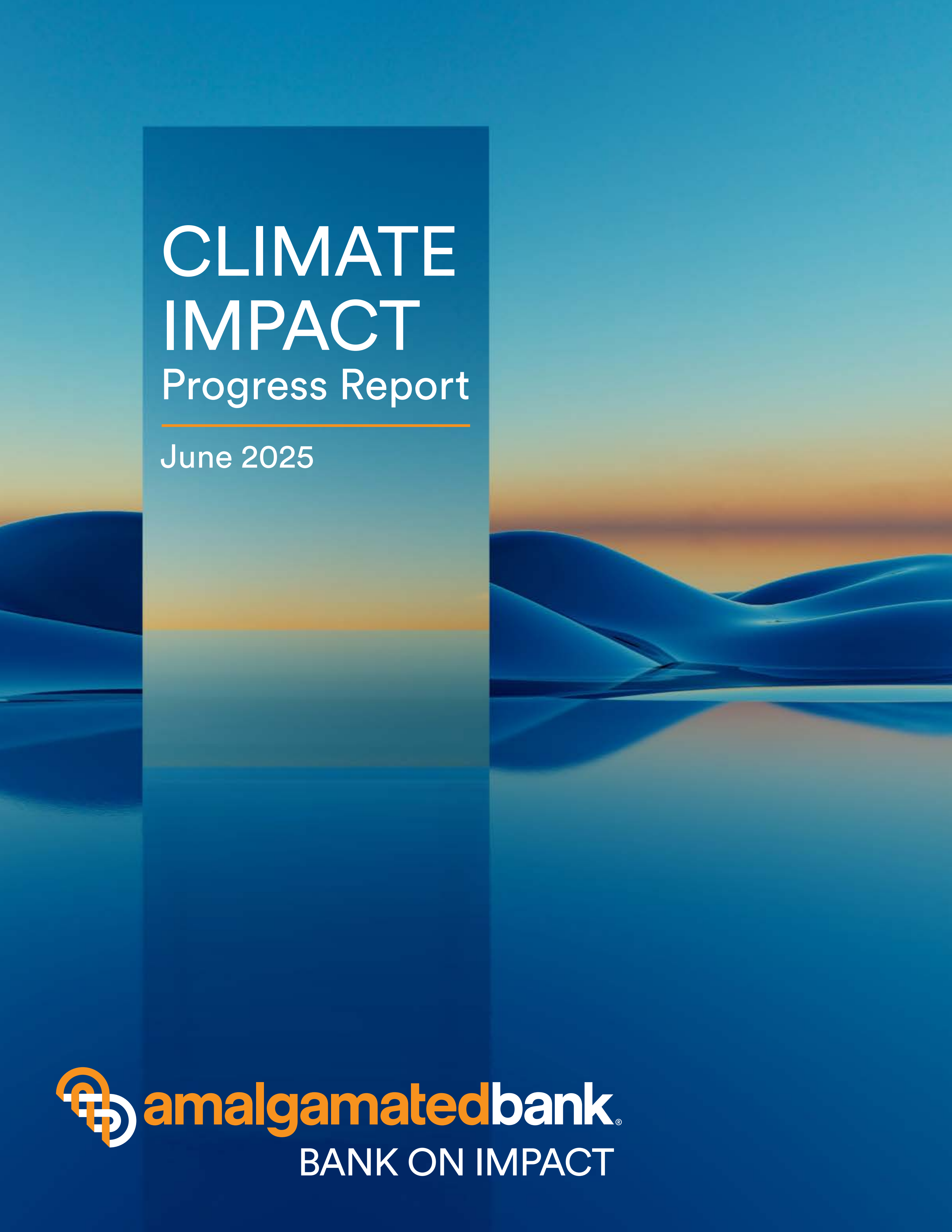


CLIMATE IMPACT
Progress Report

June 2025

amalgamatedbank
BANK ON IMPACT

FAST FACTS:

240% growth in climate solutions lending from 2020 to 2023, 190% of target	Climate Solutions represents **39.2%** of lending and select securities	**14.7** tCO2e/$million portfolio carbon intensity in 2023	On track or exceeding our absolute emissions targets in **3** out of 4 asset classes

Amalgamated Bank first committed to manage its loans and investments in alignment with the Paris Climate Agreement in 2018. We did so in a firm belief that we have a responsibility to be driving solutions for climate change within the banking industry and an obligation to take action that would protect the Bank and our clients from climate-related financial risk while also generating appropriate risk-adjusted returns consistent with our commitment to delivering positive shareholder value.

While we have dedicated significant time and energy to building an ecosystem of standards and best practices for the industry, we understand that every bank, including Amalgamated, is on its own journey of working with clients and its portfolio. The Bank's targets and the development of our business strategy are unique to Amalgamated, our business lines and our approach. However, much of the thought-leadership work on climate alignment has always been undertaken in a collaborative way with other financial institutions and outside experts. The field of target setting was nascent when we started, and much of the progress and development of approaches has been pioneering work that is only now approaching maturity.

Central to progress on our climate targets has been our significant focus on climate solutions as a growing asset class that has been both good business and good for the world. We believe that performance on both of those objectives is now at the foundation of ensuring a safe and stable climate.

We have chosen a direction based on opportunity, not headwind.

Starting in 2020, Amalgamated co-led an effort under the auspices of the United Nations Environment Programme for the Financial Industry to establish consistent, flexible and rigorous guidelines for target setting. Ultimately, this effort became the Net-Zero Banking Alliance (NZBA).

In 2021, Amalgamated Bank became the first US bank to set full portfolio targets under the guidelines of the NZBA. Using a 2020 baseline, the Bank set formal targets to achieve 49% reductions in 2030 and net-zero greenhouse gas emissions in its financing and operations by 2045—five years ahead of the 2050 global targets for net-zero emissions that would stabilize the planet's climate at safe levels, as stated by the UN Intergovernmental Panel on Climate Change. These targets were subsequently validated by the Science Based Targets initiative (SBTi).

Since then, the Bank has been reporting its scope 1, 2, and 3 emissions annually.

The Bank reports its scope 3 category 15 emissions using the Partnership for Carbon Accounting Financials (PCAF) methodology. Since Amalgamated was part of launching PCAF Global in 2019, the PCAF Standard has been adopted across the financial sector to support action and transparency by financial institutions.

We have significantly grown our lending and investments in the climate solutions sector, a key to meeting portfolio level emission reductions. Since 2020, we have grown total climate solution funding from about $900 million to nearly $2.2 billion. This corresponds to a growth in the share of our climate solutions assets from 23.1% in 2020 to 39.6% in 2023, relative to our total lending and PACE securities portfolio.

The growth of our expertise and our track record of working with industry-leading clients have been recognized by Corporate Knights, the Connecticut Green Bank, USA Today and others.

OVERVIEW AND APPROACH TO TARGET SETTING

For each of our financed emissions asset classes, we modeled relevant decarbonization strategies and policies to build a pathway model for net-zero emissions. The base model used was the IEA Energy Technology Perspectives scenario. These methods and assumptions follow the guidance established as of 2021 by the Science Based Targets initiative and the UN-convened Net-Zero Banking Alliance.

Operational Emissions

The Bank follows the Greenhouse Gas Protocol (GHG Protocol) for its corporate emissions. Amalgamated's total scope 1 and 2 emissions in 2023 were 75 tCO_2e. We purchase renewable energy for all the office locations we have operational control over, and we have very little other exposure to direct emissions. Our operational emissions for scope 3 are 5,541 tCO_2e. 88 percent of those emissions are due to our emissions from purchased goods and services. The Bank has been engaging with our highest emitting vendors to reduce those supply chain emissions and recently signed a lease on a new location for our headquarters that, consistent with our climate targets, is fully electric for its power needs.*

Financed Emissions

The Bank uses the PCAF Standard consistent with GHG Protocol scope 3, category 15 direction. Our financed emissions exceed our direct emissions by approximately 10 times and are also significantly higher than all our operational emissions[1]. Due to the very low carbon intensity of our category 15 emissions, this ratio is significantly lower than industry averages reported by CDP[2]. Our PCAF accounting shows that in 2023 we had a carbon intensity of 10.7 tCO_2e/million USD for our client scope 1 and 2 and 4.0 tCO_2e/million USD for client scope 3. According to analysis from Topos Finance, the average carbon intensity per unit of cash deployed by the big six wall street banks was 293.5 $ktCO_2e$/billion USD, covering all client scopes[3].

The Bank's reporting of financed emissions has evolved since the first disclosure of 2019 data, increasingly using higher quality purchased data that utilizes property specific information, grid emission factors and energy usage data to model emissions for our residential and commercial real estate portfolios. While the Bank has an increasing volume of data to analyze, our experience has also shown that data quality, attribution of financial responsibility and changing emission factors can also complicate the analysis of absolute emissions from our client portfolios.

Each metric provides useful data, but the combination of all the data points and metrics gives a clearer picture of Amalgamated's progress.

Even with some of this volatility, the data provides important insights for the Bank in managing our climate targets. This analysis has provided more avenues to explore the complex nature of changing grid emission factors, site specific data, and allocation factors, and provides important insights for drivers of emissions reduction in the communities we serve.

UN environment programme | finance initiative

Principles for Responsible Banking

net-zero banking alliance

SCIENCE BASED TARGETS

* The new headquarters building does participate in the NYC steam system for cooling as part of City-wide peak load management. This system is operating under a net zero plan.

1 In 2023, 75 tCO_2e direct scope 1+2 emissions vs 5,541 tCO_2e for our scope 3 operational emissions vs 49,943 tCO_2e for our clients financed emissions. tCO_2e refers to metric tonnes of carbon dioxide equivalent.

2 https://www.cdp.net/en/press-releases/finance-sectors-funded-emissions-over-700-times-greater-than-its-own

3 https://static1.squarespace.com/static/651da9cd0ad7706a768d14db/t/66024d827623d72ef543b545/1711426949213/The+Carbon+Bankroll+2.0+-+From+Awareness+to+Action+%28final%29.pdf

METHODOLOGICAL NOTE

For this report we have covered the four years, including our baseline year of 2020. Over the course of that time, our approach to financed emissions reporting has changed along with some of the data sources we have used in our carbon accounting. This has resulted in an improvement of our data quality scores, particularly for the Mortgage and Commercial Real Estate asset classes and, we believe, a more accurate picture of the impact of our lending.

As a result, we have not been able to consistently benchmark our progress against targets in a like-to-like approach. In this report, we analyzed our 2023 portfolio using both our current approach to carbon accounting and the same approach we used with our 2020 baseline, thus giving us multiple views of how we have progressed.

This analysis also gave us an opportunity to examine the differences in data approaches across asset classes, where in some cases we found starkly different impacts. See the data quality analysis in our appendix.

Our goal in this report is to be transparent in our review and to help guide our work as we begin to re-baseline and set targets later this year.

ABSOLUTE EMISSIONS

Our core approach to setting climate targets is based on absolute emissions. We believe that alongside intensity metrics that create additional insight, absolute emissions reductions are key to reducing risk in our portfolio, reducing risk to the world and doing our part to meet the world's climate goals. Even as the Bank has delivered significant balance sheet growth over the period covered by our targets, we continue to be focussed on absolute emissions as the key driver of our ambition.

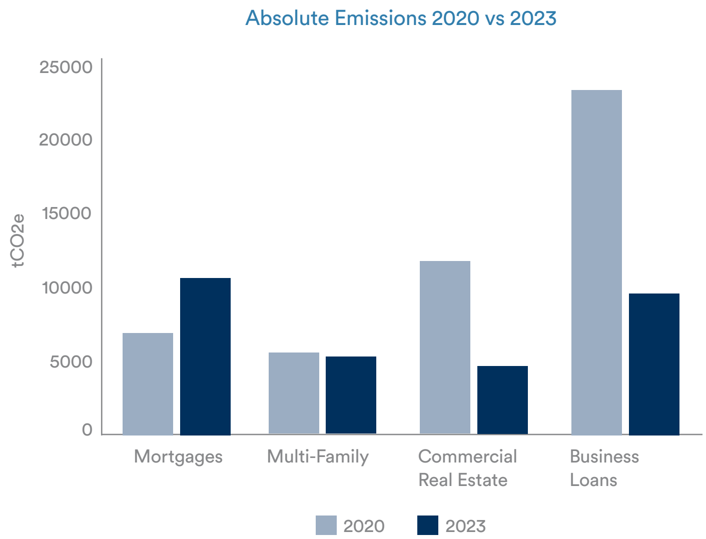
When looking at a comparable view of our portfolio between 2020 and 2023, we see that our absolute emissions have increased in our Mortgages portfolio but decreased in our Multi-Family, Commercial Real Estate and Business Loans portfolios.

During the period covered in this report, our Residential Mortgage portfolio balance grew, accordingly our absolute emissions in that portfolio also increased. Most of our mortgage lending is in urban locations, with the largest concentration in New York. These more densely populated communities tend to be more efficient and have a lower carbon grid. Moreover, the lifestyles of people living and working in these environments tend to produce less carbon, instead of using cars, they primarily use public transportation.

With respect to our Multi-Family portfolio, the Bank over the period covered in this analysis has been lending on a higher percentage of newly built multi-family buildings that are more efficient and now in NYC do not use gas. A main driver of lowering emissions in this sector comes from the grid decarbonizing overall. Because of this, we have been supporting legislation and policies that work to advance overall decarbonization efforts as well as programs that incentivize and support home retrofits and electrification.

Within the Business Loan portfolio, absolute emissions were reduced significantly; as the bank increased climate-related loans for energy efficiency and renewable energy projects under our project finance asset class while reducing overall exposure to business loans. At the same time, we reduced our participation in legacy leveraged loans to manufacturers and distributors while increasing our direct lending to community nonprofit organizations and CDFIs. The impact of these changes in the types of industries we lend to has been a significant reduction in emissions intensity in this sector.

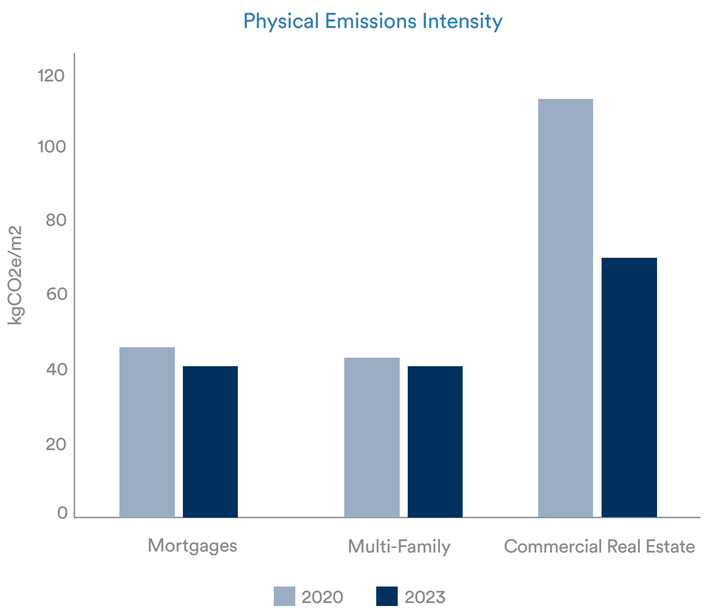
The graph below shows an increase in absolute emissions in our Mortgage portfolio but decreases in the other three portfolios from 2020 to 2023 using a consistent set of emissions factors.



PHYSICAL INTENSITY OF EMISSIONS

Using a consistent methodology and data, we found that the physical carbon intensity (meaning the amount of carbon generated in area, each square meter) of our portfolio has decreased across all of our real estate asset classes. There are only three asset classes being compared for physical intensity. This is because our business loans do not equate to activity that can be measured in square meters.

This graph shows our physical (meters squared) emissions intensity in 2020 and 2023 using comparable emission factors.



Our intensity targets were originally set based on emissions per financed square meter of our loans. When we report our annual emissions using the PCAF methodology, we use an intensity per dollar (financial intensity) instead of physical intensity. Therefore, to track progress toward our intensity targets, in this report we have again calculated the intensity per financed square meter, as we did for our 2020 baseline.

FINANCIAL INTENSITY OF EMISSIONS (TCO2E/M$)

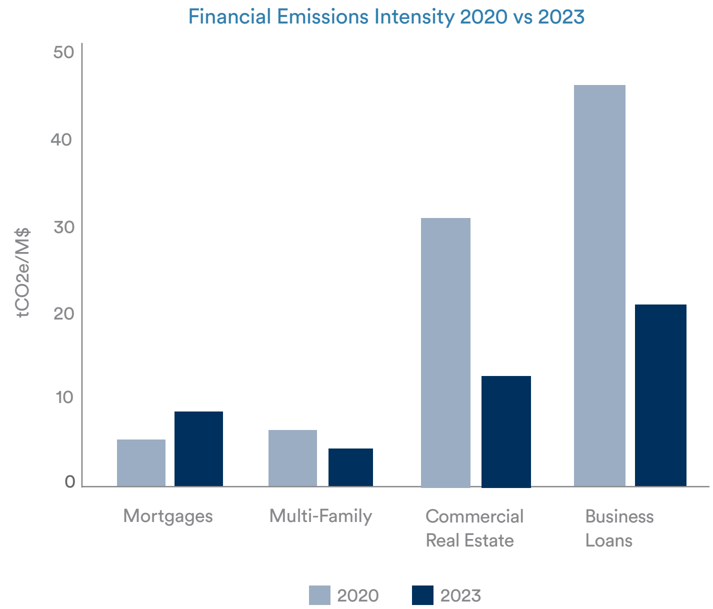
The graphs below show our progress on emissions reductions by category based on financial intensity levels. These results show a modest increase in emissions intensity in our Mortgages portfolio but reductions in our Multi-Family, Commercial Real Estate and Business Loans portfolios. This emissions intensity is based on dollars per ton of emissions (tCO2e/M$).

Within the residential mortgage sector, the financial emissions intensity increased as a result of two competing factors. The number of mortgages increased significantly from 2020 to 2023, while the total loan volume increased more modestly. Since we estimate residential mortgage emissions on a per loan basis, this has the result of appearing to increase financial emissions intensity that is not reflected when looking at a physical intensity metric.

Within the multi-family mortgage sector, the Bank has been lending on a higher percentage of newly built properties. These properties tend to be more energy efficient. Moreover, due to the majority of the Bank's collateral being in New York City, Local Law 154 has led to these new buildings being all electric, reducing their emissions. Additionally, many borrower's see a benefit in preforming building upgrades to improve the energy efficiency of their commercial properties, as these upgrades reduce operating costs and can help offset inflationary pressures.

Within the business loan sector, the Bank has dramatically increased climate-related loans for energy efficiency and renewable energy projects. In addition, we have reduced our participation in legacy leveraged loans to manufacturers and distributors while increasing our direct lending to community nonprofit organizations and CDFIs. The impact of these changes in the types of industries we lend to has been a significant reduction in emissions intensity in this sector.

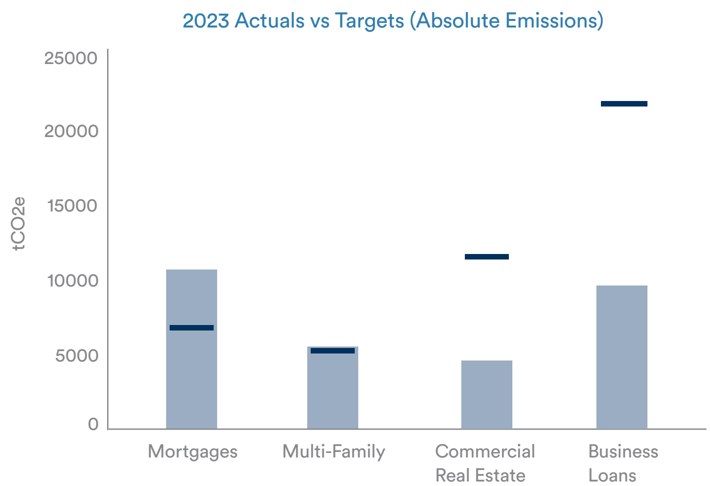
This graph shows our financial emissions intensity in 2020 and 2023 using comparable emissions factors.

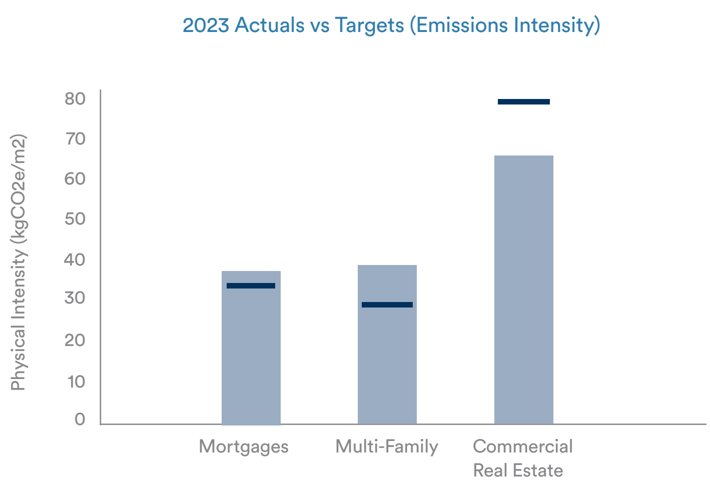


PROGRESS TO TARGETS

Our 2023 absolute emissions show that we are above our emissions target for our Mortgage portfolio but below or on track for our target for our Multi-Family, Commercial Real Estate and Business Loans portfolios.

The two graphs below show our 2023 emissions using the same quality of data and method used for our climate targets, with the dashes showing the 2023 target for that loan portfolio.





We are on track with our climate targets for the real estate-based assets, but the majority of our emissions reductions in our portfolio come from a shift to more of our balance sheet being dedicated to lower carbon segments and clients. This is true, as we shifted assets in the Commercial and Industrial segment to climate solutions within the project finance asset class and shifted client exposures within the business loan asset class.

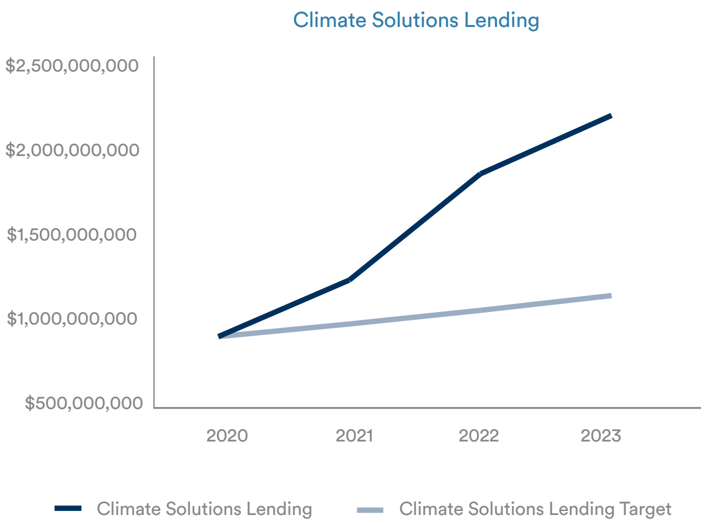
PROJECT FINANCE AND CLIMATE SOLUTIONS

Amalgamated Bank is a leader in the clean energy finance sector. Since our last net zero report in 2021, our climate solutions lending has risen from 23% to 39.6% of our loan and loan-based investment portfolio. This growth was achieved while also growing the Bank balance sheet from $6.0 billion in 2020 to $8.0 billion in 2023. Over the same period, our avoided emissions increased from 107,395 tons to 243,010 tons. We use the PCAF Standard to calculate avoided emissions based on the verified clean energy production of projects relative to the emissions profile of the existing energy supply. Our goal in 2020 was to increase our climate solutions lending by about 8% per year, and we have exceeded that goal so far. From 2020 to 2023, our climate solutions lending increased by 240%, which exceeds even our 2030 target.

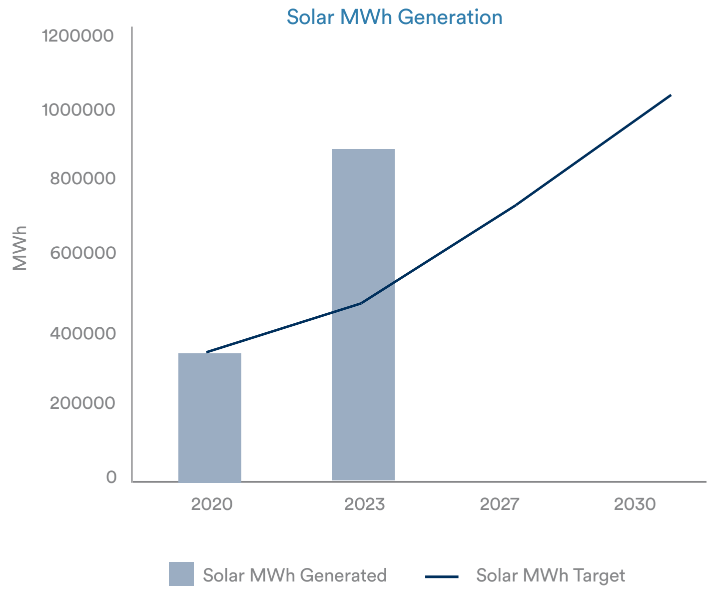
Avoided emissions from financing clean energy projects do not directly affect our emissions reductions targets but are aligned with our overall strategy from a financial perspective and also with our climate goals.

We are proud of the work of our climate solutions team and what they have done in delivering avoided emissions. We believe that this is a significant portfolio contribution that is unlike other banks and also a clear competitive advantage in our ability to set and meet climate targets at a portfolio level. We do not use avoided emissions in any kind of offsetting, but growth in these assets allows us to deploy capital in low carbon sectors that do not add to absolute emissions, and reduce the overall carbon intensity of our portfolio.

This graph shows the growth in our Climate Solutions Lending portfolio vs our targeted increase in this area.



This graph shows our baseline year of 2020, our financed solar generation in 2023 and additional targets of 2027 and 2030. It shows that our solar generation for 2023 already exceeds our target for 2027 and is getting close to our 2030 target.



CONCLUSION

As we begin the process of updating our targets, we are pleased with the progress we have made since 2020, being on-track or exceeding our absolute emissions targets in three out of four asset classes. With better data quality, our emissions estimates have become more detailed, establishing a new baseline for us to measure against in future reporting periods. Our lending portfolio has also changed. Our expertise continues to expand in certain types of climate solutions transactions, and our green energy projects have taken a greater share of our portfolio overall. In addition, our regular lending to commercial and residential properties continues to be supported by real economy policy advancements and client engagement from our lending teams.

When Amalgamated Bank first set its net zero targets, we were the first US bank to do so in line with the NZBA guidelines. Later this year, following publication of our 2024 PCAF reporting in our annual sustainability report, we plan to re-baseline and set appropriate new targets following similar approaches but with updated data and baselines that reflect the progress and changes since 2021.

APPENDIX

Comparison of Data Quality 5 vs Emissions Factors Estimates

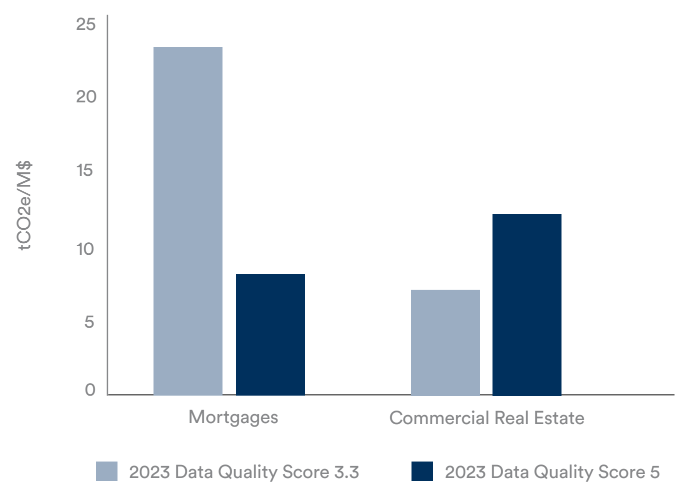
One of the principles with the PCAF Standard is assigning a data quality score to be transparent about the quality and level of estimation behind reported data. The scores range from 1 (very confident, direct emissions) to 5 (least confident, but certain criteria and assumptions are met). When the Bank set its targets, it was using a 2020 baseline of mostly data quality 5 emissions data. Since 2022, the Bank has been able to improve the data quality it reports in several of its lending categories, specifically, those secured by real estate assets. The Bank has been able to find external data sources that factor in more data about the property and are modeled against utility data on usage to deliver a higher quality estimate for emissions at the specific property.

The better data quality should lead to more accurate emissions estimates. However, the difference in data quality makes it difficult to do an “apples to apples” comparison of the Bank’s targets to actual emissions reporting methodology and data quality score 5 which we used when we set the targets.

The graphs on this page show our emissions from 2023 using both calculations; the light blue bars show the emissions using the lower number but higher confidence data quality scores obtained from using more specific emissions data from utility models, whereas the dark blue bars show the emissions we calculated if we used data quality scores of 5. The data quality scores of 5 correlate to the data we used when we set our targets and represents a more accurate comparison for analyzing progress toward goals. The data quality score 3.3 is a weighted average of score 3 and score 5 loans. It is a coincidence that both the Residential Mortgage and Commercial Real Estate portfolios have a weighted score of 3.3.

Absolute Emissions Calculated with Data Quality Score 3.3 vs 5

Emissions Intensity Calculated with Data Quality Score 3.3 vs 5



Both of the graphs above show the emissions from the same year. Using this data, we can see that the results vary significantly, and not in a consistent way across asset classes, depending on the level of data quality being used. To maintain consistency in the analysis in this report, we have used the data quality 5 emissions calculations, as that corresponds most accurately to the 2020 analysis, and the data we used when we initially set the targets.

Assumptions

In order to forecast reasonable rates of emissions growth and decline across our asset classes, we used a number of reasonable assumptions to predict policy and market trends that underpin our targets. The following table provides the method used to set each of our targets and the assumptions included in the exercise.

<table>
<tr><th>Target Category</th><th>Target Setting Methods</th><th colspan="2">Assumptions</th></tr>
<tr><td>Commercial Real Estate</td><td>Sector Decarbonization Approach</td><td>Amalgamated Bank's CRE lending grows with sector growth of 2.16% per year</td><td rowspan="3">US Policy Assumptions:
• NY State will achieve 70% renewable electricity by 2030 and 100% carbon free electricity by 2040.
• DC will achieve 50% emissions reduction by 2032 and 100% renewable electricity by 2032.
• Maryland will reduce GHG emissions by 50% by 2030 and 100% net zero emissions by 2045.
• Virginia will have 73% or greater clean energy by 2035.
• California will have at least 60% renewable electricity by 2030 and 100% carbon neutrality by 2045.</td></tr>
<tr><td>Mortgages</td><td>Sector Decarbonization Approach</td><td>Amalgamated Bank's mortgage lending grows with sector growth</td></tr>
<tr><td>Multi-Family</td><td>Sector Decarbonization Approach</td><td>Amalgamated Bank's multifamily lending grows with sector growth</td></tr>
<tr><td>Business Loans</td><td>SBT Portfolio Coverage</td><td colspan="2">Based on the enterprise size of loan customers, we assume that the emissions reduction is similar to reduction pathways of buildings.</td></tr>
<tr><td>Direct Emissions (Scope 1 & 2)</td><td>N/A</td><td colspan="2">• Multiple leases are due within the next 5 years.
• Any new lease will not utilize gas powered heat or power within its systems.
• Any new lease will have the option of 100% renewable power purchase.
• To the extent that work from home continues for a material portion of the staff, and this is counted in our scope 1&2 emissions, we will consider a policy that incentivizes staff making their own switch to renewable energy where available.
• Not included in this target but assumed in our approach is a) continue to offset operational emissions, b) further develop purchasing / vendor choices that have low carbon advantage.</td></tr>
</table>

Key Numbers

The following two charts show absolute and emissions intensity from 2020 and 2023, respectively.

2020		
Asset Class	Scope 1 plus Scope 2 (tCO2e)	Scope 1 & 2 Emission Intensity (tCO2e/M$)
Mortgages	6,912	5.5
Multi-Family	5,469	5.8
Commercial Real Estate	11,664	28.8
Business Loans	23,364	43.8

2023		
Asset Class	Scope 1 plus Scope 2 (tCO2e)	Scope 1 & 2 Emission Intensity (tCO2e/M$)
Mortgages	10,640	7.5
Multi-Family	5,191	4.5
Commercial Real Estate	4,569	12.3
Business Loans	9,588	19.5

The following two charts show the differences in 2023 emissions calculations using enhanced data quality vs data quality score 5.

2023 Data Quality Score 3.3		
Asset Class	Scope 1 plus Scope 2 (tCO2e)	Scope 1 & 2 Emission Intensity (tCO2e/M$)
Mortgages	32,490	22.8
Commercial Real Estate	2,675	7.2

2023 Data Quality Score 5		
Asset Class	Scope 1 plus Scope 2 (tCO2e)	Scope 1 & 2 Emission Intensity (tCO2e/M$)
Mortgages	10,640	7.5
Commercial Real Estate	4,569	12.3

This chart shows our calculations of physical intensity emissions vs the targets we set in 2020.

	Physical Intensity (kgCO2e/m2) 2020	Physical Intensity (kgCO2e/m2) 2023	2023 Intensity Target
Mortgages	43.8	38.5	32.8
Multi-Family	41.3	39.2	30.5
Commercial Real Estate	108.2	66.5	80.1

These charts show the growth in our Climate Solutions portfolio plus our targets from 2020 to 2023 and 2030.

Year	Climate Solutions Lending	Climate Solutions Lending Target
2020	$911,214,974	$911,214,974
2021	$1,237,722,150	$984,112,171
2022	$1,850,697,219	$1,062,841,145
2023	$2,187,761,624	$1,147,868,437
2030		$ 1,967,244,785

Year	Solar MWh Generated	Solar MWh Target
2020	348,718	348,718
2021	830,968	492,932
2022		781,995
2023		1,105,394

This chart shows our absolute emissions in 2023 compared to our target for 2023.

Absolute Emissions		
Asset Class	2023 Actual	2023 Target
Mortgages	10,640	6,265
Multi-Family	5,191	4,918
Commercial Real Estate	4,569	10,497
Business Loans	9,588	21,054

FORWARD-LOOKING STATEMENTS

Statements included in this presentation that are not historical in nature are intended to be, and are hereby identified as, forward-looking statements within the meaning of the Private Securities Litigation Reform Act, Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally can be identified through the use of forward-looking terminology such as “believe,” “expect,” “anticipate,” “intend,” “aim,” “estimate,” “continue,” “project,” “may increase,” “may fluctuate,” “predict,” “outlook,” “goal,” “assume,” “focus,” “forecast,” “commit,” “potential,” “target,” “illustrative,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” or “could.” Forward-looking statements are subject to known and unknown risks, uncertainties and other factors, any or all of which could cause actual results to differ materially from the results expressed or implied by such forward-looking statements. Moreover, many of the forward-looking statements included in this report are based on assumptions, standards, metrics, measurements, methodologies, data and internal frameworks believed to be reasonable at the time of preparation but should not be considered guarantees. In particular, measurement, reporting and analysis of climate change continue to evolve, vary across jurisdictions and regulatory bodies and are the subject of proposed regulatory changes in multiple jurisdictions, which may have a material impact on our future measurement and reporting, as well as the results of the efforts set forth in this report. Given the inherent uncertainty of the estimates, assumptions and timelines contained in this report, we may not be able to anticipate whether or the degree to which we will be able to meet our plans, targets, goals or commitments in advance. we also cannot guarantee that the data provided in its reports will be consistent year-over-year, as data quality, particularly as climate-related data improves.

Additional risks and uncertainties include, but are not limited to: 1. conditions in the banking industry and in national, regional and local economies, which may have an adverse impact on emissions and the establishment and achievement of targets; 2. implementation by the current presidential administration of a regulatory reform agenda that is significantly different from that of the prior presidential administration, impacting the rule making, taxation, supervision, examination and enforcement of climate change initiatives and our lending policies; 3. changes in customer and stakeholder behaviors and preferences; 4. the outcome of legal or regulatory proceedings that may be instituted against us for our climate change initiatives and our lending policies; 5. composition of the Company’s loan portfolio, including any concentration in industries or sectors that may be more carbon intensive; and 6. “greenwashing claims” against the Company and environmental, social, and governance (“ESG”) products and increased scrutiny and political opposition to ESG practices. Additional factors which could affect the forward-looking statements can be found in the Company’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the SEC and available on the SEC’s website at https://www.sec.gov/. The Company disclaims any obligation to update or revise any forward-looking statements contained in this release, which speak only as of the date hereof, whether as a result of new information, future events or otherwise, except as required by law.

This report may consider disclosure recommendations and broader definitions of materiality used by certain voluntary external frameworks and reporting guidelines that may differ from mandatory reporting, including under U.S. federal securities laws and regulations. Information within this report may therefore be presented from a different perspective and in more detail than our mandatory reporting, including our disclosures required by U.S. federal securities laws and regulations. Thus, while certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with domestic and international reporting requirements, including U.S. federal securities laws and regulations, even if we use the word “material” or “materiality” in this report. Any discussion of forward-looking statements in this report is not an indication that the subject or information is material to us for U.S. federal securities laws and regulations reporting purposes. Any forward-looking statement speaks only as of the date originally made and is based on management’s then-current expectations, and we do not undertake to update any forward-looking statement to reflect the impact of circumstances or events that arise after any forward-looking statement was made.

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