Executive Officers
- Expanded proxy disclosure in several areas including shareholder engagement, diversity metrics, succession planning, compensation philosophy and board composition
- Significant community engagement and corporate citizenship activities
- Adopted a broad Equal Employment Opportunity policy statement that expressly includes gender identity
- Majority voting required for director elections
- One-year term for board members
- Annual compensation limits for non-employee directors
- Proxy access, which enables eligible shareholders to include their director nominees in the Bank's proxy statement
- Equity awards granted to Named Executive Officers subject to double-trigger vesting in the event of a change-in-control
- No single-trigger cash severance arrangements
- Up to 50% of executive incentive plan participants' annual incentive award paid in the form of a grant of restricted stock units, which vest over 3 years in equal annual installments
- Minimum vesting requirement of at least twelve months following the date of grant of any equity award
- No repricing of stock options or stock appreciation rights to provide for a lower strike price, and no repurchase of awards measured by the full value of a share for cash or other consideration
- No re-granting of shares used to pay option exercise prices or withheld to pay taxes on stock awards
- Dividends on performance-vesting restricted shares/units issued are not paid until shares/units are earned/vested
- Limited perquisites, including no financial and tax advisory perquisites

# 2<sup>nd</sup> Quarter Highlights



## Performance Year-Over Year:

- Deposits +**36.7%**
- Loans +**22.7%**
- Revenues +**33.9%**
- Net income +**45.3%**
- Earnings per share +**39.3%**
- Tangible book value per share +**15.5%**

## For Q2'21, or as of June 30, 2021:

- Loan originations of **\$16.8** billion
- Total wealth management assets = **\$240.9** billion
- Total bank assets = **\$161.6** billion
- Nonperforming assets only **8 bps** of total assets
- Tier 1 Leverage Ratio = **8.05%** <sup>(1)</sup>

## Recent Activity:

- In July 2021, the Bank issued \$750.0 million of 4.000% Noncumulative Perpetual Series M Preferred Stock.
- In August 2021, the Bank completed a common stock offering of 2.3 million shares, raising approximately \$443.8 million.

(1) See slide A5 in Appendix.