

Partnership for Carbon Accounting Financials (PCAF) Disclosure

2025

Carbon Footprint Report

SUNRISE  BANKS®

Sustainability at Sunrise Banks

At Sunrise Banks, sustainability is at the heart of our mission to create positive change in our communities and the planet. We envision a world where financial wellness and environmental sustainability join forces to create a future where people and the planet prosper. Banks have a critical role to play in financing the climate transition and enabling the development of a more equitable future for all. We are dedicated to empowering individuals, businesses and communities through innovative banking solutions that prioritize financial inclusion, environmental stewardship, and social equity.

Through these efforts, we aim to lead by example and inspire others to join us in creating a sustainable future where innovative banking for good is the norm, and every individual has the opportunity to thrive.

We also believe in maintaining the highest level of transparency in regard to sustainability, and with that in mind we are proud to report on our environmental impact. Below, we present our 2025 carbon footprint disclosures from our operations as well as our loans through our commitment to the Partnership for Carbon Accounting Financials (PCAF).

Purpose Statement

Sunrise Banks will continue to measure, report, and disclose our financed and operational emissions. In doing so, the results will continue to inform the strategic actions we undertake in order to reach our net zero emissions goal by 2050. These actions include our Net Zero Financing and Net Zero Deposits programs, which are highlighted in the Impact and Success Stories section of this report.

Our Commitments

Sunrise Banks is committed to transparency, accountability, and governance that align with our mission to be the most innovative bank empowering financial wellness. We believe that sustainable banking is about managing resources wisely and fostering a sense of shared responsibility and collective action. We work alongside leaders in our communities and support customers with the tools and knowledge they need to build a more resilient and healthy economy.

As a certified B Corporation and a member of the Global Alliance for Banking on Values (GABV), we adhere to the highest standards of ethical and sustainable business practices.

PCAF

The Partnership for Carbon Accounting Financials is an industry-led initiative and framework which allows financial institutions to measure and disclose the greenhouse gas emissions associated with their investments and loans annually. Sunrise Banks has been a member of the PCAF community since 2020.

GABV



PROUD MEMBER

The Global Alliance for Banking on Values is a network of independent banks using finance to deliver sustainable economic, social and environmental development. Sunrise Banks has been a member of the GABV since 2013. Our CEO David Reiling is the chair of the GABV board of directors.

3C Initiative

The 3C initiative is the GABV's climate change commitment which calls on members to measure and disclose their carbon footprint. It also calls on members to reach net zero status by 2050 and disclose progress through the PCAF.

Certified B Corp



Sunrise Banks is a certified B Corp, a global designation given to qualifying businesses which meet the highest standards of verified social and environmental performance. Sunrise Banks has been a Certified B Corp since 2009.

Carbon Footprint Reporting

Key findings for 2025:

- ✓ Total portfolio financed emissions intensity decreased by 6.7%
- ✓ Financed emissions intensities decreased in 3 out of 5 asset classes by 7% or more.
- ✓ In 2025 we added tracking on two new emissions categories: Waste and Purchased Goods & Services.
- ✓ We reclassified Project Finance to include only our Net Zero loans, with a financed emissions intensity of 4.75 tCO₂e/\$M. Net Zero Loans are a lever to make progress on our commitment to reach net zero emissions by 2050.
- ✓ For the third consecutive year, we have increased the data quality and accuracy of our PCAF disclosure.

Progress Over Time

Our overall financed emissions intensity has dropped by 36.1% since 2022. This drop reflects improvements in our data quality as well as adding more sustainable loans to our portfolio.

Financed emissions are the greenhouse gas emissions that result from a financial institution's lending and investment activities (Scope 3 in Table 1.)

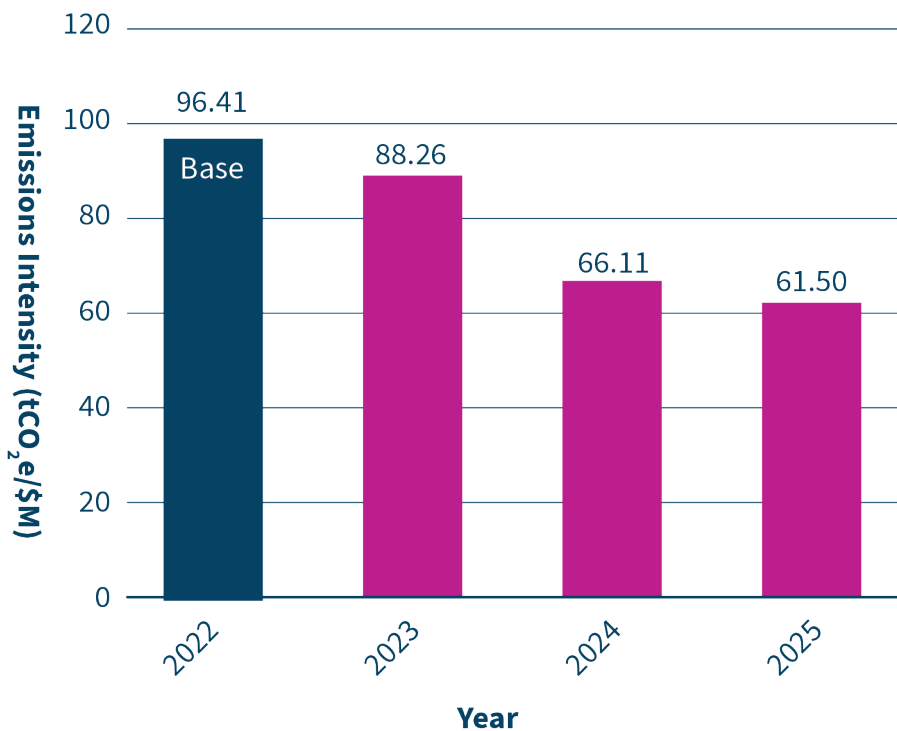
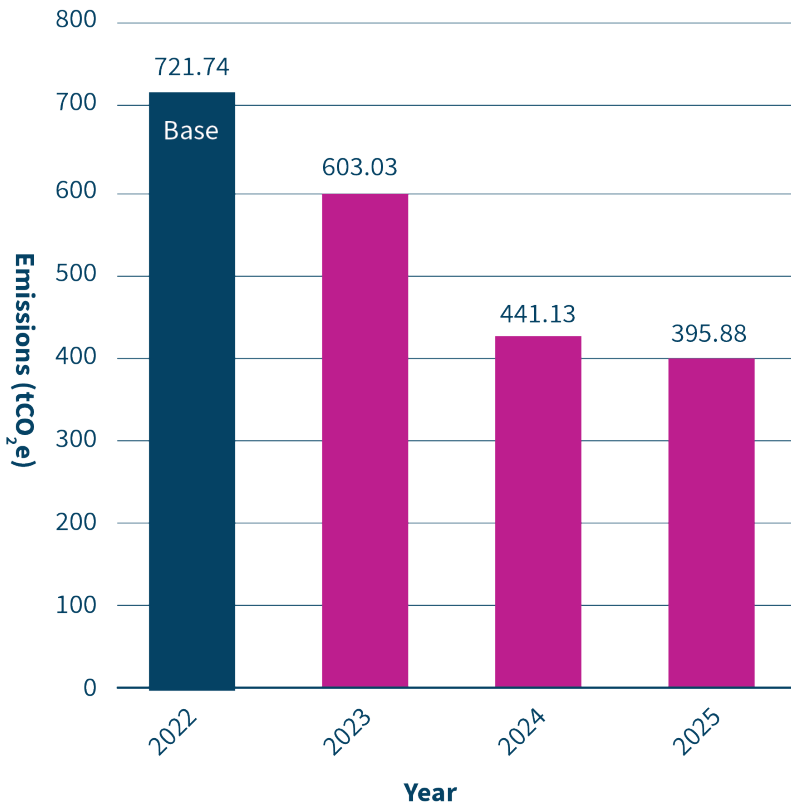


Figure 1: Emissions intensity over time



Our operational emissions have dropped by approximately 45% since 2022.

Operational emissions are the emissions that result from the energy used to operate a building or infrastructure (Scope 1 and 2 in Table 1.) Sunrise Banks sold two unused buildings in 2024, and emissions were further reduced by our remote work policy.

Figure 2: Operational emissions over time

Sunrise Banks utilizes an emissions intensity approach to our net zero goals, defined as tons of carbon dioxide equivalent per \$1 million USD lent. As this figure shows, the emissions intensities of the five asset classes within our portfolio are trending downward—aside from motor vehicle loans, which comprise less than 1% of our total portfolio.

In 2025, Sunrise Banks recategorized Project Finance to include only our Net Zero loans (as defined in the Net Zero Financing Framework), reflecting a rapid drop off of emissions intensity in the asset class. Sunrise Banks still does and will continue to capture 100% of our activities covered within the current PCAF methodology.

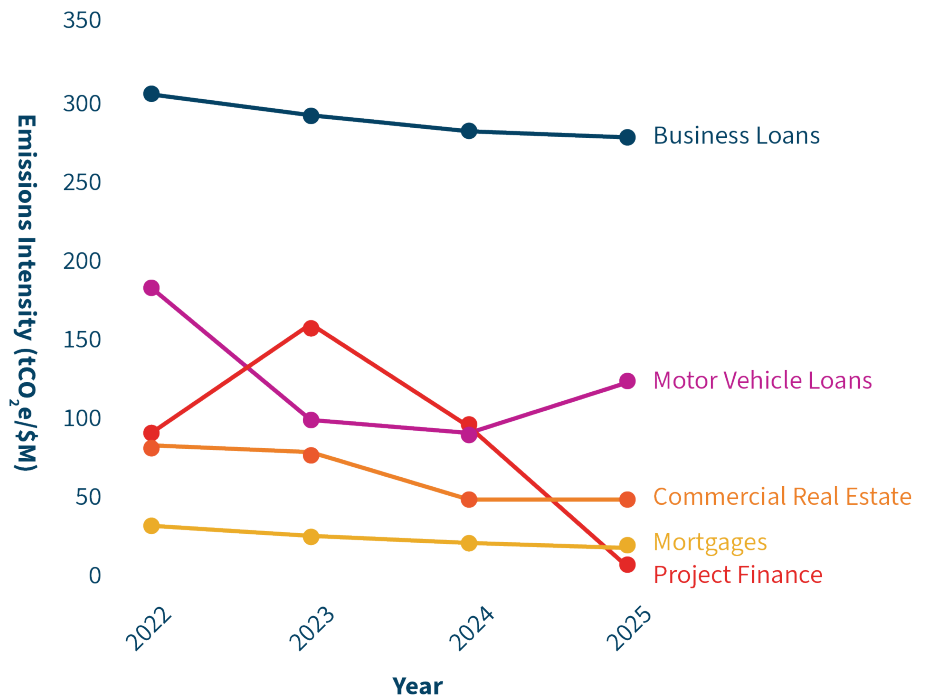


Figure 3: Emissions intensity by asset class over time

Carbon Footprint Report

This table depicts our emissions (measured in absolute tCO₂e) broken down into scopes 1, 2, and 3, which help categorize our emissions.

Scopes & Categories	2025 Emissions (tCO ₂ e)
Scope 1 Emissions	
Stationary Combustion (Natural Gas)	137.50
Mobile Combustion (Vehicles)	-
<i>Scope 2 Emissions</i>	
Purchased Energy (Electricity)	258.38
<i>Upstream Scope 3 Emissions</i>	
Category 1: Purchased Goods & Services	1,685.83
Category 6: Business Travel (Air Travel)	41.62
<i>Downstream Scope 3 Emissions</i>	
Category 5: Waste	15.57
Category 15: Investments (Financed Emissions)	90,322.31
<i>Total Emissions</i>	
Scope 1 Total Emissions	137.50
Scope 2 Total Emissions	258.38
Scope 3 Total Emissions	92,065.33
Total Emissions	92,461.21

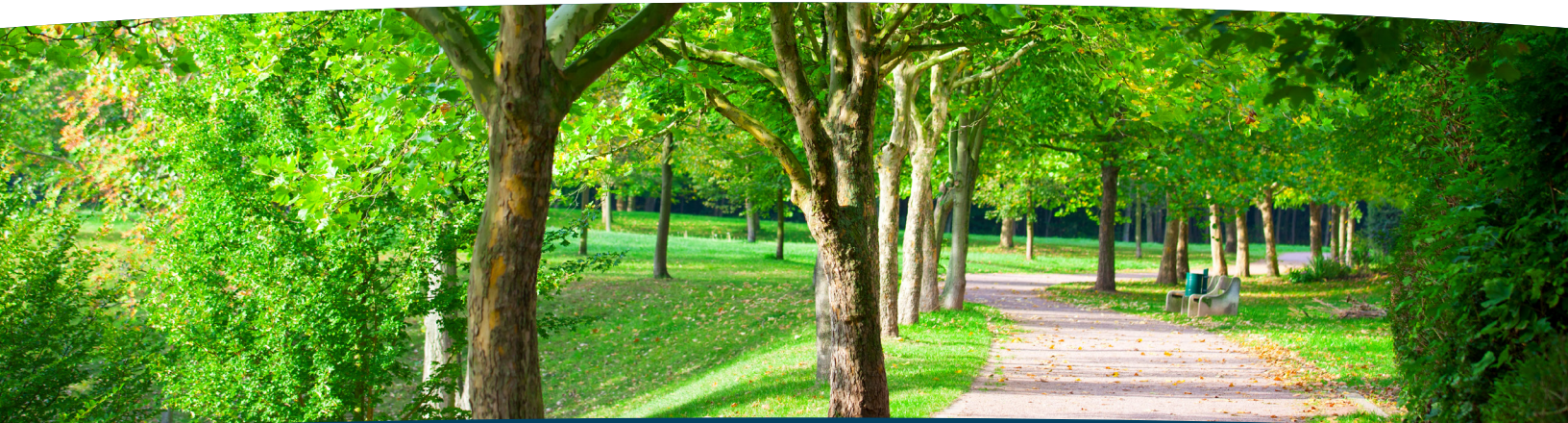
Table 1: 2025 Carbon Footprint

What do the categories mean?

PCAF uses the Scope 1, 2, and 3 categorizations for attributing financed emissions.

- **Scope 1** emissions are direct operational emissions by Sunrise Banks.
- **Scope 2** emissions are indirect emissions from purchased or acquired energy consumed by Sunrise Banks.
- **Scope 3** emissions are also indirect and encompass all other value chain emissions, which can be further divided into upstream emissions (for example, production or extraction of purchased materials) or downstream emissions due to the use of Sunrise Banks products or services.

In 2025, we calculated our carbon footprint from purchased goods and services for the first time, at 1,685.83 tCO₂e.



Financed Emissions Activity Report

This table tracks the emissions associated with our loan portfolio. It is broken down into five asset classes via the PCAF methodology, based on the type of loan.

Activity	Outstanding Amount in Portfolio (\$M)	Scope 1 & 2 Emissions (tCO ₂ e)	Scope 3 Emissions (tCO ₂ e)	Emissions Intensity (tCO ₂ e/\$M)	Weighted Data Quality Score
<i>Absolute Emissions by Asset Class</i>					
Business Loans	\$125.93	12,736.89	22,338.73	278.53	4.28
Project Finance	\$25.77	122.51	-	4.75	2.00
Mortgages	\$234.88	3,875.43	-	16.50	4.00
Commercial Real Estate	\$1,073.34	50,576.35	-	47.12	4.11
Motor Vehicle Loans	\$5.54	672.40	-	121.37	2.00
Total	\$1,465.46	67,983.58	22,338.73	-	-

Table 2: 2025 Financed Emissions Activity

What does “data quality score” mean?

The data quality score (DQS) associated with each loan give information on what method was used to calculate its carbon footprint and is the level of accuracy for the estimation. The PCAF data quality score ranges from 1-5, with 1 being the most accurate data possible.

From 2024 to 2025, our data quality score improved for commercial real estate, mortgage and business loan asset classes, and remained the same in the other two.

Commercial Real Estate and Business Loans continue to make up the majority of our financed emissions footprint, at 94.8% of total financed emissions.



Impact & Success Stories

A healthy environment means a healthy economy. As a financial institution, Sunrise Banks recognizes its obligation to lower emissions and work towards a greener, more sustainable future.

As part of our commitment to track and reduce carbon emissions, Sunrise Banks offers net zero banking options, including Net Zero Financing for qualifying commercial, business and nonprofit projects and Net Zero Deposits for business and personal banking accounts. We've also implemented the Sunrise Banks Net Zero Advisory Committee and Net Zero Working Group to help govern our evaluation and selection of net zero projects.

Net Zero Deposits

First launched in 2024, Net Zero Deposits empower customers to turn a basic bank account into a meaningful way to mitigate the impacts of climate change and support the transition to a net zero economy.

By choosing to designate deposits from their Checking, Savings or CD accounts to net zero projects, customers directly support initiatives that reduce or avoid carbon emissions, including:

- Energy Efficiency Upgrades
- Renewable Energy
- Green Buildings
- Resource Efficiency Infrastructure
- Electric Vehicles

In 2025, our customers designated an additional \$3 million to Net Zero Deposits, a 40% growth in the program since 2024. These deposits reduced and avoided nearly 494 metric tons of carbon (tCO₂e).

Every Meal: Investing in Clean Energy to Power its Mission



Launched in 2010, Every Meal supplies kids and families who live in food-insecure homes in the Twin Cities with easy-to-prepare, culturally relevant meals and pantry staples. As its reach has grown, so has its need to use more space and energy. Recently, the nonprofit made a big investment in operational efficiency by purchasing a new solar panel array for its Roseville warehouse.

Every Meal took advantage of what's known as Commercial Property Assessed Clean Energy Lending (C-PACE) to finance its solar panel project. Sunrise Banks provides C-PACE loans to Minnesota businesses that want to make energy efficient upgrades to their buildings.

Every Meal was also able to secure a lower financing rate thanks to the Net Zero Financing program at Sunrise Banks. These loans are awarded to projects that actively work to reduce or avoid carbon emissions.

“Ultimately, what that means is we will have more funds to buy food to serve the kids in Minnesota who face empty kitchen cupboards at home,” says Rob Williams, president and founder of Every Meal.

Appendix

Transparency and Disclaimer

Accuracy

PCAF uses the Scope 1, 2, and 3 categorizations for attributing financed emissions.

- Scope 1 emissions are direct operational emissions by the reporting company.
- Scope 2 emissions are indirect emissions from purchased or acquired energy consumed by the reporting company.
- Scope 3 emissions are also indirect and encompass all other value chain emissions, which can be further divided into upstream emissions (for example, production or extraction of purchased materials) or downstream emissions due to the use of the organization's products or services.

PCAF assigns data different score based on data quality. A data quality score of 1 represents the highest quality, and 5 is the lowest. The Sunrise Banks data quality for 2025 PCAF assessments are above the minimum threshold, and continuing work is ongoing to further improve data quality in the future.

At this point in time, the Sunrise Banks PCAF information has not been verified by a third party.

Rebaselining

In alignment with updated 2026 PCAF best practices, Sunrise Banks shifted its financed-emissions baseline year forward from **2020 to 2022** due to pre-2022 data quality and methodology improvements, and COVID-related portfolio impacts. We **did not recalculate** earlier years; therefore, pre-2022 and post-2022 results are **not directly comparable**, and 2022 onward reflects our most consistent approach. As we have matured our carbon footprint and net zero data collection, we shifted our methodology in order to better align with more ambitious global best practices and with our goal to be a net zero financial institution by the year 2050.

Completeness

PCAF includes six asset class categorizations for loans. Our loan portfolio includes five of the six asset classes, since only those five asset classes are in our portfolio. They are Automobiles, Business Loans, Project Finance, Commercial Real Estate, and Mortgages. The sixth

asset class, Listed Equity and Corporate Bonds is not included in our assessment as they are not present in the Sunrise Banks portfolio.

Consumer Loans make up \$310.6 Million of the \$1.78 billion loan portfolio (2025 year end). Consumer loans are not assessed via PCAFs current methodology.

100% of loans in all five asset classes were assessed for 2025.

Consistency

Sunrise Banks will comply with PCAF methodology for this and future reports.

Relevance

The sixth annual release of the PCAF report allows for comparability across emissions reporting.

Transparency

Sunrise Banks utilized the PCAF online database to determine emissions factors used in calculating absolute financed emissions for the Business Loans, Project Finance, Mortgages and Commercial Real Estate Asset classes. Datasets from CBECS (Commercial Buildings Energy Consumption Survey), and RECS (Residential Energy Consumption Survey) were pulled from the database. For the Motor Vehicle Loans asset class, EPA data from www.fueleconomy.gov was used to obtain emissions factors on motor vehicles.

Sunrise Banks uses the PCAF Global Standard methodology with a few variations and the following assumptions:

- To determine attribution for Commercial Real Estate and Residential Mortgages, Sunrise Banks uses the loan collateral value to represent the "value of the property at origination." For a small percentage of both asset classes, Sunrise Banks utilized 100% attribution when the collateral value was not available to prevent underestimating emissions.
- tCO₂e is a standardized approach to measuring emissions, where each type of greenhouse gas is converted to a carbon dioxide equivalent based on its global warming potential (GWP). Methane, for example, is 25 times more potent than carbon dioxide, so 1 unit of methane equals 25 units of carbon dioxide.

Glossary

CARBON FOOTPRINT – The total greenhouse gas emissions emitted by human activity, attributed to a specific organization or individual.

CLIMATE CHANGE – Long term shifts in temperature and weather patterns which disrupt the usual balance of nature and increase the frequency of natural disasters.

DATA QUALITY SCORE – The data quality score (DQS) associated with each loan give information on what method was used to calculate its carbon footprint, and how accurate the estimation likely is. In PCAF the data quality score ranges from 1-5, with 1 being the most accurate data possible.

EMISSIONS INTENSITY – The financed emissions associated with a certain asset class or sector in terms of dollars lent or invested in that category. Expressed as: tCO₂e (emissions) per \$1 million lent in a given asset class (ex. The emissions intensity of concrete production in our portfolio is 42 tCO₂e per \$1m lent).

GREENHOUSE GAS EMISSIONS – Human made gasses released to the earth's atmosphere which heat the planet and contribute to climate change.

NET ZERO – A state where the amount of greenhouse gasses emitted by human activities is equal to the amount removed or prevented from entering the atmosphere in an equal period of time.

PCAF ASSET CLASS – The different classifications of loan types outlined in the PCAF standard and defined by the methodology used to estimate their financed emissions.

FINANCED EMISSIONS – The greenhouse gas emissions that result from a financial institution's lending and investment activities.

OPERATIONAL EMISSIONS – The emissions that result from the energy used to operate a building or infrastructure.



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