



2016 IMPACT REPORT



WELCOME TO THE SUNRISE BANKS’
2016 IMPACT REPORT

Our mission at Sunrise Banks is to be:
The most innovative bank empowering the underserved to achieve.

With this mission in mind, I’m often asked what it means to innovate in the banking industry.

For us, it’s not just something we say; it’s part of how we do business. We continue to evaluate and improve upon our internal innovation process – aptly named “The Dream Accelerator”—because that’s what we aim to do – grow the dreams of our community and its residents. This process allows us to cultivate and nurture new initiatives.

The results of this process continue to grow this year with innovative products and programs including our Open Door Grants, New Markets Tax Credit lending, TrueConnect, and North4Good.

At the same time, we continue our 30 year history of serving diverse and underserved communities of Minneapolis and Saint Paul, and continue to offer products and services that not only meet customer needs, but also create meaningful impact in our community.

Together, we are strengthening the community; together we are multiplying our impact.



David Reiling
Sunrise Banks CEO

EMPLOYEE DEMOGRAPHICS



62%
FEMALE



21.5%
MINORITY

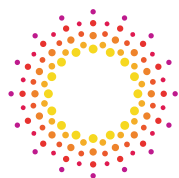


32%
LIVING IN LOW-
AND-MODERATE-INCOME
COMMUNITIES

SUNNY AWARD WINNER

Al Alexander

Each year, Sunrise hosts the Sunny Awards to recognize an employee who most exhibits the Sunrise 10X Values – *Creating a Caring Culture of Achievement*.



ENVIRONMENT

OUR BRANCHES

6 **Retail Branch Locations**

Four (66.7%) are located in low- and moderate-income census tracts.



All Sunrise Banks locations are accessible by public transportation.



Over 49,000 square feet or 63% of company facilities are LEED certified.

B CORP™ SCORE 143

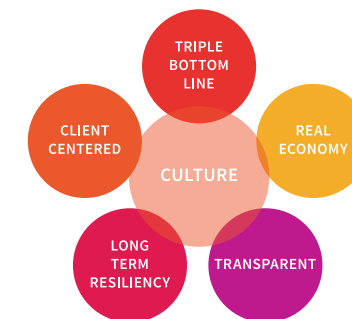


Sunrise Banks continues to be a Certified B Corp™! B Corps use the power of business to solve social and environmental problems. As a B Corp, Sunrise continues to meet rigorous standards of social and environmental performance, accountability, and transparency.

- Sunrise's score is well above the median score for ordinary businesses of 51 points and above the median score for B Corps of 97 points.
- In 2016, Sunrise scored in the top 10% of all Certified B Corps for overall social and environmental impact and was named to the Best for the World honoree list.
- Today, there are over 2,000 Certified B Corps across 50 countries and 130 industries.



Sunrise continues to be a member of the Global Alliance for Banking on Values (GABV). GABV is a network of the world's leading sustainable banks that use finance to deliver sustainable development for underserved people, communities, and the environment.



GABV fundamental pillars of sustainable banking:

CDFI

(COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION)

ONLY CDFI BANK IN MINNESOTA | One of 124 CDFI Banks Nationally

CDFIs are mission-driven financial institutions dedicated to community development and provide financial products and services to meet the needs of economically disadvantaged individuals within underserved communities. Sunrise Banks is a member of the Opportunity Finance Network, the leading national network of CDFIs. Members offer responsible financial products and services in all types of communities across the United States. Sunrise is also a member of the Community Development Banker's Association, the national trade association of community development bankers. CDBA is the voice and champion of banks with a mission of serving low-and moderate-income communities.

Over \$96 million of loans (60% of all loans) originated in our CDFI Investment Area.

PUBLIC BENEFIT CORPORATION

Benefit corporations have a corporate purpose **to create a material positive impact on society and the environment**, have expanded the fiduciary duty of their directors to include consideration of stakeholder interests, and are required to report on their overall social and environmental performance.

University Financial Corp, GBC, the holding company for Sunrise Banks N.A., is a legally-incorporated benefit corporation in the state of Minnesota. A benefit corporation is a corporation that has voluntarily met the highest standards of corporate purpose, accountability, and transparency.



APPROXIMATELY **12 MILLION** AMERICANS USE PAYDAY LOANS ANNUALLY

Spending on average \$520 in interest in fees to repeatedly borrow an average of \$375 in credit.*
*2014 Pew Charitable Trust**

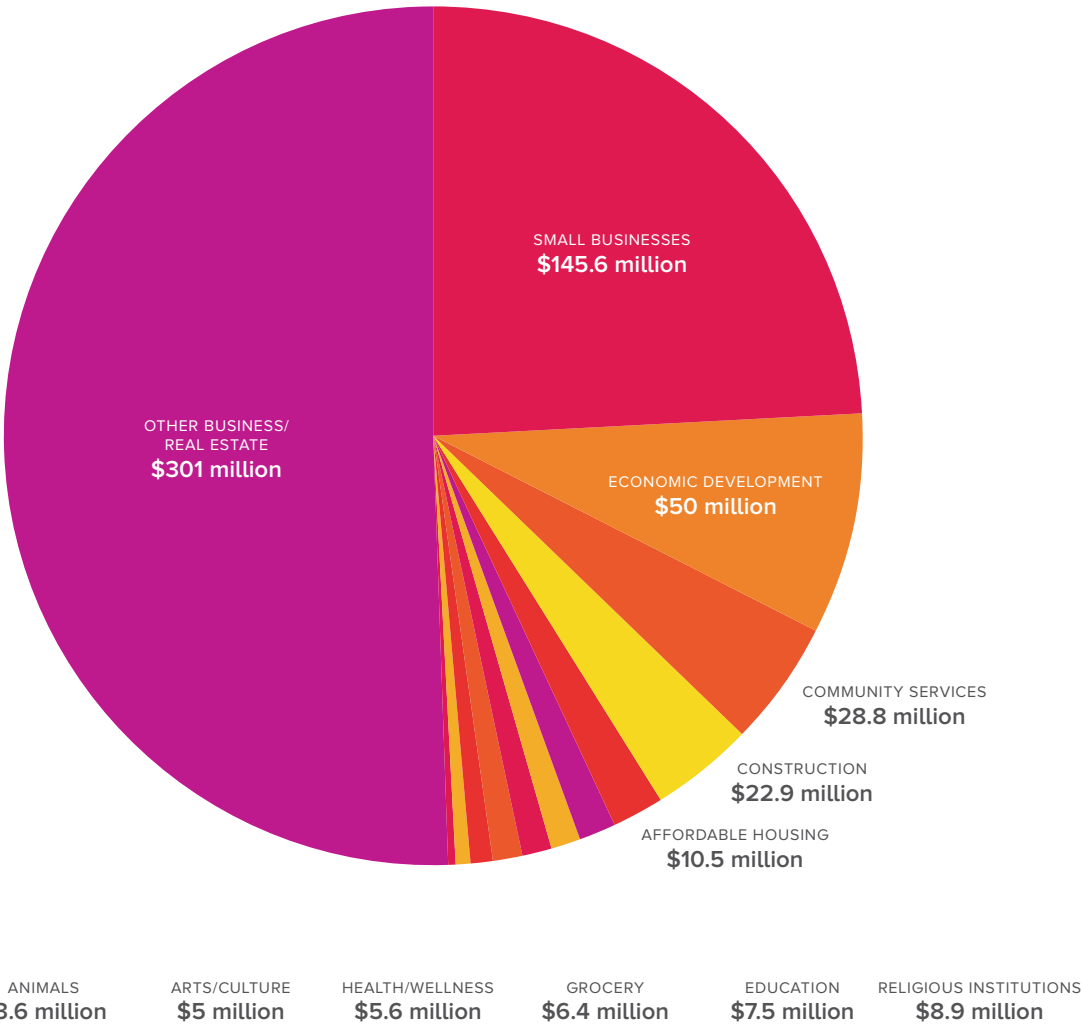
TrueConnect is a lower-cost, responsibly-structured loan designed to be an alternative to expensive payday loans.



Over **\$132 million** is designated to the **IMPACT DEPOSIT FUND**

The Impact Deposit Fund (IDF) allows any deposit account to be used for positive change in our community. IDF funds are leveraged to make loans that benefit our community, such as affordable housing development, community services, economic development, and small business lending.

OVERALL LOAN PORTFOLIO
AS OF 12/31/16



NEW MARKET TAX CREDITS

Sunrise Banks received a **\$70 million** New Markets Tax Credit allocation award from the 2015-2016 award round.

The purpose of the New Markets Tax Credit (NMTC) Program is to spur new or increased investments into low-income communities.

Sunrise has fully deployed its 2014 NMTC allocation of **\$38 million**

Highlighted project: **800 W Broadway**

Awarded Novogradac's **QLICI of the Year**
(Metro Category)

PROJECT SUMMARY:

Sunrise provided financing for Sherman Associates' 800 W Broadway project in one of the most distressed areas of Minneapolis. The project is transforming a vacant, blighted urban building into a mixed-used facility which will not only create jobs, but also provide critical services to a community comprised of 85% minority residents and with a 52.5% poverty rate.

The space will be rehabilitated into office and retail space and will house a Workforce Center, Minneapolis Public Schools, NorthPoint Health, and retail spaces. The overall mission of the project is to increase the community's access to employment, education, and health care.



CREDIT BUILDER

In 2016, **215** new Credit Builder loans were opened, with an average loan size of **\$767**.

Sunrise offers a Credit Builder Program, a combination loan and savings program that may help participants establish a good payment history, which is an *important step to building a better credit score.*



MORTGAGE

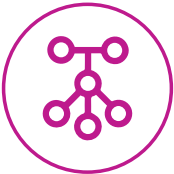
Sunrise believes that homeownership should be an option for all families in Minnesota.
And that is why we've created a variety of mortgage programs in 2016 to help homebuyers.

Sunrise helped **12 families** purchase their first home in 2016.

Open Door Credits are available to qualifying homebuyers, which provide closing cost assistance. In 2016, Sunrise provided over **\$30,000 in Open Door Credits.**

SUNRISE BANKS GIVES A MINIMUM OF
2% NET INCOME PER YEAR THROUGH
CORPORATE DONATIONS AND
SPONSORSHIPS

Sunrise staff volunteered
8,100 hours in 2016
Approximately 40 hours per employee.



PAY-IT FORWARD
ANNUAL CAMPAIGN

Sunrise Banks continued its annual Pay-it-Forward campaign, where each employee is given \$25 to give back to an individual, family, or group in need.



PERK UP THE GIVING

Sunrise Banks' Como Avenue branch has a coffee bar in the lobby and all sales from the coffee bar are donated to a neighborhood nonprofit organization each month. In 2016, this resulted in \$6,218 in donations.



SUNRISE CHARITABLE
GIVING WEEK

During the bank's annual Charitable Giving Week, employees gave approximately \$16,500 to support nonprofit organizations.



EMPLOYEE DRIVES

Through Sunrise employee drives in 2016, employees donated over 4,000 food items to Second Harvest Heartland, over 2,900 food items to Groveland Emergency Food Shelf, over 300 back-to-school items to Tesfa International School, and over 100 warm clothing items to the Wilder Foundation.



FRASER PARTNERSHIP/
PLAY THERAPY

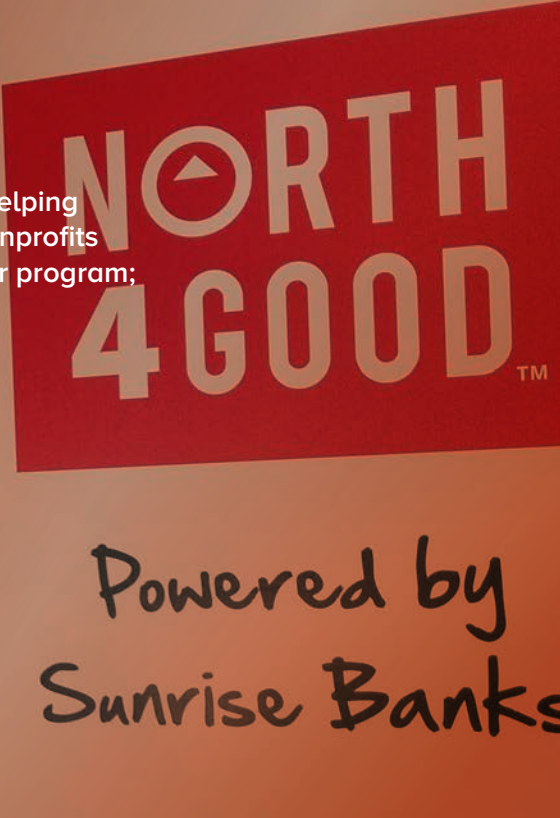
Sunrise partnered with the nonprofit organization Fraser, who is Minnesota's largest and most experienced provider of autism services.

Sunrise employees created over 180 bags of playdough to be used to support children' in Fraser's therapy programs.

SUNRISE’S NEW INITIATIVE

North4Good™

North4Good is a new type of volunteer program aimed at helping individuals and other businesses make connections with nonprofits from around the Twin Cities. This isn’t your typical volunteer program; we are people using volunteerism as a force for change.



Through our first North4Good initiative, over 50 volunteers of all ages designed and wrote 886 holiday cards for the Holiday Mail for Heroes project with the American Red Cross.

The North4Good website will launch in early 2017, featuring event stories, non-profits, and more volunteer opportunities.



OVER-THE-MOON GIVING

Sunrise sponsored a speed volunteer activity at TedX Minneapolis and participants created over 200 bags of “moon sand”, another sensory toy used in Fraser’s programming.



YOUTHLINK VIDEO

Sunrise Banks partnered with the nonprofit organization YouthLink to tell their story with an impactful video.



SOCIAL MEDIA CONTEST

Sunrise held its second annual social media contest, donating \$5,000 for three nonprofit organizations: Avenues for Homeless Youth, YouthFarm, and Cookie Cart. The organizations each received a financial donation and also received significant exposure via social media including Facebook and Twitter.



BEDRACE FOR BRIDGING

20 Sunrise employees participated in the Bedrace for Bridging event, in which employees raced down Buck Hill on mattresses and raised funds for Bridging.



PLAYWORKS KICKBALL TOURNAMENT

30 Sunrise employees participated in the Playworks Kickball tournament, which raised funds for the nonprofit Playworks.



KIDS HOLIDAY PARTY

Sunrise Banks Arcade location hosted a Kids Holiday Party, where over 60 children were able to pick out and wrap gifts for their siblings.

IN 2016, SUNRISE EMBARKED ON A JOURNEY
TO “WELCOME HOME” A LOCAL FAMILY
in partnership with Twin Cities Habitat for Humanity



Sunrise contributed \$42,000 for the build.



10

WEEKS

750

VOLUNTEERS



Collected over **\$77,000**

IN DONATIONS FROM PARTNERS | CUSTOMERS | FAMILY & FRIENDS





SUNRISE PRESIDENT NICHOL BECKSTRAND

- Honored as 2016 Outstanding Women in Banking
- Named to Smartest People in Payments List



GOLD WINNER 2016 AMCP MARCOM AWARDS

Video titled *“From Homeless to Hopeful”*
about local nonprofit YouthLink

HONORABLE MENTION

2016 PR Daily Corporate Social Responsibility Awards
for 2015 Impact Report



SUNRISE CEO DAVID REILING

- Top Thought Leader by Trust Across America
- 2016 Most Admired CEO
- Honored at 2016 Progress MN Awards





SUNRISE BANKS OFFERS

Financial Choice

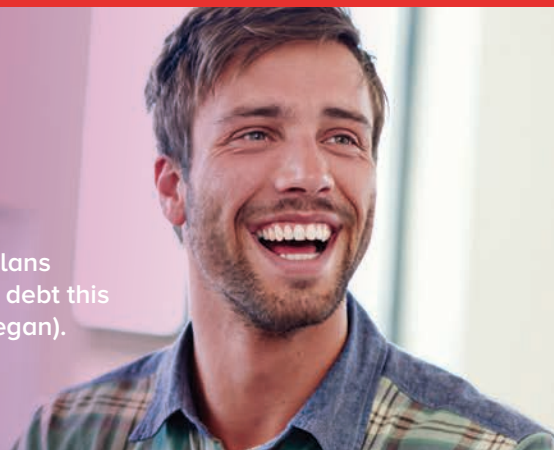
Offered by Lutheran Social Services, to provide a free financial counseling and budgeting program to all bank customers and employees.

In 2016, this program had **55 individual participants** in budget and debt counseling and/or credit report reviews.

This partnership also provided financial education workshops to **90 individuals** in the community.



Participants that signed up for Debt Management Plans with Financial Choice have paid off over \$18,000 in debt this year (over \$37,000 paid off since the partnership began).



ONLINE LITERACY TRAINING 260 STUDENTS

Sunrise Banks began a partnership with Banzai to offer online financial literacy courses for teachers and their classrooms in the urban core, free of charge. In 2016, this program brought real-world financial literacy to 260 students.



FINANCIAL LITERACY TRAINING PROGRAMS OVER 250 PARTICIPANTS

In partnership with local nonprofit organizations, Sunrise employees facilitated financial literacy training to 255 individuals in the community.

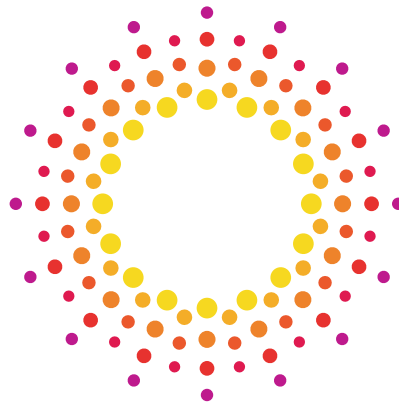


K-12 SAVING AND SPENDING EDUCATION 3 SCHOOLS | 1,000 STUDENTS

Sunrise Banks, in partnership with Twin Cities Road Crew, offered interactive, energetic programming on spending and saving smart in Twin Cities urban schools. In 2016, these programs reached 3 schools and 1,000 students.



THE MOST
INNOVATIVE BANK
EMPOWERING
THE UNDERSERVED
TO ACHIEVE.



SUNRISEBANKS.COM



MEMBER FDIC
NMLS #640909

