



First Merchants

**ENVIROMENTAL POLICY
INTERNAL USE ONLY**

I. Introduction

First Merchants Corporation (the “Company”) recognizes that its business activities have an impact on the local, national, and global environments. It is our goal to minimize any negative impacts of our operations on these environments. This includes management of the environmental impact of our business operations and our physical facilities including all branches, offices, and operational buildings.

II. Purpose

The Environmental Policy outlines our enterprise approach for managing our environmental impact through sustainable business practices.

III. Roles and Responsibilities

A. Board of Directors

The Board has delegated the oversight responsibilities with respect to the Company’s environmental, social and governance “ESG” efforts to the Nominating & Governance Committee.

B. Nominating & Governance Committee

The Nominating & Governance Committee will oversee the Company’s ESG strategies, objectives and metrics established to measure the Company’s performance.

C. ESG Committee

The Environmental, Social, and Governance (“ESG”) Committee, consisting of members of Executive and Senior Management, were appointed to provide strategic direction and oversight to all ESG efforts of the Company.

IV. Definitions

A. Environmental, Social, and Governance (ESG)

Criteria based on environmental, social, and governance metrics and business practices used to evaluate a company.

B. Environmental

Factors used to evaluate and manage the business impact on the physical surroundings and natural resources (including the consumption and management of energy and natural resources).

The physical surroundings include the environments where people, animals, and plants live and includes natural resources.

V. Policy Statement

We are focused on managing our environmental impact through sustainable business practices and by actively managing our consumption of the following resources:

- Energy (i.e., electricity/gas)
- Water
- Paper
- Waste management

We strive to protect our environment and manage our impact by:

- Identifying opportunities for mitigating environmental risks associated with our business practices,
- Complying with all applicable environmental regulations,
- Measuring and monitoring environmental impact metrics and using this information to regularly review procedures, initiatives, and the allocation of resources,
- Encouraging, guiding, and supporting staff to act in accordance with this environmental policy,
- Auditing metrics and monitoring operational environmental risks,
- Managing construction and renovations to minimize waste and improve efficiency,
- Maintaining an ESG Committee to oversee and govern all ESG efforts of the Company,
- Reporting our sustainability efforts to the Nominating & Governance Committee of the First Merchants Board of Directors.

The Company will continue to evolve its practices to reflect its mission and scale, including size, scope, and complexity of its operations.