



2019

CORPORATE SOCIAL RESPONSIBILITY REPORT

RESPONSIBILITY IN ACTION



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AMERICA'S SOCIALY RESPONSIBLE BANK

We were formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America to support the Union's working, immigrant families.

Since then, Amalgamated Bank has pioneered new programs and financial products that provide access to banking regardless of people's socioeconomic status. Founded on the tenets of affordability and accessibility in banking, Amalgamated aims to serve the greater good to this day. As America's socially responsible bank, we have grown to support tens of thousands of people, organizations, causes and businesses committed to improving the world we live in.

Our customers include advocacy-based nonprofits, social welfare organizations, national and local labor unions, political organizations, foundations and sustainability-focused, socially responsible businesses, as well as the members and stakeholders of these commercial customers.

OUR MISSION

Our mission is to be America's socially responsible bank empowering organizations and individuals to advance positive social change.

OUR VALUES

- Integrity
- Passion
- Collaboration
- Responsibility
- Inclusion
- Proactivity
- Service

AMALGAMATED IS THE COUNTRY'S LARGEST B CORP® CERTIFIED BANK

We have been a certified B Corp® since January 2017.

B Corp® certification is the only one of its kind, comprehensively measuring a company's social and environmental performance,



transparency and accountability. In 2019, our B Impact Score rose from 87 to 115 (the minimum score for certification is 80), further underscoring our commitment to reducing inequality, lowering levels of poverty, creating a healthier environment, building strong communities and creating more high-quality jobs that promote dignity and purpose.

Formed: 1923
Headquarters: New York, NY
Employees: 400 employees located in New York City, Washington, D.C. and San Francisco
Initial Public Offering: August, 2018
Nasdaq: AMAL

THE COMPANY WE KEEP

We take pride in supporting organizations and affiliations who share in our mission to advance social change.



History of Firsts



SINCE 1923, A SUCCESSION OF FIRSTS

- We offered the first unsecured loans for working families
- The first financing for union-supported housing
- The first bridge loans to boost the earning potential of skilled immigrants
- The first foreign exchange transfer service for immigrants to safely send money to Europe
- The first loans for affordable housing in New York
- The first free checking accounts in New York
- We were the first bank to raise our minimum wage to \$20 an hour
- The first bank to include LGBTQ+ individuals in our corporate board diversity guidelines
- The first U.S. bank to join the Divestment Philanthropic Network and forego fossil fuel funding
- The first U.S. bank to endorse the UN Principles for Responsible Banking, and we were a founding signatory of the UN Principles for Responsible Investing
- And by staying true to our mission, principles and goals, we'll continue to lead the charge for positive change

2019 Highlights

2019: RECORD FINANCIAL PERFORMANCE

- **\$47.2M** Net Income — Best in our 97-year history
- Surpassed **\$5B** in total assets
- **13.0%** Deposit growth
- **13.6%** Growth in interest earnings assets
- **10.7%** Return on Tangible Equity
- **\$42.6B** Assets under custody and/or management

AWARDS

- NACD NXT — Small Cap Board Diversity
- Forbes 2019 — Best-in-State Banks, California
- Euromoney Awards for Excellence 2019 — Best Bank in North America for CSR
- Real Leaders 2019 — Top 100 Impact Companies
- B Corp® — Best for the World Honoree



CORPORATE SOCIAL RESPONSIBILITY (CSR) HIGHLIGHTS IN ACTION

- Formalized Board oversight of our CSR initiatives
- Established an internal cross-functional CSR Committee
- Met and exceeded our **\$700M 2X Impact Goal** by **\$250M** in impact lending ahead of schedule
- Became the first U.S. bank to increase minimum wage to **\$20/hour**
- Achieved carbon neutrality for the second year
- Powered our corporate offices with **100% clean energy**
- Became a founding supporter of the Collective Commitment to Climate Action
- Became a founding signatory of the United Nations' Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking (UNPRB)
- Became a founding supporter of the Partnership for Carbon Accounting Financials
- Joined the Science Based Targets initiative
- Increased our **B Corp® Impact Score from 87 to 115**
- Formalized and documented our environmental, sustainable, social and governance programs

A Word From Our Leadership



To us, the essence of social responsibility exists beyond ambition. It exists in action. For nearly 100 years, Amalgamated Bank has used its resources, money and influence to advance economic, social and environmental change. From our policies, to our products and services, to our culture and our customers, we care about doing the right thing by our stakeholders.

We support sustainable organizations and progressive causes, we are forceful advocates for creating financial inclusion for everyone and we embrace transparency and corporate governance standards that allow for real accountability. Our hope is that other banks and financial institutions will follow our lead and be inspired to share in our public focus on creating inclusionary opportunities for all Americans, and increase transparency around how they measure and report social and environmental impact.

As we reflect back on 2019, our first full year as a publicly traded company, we are inspired by all that we have accomplished — not only in our social responsibility and impact initiatives, but also our financial performance. Notably, we achieved our best financial results in the 97-year history of this great institution, demonstrating that you can do well and do good. We formalized and

“We act on our principles each day, we remain steadfast in advancing our mission and we lead by example.”

Keith Mestrich,
President & CEO

expanded our governance policies around corporate social responsibility (CSR), including adding CSR oversight to our Board of Directors. We met and exceeded our \$700M 2X Impact lending goal by \$250M in impact financing ahead of schedule.

In 2019, the Amalgamated Foundation launched the Hate Is Not Charitable campaign, an initiative to prevent funding groups that promote hatred.* We became a founding signatory of the United Nations’ Environment Programme Finance Initiative Principles for Responsible Banking and committed to measure and report the financed greenhouse gas emissions in our lending portfolio as part of our commitment to the Partnership for Carbon Accounting Financials. And, we raised our B Corp®. Impact score 28 points to 115, remaining America’s largest B Corp®. certified bank. It is undeniable that there is much left to do, but we are committed to ensuring our continued progress towards a better tomorrow.

We hope you find this report to be reflective of how we live our mission and how we act on social responsibility, defining Amalgamated proudly as America’s socially responsible bank. We welcome your feedback and engagement on any of the topics we have presented as we continue on our journey to achieve a more sustainable and just future — for the next 100 years and beyond.

With gratitude,



Lynne Fox,
Chair of the Board



Keith Mestrich,
President & CEO

*The Amalgamated Foundation is an independently governed charity.

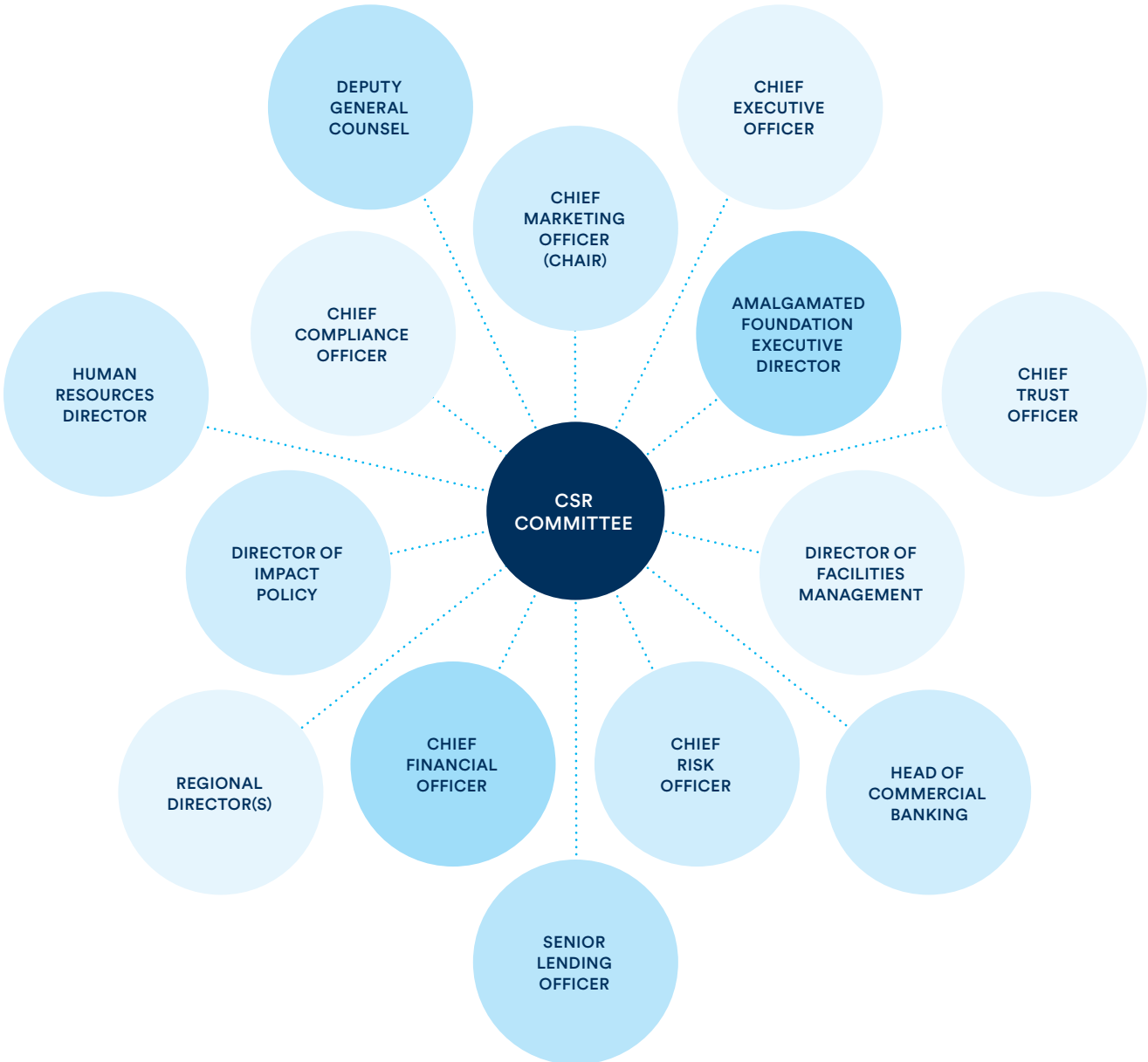
Corporate Social Responsibility (CSR) Governance

SOCIAL RESPONSIBILITY IS EMBEDDED INTO OUR CORPORATE DNA, AND WE BELIEVE THAT IT IS VITAL TO OUR ONGOING SUCCESS

While CSR-oriented matters have always been part of our Board of Directors' oversight, in 2019, we expanded the responsibilities of our Executive Committee of the Board of Directors to formally include CSR. Re-named the Executive and Corporate Social Responsibility Committee, its oversight includes assisting the Board in fulfilling its oversight responsibilities with respect to Amalgamated Bank's development and implementation of corporate social responsibility initiatives.



In addition, we established a CSR Committee composed of internal executive and cross-functional management that has formal responsibility for setting general strategy relating to Environmental, Social and Governance (ESG) goals, developing, implementing and monitoring initiatives and policies to meet the strategy, and the oversight of communications with employees, investors and stakeholders about ESG matters.



STAKEHOLDER ENGAGEMENT

Our corporate culture fosters an open dialogue across our stakeholder groups facilitated by both formal and informal channels for communication and engagement. We believe in thoughtful engagement with our various stakeholders, regularly discussing the issues that matter most to them.

STAKEHOLDER: EMPLOYEES

ENGAGEMENT HIGHLIGHTS

- Employees and managers review goals, accomplishments and performance on an annual basis
- Engagement surveys are conducted annually and allow us to identify areas of strength and opportunities for improvement to ensure continued satisfaction and retention of our employees
- CEO-led Town Hall style meetings are held annually with our employees, covering topics such as business strategy and outlook, the competitive landscape and emerging industry trends, and include a question & answer session with management
- We offer a comprehensive compensation and benefits package to attract and retain talent that includes health insurance, defined pension, savings plans, employee development programs, career advancement opportunities and a focus on preserving a work-life balance

STAKEHOLDER: CUSTOMERS & COMMUNITIES

ENGAGEMENT HIGHLIGHTS

- We offer several products and services that emphasize social responsibility, including: lending for affordable housing, fossil fuel free investment portfolios, green lending, financing for community development financial institutions, lending to minority-owned businesses and debit card options that allow for money to be donated to charities, among others
- We strengthen communities by offering innovative and affordable solutions to address specific banking and credit needs
- We offer a wide variety of free financial education classes focusing on basic banking, debt reduction, understanding credit, savings and investments



STAKEHOLDER: INVESTORS**ENGAGEMENT HIGHLIGHTS**

- We publish financial reports, regulatory filings and proxy statements that include details of our financial performance and transparent disclosures on our CSR initiatives
- We engage with our investors in person, via teleconference or one-on-one at industry conferences

**STAKEHOLDER:
INDUSTRY ALLIANCES & AFFILIATIONS****ENGAGEMENT HIGHLIGHTS**

- We have strong relationships with industry groups that share our CSR beliefs, and seek to align ourselves with partners who want to advance social and environmental change
- We work jointly with others in our industry to maximize our combined impact on topics including climate change, financial inclusion, immigrant rights, LGBTQ+ rights, gun safety, workers' rights, diversity and community development

STAKEHOLDER: UNIONIZED LABOR**ENGAGEMENT HIGHLIGHTS**

- Workers United, which is Amalgamated Clothing Workers of America's successor, remains our largest stockholder with 40% of our equity as of December 31, 2019
- Currently, three of our directors hold positions with Workers United and we regularly engage with the union on topics including workers' rights, retirement security and workplace safety
- Approximately 30% of our employees are represented by a collective bargaining agreement, a portion of which are covered by a collective bargaining agreement between us and the Office and Professional Employees International Union, Local 153, AFL-CIO. We consider our relationships with our employees to be good

CULTIVATING A CULTURE OF SOCIAL RESPONSIBILITY

OUR SOCIALLY CONSCIOUS VIEW OF A BANK'S RESPONSIBILITY GUIDES US

From our policies, to our products and services, to our culture and our customers, we care about doing the right thing.

Our values drive every decision we make. We're on a mission: to support those who support others, to invest in progressive and impactful causes, to seek true financial opportunity for all and, ultimately, to build a more sustainable and just world. We are a bank that takes a stand on issues.

We offer several products that emphasize social responsibility, including: lending for affordable housing, fossil fuel free investment portfolios, green lending, financing for community development financial institutions, lending to minority-owned businesses and debit card options that allow for money to be donated to charities, among others.

We do not lend to or invest our own money in fossil fuel companies, those who manufacture weapons or who do not support the rights of workers, women, immigrants, the LGBTQ+ community and other positions not aligned with our mission.



Advancing Our Mission, Advancing the UN Sustainable Development Goals

Changing finance to finance change.

The United Nations Sustainable Development Goals (SDGs) represent a global call to action for all stakeholders to address the biggest and most complex challenges of our time.

Our mission to be America's socially responsible bank is closely aligned with multiple SDGs and reflective of our endorsement of the United Nations Principles for Responsible Banking, of which we were a founding signatory.

We are committed to creating a more sustainable and just world, not only doing our part to drive progress toward meeting the goals, but serving as a model others can and should follow.

MAPPING THE SDGs TO AMALGAMATED INITIATIVES



- We invest in companies that promote diversity and inclusion
- We provide scaled capital to Community Development Financial Institutions that open up investment opportunities for immigrant communities
- We participate in Home Financing Programs to enable homeownership for more working people
- We support the financial integration of immigrants
- We were the first bank to add LGBTQ+ to the definition of board diversity for shareholder voting standards
- We wholeheartedly support and cultivate diversity and inclusion in the workplace
- We prioritize qualified women-owned, minority-owned, LGBTQ+ -owned and other small businesses when hiring suppliers and vendors
- 75% of our workforce identifies as women or people of color



- We prioritize loans to unionized firms and organizations with a responsible contracting policy
- We help individuals increase their financial literacy through free educational programs
- Our lending supports a range of organic and natural companies, from fair-trade and organic foods to sustainable fashion and eco-friendly products
- We partner with nonprofits and universities to help young people become career-ready through internships, and educate them about socially responsible banking
- We lend to the small and micro-businesses who are key drivers of economic growth and job creation



- We are 100% carbon neutral in our operations
- We do not invest in fossil fuels and support 100% clean energy
- We were the first to endorse and one of three U.S. banks to sign the UN Principles for Responsible Banking
- We are a global leader in the Partnership for Carbon Accounting Financials, which measures the carbon footprint of bank loan and investment assets
- We are committed to aligning all of our business practices with the goals of the Paris Climate Agreement
- We provide \$531M annually in solar and energy efficiency financing
- We offer a Fossil Fuel Free investment product for consumer and commercial clients
- We named **The Solutions Project** as our **Donate the Change®** partner to support their work in advocating for 100% clean energy

Strengthening Customer and Community Relationships

PUTTING OUR MISSION INTO ACTION

As a mission-driven bank, Amalgamated strives to create products that have a triple bottom line effect: environmental, social and financial.

We offer products, programs and services that increase and preserve affordable housing, advance clean energy initiatives, grow small and minority-owned businesses, support greater access to healthcare and help immigrants and working-class people to save, reduce debt and participate fully in the American dream.



CONSUMERS CARE ABOUT VALUES

According to our 2019 survey of more than 10,000 U.S. adults, a large majority of Americans care that their bank acts in a socially responsible manner — but only half know what their bank actually does with their money.

Our customers never have to wonder if their money is working in line with their values because we make sure everything we do, from our lending practices to our investments, is focused on furthering social, economic and environmental justice.

85%

say it's important that a company shares their values when they're choosing whether to do business with them*

84%

said it is important to them that their bank not invest their money in causes they do not believe in*

77%

have made a purchase decision based on values in the past year*

42%

said they do not know what their bank actually does with their money*

*Amalgamated Bank engaged Applied Research and Consulting, LLC to conduct the 2019 Consumer Survey.

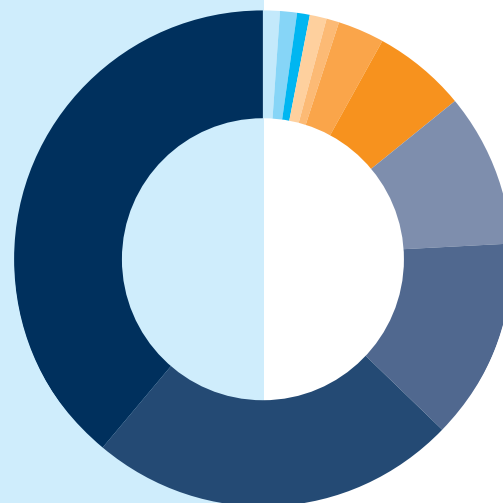
LOAN COMMITMENTS

Exceeding Our 2020 2X Impact Lending Goals

We believe that if our clients are achieving their missions, then we are achieving ours: making the world a more just, compassionate and sustainable place.

Launched in 2018, Amalgamated's 2X Impact initiative is an ongoing commitment to provide at least **\$700M in socially responsible financing by 2020**, doubling Amalgamated Bank's impact in areas including environmental protection, health & wellness, education & community empowerment and sustainable commerce.

We are proud to have met and exceeded our 2020 \$700M 2X Impact goal ahead of schedule, with our impacting financing totaling approximately **\$950M as of December 31, 2019**.



- **39%** Residential 1st Mortgage
- **24%** Multi-Family
- **13%** Environmental Protection
- **10%** Commercial Real Estate
- **6%** Other Business Loans
- **3%** Other Impact
- **1%** Community Empowerment & Education
- **1%** Health & Wellness
- **1%** Sustainable Commerce
- **1%** HELOC
- **1%** Non-Impact

Total: 100%

2019 Impact Lending Highlights

ENVIRONMENTAL PROTECTION

\$45M of residential Property Assessed Clean Energy (PACE) financings will help 2,000 property owners in Florida finance the upfront costs of energy-efficient property improvements and pay the costs back over time, while reducing both energy costs and greenhouse gases

HEALTH & WELLNESS

Financing provided to a counseling and medication-assistance treatment center in the state of Ohio will help fund its growth and expansion efforts to serve more patients in need of treatment for opioid addiction

EDUCATION & COMMUNITY EMPOWERMENT

Financing support for an organization working to achieve racial equity supports advocacy and action on complex racial justice issues including mobilization, skill-building, leadership development, organization- and alliance-building, issue framing, messaging and advance opportunities for all

SUSTAINABLE COMMERCE

A business line of credit supports a family-owned and -led business that creates sustainable building products, such as shingles and wall-coverings out of natural materials that might have otherwise been considered waste

STRENGTHENING COMMUNITIES

The Community Reinvestment Act (CRA), enacted in 1977, encourages financial institutions to help meet the credit needs of the communities in which they do business, including low- and moderate-income (LMI) neighborhoods.

Amalgamated Bank's Community Development team continues to identify and finance new CRA-related opportunities that meet community development needs by making available grants, loans and financial literacy education programs to individuals, unions, nonprofit organizations, community-based organizations and developers of affordable housing and other community facilities that benefit LMI neighborhoods.

EVERYTOWN FOR GUN SAFETY

Everytown for Gun Safety is a movement of Americans working together to end gun violence and build safer communities. We believe that banks are important advocates for gun safety, and Amalgamated Bank was the only bank to support Everytown for Gun Safety's principles.

In 2019, our President & CEO, Keith Mestrich, was one of 150 chief executives to sign a letter urging U.S. lawmakers to pass a bill to require background checks on all gun sales and a strong Red Flag law. We stand firm in our views on gun safety and we do not lend to gun or ammunition manufacturers or distributors, nor do we invest our own money in gun or ammunition manufacturers or distributors.

2019 ACTION HIGHLIGHTS

\$105m

CRA-related investments made

14 of our 30 CRA-related loans were in affordable housing

99%

of our commercial real estate lending was for multi-family housing

We completed **\$160M** loans, resulting in the preservation of **580 units of affordable housing**

67%

of the multi-family loans originated in 2019 were in LMI neighborhoods

\$25M of Property Assessed Clean Energy (PACE) financing for solar photovoltaic projects in Washington, D.C., including for low income commercial buildings, nonprofits, multi-family and faith-based properties

In 2019, we held 109 financial seminars totaling 384 service hours for more than 1,700 low and middle income individuals.

SUPPORTING FINANCIAL LITERACY THROUGH EDUCATION

We offer a wide variety of free financial education classes focusing on basic banking, debt reduction, understanding credit, savings and investments. Most of the classes are offered in our branches along with various government agencies and strategic nonprofit partners in the community. Amalgamated Bank also conducts educational programs on home foreclosure prevention and resources for first-time homebuyers to successfully achieve homeownership.

We have also partnered with the New York City Department of Education to provide high school students a crash course in finance and discuss future career opportunities in socially responsible banking, and partner with nonprofits and universities to help young people become career-ready through internships.



When it comes to our institutional investment platform, we offer a wide range of products and services to meet the investment needs of our customers, including equity, fixed income and custody services.

We are a signatory to the [Principles for Responsible Investing \(PRI\)](#), which means that we adhere to a voluntary set of investment principles that incorporate environmental, social and governance (ESG) issues into our investment practices.

Investments With Impact



SHAREHOLDER ADVOCACY

The LongView Funds in our institutional platform are guided by the investment belief that better managed companies will deliver shareholders better and less volatile returns over the long term. As such, we have adopted various policies to guide how we will vote proxies at the companies in which Amalgamated Bank, through our LongView Funds, holds shares.

The LongView Funds use our power as investors to actively encourage corporate boards to pursue sound governance policies, hold portfolio companies to high standards of social and environmental practices and enhance shareholder value.

In 2019, with the assistance of As You Sow, the LongView Funds were active in engaging companies in three key areas: (1) board diversity, (2) climate change and (3) forced labor/human trafficking.

As a direct result of our engagement on these topics, notable steps were taken by several companies to address our concerns and perceived risks. In certain instances, our feedback drove such substantial improvements in corporate practices that we did not feel compelled to file a resolution and/or we withdrew our shareholder proposal.

For example, we co-filed a 2019 greenhouse gas emissions resolution with a large multinational technology company after years of failure on the company's part to adequately and appropriately disclose its greenhouse gas (GHG) inventory and set targets for improvement. Marking an important step forward, the company engaged us in dialogue and also announced new initiatives to achieve a net-zero carbon footprint on 50% of its shipments by 2030, set a net-zero by 2040 emissions target and disclose its GHG inventory for the first time.

In recognition of this progress, we withdrew our shareholder proposal and look forward to future conversations with the company to understand how it intends to meet its new climate ambition. Another example involves engagement with a theme park and entertainment company on the topic of board diversity. At the time of our initial outreach, the company had an all-male board. Upon holding a subsequent conversation with the company's general counsel, we learned that the company does have a broader commitment to diversity, and that four of its board members are people of color. We were informed that a new board member, a woman, had just been elected to join their board and further, that the company was working on final diversity language to incorporate into its governance documents. We discussed the benefits of diverse nominating pools for director nominees and the ways in which this approach supports gender equity while also enabling the most highly skilled individuals to be selected.

We are encouraged by the response we have received from several companies who have seriously taken our conversations to heart. Through our shareholder advocacy efforts, we believe that we will continue to find and encourage proactive and long-term solutions to address some of the biggest environmental and social challenges of our time.

100% FOSSIL FUEL FREE PORTFOLIO*

Through our retail investing platform, individual investors have access to our 100% Fossil Fuel Free Portfolio, which contains mutual funds and ETFs that have been rigorously screened and attained a perfect badge score for fossil fuel divestment, as well as environmental, social and governance practices. Investments in this portfolio include:

- Renewable energy
- Water use/recycling
- Animal welfare
- Sustainable agriculture

\$46b

in custody and investment assets
under management





CLIMATE RISK INVESTMENT POLICY

We can effect positive change by offering our clients an opportunity to take direct action on climate change by educating them about climate risk, and the benefits of investments in a clean and just economy.

We commit to working with clients seeking to divest from carbon risks, and instead invest in positive impact investments, which include climate solutions and the just transition to a low carbon economy.

We further commit to undertake the same approach with our own assets, and to do so in a manner that strengthens the Bank as an institution and as a leader and partner with our clients.

Funding Progress Through the Amalgamated Foundation

In addition to managing and directing Amalgamated Bank's substantial corporate giving program, the Amalgamated Foundation offers a suite of services to facilitate the philanthropy of individual donors, institutional funders and social entrepreneurs who share our commitment to social change.

We also partner with funders, donor networks and ethical businesses to create new platforms, tools and services that advance social change philanthropy, magnify impact through collaborative giving and advance new ideas and strategies.



2019 GRANT HIGHLIGHTS

2019 grants made by the Amalgamated Foundation were focused across three key areas of impact rooted in changing fundamental injustice and inequality: climate & sustainability, democracy & justice and workers' rights & the new economy.

CLIMATE & SUSTAINABILITY

We are investing in bold and creative clean energy solutions to benefit those hit first and worst by climate change.

- Climate Justice Alliance will bring over-impacted and under-represented voices into crucial policy conversations, like the Green New Deal.

DEMOCRACY & JUSTICE

Our strategy for strengthening democracy integrates supporting structural reforms with organizing for racial, gender and immigrant justice.

- Diverse City Fund supports movement work in Washington, D.C., including advocacy for strong racial justice policies, public education on the right to statehood and expansion of voter access.

WORKERS' RIGHTS & THE NEW ECONOMY

We seek to both build power for workers in the current economy and seed new economic practices that address the future of work, the racial wealth gap and access to capital for marginalized communities.

- ALIGN NY will continue their work to expand decent, sustainable jobs to all New Yorkers.



Hate Is Not Charitable*

In March 2019, the Amalgamated Foundation and its partners launched the Hate Is Not Charitable campaign, an initiative to prevent funding groups that promote hatred. The initiative followed the release of an investigative media report exposing the use of Donor Advised Funds to finance hate groups, totaling nearly \$11M, including anti-Muslim, anti-immigrant and anti-LGBTQ+ groups.

*The Amalgamated Foundation is an independently governed charity.

As part of its response, the Amalgamated Foundation enacted a policy adjusting the due diligence process to ensure no funding flows to organizations identified as hate groups, and hopes to serve as a model for other Donor Advised Funds providers and foundations.

Additionally, the Hate Is Not Charitable campaign calls for “donors of conscience” to demand that their own donor advised providers adopt such policies.

**For more details, please visit
www.amalgamatedfoundation.org**

In 2019,
the Amalgamated Foundation
supported 41 organizations with
donations totaling nearly

\$1m

Since March, over 80 philanthropic institutions have signed on to join us in this initiative, with the list continuing to grow.



CORPORATE CULTURE

We believe that maintaining and promoting a diverse and inclusive workplace, where everyone feels engaged, valued and respected, is essential for us to grow as a company. We seek to hire and retain highly talented employees, and empower them to develop in their careers and share in our mission.

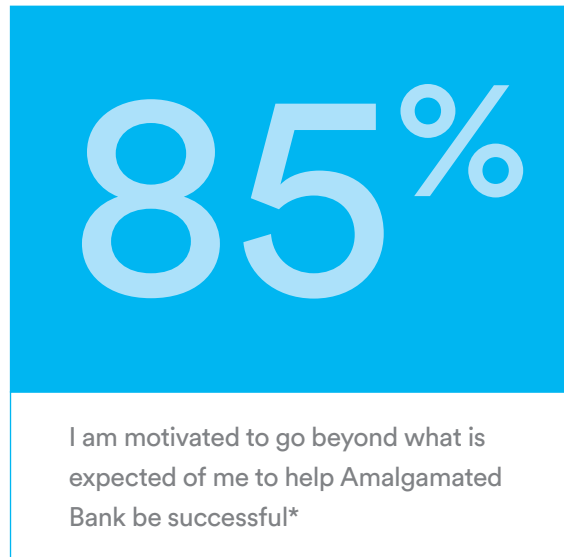
Engaging Our Employees



Amalgamated Bank promotes an environment of personal and professional learning and development. Our employees receive regular training on information technology, management skills, diversity and inclusion, unconscious bias, data security and privacy and other relevant skills both internally and externally to Amalgamated Bank. We encourage employees at all levels to pursue training and education courses specific to their expertise. We support flexible work whenever possible to allow employees to balance commitments to their families and communities. We also encourage our employees to volunteer in their communities for causes they care about, and provide a paid day off for their individual efforts. Additionally, we offer a comprehensive compensation and benefits package to attract and

retain talent that includes health insurance, mental health support, tuition reimbursement, pension, 401(k) plan and savings plans.

Employee engagement surveys are conducted annually, and allow us to identify areas of strength and opportunities for improvement to ensure continued satisfaction and retention of our employees. CEO-led Town Hall style meetings are held annually with our employees, covering topics such as business strategy and outlook, the competitive landscape, emerging industry trends and include a question & answer session with management. We believe that this format facilitates strong and productive conversations across our organization.



*Results based on a 2019 employee engagement survey conducted by People Element.

DIVERSITY & INCLUSION

We are dedicated to building a more equitable world in our everyday practices by embracing the values and diversity of our employees, free of conscious and unconscious bias. **We stand firm in our views that LGBTQ+ people should be ensured basic equal rights and live safely and openly.** In our employee recruitment and selection process and operation of our business, we adhere to equal employment opportunity policies without regard to race, gender, creed, religion, citizenship status, veteran/military status, genetic information or disability, marital status, sexual orientation, and other protected classes on any other basis or characteristic protected by law. We offer gender neutral bathrooms, and allow staff and visitors to use gender specific bathrooms which fit their own gender identity.

Through our ERGs (Employee Resource Groups), we build a sense of belonging, enhance our business initiatives and engage in internal and external outreach to make our community a better place to work and live. Our active ERGs include:

- Amalgamated Pride
- Women's Group
- Minority Organization for Leadership and Development
- Green Team
- Art Of Public Speaking
- Work-Life Balance

58%

of our overall workforce identifies as women

28%

of management is composed of women

60%

of our workforce is ethnically or racially diverse

75%

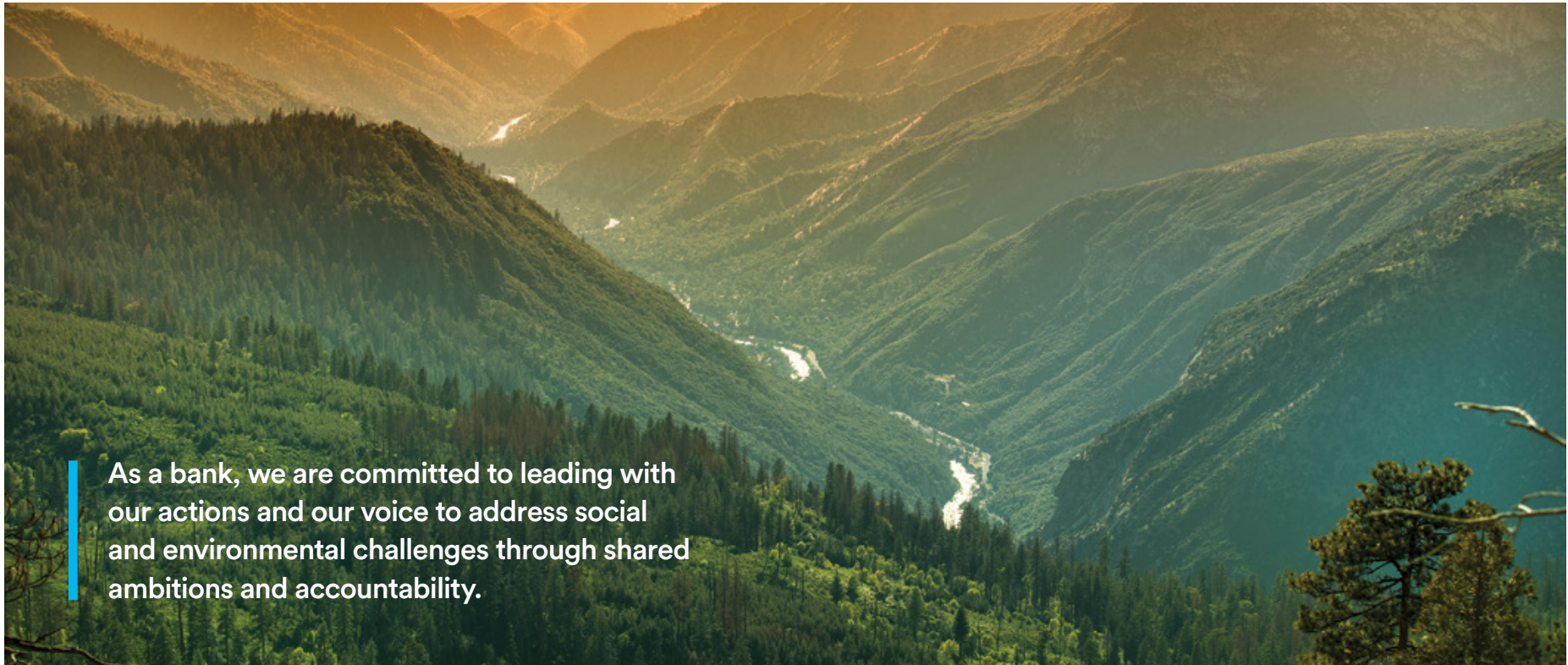
of our workforce identifies as women or people of color



ENVIRONMENTAL LEADERSHIP

CLIMATE CHANGE IS A REAL THREAT TO OUR PLANET, AND MUST BE ADDRESSED WITH BOLD AND TRANSPARENT SOLUTIONS DIRECTED BY THOSE ON THE FRONTLINES

2019 was the second hottest year on record, according to the National Oceanic and Atmospheric Administration, which implies that the goals of the Paris Climate Agreement (to keep the increase in global average temperature to well below 2° C above pre-industrial levels and to pursue efforts to limit the increase to 1.5° C) cannot be met unless drastic efforts are taken to globally reduce greenhouse gas emissions and adapt to the effects of climate change.



As a bank, we are committed to leading with our actions and our voice to address social and environmental challenges through shared ambitions and accountability.

In 2019, we were the first U.S. bank to endorse the United Nations' Environment Programme Finance Initiative Principles for Responsible Banking (UNPRB), intended to accelerate the banking industry's contribution to achieving society's goals as expressed in the Sustainable Development Goals and the Paris Climate Agreement.

Additionally, Amalgamated has joined 30 of its fellow UNPRB bank signatories to launch the Collective Commitment to Climate Action to mobilize products, services and relationships to help facilitate the economic transition necessary to achieve climate neutrality. By joining the Collective Commitment, Amalgamated has committed to publishing and implementing a set of measures, such as the Partnership for Carbon Accounting Financials (PCAF) and setting Science Based Targets, that

will support and accelerate the shift towards low-carbon, climate-resilient technologies, business models and societies.

PCAF is a first-of-its-kind global partnership of financial institutions that work together to develop and implement a harmonized open-source approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments, so-called Scope 3 emissions. Our President and CEO, Keith Mestrich, is serving as the International Chair of the Steering Committee for PCAF, and our team is continuing to make progress on measuring the environmental impact of our own loan portfolio. We look forward to updating you on our performance in the near future and annually, on an ongoing basis.

Sustainable Banking and Investing

Furthering a greener, cleaner future.

Many of our products and services help to meet the financial needs and environmental values of our diverse customer base. From our commercial and industrial lending portfolio, which includes loans for industrial solar deployment and energy efficiency upgrades, to our turnkey Fossil Fuel Free Portfolio investment options, we are committed to providing solutions to help transition to a lower carbon economy.

We are proud to be able to help sustainable and socially responsible businesses by providing funding to fuel their growth and impact.

In 2019, we provided approximately \$264M in Property Assessed Clean Energy (PACE) financing, a mission-aligned financing mechanism that enables low-cost, long-term funding for energy efficiency, renewable energy and water conservation projects. In February 2019, we announced a \$45M residential PACE transaction that is helping over 2,000 California and Florida homeowners become more energy efficient and reduce both energy costs and greenhouse gases. In November 2019, we announced a \$25M loan facility to support the financing of over \$50M of solar photovoltaic projects located at commercial, industrial and multi-family, nonprofit, and faith-based properties in Washington, D.C. The market for PACE financings presents a unique opportunity for us to bring our values-based banking to the forefront, all the while supporting a cleaner, greener future.

DONATE THE CHANGE® — ACCELERATING THE TRANSITION TO 100% CLEAN ENERGY

Five years ago, we launched our Donate the Change® program to give our customers yet another way to bank their values. By enrolling in this program, for every qualifying debit card purchase of \$10 or more that a customer makes with their Donate the Change® debit card, Amalgamated Bank will donate 10 cents to a nonprofit aligned with our mission. Since 2017, our donations from this program have been made to The Solutions Project, a nonprofit accelerating the transition to 100% clean energy by championing a movement that is more inclusive, more collaborative and more celebratory. Through storytelling, grantmaking and capacity building, The Solutions Project honors clean energy leaders, invests in promising solutions and builds relationships between unlikely allies.

In 2019, we raised nearly

\$30,000

for The Solutions Project from our
Donate the Change[®] program.



Stewardship in Our Operations

WE TREAT EVERY DAY LIKE EARTH DAY

Sustainability and a commitment to protecting the environment is important to us and the communities we serve. In 2019, we established a Green Team, an employee-led group that works to improve our own environmental operations and foster a culture of sustainability. In coordination with our CSR Committee, our internal initiatives and policies have been developed to support a cleaner, greener future.

Employee education is central to our efforts, and we host events and training programs to support this mission. Across all of our offices, our employees are instrumental in initiating and supporting our green initiatives, playing a role in helping build a clean and just economy.



ENVIRONMENTAL HIGHLIGHTS

- We are committed to aligning all of our business practices with the goals of the Paris Climate Agreement
- Our bank now runs on 100% renewable energy, and we have a net-zero carbon impact through the purchase of renewable energy credits
- We strive to employ Green Building Standards as part of any new office leases or locations
- In support of energy efficiency, we have converted light fixtures to LED bulbs in our corporate offices
- All of our offices work to attain a 75% or higher diversion rate by keeping resources out of landfills
- We minimize the use of toxic materials to protect employee health and environment
- We procure green office supplies whenever possible, including purchasing recycled paper products, environmentally friendly cleaning products and remanufactured toner cartridges
- We promote the use of public transit by our employees and encourage ride share
- We purchase environmentally preferable or third-party certified products where possible
- Beyond traditional recycling programs, we have also created a small batch composting program in partnership with Common Ground Composting
- We embrace environmentally preferred purchasing policies which prioritize vendors based on sustainability criteria



2019 GHG Emissions Data: Corporate Operations

WE ARE CARBON NEUTRAL IN OUR OPERATIONS FOR THE SECOND CONSECUTIVE YEAR

Our organizational approach to carbon is to measure, reduce and offset our emissions. As we did last year, we purchased verified voluntary emissions reductions carbon credits that bring our net operational carbon emissions to zero. This year's carbon credits support California's Garcia River Forest as a sustainable working forest that saves wildlife habitats, improves water quality and preserves the traditional economic base of the local community — characteristics in direct alignment with our mission and values in a community close to where we operate.

Storing more carbon per hectare than any other forest type, California's ancient redwood forests are home to the tallest trees on Earth, rich wildlife and stunning landscapes. However, decades of aggressive timber harvesting has depleted this landscape and battered the local economy. Now, as a result of collaborative efforts among nonprofit, private and public entities and community stakeholders, this project has established the first large nonprofit-owned working forest that will keep this remarkable forest standing for many years to come, while protecting the habitat of several threatened species, including the coho salmon, the steelhead trout and the northern spotted owl, creating jobs and annually storing nearly 77,000 metric tons of carbon dioxide.

This project is verified by SCS Global Services. SCS Global Services is accredited to ISO 14065 by the American National Standards Institute (ANSI) to offer carbon offset project validation and verification under the Verified Carbon Standard (VCS), the Climate Action Reserve (CAR), the American Carbon Registry (ACR), and the Climate, Community & Biodiversity Standards (CCB).

GHG EMISSIONS

ACTIVITY	2018 CONSUMPTION	2018 EMISSIONS (tCO ₂ e)	2019 CONSUMPTION	2019 EMISSIONS (tCO ₂ e)	EMISSIONS DIFFERENCE
Scope 1: Direct GHG emissions	2,003.7	4.6	0.0	0.0	Decrease
Scope 2: Indirect GHG emissions from purchased electricity, heat and cooling		130.8		52.2	-60.1%
Electricity, renewable (MWh)	4,524.2	0.0	3,360.2	0.0	None
Electricity, grid (MWh)	0.0	0.0	0.0	0.0	
Heat, natural gas (Therms)			9,423.0	52.2	
Heat, steam (klbs)	182.6	130.8			
Scope 3: Other indirect GHG emissions		1,215.2		1,207.0	-0.7%
Business travel	2,583,722.0	498.4	2,585,680.0	522.4	4.8%
Freight	1,569.0	0.5	0.0	0.0	Decrease
Employee commuting	1,867,500.0	324.8	1,813,500.0	246.8	-24.0%
Production of energy carriers		94.2		225.0	138.9%
IT		42.2		169.3	301.2%
Data centers (MWh)	364.8	215.9	0.0	0.0	Decrease
Paper use (tonnes)	20.8	19.8	20.2	19.2	-3.0%
Waste (tonnes)	54.0	19.5	52.4	24.3	24.6%
TOTAL GHG EMISSIONS		1,350.6		1,259.3	-6.75%

Amalgamated Bank engaged South Pole Carbon Asset Management Ltd. to conduct a carbon inventory of our operations for FY 2018 and 2019. The GHG accounting covers direct emissions (Scope 1), indirect emissions from purchased electricity, heating and cooling (Scope 2) and other indirect emissions (Scope 3).

The GHG accounting and reporting procedure is based on the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition* (GHG Protocol), the most widely used international accounting tool for government and business leaders to understand, quantify and manage greenhouse gas emissions.

CORPORATE GOVERNANCE

At Amalgamated Bank, we believe that exceptional business behavior starts with a commitment to strong corporate governance.

Our corporate governance policies set clear expectations and responsibilities for our leaders, employees and business partners to ensure we conduct our operations in a manner that is consistent with the highest standards of business ethics. Our Board of Directors is collectively responsible for the leadership, management and long-term success of the company. Meetings are held regularly throughout the year to review our operations and discuss our business plans and strategies.

THE BOARD INCLUDES THE FOLLOWING COMMITTEES:

- Audit Committee
- Compensation and Human Resources Committee
- Governance and Nominating Committee
- Executive and Corporate Social Responsibility Committee
- Enterprise Risk Oversight Committee
- Trust Committee
- Credit Policy Committee

CSR GOVERNANCE

In order to drive, reflect and maintain our position as America's socially responsible bank, our Board of Directors and executive management team recognizes the importance of CSR matters and how they impact our stakeholders. As of 2019, the Executive and Corporate Social Responsibility Committee of our Board of Directors assists the full Board in fulfilling its formal oversight responsibilities with respect to the development and implementation of CSR initiatives. On at least a quarterly basis, the Executive and Corporate Social Responsibility Committee reviews our CSR strategy and performance, including (i) development of relevant policies; (ii) effectiveness of corporate social responsibility initiatives; (iii) employee and public communications and (iv) stockholder engagement.

ETHICS, INTEGRITY AND COMPLIANCE

Our Code of Business Conduct and Ethics details the standards of ethics and professional behavior expected of employees and representatives of Amalgamated Bank when dealing with clients, business colleagues, shareholders, communities and each other. The Code covers issues such as corruption, antitrust, insider trading, gifts and entertainment, conflicts of interest and money laundering.

The Code applies to all directors, officer and employees. In addition, we strictly comply with all laws and regulations applicable to our business, including responsible marketing practices, the Truth in Lending Act, the Truth in Savings Act and the Interagency Statement on Non-Deposit Investment Products. Employees receive annual training to ensure compliance with all policies, laws and regulations.



Board Diversity

We wholeheartedly embrace the value of diversity across our organization.

We believe that a board composed of diverse backgrounds, experiences, perspectives and characteristics improves dialogue and decision-making, and contributes to the overall effectiveness of the Board.

We have a formal board diversity policy which states that, when assessing board nominees, the Governance and Nominating Committee must ensure diverse characteristics, including but not limited to gender, age, ethnicity, disability and sexual orientation, are included in any pool of candidates from which the Board nominees are chosen.

In 2019, the National Association of Corporate Directors (NACD) recognized Amalgamated Bank with its NACD NXT: Small Cap award as a reflection of Amalgamated's leadership in diversity and inclusion at the board level and throughout the organization.

EXECUTIVE RESPONSIBILITIES AND PERFORMANCE

Our executive management team is responsible for setting and implementing strategy, advancing our mission and managing our core business operations in a way that creates shared value for our stakeholders. In addition to overseeing our business and growth strategy, CSR initiatives and related performance are formally part of executive management job descriptions, roles and responsibilities. A portion of executive compensation is linked to our success in overall corporate performance in executing our business strategy and, thus, implicitly linked to advancing our mission.

CEO PAY RATIO

Because we are an “emerging growth company,” we are not required to provide pay ratio disclosure. However, in our 2020 Proxy Statement, we voluntarily provided this information about the relationship of the annual total compensation of our employees and the annual total compensation of our President and Chief Executive Officer. For 2019, the total compensation of Keith Mestrich, our President and Chief Executive Officer of \$2,308,999 was approximately 26 times the total compensation of the median employee, whose compensation was calculated in the same manner and was \$89,366. Please refer to our 2020 Proxy Statement for more detail.

17%

of our Board of Directors represent communities of color

33%

of our Board of Directors are female, or 4 of 12

RISK MANAGEMENT

Amalgamated Bank is committed to a risk management approach that ensures the appropriate level of risk consideration is undertaken in creating, preserving and realizing value for Amalgamated Bank. Potential risks to Amalgamated Bank are managed through detailed processes and controls that emphasize strong ethical standards, adherence to applicable legal and regulatory requirements and a culture that promotes transparency and safe and sound banking practices.

The Enterprise Risk Oversight Committee of the Board of Directors is responsible for, among other things: (i) overseeing our enterprise risk management framework, including policies and practices relating to the identification, measurement, monitoring and controlling our principal business risks; (ii) ensuring that our risk management policies and procedures are commensurate with its structure, risk profile, complexity, activities and size; (iii) providing an open forum for communications between management, third parties and our Board of Directors to discuss risk and risk management; (iv) reviewing on a regular basis, at least annually, with our General Counsel, Chief Compliance Officer and other officers, our compliance with applicable laws and regulatory requirements and any legal or regulatory matters that could have a material impact on our financial statements, our compliance policies and any material reports or inquiries received from regulators or governmental agencies and (v) reviewing the material findings of examinations conducted by any regulatory agencies and reporting the results of such findings to our Board of Directors.

Data Privacy and Cybersecurity

We have established an Information Security Awareness Program for both Bank employees — to ensure they are aware of their obligations to enforce and adhere to policies and procedures designed to protect sensitive information about Amalgamated Bank and its customers — and for customers — to enhance delivery of information to customers that they can use to protect themselves from becoming victims of identity theft, and get help if their personal information has been compromised. Our Chief Information Security Officer is responsible for the oversight, training, compliance and implementation of this program.



HUMAN RIGHTS

Respect for human rights is a fundamental value of Amalgamated Bank. We strive to respect and promote human rights in accordance with the United Nations Guiding Principles on Business and Human Rights and the United Nations Global Compact in our relationships with our employees, suppliers and the communities where we operate. We engage in shareholder activism against child labor, in addition to holding strict policies for its own operations. We prohibit the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking. We prohibit child labor, including the hiring of individuals that are under 18 years of age for positions in which hazardous work is required.

SUPPLIER CODE OF CONDUCT AND SUPPLIER DIVERSITY

We expect all parties providing goods and services to us to conduct their business activities with the same high standards of business ethics, social responsibility and environmental stewardship that we have committed to, and in accordance with all applicable laws and regulations. We have adopted a Supplier Code of Conduct that outlines our expectations for external partners to establish and maintain a business relationship with Amalgamated Bank, supporting a professional environment where all are treated with respect and dignity, and in an environment where their health and safety are protected.

Our Vendor Management team takes into consideration qualified women-owned, minority-owned, LGBTQ+-owned and other small businesses, as those businesses are an integral part of the community Amalgamated Bank services. In addition, we take into consideration a vendor's stance on civil rights and its adherence to non-discriminatory practices, and prioritize hiring suppliers that utilize union labor with collective bargaining rights.

WHISTLEBLOWER POLICY

Should any ethical violations or reporting concerns arise, we have an independent third-party hotline available for 24/7 anonymous reporting. The ethics hotline is posted in all public locations and branches throughout our operations. All reports are taken seriously.

We do not tolerate acts of retaliation against any director, officer or employee who makes a good faith report of known or suspected acts of misconduct or other violations. More details can be found in the Code of Business Conduct and Ethics available on our website at www.amalgamatedbank.com.



For Your Reference

More information on Amalgamated Bank's CSR initiatives and policies can be found online at www.amalgamatedbank.com, including:

- 2019 Form 10-K
 - 2020 Proxy
 - Code of Business Conduct and Ethics
 - Board Committee Charters and Governance Documents
 - B Corp® Scorecard
 - Environmental and Sustainable Programs
 - Social and Governance Programs
 - Human Rights Statement
 - LongView Funds Corporate Governance and Proxy Voting Report
 - Climate Risk Policy
 - Supplier Code of Conduct
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The content in Amalgamated Bank's 2019 CSR Report, including documents or reports incorporated herein by reference, is accurate as of December 31, 2019. This CSR report should be read in conjunction with Amalgamated Bank's Annual Report for the year ended December 31, 2019 and 2020 Proxy Statement, both of which contain additional information about our company. This report uses certain terms, including those that reflect the issues of greatest importance to Amalgamated Bank and our stakeholders. Used in this context, these terms should not be confused with the terms "material" or "materiality," as defined by or construed in accordance with securities law, or as used in the context of financial statements and financial reporting. Furthermore, any forward-looking statements contained in this report should not be unduly relied upon, as actual results could differ materially from expectations.

For more information about such statements, please refer to the "Forward-Looking Statements" and "Risk Factors" sections of our Form 10-K in Amalgamated Bank's Annual Report for the year ended December 31, 2019, which can be found at www.amalgamatedbank.com.

This material does not constitute an offer or solicitation in any jurisdiction where or to whom it would be unauthorized or unlawful to do so. Nothing in this material is incorporated by reference or shall be deemed to be incorporated by reference into the documents that we have filed or will file with the Federal Deposit Insurance Corporation.



Please visit amalgamatedbank.com for more information.

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*Amalgamated Foundation is the name used for the programs and services of the Amalgamated Charitable Foundation, an independent nonprofit public charity. Reflecting their shared commitment to positive social change, Amalgamated Foundation receives charitable contributions from and maintains service agreements with Amalgamated Bank, but is not a program or activity of Amalgamated Bank.

†Consumer investment and consumer insurance products and services are offered through INFINEX INVESTMENTS, INC. Member FINRA/SIPC. Amalgamated Investment Services is a trade name of Amalgamated Bank. Infinex and Amalgamated Bank are not affiliated. Investment products and services made available through Infinex are:

Not Guaranteed by the Bank	Not FDIC Insured	Not a Deposit	Not Insured by Federal Government Agency	May Lose Value Including Loss of Principal
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Other investment products and services provided by Amalgamated Bank's Investment Management Division are not insured by the FDIC and are subject to investment risks, including the loss of principal amounts invested. This does not constitute an offer to invest or solicitation of an offer to buy interest in a fund. A complete description of a fund's terms, including risks, are included in the appropriate disclosure documents. Investment products are not insured by the FDIC (or any other state or federal agency), are not deposits, obligations or guaranteed by Amalgamated Bank or any bank or non-bank affiliate thereof, and are subject to investment risks, including the loss of principal amount invested. Consider a strategy's investment objectives, risks, charges and expenses carefully before investing. Prospective investors should read a fund's offering materials containing this and other information carefully before investing. Past performance is not indicative of future results.