

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2025

OR

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

For the transition period from _____ to _____

Commission file number: 001-34580

FIRST AMERICAN FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

1 First American Way, Santa Ana, California
(Address of principal executive offices)

26-1911571

(I.R.S. Employer
Identification No.)

92707-5913
(Zip Code)

(714) 250-3000

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.00001 par value	FAF	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

On July 21, 2025 there were 101.8 million shares of common stock outstanding.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES
INFORMATION INCLUDED IN REPORT

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THIS QUARTERLY REPORT ON FORM 10-Q CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE FORWARD-LOOKING STATEMENTS CAN BE IDENTIFIED BY THE FACT THAT THEY DO NOT RELATE STRICTLY TO HISTORICAL OR CURRENT FACTS AND MAY CONTAIN THE WORDS “BELIEVE,” “ANTICIPATE,” “EXPECT,” “INTEND,” “PLAN,” “PREDICT,” “ESTIMATE,” “PROJECT,” “WILL BE,” “WILL CONTINUE,” “WILL LIKELY RESULT,” OR OTHER SIMILAR WORDS AND PHRASES OR FUTURE OR CONDITIONAL VERBS SUCH AS “WILL,” “MAY,” “MIGHT,” “SHOULD,” “WOULD,” OR “COULD.” THESE FORWARD-LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION, STATEMENTS REGARDING FUTURE OPERATIONS, PERFORMANCE, FINANCIAL CONDITION, PROSPECTS, PLANS AND STRATEGIES. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON CURRENT EXPECTATIONS AND ASSUMPTIONS THAT MAY PROVE TO BE INCORRECT.

RISKS AND UNCERTAINTIES EXIST THAT MAY CAUSE RESULTS TO DIFFER MATERIALLY FROM THOSE SET FORTH IN THESE FORWARD-LOOKING STATEMENTS. FACTORS THAT COULD CAUSE THE ANTICIPATED RESULTS TO DIFFER FROM THOSE DESCRIBED IN THE FORWARD-LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION:

- INTEREST RATE FLUCTUATIONS;
- CHANGES IN CONDITIONS OF THE REAL ESTATE MARKETS;
- VOLATILITY IN THE CAPITAL MARKETS;
- UNFAVORABLE ECONOMIC CONDITIONS;
- IMPAIRMENTS IN THE COMPANY’S GOODWILL OR OTHER INTANGIBLE ASSETS;
- FAILURES AT FINANCIAL INSTITUTIONS WHERE THE COMPANY DEPOSITS FUNDS;
- REGULATORY OVERSIGHT AND CHANGES IN APPLICABLE LAWS AND GOVERNMENT REGULATIONS, INCLUDING PRIVACY AND DATA PROTECTION LAWS;
- HEIGHTENED SCRUTINY BY LEGISLATORS AND REGULATORS OF THE COMPANY’S TITLE INSURANCE AND SERVICES SEGMENT AND CERTAIN OTHER OF THE COMPANY’S BUSINESSES;
- REGULATION OF TITLE INSURANCE RATES;
- LIMITATIONS ON ACCESS TO PUBLIC RECORDS AND OTHER DATA;
- SEVERE WEATHER CONDITIONS, HEALTH CRISES, TERRORIST ATTACKS AND OTHER CATASTROPHES;
- CHANGES IN RELATIONSHIPS WITH LARGE MORTGAGE LENDERS AND GOVERNMENT-SPONSORED ENTERPRISES;
- CHANGES IN MEASURES OF THE STRENGTH OF THE COMPANY’S TITLE INSURANCE UNDERWRITERS, INCLUDING RATINGS AND STATUTORY CAPITAL AND SURPLUS;
- LOSSES IN THE COMPANY’S INVESTMENT PORTFOLIO OR VENTURE INVESTMENT PORTFOLIO;
- MATERIAL VARIANCE BETWEEN ACTUAL AND EXPECTED CLAIMS EXPERIENCE;
- PROVISION OF CAPITAL TO SUBSIDIARIES THAT COULD AFFECT THE COMPANY’S LIQUIDITY POSITION;
- DEFALCATIONS, INCREASED CLAIMS OR OTHER COSTS AND EXPENSES ATTRIBUTABLE TO THE COMPANY’S USE OF TITLE AGENTS;
- ANY INADEQUACY IN THE COMPANY’S RISK MANAGEMENT FRAMEWORK OR USE OF MODELS;
- SYSTEMS DAMAGE, FAILURES, INTERRUPTIONS, CYBERATTACKS AND INTRUSIONS, OR UNAUTHORIZED DATA DISCLOSURES;
- INNOVATION EFFORTS OF THE COMPANY AND OTHER INDUSTRY PARTICIPANTS AND ANY RELATED MARKET DISRUPTION;
- ERRORS AND FRAUD INVOLVING THE TRANSFER OF FUNDS;

- *FAILURES TO RECRUIT AND RETAIN QUALIFIED EMPLOYEES;*
- *THE COMPANY'S USE OF A GLOBAL WORKFORCE;*
- *INABILITY OF THE COMPANY TO FULFILL PARENT COMPANY OBLIGATIONS AND/OR PAY DIVIDENDS;*
- *INABILITY TO REALIZE ANTICIPATED SYNERGIES OR PRODUCE RETURNS THAT JUSTIFY INVESTMENT IN ACQUIRED BUSINESSES;*
- *A REDUCTION IN THE DEPOSITS AT THE COMPANY'S FEDERAL SAVINGS BANK SUBSIDIARY;*
- *CLAIMS OF INFRINGEMENT OR INABILITY TO ADEQUATELY PROTECT THE COMPANY'S INTELLECTUAL PROPERTY; AND*
- *OTHER FACTORS DESCRIBED IN THIS QUARTERLY REPORT ON FORM 10-Q, INCLUDING UNDER THE CAPTION RISK FACTORS IN ITEM 1A OF PART II.*

THE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE TO UPDATE FORWARD-LOOKING STATEMENTS TO REFLECT CIRCUMSTANCES OR EVENTS THAT OCCUR AFTER THE DATE THE FORWARD-LOOKING STATEMENTS ARE MADE.

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements.

FIRST AMERICAN FINANCIAL CORPORATION AND SUBSIDIARY COMPANIES

Condensed Consolidated Balance Sheets (in millions, except par values) (unaudited)

	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 2,031.2	\$ 1,718.1
Accounts and accrued income receivable, less allowance for credit losses of \$23.5 and \$21.5	412.6	374.8
Income taxes receivable	26.3	61.3
Investments:		
Deposits with banks	82.7	85.4
Debt securities (amortized cost of \$8,334.2 and \$7,730.9; pledged of \$108.8 and \$92.4)	8,018.9	7,265.9
Equity securities	715.4	691.3
	<u>\$ 8,817.0</u>	<u>\$ 8,042.6</u>
Secured financings receivable	975.1	690.0
Property and equipment, net	714.7	745.1
Operating lease assets	209.4	214.7
Title plants and other indexes	683.2	673.9
Deferred income taxes	43.8	43.8
Goodwill	1,814.0	1,804.3
Other intangible assets, net	115.0	125.2
Other assets	431.6	414.8
	<u>\$ 16,273.9</u>	<u>\$ 14,908.6</u>
Liabilities and Equity		
Deposits	5,959.7	5,048.1
Accounts payable and accrued liabilities	883.6	943.3
Deferred revenue	204.3	210.4
Reserve for known and incurred but not reported claims	1,189.3	1,193.4
Income taxes payable	95.3	27.0
Deferred income taxes	139.1	139.1
Operating lease liabilities	222.7	229.9
Secured financings payable	883.8	643.8
Notes and contracts payable	1,546.8	1,546.6
	<u>\$ 11,124.6</u>	<u>\$ 9,981.6</u>
Commitments and contingencies (Note 16)		
Stockholders' equity:		
Preferred stock, \$0.00001 par value; Authorized—0.5 shares; Outstanding—none	—	—
Common stock, \$0.00001 par value; Authorized—300.0 shares; Outstanding—102.3 shares and 103.0 shares	—	—
Additional paid-in capital	1,747.3	1,787.6
Retained earnings	3,724.5	3,617.3
Accumulated other comprehensive loss	(345.6)	(496.4)
Total stockholders' equity	<u>\$ 5,126.2</u>	<u>\$ 4,908.5</u>
Noncontrolling interests	23.1	18.5
Total equity	<u>\$ 5,149.3</u>	<u>\$ 4,927.0</u>
	<u>\$ 16,273.9</u>	<u>\$ 14,908.6</u>

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Income
(in millions, except per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Direct premiums and escrow fees	\$ 704.2	\$ 632.7	\$ 1,265.3	\$ 1,133.6
Agent premiums	716.5	616.3	1,371.1	1,180.1
Information and other	270.1	246.6	512.3	469.6
Net investment income	160.2	129.9	295.4	257.8
Net investment losses (realized of \$(5.4), \$(1.0), \$(6.9), \$(4.4))	(9.7)	(13.2)	(20.5)	(4.2)
	<u>1,841.3</u>	<u>1,612.3</u>	<u>3,423.6</u>	<u>3,036.9</u>
Expenses				
Personnel costs	571.1	509.0	1,077.8	993.9
Premiums retained by agents	573.5	492.2	1,099.0	940.0
Other operating expenses	309.4	277.0	587.7	542.8
Provision for policy losses and other claims	81.9	79.5	152.0	149.0
Depreciation and amortization	53.0	52.1	105.5	102.2
Premium taxes	19.2	15.5	36.6	29.4
Interest	38.0	35.4	73.2	69.7
	<u>1,646.1</u>	<u>1,460.7</u>	<u>3,131.8</u>	<u>2,827.0</u>
Income before income taxes	195.2	151.6	291.8	209.9
Income taxes	48.1	35.2	69.9	46.8
Net income	147.1	116.4	221.9	163.1
Less: Net income attributable to noncontrolling interests	1.0	0.4	1.6	0.4
Net income attributable to the Company	<u>\$ 146.1</u>	<u>\$ 116.0</u>	<u>\$ 220.3</u>	<u>\$ 162.7</u>
Net income per share attributable to the Company's stockholders (Note 10):				
Basic	<u>\$ 1.41</u>	<u>\$ 1.11</u>	<u>\$ 2.12</u>	<u>\$ 1.56</u>
Diluted	<u>\$ 1.41</u>	<u>\$ 1.11</u>	<u>\$ 2.12</u>	<u>\$ 1.56</u>
Cash dividends per share	<u>\$ 0.54</u>	<u>\$ 0.53</u>	<u>\$ 1.08</u>	<u>\$ 1.06</u>
Weighted-average common shares outstanding (Note 10):				
Basic	<u>103.5</u>	<u>104.1</u>	<u>103.7</u>	<u>104.1</u>
Diluted	<u>103.8</u>	<u>104.3</u>	<u>104.0</u>	<u>104.4</u>

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Comprehensive Income
(in millions)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income	\$ 147.1	\$ 116.4	\$ 221.9	\$ 163.1
Other comprehensive income (loss), net of tax:				
Change in unrealized gains (losses) on debt securities	19.0	(5.8)	111.3	(56.4)
Change in foreign currency translation adjustment	34.9	(3.8)	38.8	(18.3)
Change in pension benefit adjustment	0.3	0.4	0.7	0.8
Total other comprehensive income (loss), net of tax	54.2	(9.2)	150.8	(73.9)
Comprehensive income	201.3	107.2	372.7	89.2
Less: Comprehensive income attributable to noncontrolling interests	1.0	0.4	1.6	0.4
Comprehensive income attributable to the Company	\$ 200.3	\$ 106.8	\$ 371.1	\$ 88.8

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Stockholders' Equity
(in millions)
(unaudited)

	First American Financial Corporation Stockholders							
	Shares	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total stockholders' equity	Noncontrolling interests	Total
Balance at December 31, 2024	103.0	\$ —	\$ 1,787.6	\$ 3,617.3	\$ (496.4)	\$ 4,908.5	\$ 18.5	\$ 4,927.0
Net income for the three months ended March 31, 2025	—	—	—	74.2	—	74.2	0.6	74.8
Dividends on common shares	—	—	—	(55.7)	—	(55.7)	—	(55.7)
Repurchases of Company shares	(0.4)	—	(28.2)	—	—	(28.2)	—	(28.2)
Shares issued in connection with share-based compensation	0.6	—	(5.7)	(1.0)	—	(6.7)	—	(6.7)
Share-based compensation	—	—	30.6	—	—	30.6	—	30.6
Net activity related to noncontrolling interests	—	—	—	—	—	—	2.5	2.5
Other comprehensive income	—	—	—	—	96.6	96.6	—	96.6
Balance at March 31, 2025	103.2	—	1,784.3	3,634.8	(399.8)	5,019.3	21.6	5,040.9
Net income for the three months ended June 30, 2025	—	—	—	146.1	—	146.1	1.0	147.1
Dividends on common shares	—	—	—	(55.3)	—	(55.3)	—	(55.3)
Repurchases of Company shares	(1.1)	—	(60.5)	—	—	(60.5)	—	(60.5)
Shares issued in connection with share-based compensation	0.2	—	6.3	(1.1)	—	5.2	—	5.2
Share-based compensation	—	—	17.2	—	—	17.2	—	17.2
Net activity related to noncontrolling interests	—	—	—	—	—	—	0.5	0.5
Other comprehensive income	—	—	—	—	54.2	54.2	—	54.2
Balance at June 30, 2025	102.3	\$ —	\$ 1,747.3	\$ 3,724.5	\$ (345.6)	\$ 5,126.2	\$ 23.1	\$ 5,149.3

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Stockholders' Equity — (Continued)
(in millions)
(unaudited)

	First American Financial Corporation Stockholders							
	Shares	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total stockholders' equity	Noncontrolling interests	Total
Balance at December 31, 2023	103.1	\$ —	\$ 1,793.3	\$ 3,710.6	\$ (655.8)	\$ 4,848.1	\$ 14.7	\$ 4,862.8
Net income for the three months ended March 31, 2024	—	—	—	46.7	—	46.7	—	46.7
Dividends on common shares	—	—	—	(54.9)	—	(54.9)	—	(54.9)
Repurchases of Company shares	(0.1)	—	(3.5)	—	—	(3.5)	—	(3.5)
Shares issued in connection with share-based compensation	0.7	—	(7.2)	(0.8)	—	(8.0)	—	(8.0)
Share-based compensation	—	—	23.4	—	—	23.4	—	23.4
Net activity related to noncontrolling interests	—	—	—	—	—	—	4.1	4.1
Other comprehensive loss	—	—	—	—	(64.7)	(64.7)	—	(64.7)
Balance at March 31, 2024	103.7	—	1,806.0	3,701.6	(720.5)	4,787.1	18.8	4,805.9
Net income for the three months ended June 30, 2024	—	—	—	116.0	—	116.0	0.4	116.4
Dividends on common shares	—	—	—	(54.7)	—	(54.7)	—	(54.7)
Repurchases of Company shares	(0.7)	—	(40.7)	—	—	(40.7)	—	(40.7)
Shares issued in connection with share-based compensation	0.1	—	6.7	(1.0)	—	5.7	—	5.7
Share-based compensation	—	—	9.4	—	—	9.4	—	9.4
Net activity related to noncontrolling interests	—	—	—	—	—	—	(0.2)	(0.2)
Other comprehensive loss	—	—	—	—	(9.2)	(9.2)	—	(9.2)
Balance at June 30, 2024	103.1	\$ —	\$ 1,781.4	\$ 3,761.9	\$ (729.7)	\$ 4,813.6	\$ 19.0	\$ 4,832.6

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Cash Flows
(in millions)
(unaudited)

	Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 221.9	\$ 163.1
Adjustments to reconcile net income to cash provided by operating activities:		
Provision for policy losses and other claims	152.0	149.0
Depreciation and amortization	105.5	102.2
Amortization of premiums and accretion of discounts on debt securities, net	(20.9)	4.0
Net investment losses	20.5	4.2
Share-based compensation	47.8	32.8
Equity in earnings of affiliates, net	(5.1)	(3.0)
Dividends from equity method investments	3.4	3.3
Changes in assets and liabilities excluding effects of acquisitions and noncash transactions:		
Claims paid, including assets acquired, net of recoveries	(164.5)	(179.4)
Net change in income tax accounts	62.7	47.8
(Increase) decrease in accounts and accrued income receivable	(34.7)	124.1
Decrease in accounts payable and accrued liabilities	(61.4)	(63.1)
Decrease in deferred revenue	(6.5)	(6.3)
Other, net	(11.7)	(42.7)
Cash provided by operating activities	309.0	336.0
Cash flows from investing activities:		
Acquisitions/dispositions, net of cash acquired/divested	(3.9)	(6.3)
Net decrease (increase) in deposits with banks	6.4	(2.7)
Purchases of debt securities	(1,393.7)	(592.2)
Proceeds from sales of debt securities	507.0	361.9
Proceeds from maturities of debt securities	312.3	291.3
Purchases of equity securities	(19.4)	(34.2)
Proceeds from sales of equity securities	17.3	57.8
Net change in other investments	(6.5)	0.3
Advances under secured financing agreements	(18,613.4)	(10,879.5)
Collections of secured financings receivable	18,328.3	10,778.5
Capital expenditures	(94.1)	(108.4)
Proceeds from sales of property and equipment	0.1	—
Proceeds from insurance settlement	1.9	2.9
Cash used for investing activities	(957.7)	(130.6)
Cash flows from financing activities:		
Net change in deposits	911.6	(1,691.9)
Borrowings under secured financing agreements	18,071.3	10,709.2
Repayments of secured financings payable	(17,831.3)	(10,621.0)
Repayments of other notes and contracts payable	(1.3)	(1.5)
Net activity related to noncontrolling interests	(1.7)	4.1
Net payments in connection with share-based compensation	(1.1)	(2.3)
Repurchases of Company shares	(88.7)	(44.2)
Payments of cash dividends	(111.0)	(109.6)
Cash provided by (used for) financing activities	947.8	(1,757.2)
Effect of exchange rate changes on cash	14.0	(4.9)
Net increase (decrease) in cash and cash equivalents	313.1	(1,556.7)
Cash and cash equivalents—Beginning of period	1,718.1	3,605.3
Cash and cash equivalents—End of period	<u>\$ 2,031.2</u>	<u>\$ 2,048.6</u>
Supplemental information:		
Cash paid (received) during the period for:		
Interest	\$ 71.6	\$ 78.1
Premium taxes	\$ 42.6	\$ 31.0
Income taxes paid	\$ 21.5	\$ 11.7
Income tax refunds	\$ (14.3)	\$ (12.8)

See notes to condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES
Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1 – Basis of Condensed Consolidated Financial Statements

Basis of Presentation

The condensed consolidated financial information included in this report has been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) for interim financial information and Article 10 of Securities and Exchange Commission Regulation S-X. The principles for condensed interim financial information do not require the inclusion of all the information and footnotes required by GAAP for complete financial statements. Therefore, these financial statements should be read in conjunction with the First American Financial Corporation (the “Company”) Annual Report on Form 10-K for the year ended December 31, 2024. The condensed consolidated financial statements included herein are unaudited; however, in the opinion of management, they contain all normal recurring adjustments necessary for a fair statement of the consolidated results for the interim periods. All material intercompany transactions and balances have been eliminated upon consolidation.

Recently Adopted Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued updated guidance intended to enhance the transparency and decision usefulness of income tax disclosures. The updated guidance requires disclosure of specific categories and greater disaggregation of information included in the rate reconciliation and additional disclosures related to income taxes paid. The updated guidance, which was adopted on January 1, 2025, and is effective for annual reporting periods, had no impact on the Company's condensed consolidated financial statements.

In August 2023, the FASB issued updated guidance intended to provide decision-useful information to investors and reduce diversity in practice in accounting for contributions made to a joint venture, upon formation, in a joint venture's separate financial statements. The updated guidance requires joint ventures to recognize and initially measure their assets and liabilities at fair value, with certain exceptions to fair value measurement consistent with business combination guidance. The updated guidance, which was adopted on January 1, 2025, had no impact on the Company's condensed consolidated financial statements.

Pending Accounting Pronouncements

In November 2024, the FASB issued updated guidance intended to improve financial reporting by requiring entities to disclose additional information in the notes to the financial statements about specific expense categories within the income statement. The updated guidance is effective for annual reporting periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The updated disclosures can be applied either prospectively or retrospectively in the Company's financial statements. Except for the disclosure requirements, the Company does not expect the adoption of this guidance to have a material impact on its condensed consolidated financial statements.

FIRST AMERICAN FINANCIAL CORPORATION
AND SUBSIDIARY COMPANIES
Notes to Condensed Consolidated Financial Statements – (Continued)
(unaudited)

Note 2 – Trust Assets, Escrow and Other Deposits

The Company administers escrow deposits as a service to customers in its direct title operations. Escrow deposits totaled \$10.7 billion and \$8.9 billion at June 30, 2025 and December 31, 2024, respectively, of which \$4.5 billion and \$4.0 billion, respectively, were held at First American Trust, FSB (“FA Trust”). The remaining deposits were held at third-party financial institutions. Escrow deposits held at third-party financial institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable for the disposition of these assets.

Trust assets administered by FA Trust totaled \$4.9 billion and \$4.8 billion at June 30, 2025 and December 31, 2024, respectively, of which \$150.3 million and \$169.4 million, respectively, were held at FA Trust. The remaining trust assets were held at third-party financial institutions. Trust assets administered by FA Trust and held at third-party institutions are fiduciary client assets. Trust assets held at third-party institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. The Company could be held contingently liable if FA Trust were to breach any of its fiduciary duties.

In conducting its operations, the Company often holds customers’ assets in escrow, pending completion of real estate transactions and, as a result, the Company has ongoing programs for realizing economic benefits with various financial institutions. The results from these programs are included as either income or as a reduction in expense, as appropriate, in the condensed consolidated statements of income based on the nature of the arrangement and benefit received.

The Company facilitates tax-deferred property exchanges for customers pursuant to Section 1031 of the Internal Revenue Code and tax-deferred reverse exchanges pursuant to Revenue Procedure 2000-37. As a facilitator and intermediary, the Company holds the proceeds from sales transactions and takes temporary title to property identified by the customer to be acquired with such proceeds. Upon the completion of each such exchange, the identified property is transferred to the customer or, if the exchange does not take place, an amount equal to the sales proceeds or, in the case of a reverse exchange, title to the property held by the Company is transferred to the customer. Like-kind exchange funds administered by the Company totaled \$2.3 billion at June 30, 2025 and December 31, 2024. The like-kind exchange deposits are held at third-party financial institutions and, due to the structure utilized to facilitate these transactions, the proceeds and property are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable to the customer for the transfers of property, disbursements of proceeds and the returns on such proceeds.

In conducting its residential mortgage loan subservicing operations, the Company administers cash deposits on behalf of its clients. Cash deposits totaled \$1.3 billion and \$901.0 million at June 30, 2025 and December 31, 2024, respectively, of which \$908.6 million and \$606.5 million, respectively, were held at FA Trust. The remaining deposits were held at third-party financial institutions. Cash deposits held at third-party financial institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable for the disposition of these assets. In connection with certain accounts, the Company has ongoing programs for realizing economic benefits with various financial institutions whereby it earns economic benefits either as income or as a reduction in expense.

Deposit balances held at FA Trust are temporarily invested in cash and cash equivalents and debt securities, with offsetting liabilities included in deposits in the accompanying condensed consolidated balance sheets.

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Note 3 – Debt Securities

Investments in debt securities, classified as available-for-sale, are as follows:

(in millions)	Amortized cost	Gross unrealized		Estimated fair value
		Gains	Losses	
June 30, 2025				
U.S. Treasury bonds	\$ 171.2	\$ 1.1	\$ (2.1)	\$ 170.2
Municipal bonds	946.6	4.6	(74.5)	876.7
Foreign government bonds	229.8	1.5	(5.8)	225.5
Governmental agency bonds	214.1	0.2	(8.0)	206.3
Governmental agency mortgage-backed securities	5,265.4	17.9	(245.4)	5,037.9
U.S. corporate debt securities	1,016.2	12.3	(18.5)	1,010.0
Foreign corporate debt securities	490.9	8.6	(7.2)	492.3
	<u>\$ 8,334.2</u>	<u>\$ 46.2</u>	<u>\$ (361.5)</u>	<u>\$ 8,018.9</u>
December 31, 2024				
U.S. Treasury bonds	\$ 180.7	\$ 0.1	\$ (5.2)	\$ 175.6
Municipal bonds	844.9	5.3	(73.7)	776.5
Foreign government bonds	217.1	1.6	(7.1)	211.6
Governmental agency bonds	203.8	—	(14.0)	189.8
Governmental agency mortgage-backed securities	4,844.4	1.7	(343.8)	4,502.3
U.S. corporate debt securities	948.4	5.6	(28.4)	925.6
Foreign corporate debt securities	491.6	5.3	(12.4)	484.5
	<u>\$ 7,730.9</u>	<u>\$ 19.6</u>	<u>\$ (484.6)</u>	<u>\$ 7,265.9</u>

Sales of debt securities resulted in realized gains of \$1.4 million and \$2.5 million, realized losses of \$6.8 million and \$9.4 million and proceeds of \$240.2 million and \$507.0 million for the three and six months ended June 30, 2025, respectively. Sales of debt securities resulted in realized gains of \$0.3 million and \$1.1 million, realized losses of \$1.3 million and \$5.5 million and proceeds of \$137.4 million and \$361.9 million for the three and six months ended June 30, 2024, respectively.

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Investments in debt securities in an unrealized loss position, and their respective length of time in such position, are as follows:

(in millions)	Less than 12 months		12 months or longer		Total	
	Estimated fair value	Unrealized losses	Estimated fair value	Unrealized losses	Estimated fair value	Unrealized losses
June 30, 2025						
U.S. Treasury bonds	\$ 9.4	\$ (0.2)	\$ 41.8	\$ (1.9)	\$ 51.2	\$ (2.1)
Municipal bonds	228.1	(9.5)	391.6	(65.0)	619.7	(74.5)
Foreign government bonds	29.7	—	62.1	(5.8)	91.8	(5.8)
Governmental agency bonds	104.1	(0.4)	37.2	(7.6)	141.3	(8.0)
Governmental agency mortgage-backed securities	2,290.7	(47.0)	1,246.4	(198.4)	3,537.1	(245.4)
U.S. corporate debt securities	258.6	(2.9)	105.6	(15.6)	364.2	(18.5)
Foreign corporate debt securities	96.7	(0.6)	87.9	(6.6)	184.6	(7.2)
	<u>\$ 3,017.3</u>	<u>\$ (60.6)</u>	<u>\$ 1,972.6</u>	<u>\$ (300.9)</u>	<u>\$ 4,989.9</u>	<u>\$ (361.5)</u>
December 31, 2024						
U.S. Treasury bonds	\$ 81.8	\$ (1.8)	\$ 52.9	\$ (3.4)	\$ 134.7	\$ (5.2)
Municipal bonds	248.3	(4.4)	417.0	(69.3)	665.3	(73.7)
Foreign government bonds	29.8	(0.2)	72.7	(6.9)	102.5	(7.1)
Governmental agency bonds	144.4	(5.3)	37.9	(8.7)	182.3	(14.0)
Governmental agency mortgage-backed securities	2,977.2	(98.4)	1,290.4	(245.4)	4,267.6	(343.8)
U.S. corporate debt securities	435.2	(9.6)	117.5	(18.8)	552.7	(28.4)
Foreign corporate debt securities	159.4	(3.2)	110.5	(9.2)	269.9	(12.4)
	<u>\$ 4,076.1</u>	<u>\$ (122.9)</u>	<u>\$ 2,098.9</u>	<u>\$ (361.7)</u>	<u>\$ 6,175.0</u>	<u>\$ (484.6)</u>

Based on the Company's review of its debt securities in an unrealized loss position it determined that the losses were due to non-credit factors and, therefore, it does not consider these securities to be credit impaired at June 30, 2025. As of June 30, 2025, the Company did not intend to sell any debt securities in an unrealized loss position and it is not more likely than not that the Company will be required to sell any debt securities before recovery of their amortized cost basis.

In determining credit losses on its debt securities in an unrealized loss position, the Company considers certain factors that may include, among others, severity of the unrealized loss, security type, industry sector, credit rating, yield to maturity, profitability and stock performance.

In the normal course of operations, the Company may seek to optimize its investment portfolio and prospective investment returns by selling certain debt securities in an unrealized loss (or gain) position for which such unrealized loss (or gain) has been deferred in other comprehensive income. Sales of such debt securities could result in the realization of material losses (or gains) recorded in net income in the period the debt securities are sold.

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Investments in debt securities at June 30, 2025, by contractual maturities, are as follows:

(in millions)	Due in one year or less	Due after one through five years	Due after five through ten years	Due after ten years	Total
U.S. Treasury bonds					
Amortized cost	\$ 33.1	\$ 107.8	\$ 5.4	\$ 24.9	\$ 171.2
Estimated fair value	\$ 32.9	\$ 107.4	\$ 5.3	\$ 24.6	\$ 170.2
Municipal bonds					
Amortized cost	7.2	94.3	359.3	485.8	946.6
Estimated fair value	7.2	91.9	331.0	446.6	876.7
Foreign government bonds					
Amortized cost	16.4	164.4	45.3	3.7	229.8
Estimated fair value	16.4	163.1	43.3	2.7	225.5
Governmental agency bonds					
Amortized cost	1.2	1.4	168.8	42.7	214.1
Estimated fair value	1.2	1.4	168.6	35.1	206.3
U.S. corporate debt securities					
Amortized cost	12.0	558.2	354.5	91.5	1,016.2
Estimated fair value	11.9	560.8	356.0	81.3	1,010.0
Foreign corporate debt securities					
Amortized cost	19.4	318.4	123.3	29.8	490.9
Estimated fair value	19.4	321.4	124.3	27.2	492.3
Total debt securities (excluding mortgage-backed securities)					
Amortized cost	\$ 89.3	\$ 1,244.5	\$ 1,056.6	\$ 678.4	\$ 3,068.8
Estimated fair value	\$ 89.0	\$ 1,246.0	\$ 1,028.5	\$ 617.5	\$ 2,981.0
Total mortgage-backed securities					
Amortized cost					5,265.4
Estimated fair value					5,037.9
Total debt securities					
Amortized cost					\$ 8,334.2
Estimated fair value					\$ 8,018.9

Mortgage-backed securities, which include contractual terms to maturity, are not categorized by contractual maturity as borrowers may have the right to call or prepay obligations with, or without, call or prepayment penalties.

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The composition of the debt securities portfolio at June 30, 2025, by credit rating, is as follows:

(dollars in millions)	A- or higher		BBB+ to BBB-		Non-Investment Grade		Total
	Estimated fair value	Percentage	Estimated fair value	Percentage	Estimated fair value	Percentage	Estimated fair value
U.S. Treasury bonds	\$ 170.2	100.0%	\$ —	—%	\$ —	—%	\$ 170.2
Municipal bonds	856.7	97.8	19.7	2.2	0.3	—	876.7
Foreign government bonds	220.3	97.7	4.5	2.0	0.7	0.3	225.5
Governmental agency bonds	206.3	100.0	—	—	—	—	206.3
Governmental agency mortgage-backed securities	5,037.9	100.0	—	—	—	—	5,037.9
U.S. corporate debt securities	526.1	52.0	312.6	31.0	171.3	17.0	1,010.0
Foreign corporate debt securities	253.5	51.5	196.6	39.9	42.2	8.6	492.3
	<u>\$ 7,271.0</u>	<u>90.6%</u>	<u>\$ 533.4</u>	<u>6.7%</u>	<u>\$ 214.5</u>	<u>2.7%</u>	<u>\$ 8,018.9</u>

Included in debt securities at June 30, 2025, were bank loans totaling \$137.4 million, of which \$125.3 million were non-investment grade; high yield corporate debt securities totaling \$80.3 million, all of which were non-investment grade; and emerging market debt securities totaling \$33.8 million, of which \$8.6 million were non-investment grade.

The composition of the debt securities portfolio in an unrealized loss position at June 30, 2025, by credit rating, is as follows:

(dollars in millions)	A- or higher		BBB+ to BBB-		Non-Investment Grade		Total
	Estimated fair value	Percentage	Estimated fair value	Percentage	Estimated fair value	Percentage	Estimated fair value
U.S. Treasury bonds	\$ 51.2	100.0%	\$ —	—%	\$ —	—%	\$ 51.2
Municipal bonds	604.8	97.6	14.6	2.4	0.3	—	619.7
Foreign government bonds	89.6	97.6	1.5	1.6	0.7	0.8	91.8
Governmental agency bonds	141.3	100.0	—	—	—	—	141.3
Governmental agency mortgage-backed securities	3,537.1	100.0	—	—	—	—	3,537.1
U.S. corporate debt securities	196.4	53.9	131.0	36.0	36.8	10.1	364.2
Foreign corporate debt securities	114.8	62.1	56.6	30.7	13.2	7.2	184.6
	<u>\$ 4,735.2</u>	<u>94.9%</u>	<u>\$ 203.7</u>	<u>4.1%</u>	<u>\$ 51.0</u>	<u>1.0%</u>	<u>\$ 4,989.9</u>

Debt securities in an unrealized loss position at June 30, 2025, included bank loans totaling \$32.8 million, of which \$32.6 million were non-investment grade; high yield corporate debt securities totaling \$14.1 million, all of which were non-investment grade; and emerging market debt securities totaling \$19.9 million, of which \$4.0 million were non-investment grade.

The credit ratings in the above tables reflect published ratings obtained from globally recognized securities rating agencies. If a security was rated differently among the rating agencies, the lowest rating was selected. Governmental agency mortgage-backed securities are not rated by any of the ratings agencies; however, these securities have been included in the above table in the “A- or higher” rating category because the payments of principal and interest are guaranteed by the governmental agency that issued the security.

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Note 4 – Equity Securities

Investments in equity securities, by accounting classification, are summarized as follows:

(in millions)	June 30, 2025	December 31, 2024
Marketable equity securities	\$ 396.0	\$ 386.8
Non-marketable equity securities	218.3	202.4
Equity method investments	101.1	102.1
	<u>\$ 715.4</u>	<u>\$ 691.3</u>

Investments in marketable equity securities are summarized as follows:

(in millions)	Cost	Unrealized (losses) gains	Estimated fair value
June 30, 2025			
Common stocks	\$ 393.7	\$ (9.5)	\$ 384.2
Preferred stocks	11.4	0.4	11.8
	<u>\$ 405.1</u>	<u>\$ (9.1)</u>	<u>\$ 396.0</u>
December 31, 2024			
Common stocks	\$ 397.3	\$ (22.6)	\$ 374.7
Preferred stocks	12.0	0.1	12.1
	<u>\$ 409.3</u>	<u>\$ (22.5)</u>	<u>\$ 386.8</u>

Net gains of \$26.1 million and \$19.1 million resulting from changes in the fair values of marketable equity securities were recognized for the three and six months ended June 30, 2025, respectively, which included net unrealized gains of \$26.0 million and \$19.3 million on securities still held at June 30, 2025, respectively. Net losses of \$12.2 million and \$1.3 million resulting from changes in the fair values of marketable equity securities were recognized for the three and six months ended June 30, 2024, respectively, which included net unrealized losses of \$13.2 million and \$2.7 million on securities still held at June 30, 2024, respectively.

A summary of the changes in the carrying amounts of non-marketable equity securities, which primarily relate to the Company's venture investment portfolio, for the three and six months ended June 30, 2025 and 2024, is as follows:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Carrying amount, beginning of period	\$ 216.6	\$ 226.1	\$ 202.4	\$ 224.1
Net additions	0.2	1.3	15.2	3.1
Gross unrealized gains	1.5	1.2	1.5	1.4
Gross unrealized losses and impairments	—	(2.8)	(0.8)	(2.8)
Carrying amount, end of period	<u>\$ 218.3</u>	<u>\$ 225.8</u>	<u>\$ 218.3</u>	<u>\$ 225.8</u>

Cumulative gross unrealized gains and cumulative gross unrealized losses and impairments related to non-marketable equity securities at June 30, 2025 and December 31, 2024, are summarized as follows:

(in millions)	June 30, 2025	December 31, 2024
Cumulative gross unrealized gains	\$ 246.3	\$ 244.8
Cumulative gross unrealized losses and impairments	<u>\$ 352.4</u>	<u>\$ 351.6</u>

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Note 5 – Allowance for Credit Losses – Accounts Receivable

Activity in the allowance for credit losses on accounts receivable is summarized as follows:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Balance at beginning of period	\$ 22.7	\$ 20.8	\$ 21.5	\$ 21.8
Provision for expected credit losses	2.4	2.1	4.7	2.8
Write-offs/recoveries	(1.6)	(1.5)	(2.7)	(3.2)
Balance at end of period	<u>\$ 23.5</u>	<u>\$ 21.4</u>	<u>\$ 23.5</u>	<u>\$ 21.4</u>

Note 6 – Goodwill

A summary of the changes in the carrying amount of goodwill, by reportable segment, for the six months ended June 30, 2025, is as follows:

(in millions)	Title Insurance and Services	Home Warranty	Total
Balance at beginning of period	\$ 1,763.4	\$ 40.9	\$ 1,804.3
Acquisitions	4.5	—	4.5
Foreign currency translation	5.2	—	5.2
Balance at end of period	<u>\$ 1,773.1</u>	<u>\$ 40.9</u>	<u>\$ 1,814.0</u>

Note 7 – Other Intangible Assets

Other intangible assets are summarized as follows:

(in millions)	June 30, 2025	December 31, 2024
Finite-lived intangible assets:		
Customer relationships	\$ 148.8	\$ 160.8
Noncompete agreements	4.8	10.5
Trademarks	72.5	70.7
Internal-use software licenses	20.0	21.7
Patents	2.8	2.8
	<u>248.9</u>	<u>266.5</u>
Accumulated amortization	<u>(150.8)</u>	<u>(158.2)</u>
	<u>98.1</u>	<u>108.3</u>
Indefinite-lived intangible assets:		
Licenses	16.9	16.9
	<u>\$ 115.0</u>	<u>\$ 125.2</u>

Amortization expense for finite-lived intangible assets was \$9.0 million and \$18.6 million for the three and six months ended June 30, 2025, respectively, and \$11.2 million and \$23.5 million for the three and six months ended June 30, 2024, respectively.

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Estimated amortization expense for finite-lived intangible assets for the next five years is as follows:

<u>Year</u>	<u>(in millions)</u>
Remainder of 2025	\$ 20.5
2026	\$ 28.5
2027	\$ 13.1
2028	\$ 8.5
2029	\$ 6.0
2030	\$ 5.2

Note 8 – Reserve for Known and Incurred But Not Reported Claims

Activity in the reserve for known and incurred but not reported claims is summarized as follows:

<u>(in millions)</u>	<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Balance at beginning of period	\$ 1,193.4	\$ 1,282.4
Provision related to:		
Current year	171.7	165.7
Prior years	(19.7)	(16.7)
	<u>152.0</u>	<u>149.0</u>
Payments, net of recoveries, related to:		
Current year	69.3	75.8
Prior years	95.2	103.6
	<u>164.5</u>	<u>179.4</u>
Other	8.4	0.2
Balance at end of period	<u>\$ 1,189.3</u>	<u>\$ 1,252.2</u>

The provision for title insurance losses, expressed as a percentage of title insurance premiums and escrow fees, was 3.0% for the three and six months ended June 30, 2025 and 2024.

The 3.0% loss provision rate for the three and six months ended June 30, 2025 reflects an ultimate loss rate of 3.75% for the 2025 policy year and reserve releases of 0.75%, or \$9.9 million and \$18.3 million, respectively, for prior policy years, all based on title insurance premiums and escrow fees for the three and six months ended June 30, 2025.

The 3.0% loss provision rate for the three and six months ended June 30, 2024 reflected an ultimate loss rate of 3.75% for the 2024 policy year and reserve releases of 0.75%, or \$8.6 million and \$15.9 million, respectively, for prior policy years, all based on title insurance premiums and escrow fees for the three and six months ended June 30, 2024.

A summary of the Company's loss reserves is as follows:

<u>(dollars in millions)</u>	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
Known title claims	\$ 54.8	4.6%	\$ 55.3	4.6%
Incurred but not reported claims	1,105.4	93.0%	1,109.4	93.0%
Total title claims	<u>1,160.2</u>	<u>97.6%</u>	<u>1,164.7</u>	<u>97.6%</u>
Non-title claims	29.1	2.4%	28.7	2.4%
Total loss reserves	<u>\$ 1,189.3</u>	<u>100.0%</u>	<u>\$ 1,193.4</u>	<u>100.0%</u>

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Note 9 – Income Taxes

The Company's effective income tax rates (income tax expense as a percentage of income before income taxes) were 24.6% and 24.0% for the three and six months ended June 30, 2025, respectively, and 23.2% and 22.3% for the three and six months ended June 30, 2024, respectively. The effective income tax rates differ from the federal statutory rate due to (1) state and foreign income taxes for which the Company is liable, (2) permanent differences between amounts reported for financial statement purposes and amounts reported for income tax purposes, (3) the recognition of excess tax benefits or tax deficiencies associated with share-based payment transactions through income tax expense and (4) tax credits claimed. In addition, the effective income tax rates for 2024 reflect tax benefits related to a state tax matter from prior years.

The Company evaluates the realizability of its deferred tax assets by assessing the valuation allowance and makes adjustments to the allowance as necessary. The factors used in assessing the likelihood of realization include forecasts of future taxable income and available tax planning strategies that could be implemented. The Company's ability to achieve forecasted taxable income in the applicable taxing jurisdictions could affect the ultimate realization of its deferred tax assets. As of June 30, 2025 and December 31, 2024, the Company carried a valuation allowance of \$27.9 million. Based on future operating results in certain jurisdictions, it is possible that the current valuation allowance positions of those jurisdictions could be adjusted during the next 12 months.

As of June 30, 2025 and December 31, 2024, the liabilities for income taxes associated with uncertain tax positions were \$33.2 million and \$31.6 million, respectively. The net increase in the liability during 2025 was primarily attributable to positions taken on the Company's tax returns for the current year. The liabilities as of June 30, 2025 and December 31, 2024 could be reduced by \$3.8 million and \$3.7 million, respectively, due to offsetting tax benefits associated with the correlative effects of potential adjustments, including timing adjustments and state income taxes. The net liability, if recognized, would favorably affect the Company's effective income tax rate.

The Company's continuing practice is to recognize interest and penalties related to uncertain tax positions in income tax expense. Accrued interest and penalties, net of tax benefits, related to uncertain tax positions were not material as of June 30, 2025 and December 31, 2024.

It is reasonably possible that the unrecognized benefit with respect to certain of the Company's unrecognized tax positions may increase or decrease within the next 12 months. Any such change may be the result of either ongoing audits or the expiration of federal and state statutes of limitations for the assessment of taxes.

The Company, or one of its subsidiaries, files income tax returns in the U.S. federal jurisdiction, various state jurisdictions and in various non-U.S. jurisdictions. The primary non-federal jurisdictions are California, Canada, India and the United Kingdom. As of June 30, 2025, the Company is, generally, no longer subject to income tax examinations for U.S. federal, state and non-U.S. jurisdictions for years prior to 2021, 2019 and 2014, respectively.

Effective in 2024, the Company is subject to international anti-base erosion rules that assess a minimum tax rate of 15% in the jurisdictions in which it operates. Commonly known as "Pillar II," these rules apply to large multinational enterprises and are designed to address the tax challenges arising from the globalization and digitalization of the economy. The Company has calculated the minimum tax on a jurisdiction-by-jurisdiction basis and has determined that the resulting tax is not material to its financial results.

Public Law 119-21, popularly known as the "One Big Beautiful Bill Act," was signed into law on July 4, 2025. This legislation includes a broad range of tax reform provisions affecting businesses, with certain provisions effective January 1, 2025. The Company anticipates an impact to its deferred tax liability and income tax payable related to the provisions for 100% bonus depreciation for assets placed in service after January 19, 2025 and full expensing of domestic research and experimental expenditures. While the Company is still evaluating these and other changes contained in the law, it does not expect them to have a material effect on its ongoing effective tax rate.

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Note 10 – Earnings Per Share

The computation of basic and diluted earnings per share is as follows:

<u>(in millions, except per share data)</u>	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Numerator				
Net income attributable to the Company	\$ 146.1	\$ 116.0	\$ 220.3	\$ 162.7
Denominator				
Basic weighted-average shares	103.5	104.1	103.7	104.1
Effect of dilutive restricted stock units (“RSUs”) and performance restricted stock units (“PRSUs”)	0.3	0.2	0.3	0.3
Diluted weighted-average shares	103.8	104.3	104.0	104.4
Net income per share attributable to the Company’s stockholders				
Basic	\$ 1.41	\$ 1.11	\$ 2.12	\$ 1.56
Diluted	\$ 1.41	\$ 1.11	\$ 2.12	\$ 1.56

For the three and six months ended June 30, 2025, 29 thousand and 20 thousand PRSUs, respectively, were excluded from diluted weighted-average common shares outstanding due to their antidilutive effect. For the three and six months ended June 30, 2024, 11 thousand and 27 thousand RSUs, respectively, were excluded from diluted weighted-average common shares outstanding due to their antidilutive effect.

Note 11 – Employee Benefit Plans

Net periodic benefit costs related to the Company’s unfunded supplemental benefit pension plans are summarized as follows:

<u>(in millions)</u>	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Expense:				
Service costs	\$ 0.1	\$ 0.1	0.1	0.1
Interest costs	2.3	2.4	4.7	4.8
Amortization of net actuarial loss	0.4	0.5	0.9	1.1
	\$ 2.8	\$ 3.0	\$ 5.7	\$ 6.0

The Company contributed \$7.5 million to its unfunded supplemental benefit pension plans during the six months ended June 30, 2025 and expects to contribute an additional \$8.8 million during the remainder of 2025.

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Note 12 – Fair Value Measurements

Certain of the Company's assets are carried at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company categorizes its assets and liabilities carried at fair value using a three-level hierarchy for fair value measurements that distinguishes between market participant assumptions developed based on market data obtained from sources independent of the Company (observable inputs) and the Company's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The hierarchy for inputs used in determining fair value maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. The hierarchy level assigned to the assets and liabilities is based on management's assessment of the transparency and reliability of the inputs used to estimate the fair values at the measurement date. The three hierarchy levels are defined as follows:

Level 1—Valuations based on unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2—Valuations based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets or liabilities at the measurement date; quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve management judgment.

If the inputs used to measure fair value fall into different levels of the fair value hierarchy, the hierarchy level assigned is based upon the lowest level of input that is significant to the fair value measurement.

The following tables present the fair values of the Company's assets, measured on a recurring basis, as of June 30, 2025 and December 31, 2024:

(in millions)	Total	Level 1	Level 2	Level 3
June 30, 2025				
Debt securities:				
U.S. Treasury bonds	\$ 170.2	\$ —	\$ 170.2	\$ —
Municipal bonds	876.7	—	876.7	—
Foreign government bonds	225.5	—	225.5	—
Governmental agency bonds	206.3	—	206.3	—
Governmental agency mortgage-backed securities	5,037.9	—	5,037.9	—
U.S. corporate debt securities	1,010.0	—	1,010.0	—
Foreign corporate debt securities	492.3	—	492.3	—
	<u>8,018.9</u>	<u>—</u>	<u>8,018.9</u>	<u>—</u>
Equity securities:				
Common stocks	384.2	384.2	—	—
Preferred stocks	11.8	11.8	—	—
	<u>396.0</u>	<u>396.0</u>	<u>—</u>	<u>—</u>
Total	<u>\$ 8,414.9</u>	<u>\$ 396.0</u>	<u>\$ 8,018.9</u>	<u>\$ —</u>

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(in millions)	Total	Level 1	Level 2	Level 3
December 31, 2024				
Debt securities:				
U.S. Treasury bonds	\$ 175.6	\$ —	\$ 175.6	\$ —
Municipal bonds	776.5	—	776.5	—
Foreign government bonds	211.6	—	211.6	—
Governmental agency bonds	189.8	—	189.8	—
Governmental agency mortgage-backed securities	4,502.3	—	4,502.3	—
U.S. corporate debt securities	925.6	—	925.6	—
Foreign corporate debt securities	484.5	—	484.5	—
	7,265.9	—	7,265.9	—
Equity securities:				
Common stocks	374.7	374.7	—	—
Preferred stocks	12.1	12.1	—	—
	386.8	386.8	—	—
Total	\$ 7,652.7	\$ 386.8	\$ 7,265.9	\$ —

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments not measured at fair value as of June 30, 2025 and December 31, 2024:

(in millions)	Carrying Amount	Estimated fair value			
		Total	Level 1	Level 2	Level 3
June 30, 2025					
Assets:					
Cash and cash equivalents	\$ 2,031.2	\$ 2,031.2	\$ 2,031.2	\$ —	\$ —
Deposits with banks	\$ 82.7	\$ 82.5	\$ 13.8	\$ 68.7	\$ —
Notes receivable, net	\$ 41.1	\$ 41.9	\$ —	\$ —	\$ 41.9
Secured financings receivable	\$ 975.1	\$ 975.1	\$ —	\$ 975.1	\$ —
Liabilities:					
Secured financings payable	\$ 883.8	\$ 883.8	\$ —	\$ 883.8	\$ —
Notes and contracts payable	\$ 1,546.8	\$ 1,436.7	\$ —	\$ 1,426.4	\$ 10.3

(in millions)	Carrying Amount	Estimated fair value			
		Total	Level 1	Level 2	Level 3
December 31, 2024					
Assets:					
Cash and cash equivalents	\$ 1,718.1	\$ 1,718.1	\$ 1,718.1	\$ —	\$ —
Deposits with banks	\$ 85.4	\$ 85.3	\$ 20.7	\$ 64.6	\$ —
Notes receivable, net	\$ 34.4	\$ 34.6	\$ —	\$ —	\$ 34.6
Secured financings receivable	\$ 690.0	\$ 690.0	\$ —	\$ 690.0	\$ —
Liabilities:					
Secured financings payable	\$ 643.8	\$ 643.8	\$ —	\$ 643.8	\$ —
Notes and contracts payable	\$ 1,546.6	\$ 1,399.4	\$ —	\$ 1,388.4	\$ 11.0

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Assets measured at fair value on a non-recurring basis

During the six months ended June 30, 2025, the Company recorded impairment losses on property and equipment totaling \$35.5 million related to internally developed software due to either abandonment or the carrying amount no longer deemed recoverable and exceeding its fair value as a result of either being replaced with new technologies or determined to be of diminished value due to a change in management strategy. These impairment losses, which were included in the title insurance and services segment, are included in net investment losses on the condensed consolidated statements of income.

Note 13 – Share-Based Compensation

The following table summarizes the costs associated with the Company’s share-based compensation plans:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Expense:				
RSUs	\$ 13.8	\$ 6.9	\$ 39.2	\$ 25.8
PRSUs	2.0	1.1	5.0	3.5
Employee stock purchase plan	1.4	1.4	3.6	3.5
	<u>\$ 17.2</u>	<u>\$ 9.4</u>	<u>\$ 47.8</u>	<u>\$ 32.8</u>

The following table summarizes RSU and PRSU activity for the six months ended June 30, 2025:

(in millions, except weighted-average grant-date fair value)	Shares	Weighted-average grant-date fair value
Unvested at December 31, 2024	1.2	\$ 62.37
Granted during 2025	1.1	\$ 65.25
Vested during 2025	(0.9)	\$ 63.23
Forfeited during 2025	(0.1)	\$ 75.11
Unvested at June 30, 2025	<u>1.3</u>	<u>\$ 63.51</u>

In March 2025, the Company’s board of directors approved an amendment and restatement of the Company’s 2020 Incentive Compensation Plan (the “Incentive Compensation Plan”), effective May 13, 2025. The Incentive Compensation Plan, which is subject to stockholder approval, increases the number of shares of Company common stock available for grant by 2.0 million shares and extends the term until May 13, 2035.

Note 14 – Stockholders’ Equity

In July 2025, the Company’s board of directors approved a new share repurchase plan which authorizes the repurchase of up to \$300 million of the Company’s common stock and terminated its prior share repurchase plan. Purchases may be made from time to time by the Company in the open market at prevailing market prices or in privately negotiated transactions. During the six months ended June 30, 2025, the Company repurchased and retired 1.5 million shares of its common stock for a total purchase price of \$88.7 million and, as of June 30, 2025, the Company has repurchased and retired 6.2 million shares of its common stock under the previous authorization for a total purchase price of \$343.3 million.

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Note 15 – Accumulated Other Comprehensive Income (Loss) (“AOCI”)

The following table presents a summary of the changes in each component of AOCI for the six months ended June 30, 2025:

(in millions)	Unrealized gains (losses) on debt securities	Foreign currency translation adjustment	Pension benefit adjustment	Accumulated other comprehensive income (loss)
Balance at December 31, 2024	\$ (353.7)	\$ (111.0)	\$ (31.7)	\$ (496.4)
Change in unrealized losses on debt securities	149.7	—	—	149.7
Change in foreign currency translation adjustment	—	39.6	—	39.6
Amortization of net actuarial loss	—	—	0.9	0.9
Tax effect	(38.4)	(0.8)	(0.2)	(39.4)
Balance at June 30, 2025	<u>\$ (242.4)</u>	<u>\$ (72.2)</u>	<u>\$ (31.0)</u>	<u>\$ (345.6)</u>

The following table presents the other comprehensive income (loss) reclassification adjustments for the three months ended June 30, 2025 and 2024:

(in millions)	Unrealized gains (losses) on debt securities	Foreign currency translation adjustment	Pension benefit adjustment	Total other comprehensive income (loss)
Three Months Ended June 30, 2025				
Pretax change before reclassifications	\$ 19.9	\$ 35.7	\$ —	\$ 55.6
Reclassifications out of AOCI	5.4	—	0.4	5.8
Tax effect	(6.3)	(0.8)	(0.1)	(7.2)
Total other comprehensive income, net of tax	<u>\$ 19.0</u>	<u>\$ 34.9</u>	<u>\$ 0.3</u>	<u>\$ 54.2</u>
Three Months Ended June 30, 2024				
Pretax change before reclassifications	\$ (8.4)	\$ (4.0)	\$ —	\$ (12.4)
Reclassifications out of AOCI	1.0	—	0.5	1.5
Tax effect	1.6	0.2	(0.1)	1.7
Total other comprehensive (loss) income, net of tax	<u>\$ (5.8)</u>	<u>\$ (3.8)</u>	<u>\$ 0.4</u>	<u>\$ (9.2)</u>

The following table presents the other comprehensive income (loss) reclassification adjustments for the six months ended June 30, 2025 and 2024:

(in millions)	Unrealized gains (losses) on debt securities	Foreign currency translation adjustment	Pension benefit adjustment	Total other comprehensive income (loss)
Six Months Ended June 30, 2025				
Pretax change before reclassifications	\$ 142.8	\$ 39.6	\$ —	\$ 182.4
Reclassifications out of AOCI	6.9	—	0.9	7.8
Tax effect	(38.4)	(0.8)	(0.2)	(39.4)
Total other comprehensive income, net of tax	<u>\$ 111.3</u>	<u>\$ 38.8</u>	<u>\$ 0.7</u>	<u>\$ 150.8</u>
Six Months Ended June 30, 2024				
Pretax change before reclassifications	\$ (78.7)	\$ (18.9)	\$ —	\$ (97.6)
Reclassifications out of AOCI	4.4	—	1.1	5.5
Tax effect	17.9	0.6	(0.3)	18.2
Total other comprehensive (loss) income, net of tax	<u>\$ (56.4)</u>	<u>\$ (18.3)</u>	<u>\$ 0.8</u>	<u>\$ (73.9)</u>

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The following table presents the effects of the reclassifications out of AOCI on the respective line items in the condensed consolidated statements of income:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,		Affected line items
	2025	2024	2025	2024	
Unrealized gains (losses) on debt securities:					
Net realized losses on sales of debt securities	\$ (5.4)	\$ (1.0)	\$ (6.9)	\$ (4.4)	Net investment losses
Tax effect	\$ 1.4	\$ 0.3	\$ 1.8	\$ 1.1	
Pension benefit adjustment (1):					
Amortization of net actuarial loss	\$ (0.4)	\$ (0.5)	\$ (0.9)	\$ (1.1)	Other operating expenses
Tax effect	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.3	

(1) Amounts are components of net periodic cost. See Note 11 Employee Benefit Plans for additional details.

Note 16 – Litigation and Regulatory Contingencies

The Company and its subsidiaries are parties to lawsuits and are also involved in ongoing routine legal and regulatory proceedings related to their operations. These lawsuits and proceedings frequently are similar in nature to other lawsuits and proceedings pending against the Company's competitors. When the Company has determined that a loss is both probable and reasonably estimable, a liability representing the best estimate of the Company's financial exposure based on known facts has been recorded. Actual losses may materially differ from the amounts recorded.

With respect to the Company's outstanding ordinary course lawsuits and proceedings, the Company has determined either that a loss is not reasonably possible or that the estimated loss or range of loss, if any, is not expected to have a material adverse effect on the Company's financial condition, results of operations or cash flows.

The Company's ordinary course lawsuits include class actions or purported class action lawsuits, which challenge practices in the Company's home warranty and title insurance and settlement services businesses. On February 25, 2005, a lawsuit styled, Sjobring vs. First American Title Insurance Company, et al., was filed in the Superior Court of the State of California, County of Los Angeles. On March 26, 2025, a jury rendered a verdict in favor of the Company. On April 22, 2025, the plaintiffs filed a notice of intention to move for a new trial and judgment notwithstanding the verdict. On June 23, 2025, plaintiffs motion for new trial and judgment notwithstanding the verdict was denied. On July 1, 2025, plaintiffs filed a notice of appeal.

Most of the Company's businesses are regulated by various federal, state and local governmental agencies. Many of the Company's other businesses operate within statutory guidelines. Consequently, the Company may from time to time be subject to examination or investigation by such governmental agencies. Currently, governmental agencies are examining or investigating certain of the Company's operations.

The Company does not believe that any pending examinations or investigations will have a material adverse effect on the Company's financial condition, results of operations or cash flows. Some of these exams or investigations could, however, result in changes to the Company's business practices which could ultimately have a material adverse impact on the Company's financial condition, results of operations or cash flows.

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Note 17 – Segment Information

The Company consists of the following reportable segments:

- The title insurance and services segment issues title insurance policies on residential and commercial property in the United States and offers similar or related products and services internationally. This segment also provides closing and/or escrow services; accommodates tax-deferred exchanges of real estate; provides products, services and solutions designed to mitigate risk or otherwise facilitate real estate transactions; maintains, manages and provides access to title plant data and records; provides appraisals and other valuation-related products and services; provides lien release, document custodial and default-related products and services; provides document generation services; provides warehouse lending services; subservices mortgage loans; and provides banking, trust and wealth management services. The Company, through its principal title insurance subsidiary and such subsidiary's affiliates, transacts its title insurance business through a network of direct operations and agents. Through this network, the Company issues policies in the 49 states that permit the issuance of title insurance policies, the District of Columbia and certain United States territories. The Company also offers title insurance, closing services and similar or related products and services, either directly or through third parties in other countries, including Canada, the United Kingdom, various countries in Europe, South Korea, Australia and New Zealand.
- The home warranty segment sells products including residential service contracts that cover residential systems, such as heating and air conditioning systems, and certain appliances against failures that occur as the result of normal usage during the coverage period. This business currently operates in 36 states and the District of Columbia.
- The corporate segment includes investments in venture-stage companies, certain financing facilities and corporate services that support the Company's business operations.

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Information about reportable segment performance, significant expenses and assets are as follows:

For the three months ended June 30, 2025:

(dollars in millions)	Title Insurance and Services	Home Warranty	Corporate	Consolidated
Total segment revenue (1)	\$ 1,722.9	\$ 110.2	\$ 8.3	\$ 1,841.4
Elimination of intersegment revenue				(0.1)
Total consolidated revenue				\$ 1,841.3
Less: (2)				
Personnel costs	523.0	20.7	27.3	571.0
Premiums retained by agents	573.5	—	—	573.5
Other operating expenses (3)	277.8	21.9	9.7	309.4
Provision for policy losses	39.5	42.8	(0.2)	82.1
Depreciation and amortization	51.6	1.3	0.1	53.0
Premium taxes	18.0	1.2	—	19.2
Interest	22.8	—	15.2	38.0
Segment income (loss) before income taxes	\$ 216.7	\$ 22.3	\$ (43.8)	\$ 195.1
Elimination of intersegment expenses				0.1
Consolidated income before income taxes				\$ 195.2
Pretax margin	12.6%	20.2%		
Segment assets	\$ 15,342.7	\$ 412.4	\$ 681.7	\$ 16,436.8
Elimination of intersegment assets (4)				(162.9)
Consolidated total assets				\$ 16,273.9
Segment capital expenditures	\$ 51.6	\$ 1.9		\$ 53.5
(1) Intersegment revenue is included within amounts shown.				
(2) The significant expense categories and amounts align with segment level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within amounts shown.				
(3) Other operating expenses for each segment primarily include the following:				
Title insurance and services - title and data search expenses, office and occupancy expenses and software expense.				
Home warranty - advertising expense, office and occupancy expenses, software expense, delivery and storage expenses.				
Corporate - employee benefit expense and certain overhead expenses.				
(4) Elimination of intercompany asset balances:				
Holding company cash balances also included in the title insurance and services segment			\$	(139.9)
Home warranty segment cash balances also included in the title insurance and services segment				(3.5)
Holding company receivable from a subsidiary within the title insurance and services segment				(19.5)
			\$	(162.9)

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For the three months ended June 30, 2024:

(dollars in millions)	Title Insurance and Services	Home Warranty	Corporate	Consolidated
Total segment revenue (1)	\$ 1,521.9	\$ 106.8	\$ (15.8)	\$ 1,612.9
Elimination of intersegment revenue				(0.6)
Total consolidated revenue				\$ 1,612.3
Less: (2)				
Personnel costs	485.6	20.8	2.6	509.0
Premiums retained by agents	492.2	—	—	492.2
Other operating expenses (3)	243.6	21.6	12.0	277.2
Provision for policy losses	34.5	45.6	(0.6)	79.5
Depreciation and amortization	50.9	1.1	0.1	52.1
Premium taxes	14.3	1.2	—	15.5
Interest	23.4	—	12.4	35.8
Segment income (loss) before income taxes	\$ 177.4	\$ 16.5	\$ (42.3)	\$ 151.0
Elimination of intersegment expenses				0.6
Consolidated income before income taxes				\$ 151.6
Pretax margin	11.7%	15.4%		
Segment assets	\$ 14,193.1	\$ 394.9	\$ 746.7	\$ 15,334.7
Elimination of intersegment assets (4)				(177.4)
Consolidated total assets				\$ 15,157.3
Segment capital expenditures	\$ 58.5	\$ 1.5		\$ 60.0
(1) Intersegment revenue is included within amounts shown. (2) The significant expense categories and amounts align with segment level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within amounts shown. (3) Other operating expenses for each segment primarily include the following: Title insurance and services - title and data search expenses, office and occupancy expenses and software expense. Home warranty - advertising expense, office and occupancy expenses, software expense, delivery and storage expenses. Corporate - employee benefit expense and certain overhead expenses. (4) Elimination of intercompany asset balances: Holding company cash balances also included in the title insurance and services segment \$ (83.7) Home warranty segment cash balances also included in the title insurance and services segment (1.9) Holding company receivable from a subsidiary within the home warranty segment (49.5) Holding company receivable from a subsidiary within the title insurance and services segment (42.3) \$ (177.4)				

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For the six months ended June 30, 2025:

(dollars in millions)	Title Insurance and Services	Home Warranty	Corporate	Consolidated
Total segment revenue (1)	\$ 3,207.3	\$ 218.0	\$ (1.6)	\$ 3,423.7
Elimination of intersegment revenue				(0.1)
Total consolidated revenue				\$ 3,423.6
Less: (2)				
Personnel costs	1,007.8	41.2	28.8	1,077.8
Premiums retained by agents	1,099.0	—	—	1,099.0
Other operating expenses (3)	524.2	44.4	19.1	587.7
Provision for policy losses	72.9	80.5	(1.3)	152.1
Depreciation and amortization	102.8	2.6	0.1	105.5
Premium taxes	34.3	2.3	—	36.6
Interest	42.8	—	30.4	73.2
Segment income (loss) before income taxes	\$ 323.5	\$ 47.0	\$ (78.7)	\$ 291.7
Elimination of intersegment expenses				0.1
Consolidated income before income taxes				\$ 291.8
Pretax margin	10.1%	21.6%		
Segment capital expenditures	\$ 96.0	\$ 3.1		\$ 99.1

- (1) Intersegment revenue is included within amounts shown.
(2) The significant expense categories and amounts align with segment level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within amounts shown.
(3) Other operating expenses for each segment primarily include the following:
Title insurance and services - title and data search expenses, office and occupancy expenses and software expense.
Home warranty - advertising expense, office and occupancy expenses, software expense, delivery and storage expenses.
Corporate - employee benefit expense and certain overhead expenses.

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For the six months ended June 30, 2024:

(dollars in millions)	Title Insurance and Services	Home Warranty	Corporate	Consolidated
Total segment revenue (1)	\$ 2,841.7	\$ 212.0	\$ (15.7)	\$ 3,038.0
Elimination of intersegment revenue				(1.1)
Total consolidated revenue				\$ 3,036.9
Less: (2)				
Personnel costs	938.1	40.6	15.1	993.8
Premiums retained by agents	940.0	—	—	940.0
Other operating expenses (3)	477.3	43.7	22.0	543.0
Provision for policy losses	63.5	86.3	(0.8)	149.0
Depreciation and amortization	99.7	2.4	0.1	102.2
Premium taxes	27.2	2.2	—	29.4
Interest	45.8	—	24.9	70.7
Segment income (loss) before income taxes	\$ 250.1	\$ 36.8	\$ (77.0)	\$ 208.8
Elimination of intersegment expenses				1.1
Consolidated income before income taxes				\$ 209.9
Pretax margin	8.8%	17.4%		
Segment capital expenditures	\$ 118.1	\$ 3.4		\$ 121.5

- (1) Intersegment revenue is included within amounts shown.
(2) The significant expense categories and amounts align with segment level information that is regularly provided to the chief operating decision maker.
Intersegment expenses are included within amounts shown.
(3) Other operating expenses for each segment primarily include the following:
Title insurance and services - title and data search expenses, office and occupancy expenses and software expense.
Home warranty - advertising expense, office and occupancy expenses, software expense, delivery and storage expenses.
Corporate - employee benefit expense and certain overhead expenses.

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Selected financial information about the Company's operations, by segment, is as follows:

For the three months ended June 30, 2025:

(in millions)	Direct premiums and escrow fees	Agent premiums	Information and other	Net investment income (loss)	Net investment losses	Total Revenues
Title Insurance and Services	\$ 600.4	\$ 716.5	\$ 264.3	\$ 147.1	\$ (5.4)	\$ 1,722.9
Home Warranty	103.7	—	5.9	1.2	(0.6)	110.2
Corporate and Eliminations	0.1	—	(0.1)	11.9	(3.7)	8.2
	<u>\$ 704.2</u>	<u>\$ 716.5</u>	<u>\$ 270.1</u>	<u>\$ 160.2</u>	<u>\$ (9.7)</u>	<u>\$ 1,841.3</u>

For the three months ended June 30, 2024:

(in millions)	Direct premiums and escrow fees	Agent premiums	Information and other	Net investment income	Net investment gains (losses)	Total Revenues
Title Insurance and Services	\$ 533.0	\$ 616.3	\$ 240.9	\$ 125.7	\$ 6.0	\$ 1,521.9
Home Warranty	99.6	—	5.8	1.1	0.3	106.8
Corporate and Eliminations	0.1	—	(0.1)	3.1	(19.5)	(16.4)
	<u>\$ 632.7</u>	<u>\$ 616.3</u>	<u>\$ 246.6</u>	<u>\$ 129.9</u>	<u>\$ (13.2)</u>	<u>\$ 1,612.3</u>

For the six months ended June 30, 2025:

(in millions)	Direct premiums and escrow fees	Agent premiums	Information and other	Net investment income (loss)	Net investment losses	Total Revenues
Title Insurance and Services	\$ 1,060.0	\$ 1,371.1	\$ 500.3	\$ 284.8	\$ (8.9)	\$ 3,207.3
Home Warranty	205.3	—	12.1	2.0	(1.4)	218.0
Corporate and Eliminations	—	—	(0.1)	8.6	(10.2)	(1.7)
	<u>\$ 1,265.3</u>	<u>\$ 1,371.1</u>	<u>\$ 512.3</u>	<u>\$ 295.4</u>	<u>\$ (20.5)</u>	<u>\$ 3,423.6</u>

For the six months ended June 30, 2024:

(in millions)	Direct premiums and escrow fees	Agent premiums	Information and other	Net investment income	Net investment gains (losses)	Total Revenues
Title Insurance and Services	\$ 936.2	\$ 1,180.1	\$ 458.1	\$ 242.4	\$ 24.9	\$ 2,841.7
Home Warranty	197.3	—	11.7	2.0	1.0	212.0
Corporate and Eliminations	0.1	—	(0.2)	13.4	(30.1)	(16.8)
	<u>\$ 1,133.6</u>	<u>\$ 1,180.1</u>	<u>\$ 469.6</u>	<u>\$ 257.8</u>	<u>\$ (4.2)</u>	<u>\$ 3,036.9</u>

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

CERTAIN STATEMENTS IN THIS QUARTERLY REPORT ON FORM 10-Q ARE FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE FORWARD-LOOKING STATEMENTS MAY CONTAIN THE WORDS “BELIEVE,” “ANTICIPATE,” “EXPECT,” “PLAN,” “PREDICT,” “ESTIMATE,” “PROJECT,” “WILL BE,” “WILL CONTINUE,” “WILL LIKELY RESULT,” OR OTHER SIMILAR WORDS AND PHRASES.

RISKS AND UNCERTAINTIES EXIST THAT MAY CAUSE RESULTS TO DIFFER MATERIALLY FROM THOSE SET FORTH IN THESE FORWARD-LOOKING STATEMENTS. FACTORS THAT COULD CAUSE THE ANTICIPATED RESULTS TO DIFFER FROM THOSE DESCRIBED IN THE FORWARD-LOOKING STATEMENTS INCLUDE THE FACTORS SET FORTH ON PAGES 3-4 OF THIS QUARTERLY REPORT. THE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THEY ARE MADE. THE COMPANY DOES NOT UNDERTAKE TO UPDATE FORWARD-LOOKING STATEMENTS TO REFLECT CIRCUMSTANCES OR EVENTS THAT OCCUR AFTER THE DATE THE FORWARD-LOOKING STATEMENTS ARE MADE.

This Management’s Discussion and Analysis contains the financial measure adjusted debt to capitalization ratio that is not presented in accordance with generally accepted accounting principles (“GAAP”), as it excludes the effects of secured financings payable. The Company is presenting this non-GAAP financial measure because it provides the Company’s management and readers of this Quarterly Report on Form 10-Q with additional insight into the financial leverage of the Company. The Company does not intend for this non-GAAP financial measure to be a substitute for any GAAP financial information. In this Quarterly Report on Form 10-Q, this non-GAAP financial measure has been presented with, and reconciled to, the most directly comparable GAAP financial measure. Readers of this Quarterly Report on Form 10-Q should use this non-GAAP financial measure only in conjunction with the comparable GAAP financial measure. Because not all companies use identical calculations, the presentation of adjusted debt to capitalization ratio may not be comparable to other similarly titled measures of other companies.

CRITICAL ACCOUNTING ESTIMATES

A summary of the Company’s significant accounting policies that it considers to be the most dependent on the application of estimates and assumptions can be found in the Management’s Discussion and Analysis section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2024.

Recently Adopted Accounting Pronouncements

See Note 1 Basis of Condensed Consolidated Financial Statements to the condensed consolidated financial statements.

Pending Accounting Pronouncements

See Note 1 Basis of Condensed Consolidated Financial Statements to the condensed consolidated financial statements.

Results of Operations

Summary

(dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Total Revenues by Segment								
Title Insurance and Services	\$ 1,722.9	\$ 1,521.9	\$ 201.0	13.2%	\$ 3,207.3	\$ 2,841.7	\$ 365.6	12.9%
Home Warranty	110.2	106.8	3.4	3.2	218.0	212.0	6.0	2.8
Corporate and Eliminations	8.2	(16.4)	24.6	150.0	(1.7)	(16.8)	15.1	89.9
	<u>\$ 1,841.3</u>	<u>\$ 1,612.3</u>	<u>\$ 229.0</u>	<u>14.2%</u>	<u>\$ 3,423.6</u>	<u>\$ 3,036.9</u>	<u>\$ 386.7</u>	<u>12.7%</u>

A substantial portion of the revenues for the Company's title insurance and services segment result from sales of, and refinancings of loans on, residential and commercial real estate. In the home warranty segment, revenues associated with the initial year of coverage are impacted by volatility in residential purchase transactions. Traditionally, the greatest volume of real estate activity, particularly residential purchase activity, has occurred in the spring and summer months. However, changes in interest rates, as well as other changes in general economic conditions in the United States and abroad, can cause fluctuations in the traditional pattern of real estate activity.

The Company's total revenues for the second quarter of 2025 were \$1.8 billion, which reflected an increase of \$229.0 million, or 14.2%, when compared with \$1.6 billion for the second quarter of 2024. This increase was primarily attributable to increases in agent premiums of \$100.2 million, or 16.3%, and direct premiums and escrow fees in the title insurance business of \$67.4 million, or 12.6%. In the title insurance and services segment, direct premiums and escrow fees from domestic commercial transactions and residential refinance transactions increased \$57.6 million, or 32.6% and \$11.1 million, or 54.0%, respectively, in the second quarter of 2025 when compared to the second quarter of 2024. Direct premiums and escrow fees from domestic residential purchase transactions decreased \$9.2 million, or 3.4%, in the second quarter of 2025 when compared to the second quarter of 2024.

According to the Mortgage Bankers Association's July 17, 2025 Mortgage Finance Forecast (the "MBA Forecast"), residential mortgage originations in the United States (based on the total dollar value of the transactions) are forecasted to increase 28.0% in the second quarter of 2025 when compared to the second quarter of 2024. Also, according to the MBA Forecast, the dollar amount of purchase originations are forecasted to increase 9.2% and refinance originations are forecasted to increase 95.7%. This volume of domestic residential mortgage origination activity contributed to an increase of 54.0% in direct premiums and escrow fees for the Company's direct title operations from domestic refinance transactions and a decrease of 3.4% from domestic residential purchase transactions in the second quarter of 2025 when compared to the second quarter of 2024.

During the second quarter of 2025, the level of domestic title orders opened per day by the Company's direct title operations increased 5.8% when compared with the second quarter of 2024. Refinance and commercial opened orders per day increased 34.2% and 10.6%, respectively, while residential purchase opened orders per day decreased 2.4% in the second quarter of 2025 when compared with the second quarter of 2024.

Title Insurance and Services

(dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Revenues								
Direct premiums and escrow fees	\$ 600.4	\$ 533.0	\$ 67.4	12.6%	\$ 1,060.0	\$ 936.2	\$ 123.8	13.2%
Agent premiums	716.5	616.3	100.2	16.3	1,371.1	1,180.1	191.0	16.2
Information and other	264.3	240.9	23.4	9.7	500.3	458.1	42.2	9.2
Net investment income	147.1	125.7	21.4	17.0	284.8	242.4	42.4	17.5
Net investment (losses) gains	(5.4)	6.0	(11.4)	(190.0)	(8.9)	24.9	(33.8)	(135.7)
	<u>1,722.9</u>	<u>1,521.9</u>	<u>201.0</u>	<u>13.2</u>	<u>3,207.3</u>	<u>2,841.7</u>	<u>365.6</u>	<u>12.9</u>
Expenses								
Personnel costs	523.0	485.6	37.4	7.7	1,007.8	938.1	69.7	7.4
Premiums retained by agents	573.5	492.2	81.3	16.5	1,099.0	940.0	159.0	16.9
Other operating expenses	277.8	243.6	34.2	14.0	524.2	477.3	46.9	9.8
Provision for policy losses and other claims	39.5	34.5	5.0	14.5	72.9	63.5	9.4	14.8
Depreciation and amortization	51.6	50.9	0.7	1.4	102.8	99.7	3.1	3.1
Premium taxes	18.0	14.3	3.7	25.9	34.3	27.2	7.1	26.1
Interest	22.8	23.4	(0.6)	(2.6)	42.8	45.8	(3.0)	(6.6)
	<u>1,506.2</u>	<u>1,344.5</u>	<u>161.7</u>	<u>12.0</u>	<u>2,883.8</u>	<u>2,591.6</u>	<u>292.2</u>	<u>11.3</u>
Income before income taxes	<u>\$ 216.7</u>	<u>\$ 177.4</u>	<u>\$ 39.3</u>	<u>22.2%</u>	<u>\$ 323.5</u>	<u>\$ 250.1</u>	<u>\$ 73.4</u>	<u>29.3%</u>
Pretax margins	<u>12.6%</u>	<u>11.7%</u>	<u>0.9%</u>	<u>7.7%</u>	<u>10.1%</u>	<u>8.8%</u>	<u>1.3%</u>	<u>14.8%</u>

Direct premiums and escrow fees were \$600.4 million and \$1.1 billion for the three and six months ended June 30, 2025, respectively, increases of \$67.4 million, or 12.6%, and \$123.8 million, or 13.2%, when compared with the respective periods of the prior year. The increases were due to increases in domestic average revenues per order and in the number of domestic title orders closed by the Company's direct title operations. Domestic average revenues per order closed were \$4,112 and \$4,026 for the three and six months ended June 30, 2025, respectively, increases of 7.7% and 9.3% when compared with \$3,818 and \$3,682 for the respective periods of the prior year. The increases in the average revenue per order closed were due to an increase in average revenues per order on commercial and purchase transactions, partially offset by a shift in mix from higher premium commercial transactions to lower premium refinance and default transactions. The Company's direct title operations closed 131,100 and 236,500 domestic title orders during the three and six months ended June 30, 2025, respectively, increases of 5.1% and 4.0% when compared with 124,700 and 227,400 domestic title orders closed during the respective periods of the prior year, which were generally consistent with the changes in residential mortgage origination activity in the United States as reported in the MBA Forecast. Domestic residential refinance orders closed per day increased by 43.7% and 37.7% and domestic residential purchase orders closed per day decreased by 5.7% and 5.3% for the three and six months ended June 30, 2025, respectively, when compared to the respective periods of the prior year.

Agent premiums were \$716.5 million and \$1.4 billion for the three and six months ended June 30, 2025, respectively, increases of \$100.2 million, or 16.3%, and \$191.0 million, or 16.2%, when compared with the respective periods of the prior year. Agent premiums are recorded when notice of issuance is received from the agent, which is generally when cash payment is received by the Company. As a result, there is generally a delay between the agent's issuance of a title policy and the Company's recognition of agent premiums. Therefore, current quarter agent premiums typically reflect prior quarter mortgage origination activity. The increase in agent premiums for the three months ended June 30, 2025 is generally consistent with the 14.0% increase in the Company's direct premiums and escrow fees in the first quarter of 2025 when compared with the first quarter of 2024.

Information and other revenues primarily consist of revenues generated from fees associated with title search and related reports, title and other real property records and images, other non-insured settlement services and risk mitigation products and services. These revenues generally trend with direct premiums and escrow fees but are typically less volatile since a portion of the revenues are subscription based and do not fluctuate with transaction volumes.

Information and other revenues were \$264.3 million and \$500.3 million for the three and six months ended June 30, 2025, respectively, increases of \$23.4 million, or 9.7%, and \$42.2 million, or 9.2%, when compared with the respective periods of the prior year. The increases were primarily due to an increase in demand for uninsured products and services in the Company's Canadian operations and demand for the Company's information products.

Net investment income totaled \$147.1 million and \$284.8 million for the three and six months ended June 30, 2025, respectively, increases of \$21.4 million, or 17.0%, and \$42.4 million, or 17.5%, when compared with the respective periods of the prior year. The increases were primarily driven by increases in interest income from the Company's investment portfolio.

Net investment losses of \$5.4 million and \$8.9 million for the three and six months ended June 30, 2025, respectively, were primarily attributable to asset impairments totaling \$35.5 million, which were partially offset by changes in the fair values of marketable equity securities. Net investment gains of \$6.0 million and \$24.9 million for the three and six months ended June 30, 2024, respectively, were primarily attributable to changes in the fair values of marketable equity securities, partially offset by losses recognized on sales of debt securities.

Personnel costs were \$523.0 million and \$1.0 billion for the three and six months ended June 30, 2025, respectively, increases of \$37.4 million, or 7.7%, and \$69.7 million, or 7.4%, when compared with the respective periods of the prior year. The increases were primarily attributable to higher incentive compensation expense due to higher revenue and profitability, and higher salary, employee benefits, payroll tax, severance and share-based compensation expense.

Agents retained \$573.5 million and \$1.1 billion of title premiums generated by agency operations for the three and six months ended June 30, 2025, respectively, which compares with \$492.2 million and \$940.0 million for the respective periods of the prior year. The percentage of title premiums retained by agents was 80.0% and 80.2% for the three and six months ended June 30, 2025, respectively, compared to 79.9% and 79.7% for the respective periods of the prior year.

Other operating expenses were \$277.8 million and \$524.2 million for the three and six months ended June 30, 2025, respectively, increases of \$34.2 million, or 14.0%, and \$46.9 million, or 9.8%, when compared with the respective periods of the prior year. The increases were primarily due to higher production expenses on higher volumes and increases in software, travel, professional services and other operating expenses. The increase for the six months ended June 30, 2025 was partially offset by a credit related to the release of a \$5.7 million acquisition-related incentive obligation in the current year and also reflects the non-recurrence of a prior year out-of-period adjustment that totaled \$6.2 million.

The provision for policy losses and other claims, expressed as a percentage of title insurance premiums and escrow fees, was 3.0% for the three and six months ended June 30, 2025 and 2024. The 3.0% loss provision rate for the three and six months ended June 30, 2025 reflects an ultimate loss rate of 3.75% for the 2025 policy year and reserve releases of 0.75%, or \$9.9 million and \$18.3 million, respectively, for prior policy years, all based on title insurance premiums and escrow fees for the three and six months ended June 30, 2025. The 3.0% loss provision rate for the three and six months ended June 30, 2024 reflected an ultimate loss rate of 3.75% for the 2024 policy year and reserve releases of 0.75%, or \$8.6 million and \$15.9 million, respectively, for prior policy years, all based on title insurance premiums and escrow fees for the three and six months ended June 30, 2024.

Depreciation and amortization expense was \$51.6 million and \$102.8 million for the three and six months ended June 30, 2025, respectively, increases of \$0.7 million, or 1.4%, and \$3.1 million, or 3.1%, when compared with the respective periods of the prior year. The increases were primarily due to higher amortization of capitalized software from recently deployed digital settlement products.

Premium taxes were \$18.0 million and \$34.3 million for the three and six months ended June 30, 2025, respectively, increases of \$3.7 million, or 25.9%, and \$7.1 million, or 26.1%, when compared with the respective periods of the prior year. Premium taxes as a percentage of title insurance premiums and escrow fees were 1.4% for the three and six months ended June 30, 2025 and 1.2% and 1.3% for the three and six months ended June 30, 2024, respectively.

Interest expense was \$22.8 million and \$42.8 million for the three and six months ended June 30, 2025, respectively, decreases of \$0.6 million, or 2.6%, and \$3.0 million, or 6.6%, when compared with the respective periods of the prior year. The decreases were primarily attributable to lower interest expense in the Company's warehouse lending business.

Pretax margins for the title insurance business reflect the high cost of performing the essential services required before insuring title, whereas the corresponding revenues are subject to regulatory and competitive pricing restraints. Due to the relatively high proportion of fixed costs in the title insurance business, pretax margins generally improve as closed order volumes increase.

Pretax margins for the segment are also impacted by (1) net investment income and net investment gains or losses, which may not move in the same direction as closed order volumes, (2) the composition (residential or commercial) and type (resale, refinancing or new construction) of real estate activity and (3) the percentage of title insurance premiums generated by agency operations as margins from direct operations are generally higher than from agency operations due primarily to the large portion of the premium that is retained by the agent. The title insurance and services segment recorded pretax margins of 12.6% and 10.1% for the three and six months ended June 30, 2025, respectively, compared with 11.7% and 8.8% in the respective periods of the prior year.

Home Warranty

(dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Revenues								
Direct premiums	\$ 103.7	\$ 99.6	\$ 4.1	4.1%	\$ 205.3	\$ 197.3	\$ 8.0	4.1%
Information and other	5.9	5.8	0.1	1.7	12.1	11.7	0.4	3.4
Net investment income	1.2	1.1	0.1	9.1	2.0	2.0	—	—
Net investment (losses) gains	(0.6)	0.3	(0.9)	(300.0)	(1.4)	1.0	(2.4)	(240.0)
	<u>110.2</u>	<u>106.8</u>	<u>3.4</u>	<u>3.2</u>	<u>218.0</u>	<u>212.0</u>	<u>6.0</u>	<u>2.8</u>
Expenses								
Personnel costs	20.7	20.8	(0.1)	(0.5)	41.2	40.6	0.6	1.5
Other operating expenses	21.9	21.6	0.3	1.4	44.4	43.7	0.7	1.6
Provision for policy losses and other claims	42.8	45.6	(2.8)	(6.1)	80.5	86.3	(5.8)	(6.7)
Depreciation and amortization	1.3	1.1	0.2	18.2	2.6	2.4	0.2	8.3
Premium taxes	1.2	1.2	—	—	2.3	2.2	0.1	4.5
	<u>87.9</u>	<u>90.3</u>	<u>(2.4)</u>	<u>(2.7)</u>	<u>171.0</u>	<u>175.2</u>	<u>(4.2)</u>	<u>(2.4)</u>
Income before income taxes	\$ 22.3	\$ 16.5	\$ 5.8	35.2%	\$ 47.0	\$ 36.8	\$ 10.2	27.7%
Pretax margins	<u>20.2%</u>	<u>15.4%</u>	<u>4.8%</u>	<u>31.2%</u>	<u>21.6%</u>	<u>17.4%</u>	<u>4.2%</u>	<u>24.1%</u>

Direct premiums were \$103.7 million and \$205.3 million for the three and six months ended June 30, 2025, respectively, increases of \$4.1 million, or 4.1%, and \$8.0 million, or 4.1%, when compared with the respective periods of the prior year. The increases were primarily attributable to increases in the average price per policy.

Personnel costs and other operating expenses totaled \$42.6 million and \$85.6 million for the three and six months ended June 30, 2025, respectively, increases of \$0.2 million, or 0.5%, and \$1.3 million, or 1.5%, when compared with the respective periods of the prior year. The increases were primarily attributable to higher salary and marketing expenses.

The provision for home warranty claims, expressed as a percentage of home warranty premiums, was 41.3% and 39.2% for the three and six months ended June 30, 2025, respectively, compared with 45.8% and 43.7% for the respective periods of the prior year. The decrease in the claims rate for three months ended June 30, 2025 was primarily attributable to lower claims frequency while the decrease in the claims rate for the six months ended June 30, 2025 was attributable to lower claims frequency and severity.

A large portion of the revenues for the home warranty segment are generated by renewals and are not dependent on the level of real estate activity in the year of renewal. With the exception of the provision for losses, the majority of the expenses for this segment are variable in nature and, therefore, generally fluctuate with revenue. Accordingly, pretax margins (before loss expense) are relatively constant, although, as a result of some fixed expenses, profit margins (before loss expense) should nominally improve as premium revenues increase. Pretax margins are also impacted by net investment income and net investment gains or losses, which may not move in the same direction as premium revenues. The home warranty segment recorded pretax margins of 20.2% and 21.6% for the three and six months ended June 30, 2025, respectively, compared with 15.4% and 17.4% in the respective periods of the prior year.

Corporate

(dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Revenues								
Net investment income	\$ 12.0	\$ 3.7	8.3	224.3%	\$ 8.6	\$ 14.4	(5.8)	(40.3)%
Net investment losses	(3.7)	(19.5)	15.8	81.0	(10.2)	(30.1)	19.9	66.1
	<u>8.3</u>	<u>(15.8)</u>	<u>24.1</u>	<u>152.5</u>	<u>(1.6)</u>	<u>(15.7)</u>	<u>14.1</u>	<u>89.8</u>
Expenses								
Personnel costs	27.3	2.6	24.7	NM ⁽¹⁾	28.8	15.1	13.7	90.7
Other operating expenses	9.7	12.0	(2.3)	(19.2)	19.1	22.0	(2.9)	(13.2)
Provision for policy losses and other claims	(0.2)	(0.6)	0.4	66.7	(1.3)	(0.8)	(0.5)	(62.5)
Depreciation and amortization	0.1	0.1	—	—	0.1	0.1	—	—
Interest	15.2	12.4	2.8	22.6	30.4	24.9	5.5	22.1
	<u>52.1</u>	<u>26.5</u>	<u>25.6</u>	<u>96.6%</u>	<u>77.1</u>	<u>61.3</u>	<u>15.8</u>	<u>25.8%</u>
Loss before income taxes	<u>\$ (43.8)</u>	<u>\$ (42.3)</u>	<u>\$ (1.5)</u>	<u>(3.5)%</u>	<u>\$ (78.7)</u>	<u>\$ (77.0)</u>	<u>\$ (1.7)</u>	<u>(2.2)%</u>

(1) Not meaningful

Net investment income totaled \$12.0 million and \$8.6 million for the three and six months ended June 30, 2025, respectively, compared with \$3.7 million and \$14.4 million in the respective periods of the prior year. The changes in net investment income/loss were primarily attributable to fluctuations in earnings on investments associated with the Company's deferred compensation plan.

Net investment losses of \$3.7 million and \$10.2 million and \$19.5 million and \$30.1 million for the three and six months ended June 30, 2025 and 2024, respectively, were primarily related to unrealized losses on the Company's investment in Offerpad Solutions Inc., a tech-enabled real estate company.

Personnel costs and other operating expenses totaled \$37.0 million and \$47.9 million for the three and six months ended June 30, 2025, respectively, compared with \$14.6 million and \$37.1 million for the respective periods of the prior year. The increases for the three and six months ended June 30, 2025 were primarily attributable to higher severance and share-based compensation expense and, for the three months ended June 30, 2025, also due to higher returns on participant investments within the Company's deferred compensation plan.

Interest expense totaled \$15.2 million and \$30.4 million for the three and six months ended June 30, 2025, respectively, increases of \$2.8 million, or 22.6%, and \$5.5 million, or 22.1%, when compared with the respective periods of the prior year. The increases were primarily attributable to additional interest on the Company's \$450.0 million 5.45% senior unsecured notes issued in September 2024, partially offset by a reduction in interest on the Company's \$300.0 million 4.60% senior unsecured notes, repaid upon maturity, in November 2024.

Eliminations

The Company's inter-segment eliminations were not material for the three and six months ended June 30, 2025 and 2024.

INCOME TAXES

The Company's effective income tax rates (income tax expense as a percentage of income before income taxes) were 24.6% and 24.0% for the three and six months ended June 30, 2025, respectively, compared with 23.2% and 22.3% for the respective periods of the prior year. The differences in the effective tax rates are primarily due to the impact on state income taxes resulting from the relative proportion of income derived from the Company's insurance and non-insurance businesses as well as permanent differences between amounts reported for financial statement purposes and amounts reported for income tax purposes. In addition, the effective income tax rates for 2024 reflect tax benefits related to a state tax matter from prior years.

The Company evaluates the realizability of its deferred tax assets by assessing the valuation allowance and makes adjustments to the allowance as necessary. The factors used in assessing the likelihood of realization include forecasts of future taxable income and available tax planning strategies that could be implemented. The Company's ability to achieve forecasted taxable income in the applicable taxing jurisdictions could affect the ultimate realization of its deferred tax assets. Based on future operating results in certain jurisdictions, it is possible that the current valuation allowance positions of those jurisdictions could be adjusted during the next 12 months.

Public Law 119-21, popularly known as the "One Big Beautiful Bill Act," was signed into law on July 4, 2025. This legislation includes a broad range of tax reform provisions affecting businesses, with certain provisions effective January 1, 2025. The Company anticipates an impact to its deferred tax liability and income tax payable related to the provisions for 100% bonus depreciation for assets placed in service after January 19, 2025 and full expensing of domestic research and experimental expenditures. While the Company is still evaluating these and other changes contained in the law, it does not expect them to have a material effect on its ongoing effective tax rate.

NET INCOME AND NET INCOME ATTRIBUTABLE TO THE COMPANY

Net income for the three and six months ended June 30, 2025 was \$147.1 million and \$221.9 million, respectively, compared with \$116.4 million and \$163.1 million for the respective periods of the prior year. Net income attributable to the Company for the three and six months ended June 30, 2025 was \$146.1 million, or \$1.41 per diluted share, and \$220.3 million, or \$2.12 per diluted share, respectively, compared with \$116.0 million, or \$1.11 per diluted share, and \$162.7 million, or \$1.56 per diluted share, for the respective periods of the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Cash requirements. The Company generates cash primarily from sales of its products and services and from investment income. The Company's current cash requirements include operating expenses, taxes, payments of principal and interest on its debt, capital expenditures, dividends on its common stock, and may include business acquisitions, investments in and loans to private companies and repurchases of its common stock. Management forecasts the cash needs of the holding company and its primary subsidiaries and regularly reviews their short-term and long-term projected sources and uses of funds, as well as the asset, liability, investment and cash flow assumptions underlying such forecasts. Based on the Company's ability to generate cash flows from operations, its liquid-asset position and amounts available on its revolving credit facility, management believes that its resources are sufficient to satisfy its anticipated operational cash requirements and obligations for at least the next twelve months.

The substantial majority of the Company's business is dependent upon activity in the real estate and mortgage markets, which are cyclical and seasonal. Periods of increasing interest rates and reduced affordability, supply and mortgage financing availability generally have an adverse effect on residential real estate activity and, therefore, typically decrease the Company's revenues. In contrast, periods of declining interest rates and increased affordability, supply and mortgage financing availability generally have a positive effect on residential real estate activity, which typically increases the Company's revenues. Residential purchase activity is typically slower in the winter months with increased volumes in the spring and summer months. Residential refinance activity is typically more volatile than purchase activity and is highly impacted by changes in interest rates. Commercial real estate volumes are less sensitive to changes in interest rates but fluctuate based on local supply and demand conditions for space and financing availability.

Cash provided by operating activities totaled \$309.0 million and \$336.0 million for the six months ended June 30, 2025 and 2024, respectively, after claim payments, net of recoveries, of \$164.5 million and \$179.4 million, respectively. The principal nonoperating uses of cash and cash equivalents for the six months ended June 30, 2025 and 2024 were advances and repayments related to secured financing transactions, purchases of debt and equity securities, dividends to common stockholders, capital expenditures and repurchases of company common shares. Principal nonoperating uses of cash and cash equivalents also included decreases in deposits at the Company's banking operations for the six months ended June 30, 2024. The principal nonoperating sources of cash and cash equivalents for the six months ended June 30, 2025 and 2024 were borrowings and collections related to secured financing transactions, proceeds from the sales and maturities of debt and equity securities and, for the six months ended June 30, 2025, increases in the deposit balances at the Company's banking operations. The net effect of all activities on cash and cash equivalents was an increase of \$313.1 million and a decrease of \$1.6 billion for the six months ended June 30, 2025 and 2024, respectively.

The Company continually assesses its capital allocation strategy, including decisions relating to dividends, stock repurchases, capital expenditures, acquisitions and investments. In June 2025, the Company paid a second quarter cash dividend of 54 cents per common share. Management expects that the Company will continue to pay quarterly cash dividends at or above the current level. The timing, declaration and payment of future dividends, however, falls within the discretion of the Company's board of directors and will depend upon many factors, including the Company's financial condition and earnings, the capital requirements of the Company's businesses, restrictions imposed by applicable law and any other factors the board of directors deems relevant from time to time.

In July 2025, the Company's board of directors approved a new share repurchase plan which authorizes the repurchase of up to \$300 million of the Company's common stock and terminated its prior share repurchase plan. Purchases may be made from time to time by the Company in the open market at prevailing market prices or in privately negotiated transactions. During the six months ended June 30, 2025, the Company repurchased and retired 1.5 million shares of its common stock for a total purchase price of \$88.7 million and, as of June 30, 2025, the Company has repurchased and retired 6.2 million shares of its common stock under the previous authorization for a total purchase price of \$343.3 million.

Holding Company. First American Financial Corporation is a holding company that conducts all of its operations through its subsidiaries. The holding company's current cash requirements include payments of principal and interest on its debt, taxes, payments in connection with employee benefit plans, dividends on its common stock and other expenses. The holding company is dependent upon dividends and other payments from its operating subsidiaries to meet its cash requirements. The Company's target is to maintain a cash balance at the holding company equal to at least twelve months of estimated cash requirements. At certain points in time, the actual cash balance at the holding company may vary from this target due to, among other factors, the timing and amount of cash payments made and dividend payments received. Pursuant to insurance and other regulations under which the Company's insurance subsidiaries operate, the amount of dividends, loans and advances available to the holding company is limited, principally for the protection of policyholders. As of June 30, 2025, under such regulations, the maximum amount available to the holding company from its insurance subsidiaries for the remainder of 2025, without prior approval from applicable regulators, was dividends of \$435.0 million and loans and advances of \$114.2 million. However, the timing and amount of dividends paid by the Company's insurance subsidiaries to the holding company falls within the discretion of each insurance subsidiary's board of directors and will depend upon many factors, including the level of total statutory capital and surplus required to support minimum financial strength ratings by certain rating agencies. Such restrictions have not had, nor are they expected to have, an impact on the holding company's ability to meet its cash obligations.

As of June 30, 2025, the holding company's sources of liquidity included \$114.2 million of cash and cash equivalents and \$900.0 million available on the Company's revolving credit facility. Management believes that liquidity at the holding company is sufficient to satisfy anticipated cash requirements and obligations for at least the next twelve months.

Financing. The Company maintains a senior unsecured credit agreement with JPMorgan Chase Bank, N.A., in its capacity as administrative agent, and the lenders party thereto that provides for a \$900.0 million revolving credit facility. The credit agreement includes an expansion option that permits the Company, subject to satisfaction of certain conditions, to increase the revolving commitments and/or add term loan tranches in an aggregate amount not to exceed \$450.0 million. The obligations of the Company under the credit agreement are neither secured nor guaranteed. Proceeds from borrowings made from time to time under the credit agreement may be used for general corporate purposes. Unless terminated earlier, the credit agreement will terminate on May 17, 2028. At June 30, 2025, the Company had no outstanding borrowings under the facility.

In addition to amounts available under its credit facility, certain subsidiaries of the Company maintain separate financing arrangements. The primary financing arrangements maintained by subsidiaries of the Company are as follows:

- FirstFunding, Inc., a specialized warehouse lender to correspondent mortgage lenders, maintains secured warehouse lending facilities with several banking institutions. At June 30, 2025, outstanding borrowings under these facilities totaled \$883.8 million.
- First American Trust, FSB ("FA Trust"), a federal savings bank, maintains a secured line of credit with the Federal Home Loan Bank and maintains access to the Federal Reserve's Discount Window. At June 30, 2025, no amounts were outstanding under any of these facilities.
- First Canadian Title Company Limited, a Canadian title insurance and services company, maintains credit facilities with certain Canadian banking institutions. At June 30, 2025, no amounts were outstanding under these facilities.

The Company's debt to capitalization ratios were 32.1% and 30.8% at June 30, 2025 and December 31, 2024, respectively. The Company's adjusted debt to capitalization ratio, excluding secured financings payable of \$883.8 million and \$643.8 million at June 30, 2025 and December 31, 2024, was 23.1% and 23.9%, respectively.

Investment Portfolio. The Company maintains a high quality, liquid investment portfolio that is primarily held at its insurance and banking subsidiaries. As of June 30, 2025, 95% of the Company's investment portfolio consisted of debt securities, of which 71% were either United States government-backed or rated AAA and 97% were either rated or classified as investment grade. Percentages are based on the estimated fair values of the securities. Credit ratings reflect published ratings obtained from globally recognized securities rating agencies. If a security was rated differently among the rating agencies, the lowest rating was selected. For further information on the credit quality of the Company's debt securities portfolio at June 30, 2025, see Note 3 Debt Securities to the condensed consolidated financial statements.

In addition to its debt and marketable equity securities portfolio, the Company maintains investments in non-marketable equity securities and securities accounted for under the equity method. For further information on the Company's equity securities, see Note 4 Equity Securities to the condensed consolidated financial statements.

Off-balance sheet arrangements. The Company administers escrow deposits as a service to customers in its direct title operations. Escrow deposits totaled \$10.7 billion and \$8.9 billion at June 30, 2025 and December 31, 2024, respectively, of which \$4.5 billion and \$4.0 billion, respectively, were held at FA Trust. The remaining deposits were held at third-party financial institutions. Escrow deposits held at third-party financial institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable for the disposition of these assets.

Trust assets administered by FA Trust totaled \$4.9 billion and \$4.8 billion at June 30, 2025 and December 31, 2024, respectively, of which \$150.3 million and \$169.4 million, respectively, were held at FA Trust. The remaining trust assets were held at third-party financial institutions. Trust assets administered by FA Trust and held at third-party institutions are fiduciary client assets. Trust assets held at third-party financial institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. The Company could be held contingently liable if FA Trust were to breach any of its fiduciary duties.

In conducting its operations, the Company often holds customers' assets in escrow, pending completion of real estate transactions and, as a result, the Company has ongoing programs for realizing economic benefits with various financial institutions. The results from these programs are included as either income or as a reduction in expense, as appropriate, in the condensed consolidated statements of income based on the nature of the arrangement and benefit received.

The Company facilitates tax-deferred property exchanges for customers pursuant to Section 1031 of the Internal Revenue Code and tax-deferred reverse exchanges pursuant to Revenue Procedure 2000-37. As a facilitator and intermediary, the Company holds the proceeds from sales transactions and takes temporary title to property identified by the customer to be acquired with such proceeds. Upon the completion of each such exchange, the identified property is transferred to the customer or, if the exchange does not take place, an amount equal to the sales proceeds or, in the case of a reverse exchange, title to the property held by the Company is transferred to the customer. Like-kind exchange funds administered by the Company totaled \$2.3 billion at June 30, 2025 and December 31, 2024. The like-kind exchange deposits are held at third-party financial institutions and, due to the structure utilized to facilitate these transactions, the proceeds and property are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable to the customer for the transfers of property, disbursements of proceeds and the returns on such proceeds.

In conducting its residential mortgage loan subservicing operations, the Company administers cash deposits on behalf of its clients. Cash deposits totaled \$1.3 billion and \$901.0 million at June 30, 2025 and December 31, 2024, respectively, of which \$908.6 million and \$606.5 million, respectively, were held at FA Trust. The remaining deposits were held at third-party financial institutions. Cash deposits held at third-party financial institutions are not considered assets of the Company and, therefore, are not included in the accompanying condensed consolidated balance sheets. All such amounts are placed in deposit accounts insured, up to applicable limits, by the Federal Deposit Insurance Corporation. The Company could be held contingently liable for the disposition of these assets. In connection with certain accounts, the Company has ongoing programs for realizing economic benefits with various financial institutions whereby it earns economic benefits either as income or as a reduction in expense.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company's primary exposure to market risk relates to interest rate risk associated with certain financial instruments. Although the Company monitors its risk associated with fluctuations in interest rates, it does not currently use derivative financial instruments on any significant scale to hedge these risks.

There have been no material changes in the Company's market risks since the filing of its Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The Company's chief executive officer and chief financial officer have concluded that, as of June 30, 2025, the end of the quarterly period covered by this Quarterly Report on Form 10-Q, the Company's disclosure controls and procedures, as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended, were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) thereunder.

Changes in Internal Control Over Financial Reporting

There was no change in the Company's internal control over financial reporting during the quarter ended June 30, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 16 Litigation and Regulatory Contingencies to the condensed consolidated financial statements included in “Item 1. Financial Statements (unaudited)” of Part I of this report, which is incorporated by reference into this Item 1 of Part II.

Item 1A. Risk Factors.

The following “risk factors” could materially and adversely affect the Company’s business, operations, reputation, financial position or future financial performance. Some of the factors, events and contingencies discussed below may have occurred in the past, but the disclosures below are not representations as to whether or not the factors, events or contingencies have occurred in the past, and instead reflect our beliefs and opinions as to the factors, events, or contingencies that could materially and adversely affect us in the future. You should carefully consider each of the following risk factors and the other information contained in this Quarterly Report on Form 10-Q. The Company faces risks other than those listed here, including those that are unknown to the Company and others of which the Company may be aware but, at present, considers immaterial. Because of the following factors, as well as other variables affecting the Company’s operating results, past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods.

STRATEGIC RISK FACTORS

1. The Company’s risk management framework could prove inadequate, which could adversely affect the Company

The Company’s risk management framework is designed to identify, monitor and mitigate risks that could have a negative impact on the Company’s financial condition or reputation. This framework includes departments or groups dedicated to enterprise risk management, treasury management, information security, model risk management, disaster recovery and other information technology-related risks, business continuity, legal and compliance, compensation structures and other human resources matters, vendor management and internal audit, among others. Many of the processes overseen by these departments function at the enterprise level, but many also function through, or rely to a certain degree upon, risk mitigation efforts in local operating groups. This is especially the case with respect to the Company’s operations outside of the United States and recently acquired businesses, which may not be fully integrated into the Company’s risk management framework. Similarly, with respect to the risks the Company assumes in the ordinary course of its business through the issuance of title insurance policies and the provision of related products and services, the Company employs localized, as well as centralized risk mitigation efforts. These efforts include the implementation of underwriting policies and procedures, automated underwriting and other risk-decisioning tools and other mechanisms for assessing and managing risk. Underwriting title insurance policies and making other risk-assumption decisions frequently involves a substantial degree of individual judgment and, accordingly, underwriters are maintained at the state, regional, divisional, and corporate levels with varying degrees of underwriting authority. These individuals may be encouraged by customers or others to assume risks or to expeditiously make risk determinations. If the Company’s risk mitigation efforts prove inadequate, the Company could be adversely affected.

2. The Company is pursuing various innovative initiatives, which could result in increased title claims or otherwise adversely affect the Company

In an effort to speed the delivery of its products, increase efficiency, improve quality, improve the customer experience and decrease risk, the Company is utilizing innovative technologies, processes and techniques, including artificial intelligence, in the production and delivery of its products and services. These efforts include converting certain manual processes into automated ones to streamline searches, examinations and other underwriting functions in connection with the issuance of title insurance policies, building and maintaining title plants and other data assets, and digitizing and automating components of the settlement process. The Company believes these innovations will improve the customer experience by simplifying and reducing the time it takes to close a transaction, reduce risk and improve communication, and expects to continue expanding its use of these technologies. Risks from these and other innovative initiatives include those associated with potential defects in the design and development of the technologies used to automate processes; misapplication of technologies; the reliance on data, rules or assumptions that may prove inadequate; increased costs from third parties on whose technologies we are dependent; information security vulnerabilities; and failure to meet customer expectations, among others. As a result of these risks, the Company could experience increased claims, reputational damage or other adverse effects, which could be material to the Company.

3. *Potentially disruptive innovation in the real estate industry and/or the Company's participation in these efforts could adversely affect the Company*

In addition to the Company's innovative activities, other participants in the real estate industry are seeking to innovate in ways that could adversely impact the Company's businesses. These participants include certain of the Company's sources of business, competitors, investments and ultimate customers. Innovations by these participants may change the demand for the Company's products and services, the manner in which the Company's products and services are ordered or fulfilled and the revenue or profitability derived from the Company's products and services. The Company's investments in some of these participants could also facilitate efforts that ultimately disrupt the Company's business or enable competitors. Accordingly, the Company's efforts to anticipate and participate in these transformations could require significant additional investment and management attention and may not succeed. These innovative efforts by third parties, and the manner in which the Company, its agents and other industry participants respond to them, could therefore have an adverse effect on the Company.

OPERATIONAL RISK FACTORS

4. *Conditions in the real estate market generally impact the demand for a substantial portion of the Company's products and services*

Demand for a substantial portion of the Company's products and services generally decreases as the number of real estate transactions in which its products and services are purchased decreases. The number of real estate transactions in which the Company's products and services are purchased typically decreases in the following situations, among others:

- when mortgage interest rates are high or rising;
- when the availability of credit, including commercial and residential mortgage funding, is limited;
- when real estate affordability is declining;
- when real estate inventory levels are insufficient or declining; and
- when economic conditions are unfavorable, including during periods of high unemployment.

Certain of these circumstances, particularly when combined with declining real estate values and the increase in foreclosures that often results therefrom, also tend to adversely impact the Company's title claims experience. While the Company has seen a steady increase in national inventory levels since late 2023 for residential homes for sale, levels remain below historical averages. This, combined with sustained high mortgage interest rates and elevated home prices, which decreased demand, continues to contribute to historically weak residential purchase activity. Residential refinance activity is generally correlated with changes in mortgage interest rates and rising mortgage rates. Beginning in the second half of 2022, increases in interest and mortgage rates had an adverse impact on the Company's refinance business that is expected to continue for so long as mortgage rates remain high relative to the interest rates of outstanding mortgages. Higher interest rates and other unfavorable economic conditions also negatively impacted commercial transactions beginning in the second half of 2022; however, revenues and activity levels have started to rebound beginning in the second half of 2024.

5. *Unfavorable economic conditions adversely affect the Company*

Historically, uncertainty and negative trends in general economic conditions in the United States and abroad, including significant tightening of credit markets and/or a general decline in the value of real property, have created a difficult operating environment for the Company. These conditions also tend to negatively impact, and recently have impacted, the amount of funds the Company receives from third parties held in trust pending the closing of commercial and residential real estate transactions.

The Company deposits a substantial portion of these funds, as well as its own funds, with the federal savings bank it owns. During periods of unfavorable economic conditions, the return on these funds deposited at the Company's bank, as well as funds the Company deposits with third party financial institutions, tends to decline. In addition, the Company holds investments in entities, such as title agencies, settlement service providers and venture-stage companies, some of which have been negatively impacted by these conditions, as well as other securities in its investment portfolio, which also may be, and recently have been, negatively impacted by these conditions.

Certain funds deposited at the Company's bank are invested into investment grade fixed income securities and any realized and unrealized losses on those investments will be reflected in the Company's consolidated financial statements. The likelihood of such losses, which would generally not occur if the Company were to deposit these funds in an unaffiliated entity, increases when interest rates increase and/or when economic conditions are unfavorable.

Depending upon the ultimate severity and duration of any economic downturn and other negative economic conditions, the resulting effects on the Company could be materially adverse, including a significant reduction in revenues, earnings and cash flows, higher claims, challenges to the Company's ability to satisfy covenants or otherwise meet its obligations under debt facilities and other contracts, difficulties in obtaining access to capital, challenges to the Company's ability to pay dividends at currently anticipated levels, deterioration in the value of or return on its investments and increased credit risk from customers and others with obligations to the Company.

6. *The Company's use of models involves risks and uncertainties that could adversely affect the Company*

The Company utilizes models to support decisions related to risk management, capital and liquidity planning, financial accounting, data extraction and other business purposes. Models are, by their nature, inherently limited due to their reliance on statistical, economic, financial or mathematical theories, techniques, data and assumptions that may be erroneous or inappropriate for the intended or actual use. Flawed models or uses of models, particularly those that rely on artificial intelligence, may result in, among other consequences, erroneous, biased or misleading outputs, imprudent business decisions, inadequate risk management or enhanced regulatory supervision. Heightened regulatory supervision and an evolving regulatory landscape could hinder the pace of the Company's innovation and may require burdensome changes to the Company's existing governance, processes and controls. These risks and uncertainties could have a material adverse effect on the Company's results of operations, financial condition and reputation.

7. *Severe weather conditions, health crises, terrorist attacks and other catastrophes could adversely affect the Company*

Severe weather conditions, global or extensive health crises, terrorist attacks and other catastrophes and responses to these events could adversely affect the Company. The extent to which these catastrophes and responses to them impact the Company's business, operations and financial results will depend on numerous factors that the Company may not be able to accurately predict, including: the duration and scope of the catastrophe and restrictions and responses to it; the impact of the catastrophe on economic activity and actions taken in response, including the efficacy of governmental and other relief efforts or countermeasures; the effect on participants in real estate transactions and the demand for the Company's products and services.

The Company's home warranty business has been and may be impacted by increases in the frequency and severity of weather events. Home warranty claims, including those pertaining to HVAC systems, tend to rise as temperatures become extreme, especially in geographies where extreme temperatures are infrequent.

In addition, the Company manages its financial exposure for losses in its title insurance business with third-party reinsurance. Catastrophes could adversely affect the cost and availability of that reinsurance. Moreover, to the extent severe weather conditions, health crises, terrorist attacks and other catastrophes impact companies or municipalities whose securities the Company invests in, the value of its investments may also decrease due to these factors.

The frequency, severity, duration, and geographic location and scope of such health crises, catastrophe and severe weather events are inherently unpredictable, and, therefore, the Company is unable to predict the ultimate impact these events and responses to them will have on its businesses. The impacts of catastrophes and responses to them may also exacerbate the risks discussed elsewhere in Part II, Item 1A of this Quarterly Report.

8. *The Company may find it difficult to acquire necessary data*

Certain data used and supplied by the Company are subject to regulation by various federal, state and local regulatory authorities. Compliance with existing federal, state and local laws and regulations with respect to such data has not had a material adverse effect on the Company's results of operations to date. Nonetheless, federal, state and local laws and regulations in the United States designed to protect the public from the misuse of personal information in the marketplace and adverse publicity or potential litigation concerning the commercial use of such information may affect the Company's operations and could result in substantial regulatory compliance expense, litigation expense and a loss of revenue. The suppliers of data to the Company face similar burdens. As a result of these and other factors, the Company may find it financially burdensome to acquire necessary data.

9. *Changes in the Company's relationships with large mortgage lenders or government-sponsored enterprises could adversely affect the Company*

Large mortgage lenders and government-sponsored enterprises, because of their significant role in the mortgage process, have significant influence over the Company and other service providers. Changes in the Company's relationship with any of these lenders or government-sponsored enterprises, the loss of all or a portion of the business the Company derives from these parties, any refusal of these parties to accept the Company's products and services, the modification of the government-sponsored enterprises' requirements for title insurance or mortgage servicing in connection with mortgages they purchase or the use of alternatives to the Company's products and services, could have a material adverse effect on the Company.

10. *A downgrade by ratings agencies, reductions in statutory capital and surplus maintained by the Company's title insurance underwriters or a deterioration in other measures of financial strength could adversely affect the Company*

Certain of the Company's customers use measurements of the financial strength of the Company's title insurance underwriters, including, among others, ratings provided by ratings agencies and levels of statutory capital and surplus maintained by those underwriters, in determining the amount of a policy they will accept and the amount of reinsurance required. Each of the major ratings agencies currently rates the Company's title insurance operations. These ratings provide the agencies' perspectives on the financial strength, operating performance and cash generating ability of those operations. These agencies continually review these ratings and the ratings are subject to change. Statutory capital and surplus, or the amount by which statutory assets exceed statutory liabilities, is also a measure of financial strength. Accordingly, if the ratings or statutory capital and surplus of these title insurance underwriters are reduced from their current levels, or if there is a deterioration in other measures of financial strength, the Company's results of operations, competitive position and liquidity could be adversely affected. In addition, a downgrade in the ratings or rankings for the Company's federal savings bank subsidiary or its mortgage servicing business could have an adverse effect on that particular business.

11. *The issuance of the Company's title insurance policies and related activities by independent title agents could adversely affect the Company*

The Company's title insurance subsidiaries issue a significant portion of their policies through title agents that usually operate with substantial independence from the Company. There is no guarantee that these title agents will fulfill their fiduciary duties or contractual obligations to the Company, which are designed to limit the Company's risk with respect to their activities. Certain activities that are not governed by fiduciary duties or contractual obligations to the Company can also create risks. If, for example, funds held in trust by an independent title agent are not appropriately applied by the agent in a transaction, it may result in one or more parties to a transaction having defective title to or lien on a property, which, in turn, has led to and may continue to lead to title claims against the Company for which the Company may be liable.

In addition, regulators are increasingly seeking to hold the Company responsible for the actions of these title agents and, under certain circumstances, the Company may be held liable directly to third parties for actions (including defalcations) or omissions of these agents. Case law and statutes in certain states also suggest that the Company is liable for the actions or omissions of its agents in those states, regardless of contractual limitations. As a result, the Company's use of title agents could result in increased claims and loss severity on the Company's policies issued through agents and an increase in other costs and expenses.

12. *Systems damage, failures, interruptions, cyberattacks and intrusions, and unauthorized data disclosures by the Company or its service providers may disrupt the Company's business, harm the Company's reputation, result in material claims for damages or otherwise adversely affect the Company*

The Company uses computer software applications, systems and other technologies (collectively referred to as "systems"), some of which it owns and manages and some of which are owned and/or managed by third parties, including providers of Software as a Service (SaaS) and providers of distributed computing infrastructure platforms commonly known as the "cloud." The Company and its agents, suppliers, service providers, and customers use systems to receive, process, store and transmit business information, including non-public personal information as well as data from suppliers and other information upon which the Company's business relies. The Company also uses these systems to manage substantial cash, investment assets, bank deposits, trust assets, escrow account balances and custodial balances on behalf of itself and its customers, among other activities. Many of the Company's products, services and solutions involving the use of real property related data are fully reliant on these systems and are only available electronically. Accordingly, for a variety of reasons, the integrity of these systems and the protection of the information that resides thereon are critically important to the Company's successful operation.

These systems have been subject to, and are likely to continue to be the target of, malware, cyberattacks and cyberterrorism, ransomware attacks, phishing attacks, unauthorized access, online and offline fraud and other malicious activity. These attacks are prevalent, continue to increase in frequency and sophistication, and are increasingly difficult to prevent or detect. These systems also have known and unknown vulnerabilities. Once identified, the Company's information technology and information security personnel seek to remediate these vulnerabilities based, in part, on the level of risk presented and the burden of remediation. For a number of reasons, including the introduction of new vulnerabilities, resource constraints, competing business demands and dependence on third parties, a number of unremediated vulnerabilities will always exist. Remediation of some vulnerabilities are outside of the control of the Company and third-party remediation efforts may not be timely provided or implemented or otherwise adequate, even when the level of risk is critical or high. Further, certain other potential causes of system damage or other negative system-related events are wholly or partially beyond the Company's control, such as natural disasters, vendor failures to satisfy service level requirements, third party negligence or intentional acts, and power or telecommunications failures. These circumstances could expose the Company to system-related damages, failures, interruptions, cyberattacks, as the Company experienced in December 2023 (as described further in Item 1C. of the Company's Annual Report on Form 10-K for the fiscal year ended 2024), and other negative events or could otherwise disrupt the Company's business and could also result in the loss or unauthorized release, gathering, monitoring or destruction of confidential, proprietary and other information pertaining to the Company, its customers, employees, agents or suppliers.

In conducting its business and delivering its products and services, the Company also utilizes service providers. These service providers and the systems they utilize are typically subject to similar types of system- and information security-related risks that the Company faces. The Company provides certain of these service providers with data, including nonpublic personal information. There is no guarantee that the Company's due diligence or ongoing vendor oversight will be sufficient to ensure the integrity and security of the systems utilized by these service providers or the protection of the information that resides thereon.

Certain laws and contracts the Company has entered into require it to comply with certain information security requirements and to notify various parties, including consumers or customers, in the event of certain actual or potential data breaches or systems failures, including those of the Company's service providers. Further, the Company's financial institution customers have obligations to safeguard their systems and sensitive information and the Company may be bound contractually and/or by regulation to comply with the same requirements. If the Company or its service providers fail to comply with applicable regulations and contractual requirements, the Company could be exposed to lawsuits, governmental proceedings or the imposition of fines, among other consequences.

Any inability of the Company or its service providers to prevent or adequately respond to the issues described above could disrupt the Company's business, delay the delivery of its products and services, inhibit its ability to retain existing customers or attract new customers, divert management's time and energy, otherwise harm its reputation and/or result in financial losses, litigation, regulatory inquiries, increased costs or other adverse consequences that could be material to the Company.

13. Errors and fraud involving the transfer of funds may adversely affect the Company

The Company relies on its systems, employees and domestic and international banks to transfer its own funds and the funds of third parties. In addition to relying on third-party banks to transfer these funds, the Company's federal savings bank subsidiary transfers funds on behalf of the Company as well as title agents that are not affiliates of the Company. These transfers are susceptible to user input error, fraud, system interruptions, incorrect processing and similar errors that from time to time result in lost funds or delayed transactions. The Company's email and computer systems and systems used by its agents, customers and other parties involved in a transaction have been subject to, and are likely to continue to be the target of, fraudulent attacks, including attempts to cause the Company or its agents to improperly transfer funds. These attacks continue to increase in frequency and sophistication. Funds transferred to a fraudulent recipient may not be recoverable. In certain instances the Company may be liable for those unrecovered funds. The controls and procedures used by the Company to prevent transfer errors and fraud may prove inadequate, resulting in financial losses, reputational harm, loss of customers or other adverse consequences which could be material to the Company.

14. *The Company's failure to recruit and retain qualified employees may adversely affect the business*

The Company's continued success depends, in large part, on its ability to hire and retain qualified people. Competition for highly qualified people is significant, and there is no assurance that the Company will be successful in attracting, training or retaining people. If the Company is unable to attract and retain qualified people, its business and operations may be impaired or disrupted.

15. *The Company's use of a global workforce involves risks that could adversely affect the Company*

The Company utilizes lower cost labor in countries such as India and the Philippines, among others. These countries are subject to relatively high degrees of political and social instability and may lack the infrastructure to withstand natural disasters, health crises and other catastrophes. Such disruptions could decrease efficiency and increase the Company's costs. Weakness of the United States dollar in relation to the currencies used in these countries may also reduce the savings achievable through this strategy. Laws, regulations, business requirements or social or political pressures may require the Company to use labor based in the United States or may otherwise effectively increase the Company's labor costs abroad. The Company may not be able to pass on these increased costs to its customers.

16. *Acquisitions may have an adverse effect on our business*

The Company has in the past acquired, and is expected to acquire in the future, other businesses. When businesses are acquired, the Company may not be able to integrate or manage these businesses in such a manner as to realize the anticipated synergies or otherwise produce returns that justify the investment. Acquired businesses may subject the Company to increased regulatory or compliance requirements. The Company's acquisitions have involved, and may continue to involve, the entry into businesses in which the Company's management has limited prior experience, making the Company reliant on the management team of the acquired business. The Company may not be able to successfully retain employees of acquired businesses or integrate them, and could lose customers, suppliers or other partners as a result of the acquisitions. The Company may also assume or incur unanticipated liabilities from acquisitions. For these and other reasons, including changes in market conditions, the projections used to value the acquired businesses may prove inaccurate. These and other factors related to acquisitions could have a material adverse effect on the Company's results of operations, financial condition and liquidity. The Company's management also will continue to be required to dedicate substantial time and effort to the integration of its acquisitions. These efforts could divert management's focus and resources from other strategic opportunities and operational matters.

LEGAL AND COMPLIANCE RISK FACTORS

17. *Regulatory oversight and changes in government regulation could require the Company to raise capital, make it more difficult to deploy capital, including dividends to stockholders and repurchases of the Company's shares, prohibit or limit the Company's operations, make it more costly or burdensome to conduct such operations, result in decreased demand for the Company's products and services or otherwise adversely affect the Company*

Most of the Company's businesses are regulated by various federal, state, local and foreign governmental agencies. These and other of the Company's businesses also operate within statutory guidelines, which can include requirements to maintain certain licenses at the federal, state and/or local levels. The industry in which the Company operates and the markets into which it sells its products are also regulated and subject to statutory guidelines. In general, in recent years, the Company experienced increasing regulatory oversight and became subject to increasingly complex statutory guidelines.

Regulatory oversight could require the Company to raise capital, and/or make it more difficult to deploy capital, including dividends to stockholders and repurchases of the Company's shares. It is possible that the group capital calculations, particularly in an economic downturn, could have the effect of requiring the Company to raise capital and/or making it more difficult to otherwise deploy capital, including dividends to stockholders and repurchases of the Company's shares.

An increasing number of federal, state, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of personal data. The effects of these privacy and data protection laws, including the cost of compliance and required changes in the manner in which the Company conducts its business, are not fully known and are potentially significant, and the failure to comply could adversely affect the Company. The Company has incurred costs to comply with these laws and to respond to inquiries about its compliance with them.

In addition, changes in the applicable regulatory environment, statutory guidelines or interpretations of existing regulations or statutes; reform of government-sponsored enterprises such as the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"); enhanced governmental oversight or efforts by governmental agencies to cause customers to refrain from using the Company's products or services could prohibit or limit its future operations or make it more costly or burdensome to conduct such operations or result in decreased demand

for the Company's products and services or a change in its competitive position. The impact of these changes would be more significant if they involve jurisdictions in which the Company generates a greater portion of its title premiums, such as the states of Arizona, California, Florida, New York, and Texas. These changes may compel the Company to reduce its prices, may restrict its ability to implement price increases or acquire assets or businesses, may limit the manner in which the Company conducts its business or otherwise may have a negative impact on its ability to generate revenues, earnings and cash flows.

18. Scrutiny of the Company's businesses and the industries in which it operates by governmental entities and others could adversely affect the Company

The real estate settlement services industry, an industry in which the Company generates a substantial portion of its revenue and earnings, and the mortgage servicing and subservicing industry are subject to continuous scrutiny by regulators, legislators, the media and plaintiffs' attorneys. Though often directed at these industries generally, these groups also focus their attention directly on the Company's businesses from time to time. In either case, this scrutiny may result in changes which could adversely affect the Company's operations and, therefore, its financial condition and liquidity.

Governmental entities have routinely inquired into certain practices in the real estate settlement services industry and the mortgage servicing and subservicing industry to determine whether certain of the Company's businesses or its competitors have violated applicable laws, which include, among others, the insurance codes of the various jurisdictions, the Real Estate Settlement Procedures Act, the Truth in Lending Act and similar state, federal and foreign laws. Departments of insurance in the various states, the Consumer Financial Protection Bureau ("CFPB") and other federal regulators and applicable regulators in international jurisdictions, either separately or together, also periodically conduct targeted inquiries into the practices of title insurance companies, other settlement services providers and mortgage servicers in their respective jurisdictions. Currently, the Company is the subject of regulatory inquiries.

Further, from time to time, plaintiffs' lawyers have targeted, and are expected to continue to target, the Company and other members of the Company's industry with lawsuits claiming legal violations or other wrongful conduct. These lawsuits often involve large groups of plaintiffs and claims for substantial damages. These types of inquiries or proceedings have from time to time resulted, and may in the future result, in findings of a violation of the law or other wrongful conduct and the payment of fines or damages or the imposition of restrictions on the Company's conduct. This could impact the Company's operations and financial condition. Moreover, these laws and standards of conduct often are ambiguous and, thus, it may be difficult to ensure compliance. This ambiguity may force the Company to mitigate its risk by settling claims or by ending practices that generate revenues, earnings and cash flows. Currently the Company is a party to class action lawsuits.

19. Regulation of title insurance rates could adversely affect the Company

Title insurance rates are subject to extensive regulation, which varies from state to state. In many states the approval of the applicable state insurance regulator is required prior to implementing a rate change. These regulations could hinder the Company's ability to promptly adapt to changing market dynamics through price adjustments, which could adversely affect its results of operations, particularly in a rapidly declining market.

FINANCIAL RISK FACTORS

20. Failures at financial institutions at which the Company deposits funds could adversely affect the Company

The Company deposits substantial funds in financial institutions. These funds include amounts owned by third parties, such as escrow deposits, like-kind exchange deposits and investor, mortgagor and subservicer deposits. Should one or more of the financial institutions at which deposits are maintained fail, there is no guarantee that the Company would recover the funds deposited, whether through Federal Deposit Insurance Corporation coverage or otherwise. In the event of any such failure, the Company also could be held liable for the funds owned by third parties. Unfavorable economic conditions may lead to a heightened risk of failures of financial institutions at which the Company maintains deposits. Failures may be difficult to predict and the Company may not be able to react in a sufficiently timely manner to avoid adverse effects on the Company.

21. Unfavorable economic or other conditions could cause the Company to write off a portion of its goodwill and other intangible assets

The Company performs an impairment test of the carrying value of goodwill and other indefinite-lived intangible assets annually in the fourth quarter, or sooner if circumstances indicate a possible impairment. Finite-lived intangible assets are subject to impairment tests on a periodic basis. Factors that may be considered in connection with this review include, without limitation, underperformance relative to historical or projected future operating results, reductions in the Company's stock price and market capitalization, increased cost of capital and negative macroeconomic, industry and company-specific trends. These and other factors could lead to a conclusion that goodwill or other intangible assets are impaired, in which case the Company would be required to write off the portion believed to be impaired. Any substantial goodwill and other intangible asset impairments that may be required could have a material adverse effect on the Company's results of operations and financial condition.

22. The Company's investment portfolio is subject to certain risks and could experience losses

The Company maintains a substantial investment portfolio, primarily consisting of fixed income debt securities. The investment portfolio also includes adjustable-rate debt securities, common and preferred stock, as well as money-market and other short-term investments. Securities in the Company's investment portfolio are subject to certain economic and financial market risks, such as credit risk, interest rate (including call, prepayment and extension) risk and/or liquidity risk. The risk of loss associated with the portfolio is increased during periods of instability in credit markets and economic conditions. Debt and equity securities are carried at fair value on the Company's balance sheet. Changes in the fair values of debt securities are recorded as a component of accumulated other comprehensive income/loss on the balance sheet. For debt securities in an unrealized loss position, where the loss is determined to be due to credit-related factors, the Company records the loss in earnings. Changes in the fair values of marketable equity securities are recognized in earnings. Changes in the fair values of securities in the Company's investment portfolio have had an adverse impact on the Company and could have a material adverse effect on the Company's results of operations, statutory surplus, financial condition and cash flow.

23. The Company's venture investment portfolio is volatile and subject to certain risks and could experience losses

The Company's venture investment portfolio is primarily comprised of investments in the equity of private venture-stage companies that operate in the real-estate industry and related industries (many of which offer technology-enabled products and services), investments in funds that typically invest in these same types of companies, and a similar investment that is trading publicly. The venture investment portfolio is managed independent of the Company's portfolio of debt securities and marketable equity securities, which is overseen by the Company's investment department and an investment committee. The Company may continue to make similar venture investments. These investments may cause material fluctuations in the Company's quarterly results of operations due to the recognition of gains or losses in connection with observable price changes, such as from liquidity events, impairments, subsequent equity sales, or price changes in investments that begin trading publicly, which changes can be volatile.

24. Actual claims experience could materially vary from the expected claims experience reflected in the Company's reserve for incurred but not reported claims

The Company maintains a reserve for incurred but not reported ("IBNR") claims pertaining to its title, escrow and other insurance and guarantee products. The majority of this reserve pertains to title insurance policies, which are long-duration contracts with the majority of the claims reported within the first few years following the issuance of the policy. Generally, 65% to 75% of claim amounts become known in the first six years of the policy life, and the majority of IBNR reserves relate to the six most recent policy years. Changes in expected ultimate losses and corresponding loss rates for recent policy years are considered likely and could result in a material adjustment to the IBNR reserves. In uncertain economic times, an even larger change is more likely. A material change in expected ultimate losses and corresponding loss rates for older policy years is also possible, particularly for the ten most recent policy years. The estimates made by management in determining the appropriate level of IBNR reserves could ultimately prove to be materially different from actual claims experience.

Changes in laws or regulations impacting real estate, particularly when applied retroactively, may cause a material change in expected ultimate losses and corresponding loss rates for recent and/or older policy years. For example, the 2020 United States Supreme Court decision in *McGirt v. Oklahoma* calls into question the governing authority for certain real estate-related matters in Native American reservations once thought to have been disestablished. To the extent the Company, in those areas, underwrote title insurance policies or closed real estate transactions in conformity with authority that ultimately proves inapplicable, expected ultimate losses arising from those policies and transactions could change materially and could result in a material change to loss rates.

25. The Company may have to provide capital to one or more of its subsidiaries, which may necessitate accessing funds from the Company's revolving credit facility or otherwise

The Company is a holding company and its subsidiaries, from time to time, may need additional capital from the Company to, for example, fund operations, meet regulatory requirements or pay liabilities. In order to provide such capital, the Company may need to draw down on its revolving credit facility or access other sources of capital, which could negatively affect its debt-to-capital ratio and liquidity position.

26. The Company's ability to fulfill parent company obligations and/or pay dividends may be limited

The Company is a holding company whose primary assets are investments in its operating subsidiaries. The Company's ability to fulfill parent company obligations and/or declare and pay dividends is dependent on the ability of its subsidiaries to pay dividends or repay funds. If the Company's operating subsidiaries are not able to pay dividends or repay funds, the Company may not be able to fulfill parent company obligations and/or declare and pay dividends. Moreover, pursuant to insurance and other regulations under which the Company's insurance subsidiaries operate, the amount of dividends, loans and advances available is limited. See Item 2 – MD&A – Liquidity and Capital Resources for details on dividend restrictions. The Company may also be required to invest capital in its subsidiaries which could further limit its ability to fulfill parent company obligations and/or declare and pay dividends.

27. A reduction in the deposits at the Company's federal savings bank subsidiary could require the Company to borrow funds to maintain liquidity

The deposits of the Company's federal savings bank subsidiary consist almost entirely of funds deposited by its affiliates, the majority of which are from third parties to be held in trust pending the closing of real estate transactions. When real estate transactions decline, aggregate deposits held in trust at the Company's bank tend to decline. There is also a portion of the bank's deposits that are custodial funds held on behalf of clients of the Company's residential mortgage subservicer subsidiary. Such clients may cause their custodial funds to be moved out of the Company's bank subsidiary in connection with the transfer of ownership of mortgage servicing rights or loans, termination of subservicing contracts or otherwise. The likelihood of these clients causing funds to be moved increases as interest rates rise, which could result in a marked decline in the bank's deposits. When there is a reduction in the bank's deposits, the Company could be required to borrow funds to maintain the bank's liquidity.

GENERAL RISK FACTORS

28. Certain provisions of the Company's bylaws and certificate of incorporation, as well as regulatory hurdles, may reduce the likelihood of any unsolicited acquisition proposal or potential change of control that the Company's stockholders might consider favorable

The Company's bylaws and certificate of incorporation contain provisions that could be considered "anti-takeover" provisions because they make it harder for a third-party to acquire the Company without the consent of the Company's incumbent board of directors. Under these provisions:

- election of the Company's board of directors is staggered such that only three or four of the directors are elected by the stockholders each year and the directors serve three year terms prior to reelection;
- stockholders may not remove directors without cause, change the size of the board of directors or, except as may be provided for in the terms of preferred stock the Company issues in the future, fill vacancies on the board of directors;
- stockholders may act only at stockholder meetings and not by written consent;
- stockholders must comply with advance notice provisions for nominating directors or presenting other proposals at stockholder meetings; and
- the Company's board of directors may without stockholder approval issue preferred shares and determine their rights and terms, including voting rights, or adopt a stockholder rights plan.

While the Company believes that they are appropriate, these provisions may only be amended by the affirmative vote of the holders of approximately 67% of the Company's issued voting shares. In addition, federal banking laws and regulations and state insurance laws and regulations require third parties to obtain prior approval to acquire control of the Company due to its status as a savings and loan holding company and an insurance holding company. These provisions and regulatory requirements could have the effect of discouraging an unsolicited acquisition proposal or delaying, deferring or preventing a change of control transaction that might involve a premium price or otherwise be considered favorably by the Company's stockholders.

29. The Company may be susceptible to claims of infringement and may not be able to adequately protect its intellectual property

The Company relies on a combination of patents, trademarks, copyrights, trade secret laws, non-disclosure agreements, contractual provisions and systems of internal safeguards to protect its intellectual property. As the Company expands its utilization of innovative technologies, processes and techniques in the production and delivery of its products and services, the Company may increasingly have to litigate to enforce and protect its intellectual property rights, which may divert Company resources, cause reputational harm to the Company or result in other adverse consequences, including a loss of competitive advantage, and there is no guarantee that such protection and enforcement efforts would be successful. In addition, third parties may allege that the Company's operations or activities infringe on their intellectual property rights, including through the Company's use of software containing open source code, which may expose the Company to third-party claims of ownership of, or demands for the release of, the source code, the open source software and/or derivative works that were developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. Many of the risks associated with usage of open source cannot be eliminated, and could, if not properly addressed, adversely affect the Company's business. Infringement claims may give rise to litigation, which could result in damages, injunctions prohibiting the Company from providing certain products or services, entry into costly licensing arrangements or other adverse consequences.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**Unregistered Sales of Equity Securities**

During the quarter ended June 30, 2025, the Company did not issue any unregistered common stock.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Pursuant to the share repurchase program approved by the Company's board of directors in June 2022, which program had no expiration date, the Company was authorized to repurchase up to \$400.0 million of the Company's issued and outstanding common stock. The following table describes purchases by the Company under the share repurchase program that settled during each period set forth in the table. Prices in column (b) include commissions. Cumulatively, as of June 30, 2025, the Company had repurchased \$343.3 million (including commissions) of its shares authorized under the share repurchase program and had the authority to repurchase an additional \$56.7 million (including commissions) under that program.

	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	(d) Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 to April 30, 2025	366,129	\$ 59.92	366,129	\$ 95,224,727
May 1 to May 31, 2025	274,652	56.11	274,652	79,815,046
June 1 to June 30, 2025	403,277	57.43	403,277	56,653,947
Total	1,044,058	\$ 57.95	1,044,058	\$ 56,653,947

(1) In July 2025, the Company's board of directors approved a new share repurchase plan which authorizes the repurchase of up to \$300 million of the Company's common stock and terminated its prior share repurchase plan.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a) None.

(b) Not applicable.

(c) During the quarter ended June 30, 2025, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits.

Each management contract or compensatory plan or arrangement in which any director or named executive officer of First American Financial Corporation, as defined by Item 402(a)(3) of Regulation S-K (17 C.F.R. §229.402(a)(3)), participates that is included among the exhibits listed on the Exhibit Index is identified on the Exhibit Index by an asterisk (*).

Exhibit No.	Description	Location
3.1	Restated Certificate of Incorporation of First American Financial Corporation, effective as of May 14, 2025.	Incorporated by reference herein to Exhibit 3.1 to the Current Report on Form 8-K filed May 16, 2025.
3.2	Bylaws of First American Financial Corporation, amended and restated effective as of November 7, 2023.	Incorporated by reference herein to Exhibit 3.1 to the Current Report on Form 8-K filed November 9, 2023.
*10.1	Employment Agreement, dated February 18, 2025, between First American Financial Corporation and Mark E. Seaton.	Incorporated by reference herein to Exhibit 10.7 to the Annual Report on Form 10-K for the fiscal year ended December 31, 2024.
*10.2	Employment Agreement, dated May 23, 2025, between First American Financial Corporation and Matthew F. Wajner.	Attached.
*10.3	First American Financial Corporation 2020 Incentive Compensation Plan, as Amended and Restated on May 13, 2025.	Incorporated by reference herein to Exhibit 10.1 to the Current Report on Form 8-K filed May 16, 2025.
*10.4	Form of Notice of Restricted Stock Unit Grant (Non-Employee Executive Chairman) and Restricted Stock Unit Award Agreement (Non-Employee Chairman) for Non-Employee Director Restricted Stock Unit Award approved May 21, 2025.	Attached.
31(a)	Certification by Chief Executive Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.	Attached.
31(b)	Certification by Chief Financial Officer Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.	Attached.
32(a)	Certification by Chief Executive Officer Pursuant to 18 U.S.C. Section 1350.	Attached.
32(b)	Certification by Chief Financial Officer Pursuant to 18 U.S.C. Section 1350.	Attached.
101.INS	Inline XBRL Instance Document. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	N/A.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbases Document.	N/A.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	N/A.

SIGNATURES

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

FIRST AMERICAN FINANCIAL CORPORATION
(Registrant)

Date: July 24, 2025

By /s/ Mark E. Seaton
Mark E. Seaton
Chief Executive Officer
(Principal Executive Officer)

Date: July 24, 2025

By /s/ Matthew F. Wajner
Matthew F. Wajner
Chief Financial Officer
(Principal Financial Officer)

EMPLOYMENT AGREEMENT

This Employment Agreement (“Agreement”) dated as of April 10, 2025 is made and entered into by and between Matthew F. Wajner (“Executive”) and First American Financial Corporation (“Employer”). In consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

1. **Employment of Executive.** Subject to the terms and conditions of this Agreement, Employer hereby employs Executive, and Executive hereby accepts employment, as Executive Vice President, Chief Financial Officer. Executive shall devote Executive’s entire productive time, effort and attention to the business of Employer during the Term (as defined below). Executive will use their best efforts at all times to promote and protect the good name of Employer and Employer’s current and future subsidiaries, affiliates and other related companies (together with Employer, each a “Related Company” and, collectively the “Related Companies”) as well as that of their respective officers, directors, employees, agents, products and services. Executive shall not directly or indirectly render any service of a business, commercial or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of Employer.

2. **Duties To Be Performed.** Executive shall perform the duties and have the responsibilities customarily performed and held by a person in a position similar to that set forth in Section 1. Executive shall also perform such other duties as directed by Employer’s Board of Directors or the Chief Executive Officer (the “CEO”) or their designee. Any modification made by Employer’s Board of Directors or the CEO of the Employer or their designee to the duties of Executive shall not constitute a breach of this Agreement.

3. **Term of Agreement.** This Agreement shall become effective on the date of this Agreement and, unless earlier terminated pursuant to the provisions of the Agreement, shall continue through the close of business on December 31, 2027 (the “Term”). Unless continued on an “at-will” basis by Employer or any other Related Company or pursuant to another agreement, Executive’s employment shall terminate upon the termination of this Agreement for any reason.

4. **Compensation.** In full payment for Executive’s services, Employer shall provide to Executive compensation and benefits determined in accordance with this Section 4.

4.1 **Salary.** During the Term, Employer shall pay Executive a base annual salary (the “Base Salary”), before deducting all applicable withholdings, of \$625,000 per year, payable at the times and in the manner dictated by Employer’s standard payroll policies, which Base Salary may be increased in the sole and unfettered discretion of the Compensation Committee of the Board of Directors of Employer (the “Compensation Committee”) or the Board of Directors of Employer. The Base Salary shall be prorated for any partial pay period that occurs during the Term.

4.2 **Performance Bonus; Long-Term Incentive Equity Awards.** During the Term, in addition to the Base Salary, Employer may, in the sole and unfettered discretion of the Compensation Committee, pay to Executive an annual bonus and long-term incentive equity award.

4.3 **Benefits.** Executive shall, subject to the terms and conditions of any applicable benefits plan documents and applicable law, be entitled to receive all benefits of employment generally available to other similarly situated executives of Employer when and as Executive becomes eligible for them, including medical, dental, life and disability insurance benefits. Employer reserves the right to modify, suspend or discontinue any and all of the above benefit plans, policies, and practices at any time without notice to or recourse by Executive, so long as such action is taken generally with respect to other similarly situated executives of Employer and does not single out Executive.

4.4 **Taxes and Withholdings.** Employer may deduct from all compensation payable under this Agreement to Executive any taxes or withholdings Employer is required to deduct pursuant to state and federal laws or by mutual agreement between the parties. Executive is solely liable for any and all taxes beyond those specifically withheld by Employer.

4.5 Recoupment. Executive acknowledges and agrees that to the extent provided by any Employment Arrangement (as defined in Section 20(a) below) or any plan or policy, including any clawback policy, in any case reasonably adopted by the Company from time to time, compensation paid to Executive shall be subject to clawback, forfeiture, recoupment or similar requirement.

5. Termination.

5.1 Termination Upon Death. The Term (and Executive's employment) shall automatically terminate with immediate effect upon the death of Executive.

5.2 Termination by Employer. Notwithstanding anything in this Agreement to the contrary, express or implied, the Term (and Executive's employment) may be terminated immediately by Employer (by delivery of written notice specifying that termination is made pursuant to this Section 5.2) as follows:

(a) Whenever Executive is not physically or mentally able (with reasonable accommodation) to perform the essential functions of Executive's job;

(b) For "Cause," which shall be defined as: (i) embezzlement, theft or misappropriation by the Executive of any property of any of the Related Companies; (ii) Executive's willful breach of any fiduciary duty to Employer; (iii) Executive's willful failure or refusal to comply with laws or regulations applicable to Employer and its business or the policies of Employer governing the conduct of its employees; (iv) commission by Executive of a felony or of any crime involving moral turpitude, fraud or misrepresentation; (v) Executive's refusal to perform Executive's job duties or to perform reasonable specific directives of Executive's supervisor, supervisor's successor or designee, or the Board of Directors of Employer; or (vi) any gross negligence or willful misconduct of Executive resulting in a loss to Employer or any other Related Company, or damage to the reputation of Employer or any other Related Company; or

(c) Upon the occurrence of any material breach (not covered by any of clauses (i) through (vi) of Section 5.2(b) above) of any of the provisions of this Agreement, it being agreed that for all purposes under this Agreement any violation of any of the provisions of Sections 6, 7, 8, 10 or 11 shall be deemed to be a material breach of this Agreement.

5.3 Termination by Employer without Cause. Employer may terminate the Term (and Executive's employment) by giving two weeks written notice to Executive. A termination made pursuant to this Section 5.3 is a "termination Without Cause." A termination made pursuant to Section 5.2 (and satisfying the notice requirement set forth therein) shall under no circumstance be considered a termination Without Cause.

5.4 Rights and Obligations Upon Termination.

(a) In the event of Employer's termination of the Term (and Executive's employment) pursuant to Section 5.3 (which, for the avoidance of doubt, is a termination Without Cause), Employer shall pay Executive:

(i) Executive's Base Salary through the date of termination, paid within 5 days following the termination date (or earlier if required by law);

(ii) any annual bonus earned for any fiscal year completed before the date of termination that remains unpaid as of the date of termination, paid within 5 days following the termination date (or earlier if required by law); and

(iii) an amount (the "Severance Amount") equal to two (2) times the sum of (A) Executive's Base Salary and (B) the median of the last three (3) annual bonuses paid to Executive (whether earned pursuant to this Agreement or otherwise and whether paid in cash, restricted stock units, stock options or otherwise) (the "Median Bonus"), fifty percent (50%) of

which will be paid on the first business day following the 12-month anniversary of the date of termination and fifty percent (50%) of which will be paid in twelve installments equal to 1/24th of the Severance Amount, the first payment of which will be made on the 29th day following termination and the remaining eleven payments of which will be made on the first business day of each calendar month thereafter.

For the purpose of determining the Median Bonus, the value of (1) the portion of any annual bonus paid in the form of restricted stock or restricted stock units ("RSUs") shall be determined by multiplying the number of restricted shares or RSUs granted by the closing price of the restricted shares or stock underlying the RSUs on the grant date and (2) the portion of any annual bonus paid in the form of stock options or other equity (excluding restricted stock or RSUs) shall be determined using the methodology utilized by Employer for determining the cost of such stock option or other equity for financial reporting purposes, but without giving effect to the amortization of such stock option or other equity. For the avoidance of doubt, the Median Bonus shall not include any long-term incentive equity awards which would not be included in "Covered Compensation" under the Executive Supplemental Benefit Plan (including any amendment, modification or successor thereto, the "SERP"). For the avoidance of doubt, "median" means, with respect to a set of three amounts, the middle amount and not the highest or the lowest amount, unless two of the amounts in the set are the same amount, in which case "median" means the amount which occurs twice in the set.

In exchange for Employer's agreement to pay the Severance Amount and as a condition thereto, Executive agrees to execute (within 21 days following the date of termination of employment), deliver and not revoke (within the time period permitted by applicable law) a general release of the Related Companies and their respective officers, directors, employees and owners from any and all claims, obligations and liabilities of any kind whatsoever, including all such claims arising from or in connection with Executive's employment or termination of employment with Employer or this Agreement (including, without limitation, civil rights claims), in such form as is reasonably requested by Employer. Executive's right to receive the Severance Amount is conditioned upon the release described in the preceding sentence becoming irrevocable within the prescribed time period. In addition, Executive's right to receive the Severance Amount shall immediately cease in the event that Executive violates any of the provisions of Sections 7 or 8. Apart from the payments set forth in this Section 5.4(a) and the benefits to which Executive may be entitled under the Employment Arrangements (as defined below), upon such termination Employer shall have no further liability whatsoever to Executive.

(b) In the event of the termination of the Term (and Executive's employment) pursuant to Sections 5.1 or 5.2 or, if Executive's employment does not continue on an at-will basis or pursuant to another agreement, upon the expiration of the Term, Employer shall be obligated to pay Executive (or, in the case of a termination under Section 5.1, Executive's heir or successor) the Base Salary through the date of termination and any annual bonus earned for any fiscal year completed before the date of termination, in each case, that remains unpaid as of the date of termination. Apart from the payments set forth in this Section 5.4(b) and the benefits to which Executive may be entitled under the Employment Arrangements, upon such termination or expiration, as the case may be, Employer shall have no further liability whatsoever to Executive.

(c) If it becomes known that Executive's employment will terminate for any reason, Employer may, in its sole discretion and subject to its other obligations under this Agreement, relieve Executive of their duties under this Agreement and assign Executive other reasonable duties and responsibilities to be performed until the termination becomes effective.

(d) In the event that any payment or benefit received or to be received by Executive under this Agreement and all other arrangements or programs, including any acceleration of vesting of stock options, restricted stock, restricted stock units, deferred compensation, or long-term incentive awards (collectively, the "Payments"), would constitute an excess parachute payment within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), as determined in good faith by Employer's independent auditors, then the portion of the Payments that would be treated as parachute payments under Section 280G of the Code shall be reduced so that the Payments, in the aggregate, are reduced to the Safe Harbor Amount (as defined below). For purposes of this Agreement, the term "Safe Harbor Amount" means the largest portion of the Payments that would result in no portion of the Payments being considered parachute payments under Section 280G of the Code. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code and where two economically equivalent amounts are subject to reduction but payable at different times, such

amounts shall be reduced on a pro rata basis but not below zero. In addition, with regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A of the Code, all such payments shall be made on or before the last day of calendar year following the calendar year in which the expense occurred.

(e) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A of the Code and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." If Executive is deemed on the date of termination to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit (whether under this Agreement or otherwise) that is considered deferred compensation under Section 409A of the Code payable on account of a "separation from service," and that is not exempt from Section 409A of the Code as involuntary separation pay or a short-term deferral (or otherwise), such payment or benefit shall be made or provided at the date which is the earlier of (i) the expiration of the six (6)-month period measured from the date of such "separation from service" of Executive or (ii) the date of Executive's death (the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 5.4(f) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to Executive in a lump sum without interest, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. For purposes of Section 409A of the Code, each payment amount or benefit due under this Agreement will be considered a separate payment and Executive's entitlement to a series of payments or benefits under this Agreement is to be treated as an entitlement to a series of separate payments.

(f) Upon termination of Executive's employment for any reason, Executive hereby resigns from any and all (i) positions with all Related Companies, whether as a director, manager, general partner, officer or otherwise; (ii) committee memberships, fiduciary capacities or similar positions with respect to employee benefit plans sponsored by any Related Company, and (iii) any other positions associated with any Related Company, except to the extent Employer and Executive agree that Executive shall continue to serve in any such capacities following termination.

6. Restrictive Covenants

6.1 Access to Trade Secrets and Confidential Information. Executive acknowledges and agrees that in the performance of Executive's duties of employment Executive will be brought into frequent contact with existing and potential customers of Employer and the other Related Companies throughout the world. Executive also agrees that trade secrets and confidential information of Employer and the other Related Companies gained by Executive during Executive's association with Employer and the other Related Companies have been developed by Employer and the other Related Companies through substantial expenditures of time, effort and money and constitute valuable and unique property of Employer and the other Related Companies, and Employer and/or the Related Companies will suffer substantial damage and irreparable harm which will be difficult to compute if, during the Term and thereafter, Executive should disclose or improperly use such confidential information and trade secrets in violation of the provisions of this Section 6. Executive further understands and agrees that the foregoing makes it necessary for the protection of the businesses of Employer and the other Related Companies that Executive not compete with Employer or any other Related Company during their employment, as further provided in this Section 6.

6.2 Non-Compete and Non-Solicit. While employed by Employer or any other Related Company, Executive will not, directly or indirectly, engage in or render any service of a business, commercial or professional nature to any other person, entity or organization, whether for compensation or otherwise, that is in competition with Employer or any other Related Company anywhere in the world. In accordance with this restriction, but without limiting its terms, Executive will not:

(a) enter into or engage in any business which competes with the business of Employer or any other Related Company;

(b) solicit customers, business, patronage or orders for, or sell, any products or services in competition with, or for any business that competes with, the business of Employer or any other Related Company;

(c) divert, entice, or take away any customers, business, patronage or orders of Employer or any other Related Company or attempt to do so; or

(d) promote or assist, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the business of Employer or any other Related Company.

6.3 Scope of Restricted Activities. For the purposes of Section 6.2, but without limitation thereof, Executive will be in violation thereof if Executive engages in any or all of the activities set forth therein directly as an individual on Executive's own account, or indirectly as a stockholder, partner, joint venturer, executive, agent, salesperson, consultant, officer and/or director of, or by virtue of the ownership by Executive's spouse, child or parent of any equity interest in, any firm, association, partnership, corporation or other entity engaging in any or all of such activities; provided, however, Executive's or Executive's spouse's, child's or parent's ownership of less than one percent (1%) of the issued equity interest in any publicly traded corporation shall not alone constitute a violation of this Agreement.

6.4 Scope of Covenants. Employer and Executive acknowledge that the time, scope, geographic area and other provisions of Sections 6 and 7 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in such Sections to be reasonable and necessary for the protection of the interests of the Related Companies, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply with such deletion or modification as may be necessary to make it valid and enforceable. The restrictions and covenants contained in each provision of such Sections shall be construed as separate and individual restrictions and covenants and shall each be capable of being severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement.

7. No Solicitation of Employees. Executive will not directly or indirectly, at any time during the Term and the 12-month period after termination of Executive's employment, either for Executive or for any other person or entity, recruit or solicit for hire any employee, officer, director or other personnel of the Employer or any of the Related Companies, or to induce or encourage such a person or entity to terminate their or its relationship, or breach an agreement, with the Employer or one of the Related Companies. Notwithstanding the foregoing, this provision shall not apply to the extent it is inconsistent with or violates any federal or state law or specific government mandate, order, injunction, consent, assurance of discontinuance, or decree.

8. Nondisclosure of Confidential Information. Executive will keep in strict confidence, and will not, directly or indirectly, at any time during or after Executive's employment with Employer, disclose, furnish, disseminate, make available or, except in the course of performing Executive's duties of employment, use any trade secrets or confidential business and technical information of Employer, any other Related Company or any of its respective customers or vendors, without limitation as to when or how Executive may have acquired such information. Such confidential information shall include, without limitation, Employer's and any other Related Company's unique selling and servicing methods and business techniques, business strategies, financial information, training, service and business manuals, promotional materials, training courses and other training and instructional materials, vendor and product information, customer and prospective customer lists, other customer and prospective customer information, processes, inventions, patents, copyrights, trademarks and other intellectual property and intangible rights, and other business information. Executive specifically acknowledges that all such confidential information, whether reduced to writing, maintained on any form of electronic media, or maintained in the mind or memory of Executive and whether compiled by Employer, any other Related Company and/or Executive, derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from its disclosure or use, that reasonable efforts have been made by Employer or another Related Company, as the case may be, to maintain the secrecy of such information, that such information is the sole property of Employer or another Related Company and that any retention and use of such information or rights by Executive during Executive's employment with Employer (except in the course of

performing Executive's duties and obligations hereunder) or after the termination of Executive's employment shall constitute a misappropriation of Employer's or another Related Company's trade secrets, rights or other property. Nothing in this Paragraph or Agreement is meant to override or invalidate other active agreements between Employee and the Company, including, but not limited to, any Confidential Information and Inventions Agreement, restrictive covenants (e.g., non-competition and/or non-solicitation agreements), and arbitration agreements.

9. Legally Authorized Disclosures. Pursuant to Section 7 of the Defend Trade Secrets Act of 2016, Executive is advised that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made: (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Also pursuant to Section 7 of the Defend Trade Secrets Act of 2016, Executive is advised that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order. In addition, nothing contained in this Agreement (i) limits Executive's right to communicate or cooperate with any federal, state or local governmental agency or commission ("Government Agencies") or (ii) bars Executive from responding to an order, regulation, rule or subpoena of a court or Government Agency.

10. Return of Company Property. Executive agrees that upon termination of Executive's employment with Employer, for any reason, Executive shall return to Employer, in good condition, all property of Employer and the other Related Companies, including without limitation, the originals and all copies of any materials which contain, reflect, summarize, describe, analyze or refer or relate to any items of information listed in Section 8 of this Agreement. In the event that such items are not so returned, Employer will have the right to charge Executive for all reasonable damages, costs, attorneys' fees and other expenses incurred in searching for, taking, removing and/or recovering such property.

11. Representations and Warranties. Executive hereby represents and warrants that they have the legal capacity to execute and perform this Agreement, that this Agreement is a valid and binding agreement enforceable against them according to its terms, and that the execution and performance of this Agreement by them does not violate the terms of any existing agreement or understanding, written or oral, to which Executive is a party or any judgment or decree to which Executive is subject. In addition, Executive represents and warrants that Executive knows of no reason why they are not physically or legally capable of performing their obligations under this Agreement in accordance with its terms. Executive hereby indemnifies the Related Companies and shall hold harmless the Related Companies from and against all liability, loss, cost, or expense, including, without limitation, reasonable attorneys' fees and expenses, incurred by any Related Company by reason of the inaccuracy of Executive's representations and warranties contained in this Section 11.

12. Survival. Each of the agreements, representations, warranties and covenants set forth in Section 4.5 and Sections 5 through 21 of this Agreement shall survive and shall continue to be binding upon Employer and Executive notwithstanding the termination of Executive's employment or the expiration of the Term for any reason whatsoever.

13. Breach by Executive. Executive is obligated under this Agreement to render services of a special, unique, unusual, extraordinary, and intellectual character, which give this Agreement particular value. The loss of these services cannot be reasonably or adequately compensated in damages in an action at law. Accordingly, in addition to other remedies provided by law or this Agreement, Employer shall have the right during the Term and any period of non-competition governed by this Agreement, to seek injunctive relief against breach or threatened breach of this Agreement by Executive or the performance of services, or threatened performance of services, by Executive in violation of this Agreement, or both. This Section is not meant to limit the damages the Employer may pursue and is not meant to be an exhaustive list of the relief available to the Employer.

14. Controlling Law. This Agreement shall be controlled, construed and enforced in accordance with the laws of the State of California, without regard to conflicts of laws principles.

15. Notices. Any notice to Employer required or permitted under this Agreement shall be given in writing to Employer, either by personal service or by registered or certified mail, postage prepaid, addressed to the Chief Executive Officer of Employer, or equivalent, with a copy to the Chief Legal Officer of Employer, at Employer's then principal place of business. Any such notice to Executive shall be given in a like manner and, if mailed, shall be addressed to Executive at their home address then shown in Employer's files. For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given (a) on the date of service, if served personally on the party to whom notice is to be given, or (b) on the third business day after mailing, if mailed to the party to whom the notice is to be given in the manner provided by this Section.

16. Amendments. This Agreement may be amended only by written agreement signed by each of the parties to this Agreement.

17. Severability. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated; provided that if Executive breaches Section 6 and if Section 6 is finally determined to be unenforceable, the payment obligations of Section 5.4(a)(iii) shall be deemed void *ab initio*.

18. Assignment. Executive shall not transfer or assign this Agreement or any part thereof. Employer reserves the right to transfer or assign this Agreement to any organization associated with it or any successor organization; provided, however, that Employer may assign this Agreement to any Related Company the stock or other equity of which is distributed to the shareholders of Employer and which, at the time of such distribution, agrees to employ Executive and assume Employer's obligations under this Agreement.

19. Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any party other than Employer, the other Related Companies, Executive and their respective successors and permitted assigns.

20. Integration.

(a) This Agreement; the SERP; any stock option, restricted stock, stock appreciation right or other equity compensation plan of Employer or any other Related Company (including, without limitation, the First American Financial Corporation 2010 and 2020 Incentive Compensation Plans) and any award agreement entered into thereunder; any pension plan and pension restoration plan of Employer or any Related Company; any deferred compensation plan of Employer or any other Related Company; any other employee benefit plan of Employer or any other Related Company; any change-of-control or similar agreement to which Employer and/or any Related Party and Executive are parties; any Confidential Information and Inventions Agreement between Executive and Employer; and any amendment, restatement or successor to any of the foregoing (the foregoing, collectively, the "Employment Arrangements") contain the entire Agreement between the parties and supersedes all prior verbal and written agreements, understandings, commitments and practices between the parties. The benefits conferred upon Executive pursuant to this Agreement shall be in addition to the benefits provided for under the other Employment Arrangements; provided, however, that duplicative benefits shall not be payable pursuant to this Agreement and any other Employment Arrangement and, for the avoidance of doubt, none of the benefits provided in this Agreement shall be payable to the extent they are otherwise payable under the other Employment Arrangements.

(b) In the event (i) Executive is a party to an agreement with a Related Company providing for a severance benefit in the event Executive's employment terminates following a change-in-control (a "Change-in-Control Agreement"), (ii) Executive becomes entitled to such benefit and (iii) Executive becomes entitled to the Severance Amount under Section 5.4(a)(iii), then the severance benefit payable to Executive under the Change-in-Control Agreement shall offset any Severance Amount payable to Executive pursuant to Section 5.4(a)(iii).

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement effective as of the day and year first above written.

“EXECUTIVE”

“EMPLOYER”

/s/ Matthew F. Wajner

/s/ Mark E. Seaton

Name: Matthew F. Wajner

Name: Mark E. Seaton

Date: May 23, 2025

Title: Chief Executive Officer

Date: May 23, 2025

Signature Page to
Employment Agreement

**[Non-Employee Executive Chairman]
Notice of Performance Restricted Stock Unit Grant**

Participant: [Participant Name]

Company: First American Financial Corporation

Notice: You have been granted the following performance Restricted Stock Units (this “Award”) in accordance with the terms of the Plan and the Performance Restricted Stock Unit Award Agreement attached hereto.

Type of Award: Performance Restricted Stock Units (“PRSUs”)

Plan: First American Financial Corporation 2020 Incentive Compensation Plan

Grant: Date of Grant: **[Grant Date]**
Number of Shares Underlying Target Performance Restricted Stock Units: **[Number of target shares Granted]** (the “Target PRSUs”)

The Award represents the right to receive shares of common stock of the Company, par value \$.00001 per share (“Shares”), in an amount from 0% to 200% of the Target PRSUs. Your right to receive settlement of the Award shall vest and become earned and nonforfeitable upon (i) your satisfaction of the Service Requirement (as defined below) and (ii) the level of achievement of the Performance Goal (as defined below). Target PRSUs that become earned upon satisfaction of the Service Requirement and the Performance Goal are referred to herein as “Earned PRSUs”

Performance Period: January 1, 2025 – December 31, 2027

Service Requirement: Except as otherwise provided in the Performance Restricted Stock Unit Award Agreement, you must not experience a Termination prior to the certification of the achievement of the Performance Goal by the Committee.

Performance Goal: The “Performance Goal” for the Performance Period shall be the Company’s Total Shareholder Return (as defined below) ranking as of the end of the Performance Period relative to the Total Shareholder Return rankings as of the end of the Performance Period of the companies in the S&P MidCap 400 Index (the “Index”), with the number of Earned PRSUs equal to the number of Target PRSUs multiplied by the applicable percentage set forth in the following table:

Performance Level	rTSR Rank⁽¹⁾	Payout⁽²⁾
Below Threshold	<25 th Percentile	0%
Threshold	25 th Percentile	50%
Target	50 th Percentile	100%
Maximum	75 th Percentile	200%

- (1) rTSR Rank is calculated based on the Company's ranking within the Index based on its Total Shareholder Return as compared to the Total Shareholder Return of each company in the Index.
- (2) For performance between threshold and target and between target and maximum, the percentage of the Target PRSUs that become Earned PRSUs will be determined on straight line interpolation.

"Total Shareholder Return" of the Company and of each company in the Index shall be determined pursuant to the following formula:

$$\text{Total Stockholder Return} = \frac{(\text{Final Price} - \text{Initial Price}) + \text{Reinvested Dividends}}{\text{Initial Price}}$$

For purposes of this formula, (a) "Final Price" shall be the relevant company's average closing stock price for the twenty (20)-trading day period preceding and including the last trading day of the Performance Period, (b) "Initial Price" shall be the relevant company's average closing stock price for the twenty (20)-trading day period preceding the first trading day of the Performance Period, and (c) "Reinvested Dividends" shall be the aggregate number of shares (including fractional shares) that could have been purchased during the Performance Period had each cash dividend paid on a single share during that period been immediately reinvested in additional shares (or fractional shares) at the closing stock price on the applicable dividend payment date. Each of the foregoing amounts shall be equitably adjusted for stock splits, stock dividends, recapitalizations and other similar events affecting the shares in question without the issuer's receipt of consideration.

Any spin-off distribution of shares of common stock of one or more subsidiaries or other affiliated entities that is made during the Performance Period by a company in the Index shall be treated in the same manner as a regular cash dividend paid by that distributing company (in an amount per share of the distributing company's common stock deemed equal to the fair market value of the common stock (or fractional share thereof) of the spun-off entity distributed per share of the distributing company's common stock).

The companies comprising the Index shall be fixed as of the beginning of the Performance Period. Notwithstanding the foregoing, (i) in the event that a company in the Index becomes subject to bankruptcy or insolvency, such company's Total Shareholder Return at the end of the Performance Period shall be negative one hundred percent (-100%) and (ii) in the event that a company in the Index ceases to have a class of equity securities registered under the Exchange Act and actively traded on a U.S. public securities market during the Performance Period (other than as a result of any of the events described in clause (i)), such company shall be excluded for purposes of calculating the rTSR Rank.

Rejection:

If you wish to accept this Performance Restricted Stock Unit Award, please access Fidelity NetBenefits® at www.netbenefits.com/firstamerican and follow the steps outlined under the "Accept Grant" link at any time within forty-five (45) days after the Date of Grant. If you do not accept your grant via Fidelity NetBenefits® within forty-five (45) days after the Date of Grant, you will have rejected this Performance Restricted Stock Unit Award.

**[Non-Employee Executive Chairman]
Performance Restricted Stock Unit Award Agreement**

This Performance Restricted Stock Unit Award Agreement (this "Agreement"), dated as of the Date of Grant set forth in the Notice of Performance Restricted Stock Unit Grant attached hereto (the "Grant Notice"), is made between First American Financial Corporation (the "Company") and the Participant set forth in the Grant Notice. The Grant Notice is included in and made part of this Agreement.

1. Definitions.

Capitalized terms used but not defined in this Agreement (including the Grant Notice) have the meaning set forth in the Plan.

2. Grant of the Performance Restricted Stock Units.

Subject to the provisions of this Agreement and the provisions of the Plan, the Company hereby grants to the Participant, pursuant to the Plan, a contingent right to receive the number of Shares, in an amount from 0% to 200% of the Target PRSUs set forth in the Grant Notice.

3. Dividend Equivalents.

Each Target PRSU shall accrue Dividend Equivalents with respect to dividends that would otherwise be paid on the Share underlying such Target PRSU during the period from the Date of Grant to the date such Share, if any, is delivered in accordance with Section 6. Any such Dividend Equivalent shall be deemed reinvested in additional Target PRSUs immediately upon the related dividend's payment date, based on the then-current Fair Market Value (rounded down to the nearest whole number), and shall be subject to the Service Requirement and the Performance Goal applicable to the Target PRSU on which such Dividend Equivalent is paid. Any such conversion of Dividend Equivalents shall be conclusively determined by the Committee. The Shares underlying the Target PRSUs into which Dividend Equivalents are so converted shall be delivered in accordance with Section 6 to the extent they become Earned PRSUs.

4. Termination.

Subject to the terms of the Plan and the remaining provisions of this Section 4, all PRSUs for which the Service Requirement has not been satisfied prior to the date of the Participant's Termination shall be immediately forfeited. Notwithstanding the foregoing to the contrary:

(a) In the event of the Participant's Termination due to his or her death or Disability, the Target PRSUs shall become Earned PRSUs as of the date of the Participant's Termination; provided, however, that if such Termination occurs following the end of the Performance Period, the Service Requirement will be deemed satisfied and the Earned PRSUs will be settled in accordance with Section 6(a).

(b) In the event of the Participant's Termination due to his or her retirement from the Board of Directors of the Company (the "Board"), irrespective of length of service prior to such retirement, the Service Requirement shall be deemed satisfied and the Target PRSUs shall remain outstanding and become Earned PRSUs subject to satisfaction of the Performance Goal.

5. Change of Control.

(a) In the event of a Change of Control that has been approved by the Company Incumbent Board prior to the occurrence of such Change of Control: (i) the Performance Period will be deemed to end as of the date of such Change of Control; (ii) the Performance Goal will be measured based on actual performance through the date of such Change of Control, with the Final Price based on the stock price immediately prior to the consummation of such Change of Control; and (iii) the Earned PRSUs will remain outstanding subject to satisfaction of the Service Requirement.

(b) In the event of a Change of Control that has not been approved by the Company Incumbent Board prior to the occurrence of such Change of Control: (i) the Performance Period will be deemed to

end as of the date of such Change of Control; (ii) the Performance Goal will be measured based on actual performance through the date of such Change of Control, with the Final Price based on the stock price immediately prior to the consummation of such Change of Control; (iii) so long as the Participant has not experienced a Termination prior to the date of such Change of Control, the Service Requirement will be deemed satisfied as of the date of such Change of Control; and (iv) any Earned PRSUs will be settled in accordance with Section 6(a).

6. Delivery of Shares.

(a) Subject to Section 6(b), unless delivery is deferred for reasons set forth in Section 11, as soon as reasonably practicable following the end of the Performance Period and certification of the achievement of the Performance Goal by the Committee, but in no event later than March 15 of the calendar year following the calendar year in which the Performance Period ends, the Company shall cause to be delivered to the Participant the full number of Shares underlying the Earned PRSUs (including all Earned PRSUs resulting from Dividend Equivalents), subject to the satisfaction of applicable Tax-Related Items with respect thereto pursuant to Article XVII of the Plan.

(b) With respect to Target PRSUs that become Earned PRSUs pursuant to Sections 4(a) prior to the end of the Performance Period, unless delivery is deferred for reasons set forth in Section 11, as soon as reasonably practicable following the date of the Participant's Termination, but in no event later than March 15 of the calendar year following the calendar year in which such Termination occurs, the Company shall cause to be delivered to the Participant the full number of Shares underlying the Earned PRSUs (including all Earned PRSUs resulting from Dividend Equivalents), subject to the satisfaction of applicable Tax-Related Items with respect thereto pursuant to Article XVII of the Plan.

(c) Earned PRSUs may only be settled by delivery of Shares and not by any cash payment. No fractional Share will be issued pursuant to this Award. The number of Shares issuable upon the settlement of the Earned PRSUs will be rounded down to the nearest whole number of Shares. No payment or other adjustment will be made with respect to the fractional shares so disregarded.

7. No Ownership Rights Prior to Issuance of Shares.

PRSUs shall not be considered Shares and neither the Participant nor any other person shall become the beneficial owner of the Shares underlying the PRSUs, nor have any rights to dividends or other rights as a shareholder with respect to any such Shares, until and after such Shares have been actually issued to the Participant and transferred on the books and records of the Company or its agent in accordance with the terms of the Plan and this Agreement.

8. Detrimental Activity.

(a) Notwithstanding any other provisions of this Agreement to the contrary, if at any time prior to the earlier of the delivery of Shares with respect to the PRSUs or, if applicable, the date on which such Shares would have been delivered but for a deferral pursuant to a deferred compensation arrangement made available by the Company, the Participant engages in Detrimental Activity, such PRSUs shall be cancelled and rescinded without any payment or consideration therefor. The determination of whether the Participant has engaged in Detrimental Activity shall be made by the Committee in its good faith discretion, and the earning of Earned PRSUs and delivery of Shares with respect to Earned PRSUs shall be suspended pending resolution to the Committee's satisfaction of any investigation of the matter.

(b) For purposes of this Agreement, "Detrimental Activity" means at any time (i) using information received during the Participant's membership on the Board relating to the business affairs of the Company or any of its Subsidiaries or Affiliates, in breach of the Participant's express or implied undertaking to keep such information confidential; (ii) directly or indirectly persuading or attempting to persuade, by any means, any employee of the Company or any of its Subsidiaries or Affiliates to breach any of the terms of his or her employment with the Company, its Subsidiaries or its Affiliates; (iii) directly or indirectly making any statement that is, or could be, disparaging of the Company or any of its Subsidiaries or Affiliates, or any of their respective employees (except to the extent necessary to respond truthfully to any inquiry from applicable regulatory authorities or to provide information pursuant to legal process); (iv) directly or indirectly engaging in any illegal, unethical or otherwise

wrongful activity that is, or could be, substantially injurious to the financial condition, reputation or goodwill of the Company or any of its Subsidiaries or Affiliates; or (v) directly or indirectly engaging in an act of misconduct such as, embezzlement, fraud, dishonesty, nonpayment of any obligation owed to the Company or any of its Subsidiaries or Affiliates, breach of fiduciary duty or disregard or violation of rules, policies or procedures of the Company or any of its Subsidiaries or Affiliates, an unauthorized disclosure of any trade secret or confidential information of the Company or any of its Subsidiaries or Affiliates, any conduct constituting unfair competition, or inducing any customer to breach a contract with the Company or any of its Subsidiaries or Affiliates, in each case as determined by the Committee in its good faith discretion. Nothing in this Agreement prevents the Participant, however, from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that the Participant has reason to believe is unlawful.

9. Responsibility for Taxes.

The Participant acknowledges that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items") is and remains the Participant's responsibility and may exceed the amount actually withheld by the Company (if any). The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Plan, including, but not limited to, the grant, vesting or settlement of the PRSUs, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or Dividend Equivalents; and (ii) does not commit to and is under no obligation to structure the terms of this Award or any aspect of the Plan to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

10. The Plan.

In consideration for this Award, the Participant agrees to comply with the terms of the Plan and this Agreement. This Agreement is subject to all the terms, provisions and conditions of the Plan, which are incorporated herein by reference, and to such regulations as may from time to time be adopted by the Committee. In the event of any conflict between the provisions of the Plan and this Agreement, the provisions of the Plan shall control, and this Agreement shall be deemed to be modified accordingly. The Plan and the prospectus describing the Plan can be found on Fidelity NetBenefits® at www.netbenefits.com/firstamerican under Plan Information and Documents. A paper copy of the Plan and the prospectus shall be provided to the Participant upon the Participant's written request to the Company at First American Financial Corporation, 1 First American Way, Santa Ana, California 92707, Attention: Incentive Compensation Plan Administrator, or such other address as the Company may from time to time specify.

11. Compliance with Laws and Regulations.

(a) Notwithstanding any other provision of the Plan or this Agreement, the PRSUs and the obligation of the Company to sell and deliver Shares hereunder shall be subject in all respects to (i) all applicable Federal and state laws, rules and regulations and (ii) any registration, qualification, approvals or other requirements imposed by any government or regulatory agency or body which the Committee shall, in its discretion, determine to be necessary or applicable. Moreover, the Company shall not deliver any certificates for Shares to the Participant or any other person pursuant to this Agreement if doing so would be contrary to applicable law. If at any time the Company determines, in its discretion, that the listing, registration or qualification of Shares upon any securities exchange or under any state or Federal law, or the consent or approval of any governmental regulatory body, is necessary or desirable, the Company shall not be required to deliver any certificates for Shares to the Participant or any other person pursuant to this Agreement unless and until such listing, registration, qualification, consent or approval has been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Company.

(b) It is intended that the Shares received in respect of Earned PRSUs shall have been registered under the Securities Act. If the Participant is an "affiliate" of the Company, as that term is defined in Rule 144 under the Securities Act ("Rule 144"), the Participant may not sell the Shares received except in compliance with

Rule 144. Certificates representing Shares issued to an “affiliate” of the Company may bear a legend setting forth such restrictions on the disposition or transfer of the Shares as the Company deems appropriate to comply with Federal and state securities laws.

(c) If, at any time, the Shares are not registered under the Securities Act, and/or there is no current prospectus in effect under the Securities Act with respect to the Shares, the Participant shall execute, prior to the delivery of any Shares to the Participant by the Company pursuant to this Agreement, an agreement (in such form as the Company may specify) in which the Participant represents and warrants that the Participant is purchasing or acquiring the Shares acquired under this Agreement for the Participant’s own account, for investment only and not with a view to the resale or distribution thereof, and represents and agrees that any subsequent offer for sale or distribution of any kind of such Shares shall be made only pursuant to either (i) a registration statement on an appropriate form under the Securities Act, which registration statement has become effective and is current with regard to the Shares being offered or sold, or (ii) a specific exemption from the registration requirements of the Securities Act, but in claiming such exemption the Participant shall, prior to any offer for sale of such Shares, obtain a prior favorable written opinion, in form and substance satisfactory to the Company, from counsel for or approved by the Company, as to the applicability of such exemption thereto.

12. Notices.

All notices by the Participant or the Participant’s assignees shall be addressed to First American Financial Corporation, 1 First American Way, Santa Ana, California 92707, Attention: Incentive Compensation Plan Administrator, or such other address as the Company may from time to time specify. All notices to the Participant shall be addressed to the Participant at the Participant’s address in the Company’s records.

13. Severability.

In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Agreement, and this Agreement shall be construed and enforced as if the illegal or invalid provision had not been included.

14. Waiver.

The Participant acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of this Agreement.

15. Electronic Delivery.

The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

FIRST AMERICAN FINANCIAL CORPORATION

By: _____
Name:
Title:

Date: **[Grant Date]**

Acknowledged and agreed as of the Date of Grant:

Printed Name: **[Participant Name]**

Date: **[Acceptance Date]**

[NOTE: GRANT WILL BE ACCEPTED ELECTRONICALLY]

CERTIFICATIONS

I, Mark E. Seaton, certify that:

1. I have reviewed this quarterly report on Form 10-Q of First American Financial Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2025

/s/ Mark E. Seaton

Mark E. Seaton

Chief Executive Officer

(Principal Executive Officer)

CERTIFICATIONS

I, Matthew F. Wajner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of First American Financial Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2025

/s/ Matthew F. Wajner

Matthew F. Wajner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32(a)

Certification pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Form 10-Q of First American Financial Corporation (the “Company”) for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Mark E. Seaton, chief executive officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Mark E. Seaton

Mark E. Seaton

Chief Executive Officer

Date: July 24, 2025

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. §1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32(b)

Certification pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Form 10-Q of First American Financial Corporation (the “Company”) for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Matthew F. Wajner, chief financial officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Matthew F. Wajner

Matthew F. Wajner

Chief Financial Officer

Date: July 24, 2025

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. §1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.
