



# Sustainability Report 2024





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# A Letter from Our Leadership



**Don Cole**  
Chief Executive  
Officer,  
Forbrite Bank



**John Delaney**  
Founder &  
Executive Chairman,  
Forbrite Bank

Banks play a unique role in our economy and everyday lives — shaping commerce, growing wealth, and helping people reach their financial goals. But in today’s competitive, connected, and rapidly changing society, banks have a choice: keep up or lead the way. At Forbrite Bank, we believe your bank should do more than just keep pace — it should propel you forward.

That’s why we’re proud to reflect on the strong progress we made in 2024 to build a world-class financial institution that creates long-term value for all of our stakeholders — including for our communities and the environment.

Last year, we introduced new technology to help our customers benefit from a best-in-class digital banking platform. Whether our customers are saving for a home, planning for a family vacation, or building their retirement nest egg, our technology keeps pace with their ambitions. We also launched innovative ways for our customers to align their financial goals with environmental stewardship, including providing more than 2,000 annual America the Beautiful passes to eligible depositors in our high-yield Growth Savings account.

Our fast and customized lending solutions continue to help businesses grow and thrive. 100% of our lending portfolio continues to align with our Responsible Investment Policy.

Further, we originated ~\$320MM in financing in 2024 alone that supported renewable energy, accessible healthcare, affordable housing, and other sustainability themes, bringing our inception-to-date sustainable originations to more than \$2.7B.

As always, our employees and communities remain at the heart of driving us forward. We’ve maintained carbon-neutral operations for the fourth consecutive year and fostered an engaged workforce that prioritizes people and the planet. Last year, our employees volunteered over nine hours per person, on average. And through more than \$1MM in corporate donations, Forbrite supported more than 65 nonprofit organizations that helped address financial literacy and environmental protection, among other important causes in our communities.

Looking ahead to 2025, we remain guided by the belief that responsible banking is good for business and in the best interest of our investors, customers, society, and the environment. We continue to deliver creative, flexible, and specialized financial solutions, and we’re proud to lead by example, proving that financial success and positive impact can go hand-in-hand. We invite you to learn more about our progress in our 2024 Sustainability Report.



**\$7B+**  
in owned assets



**521**  
employees



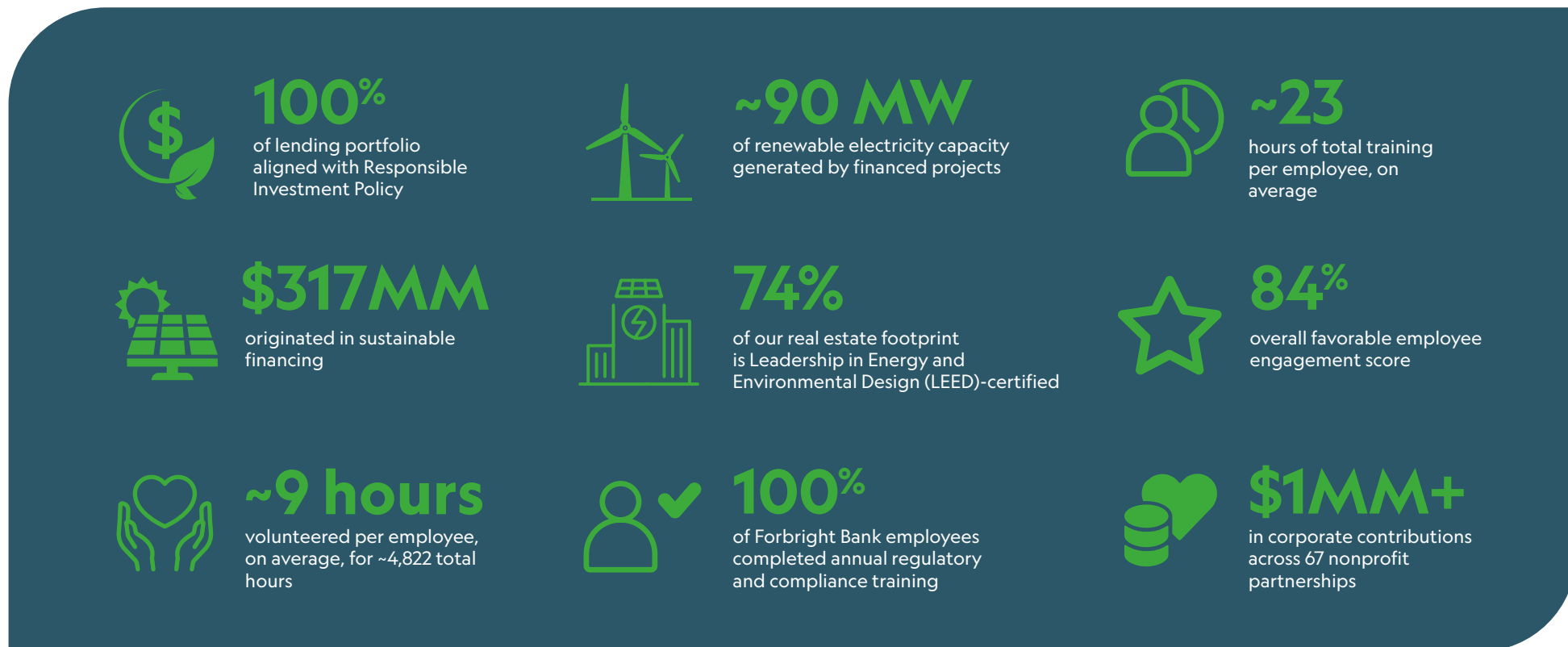
**2003**  
year founded<sup>1</sup>



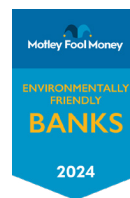
**100%**  
of deposits  
FDIC-insured<sup>2</sup>

<sup>1</sup> Originally founded as Congressional Bank in 2003, rebranded to Forbrite Bank in 2022.  
<sup>2</sup> Up to the established limits.

# 2024 Highlights



## 2024 Awards and Recognition





# Sustainability Goals

Goal	2024 Progress	Priority Area	Status
Achieve eight volunteer hours per employee. Of total employee volunteer hours, our goal is to have 60 services be Community Reinvestment Act (CRA)-aligned.	9.3 hours per employee (128 CRA-aligned services)	Communities	Achieved in 2024, enhanced to 65 CRA services 2025+
Contribute \$1MM to nonprofits, in alignment with our community impact strategy, including \$350K in CRA-aligned giving.	\$1MM (\$398K CRA-aligned)	Communities	Achieved in 2024, continued 2025+
Offer four free financial literacy workshops annually.	4 workshops offered	Customers	Achieved in 2024, continued 2025+
Voluntarily report in alignment with the International Financial Reporting Standards (IFRS) climate-related disclosures (formerly the Taskforce on Climate-Related Financial Disclosures, or TCFD).	All recommended disclosures reported in <a href="#">TCFD Index</a>	Environment	Achieved in 2024
Achieve 100% completion of annual regulatory and compliance training.	100%	Governance	Achieved in 2024, continued 2025+
Reach > 90% of new Growth Savings depositors that are opted into paperless statements.	99%+ of customer accounts are paperless	Customers	Achieved in 2024, expanded to all consumer deposit products by 2026
Achieve 10 reported development training hours per employee.	~11.5 hours of reported development training per employee, on average	Employees	Achieved in 2024, continued 2025+
Achieve \$3B in sustainable originations by 2030.	<b>NEW</b> in 2025	Environment/ Communities	2030

# Approach

**Forbright is a nationwide full-service bank and lender on a mission to build a brighter future.**

As a forward-thinking financial institution, Forbright Bank uniquely combines strong banking and lending outcomes with meaningful impact. We believe in growing our customers' money and businesses, and supporting our communities and the environment. Our approach is informed by best-in-class frameworks and reinforced through policies that integrate responsible banking practices across our financing and operations. We hold ourselves accountable through impact measurement, clear goal-setting, and transparent reporting as we work to build a brighter future. To further accountability, progress towards the Company's sustainability goals was a component of our 2024 executive compensation plan.

## Setting Our Priorities

Our comprehensive materiality assessment helped to identify our most critical sustainability priorities and refine our strategy. The process included benchmarking, stakeholder insights, and more, and shaped our approach to key topics like sustainable finance and human capital management.

### Core Sustainability Pillars

To deliver on our approach, our sustainability strategy is based on three core pillars, which serve as the foundation for our efforts.

**Learn More:**

Materiality Assessment





# Stakeholder Engagement

Our formalized stakeholder engagement plan helps us better understand, connect, and proactively share progress with our employees, customers, investors, communities, and partners, and we focus on the Forbright Bank activities that matter most to them.

# Sustainability Oversight

Forbright Bank's sustainability strategy is driven by a leadership structure and collaborative teams that help integrate responsible practices across the Company. Guided by our Chief Sustainability Officer, supported by our sustainability team, and with input from cross-functional committees and working groups, we develop and implement strategies that enhance our impact while addressing sustainability-related risks and opportunities.



## Policies Covering Sustainability Topics

Forbright's policies, which are applicable across our offerings and operations, codify our commitment to principles and practices across sustainability topics. These include:

- Artificial Intelligence (AI) Acceptable Use Policy
- Business Continuity Management Policy
- Code of Ethics (which includes our Anti-Discrimination Policy)
- Community Reinvestment Act (CRA) Policy
- Credit Policy (and related Underwriting Guidelines)
- Data Governance Policy
- Enterprise Risk Management Policy
- Employee Handbook
- Information and Cybersecurity Policy
- New Products and Services Policy
- Responsible Investment Policy
- Sustainability Policy
- Third-Party Risk Management Policy
- Whistleblower Policy

Learn More:

Stakeholder Engagement

Sustainability Oversight

# Financing

*We prioritize strong financial returns and invest in businesses and projects contributing to a brighter future.*

## Responsible Finance

Our Responsible Investment Policy defines “responsible finance” as providing financing to companies or projects that adequately mitigate their material environmental and social impacts and meet our required corporate governance standards. These businesses conduct their operations in a responsible manner and help us maintain our well-balanced, diverse portfolio. 100% of Forbright Bank’s lending portfolio is aligned with our Responsible Investment Policy. Further, we do not have any direct exposure to fossil fuel extraction or infrastructure in our portfolio as of the date of this report.

## Sustainable Finance

We continue to drive growth through financing solutions for businesses and projects that expand access to affordable and essential resources, like healthcare and housing, or help diversify our economy to lower-carbon energy sources. Since 2021, we have originated more than \$2.7B in sustainable financing, supporting residential solar, green building upgrades, accessible healthcare, and more.

Our Sustainable Finance Framework guides our methodology for allocating capital to sustainable borrowers and projects. We will continue to expand our efforts, with the goal of \$3B in sustainable originations by 2030.

In addition to our Sustainable Finance Framework, we have made strides to better understand the environmental impacts and climate risks present within our loan portfolio. We recognize that it is a multi-year journey to adequately capture, report on, mitigate, and minimize the environmental impact of our financing activities. To that end, we leverage tools and best practices from the Principles for Responsible Banking (PRB) and the Task Force on Climate-related Financial Disclosures (TCFD), which is now incorporated within the International Sustainability Standards Board (ISSB)’s Standards, to further our understanding.

## 2024 Highlights



**100%**

of our lending portfolio aligned with Responsible Investment Policy



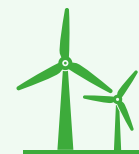
**\$317MM**

originated in sustainable financing, for a total of \$2.7B deployed since inception



**>1K**

residential solar projects facilitated, totaling more than \$51MM, financed through Energy Loan Network



**~90 MW**

of renewable electricity capacity generated by financed projects

Learn More:

Responsible Finance

Sustainable Finance

PRB Reporting & Self-Assessment Index

TCFD Index



# 2024 Sustainable Finance Case Studies



## Increasing Renewable Energy Storage

Forbright Bank partnered with Apex Clean Energy to finance the development of two large-scale battery energy storage systems (BESS) in Texas, each with a capacity of 100 megawatts (MW) or 200 megawatt-hours (MWh). These systems enhance electric grid reliability by storing intermittently produced wind and solar electricity, fostering greater integration of renewables into the power supply.



## Financing Energy-Efficient Industrial Development

Forbright Bank's Real Estate team entered into an agreement to finance the construction of an industrial property in Suffolk, VA, designed for high energy efficiency. The Statement of Energy Design Intent projects an Energy Star score of 94, far exceeding building code requirements and reinforcing Forbright's commitment to sustainable real estate development efforts.

## 2024 Case Studies (continued)



### Expanding Access to Substance Abuse Treatment

Forbright Bank upsized an existing loan to a provider of residential and outpatient substance abuse treatment and rehabilitation for individuals nationwide. Funds were used to finance the acquisition and renovation of a new 146-bed facility in Baton Rouge, LA. Forbright now finances six behavioral health facilities owned by this operator, with more than 600 total beds, expanding access to essential addiction treatment services for the region.



### Growing Solar Access

Forbright Bank's Corporate Finance team closed financing with Generate Capital to support the construction of 70 MW of community solar capacity in Illinois and New York. These projects increase access to renewable energy, helping communities transition to cleaner, more resilient power sources.

In addition, Energy Loan Network (ELN), a subsidiary of Forbright, offers affordable financing for home energy efficiency upgrades like solar, roofing, and more, removing barriers and empowering homeowners to make sustainable choices. During 2024, ELN helped facilitate 1,127 residential solar loans, among other sustainable projects, totaling more than \$51MM. These solar loans are estimated to contribute ~20 MW of clean electricity, based on average system sizes in California, Arizona, and Texas where the systems were installed.



# Environment

*Through our environmentally-friendly operations, sustainability practices, and collaborations with leading nonprofit organizations, we are proud to support a healthier planet.*

## Protecting and Preserving Access to Nature



Forbriht Bank is a proud partner of the National Park Foundation. We help fund their mission and programs to protect and preserve America's park lands and connect more people to the country's more than 430 national parks. In addition to contributing financially, we further engage through employee initiatives and special offerings for our customers. As an example, we provided eligible Growth Savings customers with America the Beautiful National Parks and Federal

Recreational Lands Passes. In 2024, over 2,000 customers embraced this initiative, gaining access to our nation's breathtaking parks and recreational areas.

## Supporting Student Education



Our second annual Sustainable Solutions Summit brought together more than two dozen entrepreneurial high school students from across the Greater Washington area to develop business plans that help solve local environmental issues. The weeklong event gave students an opportunity to hear from and network with leading environmental experts, business leaders, and academics. Students with winning ideas

received scholarship funding alongside connections to help them throughout their career. Watch highlights from the event [here](#).

## 2024 Highlights



Maintained **carbon neutral** operations for the fourth year in a row



Launched a multifaceted partnership with the National Park Foundation



Recognized as Best Eco-Friendly Bank in America by **Bankrate**



**74%**

of our real estate footprint is LEED-certified

# Forbright's Footprint

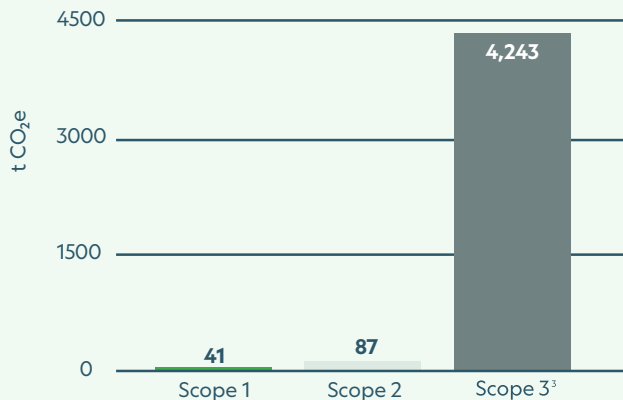
In 2024, we continued efforts to reduce greenhouse gas (GHG) emissions and achieved operational carbon neutrality for the fourth consecutive year. Our estimated operational footprint was 4,371 metric tons of carbon dioxide equivalent (tCO<sub>2</sub>e), representing an approximately 29% reduction from the previous year, primarily driven by lower purchases of goods and services, in particular reduced spend on external advisory services.

To address our operational emissions, we purchased a portfolio of independently verified renewable energy credits (RECs) and carbon offsets, including both avoidance and removal projects. These offsets were sourced through a reputable third party and reviewed to ensure they met recognized quality standards. This year, we also expanded the scope of emissions included in our offsetting efforts to include additional Scope 3 categories, specifically fuel- and energy-related activities, waste generated in operations, and downstream leased assets. These were offset alongside Scopes 1 and 2 emissions, as well as business travel and employee commuting, including remote work, consistent with prior years.

## Total GHG emissions in 2024

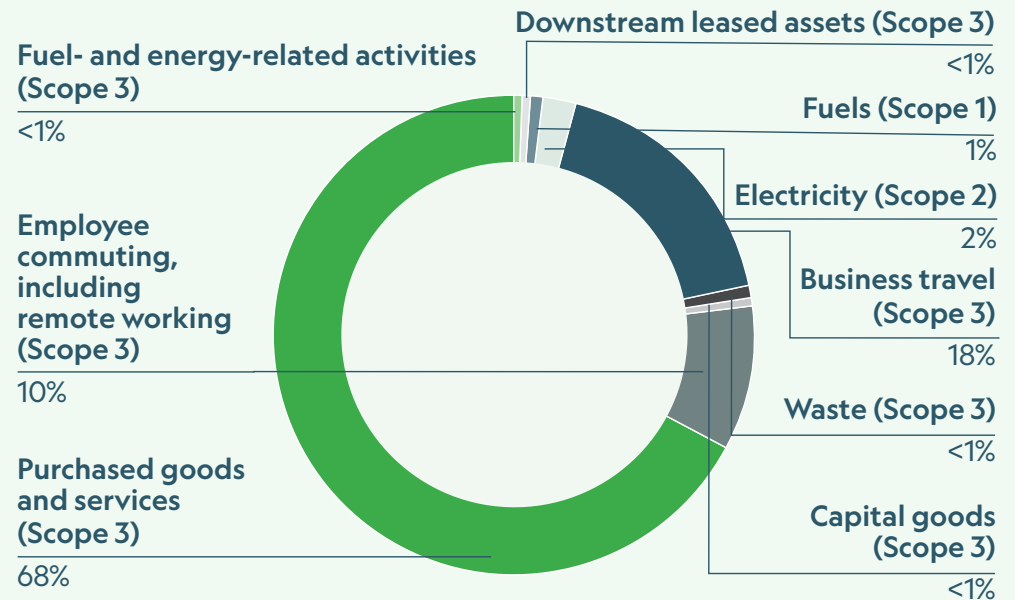
### 4,371 tCO<sub>2</sub>e

### GHG Emissions by Scope



<sup>3</sup> Includes employee commuting, business travel, remote working, purchased goods and services, fuels- and energy-related activities, capital goods, and waste; the only category not included is the Scope 3 GHG emissions of our financing activities, which we continue to monitor internally.

## GHG Emissions by Source



Learn More:

GHG Emissions Data

GHG Emissions Reduction Strategy



# Reducing Waste

Waste reduction continues to be a component of our efforts. In 2024, we partnered with property managers at our corporate headquarters to expand composting services beyond just our offices. These services are now available throughout the building, offering all tenants the opportunity to reduce their food waste.

We surpassed our 2025 goal to have 90% of customers in Growth Savings accounts utilize paperless statements a year ahead of schedule. In 2024, more than 99% of customer statements were paperless. We look forward to expanding this goal to all consumer deposit product by 2026.

We continued to manage our electronic waste thoughtfully, recycling 100% of the electronics maintained by our IT department and again hosting an e-waste drive at our headquarters. In total, we responsibly recycled 1,657 pounds of e-waste in 2024. This year, we expanded drive eligibility to include employees in nearby locations. As we look ahead, we remain committed to strengthening these initiatives and continuing to identify new opportunities to reduce our waste.

## Renewable Electricity and Green Building Certifications

Through partnerships with property managers, we continue to explore renewable electricity options and efficiency upgrades. In 2024, we consolidated our branch portfolio, closing several non-LEED certified locations. This maintained our total LEED-certified square footage at approximately 74% of our total real estate footprint.



# Engaging Employees in Environmental Stewardship

Forbright Bank's Environmentalists employee resource group works to identify and implement measures that improve the environmental performance of our facilities and operations. The employee-led group focuses on driving environmentally friendly office adaptations, promoting employee participation in sustainability events and initiatives, and maintaining environmental-related certifications.

In 2024, we offered a number of sustainability-focused events to our employees. This included our second annual Sustainability Fair, which was enhanced this year to combine forces with our annual Wellness Fair, as we recognize that corporate sustainability and employee wellness are intertwined. Employees heard presentations by local, sustainable companies and learned easy ways to make their daily choices healthier and more environmentally-friendly.

Forbright continues to support and grow an employee incentive program to encourage sustainable behavior. Several of our key benefits include providing \$2,000 to employees that install solar panels on their home or purchase an electric vehicle, and providing a \$250 bonus for employees who walk or bike to work at least three days a week.

**Learn More:**

Waste Strategy

Employee-Focused  
Sustainability Benefits

Mission-Aligned Products

Employee Volunteerism

# Workforce

*Our employees play a vital role in building a high-performing bank that supports our communities and the environment. Our culture of flexibility, recognition, inclusivity, and giving goes hand-in-hand with a sense of purpose and responsibility.*

## Employee Engagement and Experience

Our human capital management strategy is designed to attract, grow, retain, compensate, and inspire an engaged and skilled workforce. We help our team members thrive by providing a work environment centered on collaboration, innovation, inclusivity, flexibility, and giving to our local communities. Our meaningful business mission and embedded responsible banking practices are an enticing part of our employee experience and recruitment efforts. We actively listen and respond to our employees. We conduct Employee Engagement and Satisfaction surveys every eighteen months. In 2024, we had an overall favorable engagement score of 84%, compared to a 70% banking industry average. As a result of our engagement efforts, in 2024, we again saw low voluntary turnover, at just 7.2%.

We strive to provide our team members with a variety of ways to communicate, collaborate, and connect with their colleagues. In 2024, we launched BrightSpot, an intranet platform that hosts a wide array of employee-focused resources, including our monthly Human Resources newsletter and manager materials. We continued to offer Forbright Engage, an online platform that provides details on volunteer events, Brunch & Learns, employee resource groups, well-being, and more. Our executive leadership team hosts quarterly virtual town hall meetings, with the majority of our workforce participating each time. The meetings begin with a presentation from leadership, followed by an open forum where employees can ask questions directly to the CEO and Executive Chairman. These town halls offer a valuable platform to foster transparent communication and engage employees in meaningful dialogue with Company leadership.

Learn More:

Employee Engagement



## 2024 Highlights



Surpassed our 2025 training goal a year ahead of schedule, with an average of 11.5 hours of reported development training per employee



Honored with the Top Workplaces 2024 award from The Washington Post



**84%** overall favorable employee engagement score



Launched two new employee resource groups – Remote Employees and Young Professionals

# Employee Training and Development

We believe in promoting from within, communicating openly, and focusing on the future. To that end, formalizing our management and leadership training was a focus in 2024. We offer a Leadership Training Program to successfully engage and retain talented employees. In 2024, we piloted an emerging leaders program in our Healthcare Lending team and offered a strengths finder assessment for people managers. We began the process to more formally define career paths, helping to clearly and transparently communicate the steps for growth to all employees. And we recently launched our first internal mentorship program to begin helping new employees acclimate to our organizational culture, navigate their new environment, and get their questions answered by a dedicated colleague. This is work we plan to continue in 2025.

We are proud to report that in 2024, we surpassed our 2025 training goal a year ahead of schedule. Our objective was for employees to complete an average of at least 10 hours of reported development training, and we exceeded this target. In total, Forbrite Bank employees completed 5,914 development training hours, averaging 11.5 reported development training hours per employee. Beyond our formal training programs, employees also have the opportunity to apply for reimbursement for eligible certifications, continuing education, and other learning opportunities.

# Employee Health, Wellness, and Benefits



Forbrite Bank offers a flexible work environment to support work-life balance for our employees. In 2024, we added a subscription-based fitness and well-being program to provide employees with access to thousands of gyms and digital fitness options without having to sign long-term contracts or register at individual facilities. We now offer a personalized health and wellness service to employees and their family members. Benefits include a team of specialized coaches, a dedicated medical agent, and an insurance navigation team.

Many of our 2024 initiatives focused on overall wellness for our employees. For example, in June, we incorporated our partnership with the National Park Foundation into our annual activity challenge. This challenge encouraged participants to work their way along a virtual route, stopping by various national parks. The challenge accommodated various forms of physical activity and converted every minute of activity to “steps,” with winners receiving prizes. Nearly 45 million steps were logged – the equivalent of more than 20,000 real-life miles.

In early 2025, we launched a dedicated year-long wellness program in partnership with a local nutritionist and fitness expert, titled, “Thrive in 2025!” The program builds on past wellness offerings and includes quarterly webinars, challenges, and prizes focused on nutrition, sleep, exercise, and more.

**Learn More:**

Employee Training and Development

Employee Health, Wellness, and Benefits



# Workplace Inclusivity

Our team members are the most valuable assets we have. The collective strength of their unique characteristics, life experiences, knowledge, skills, inventiveness, innovation, self-expression, capabilities, and talent represents a significant part of not only our culture, but our reputation and business success.

It is the policy of the Company to provide equal employment opportunities to all qualified individuals and to administer all aspects and conditions of pre-employment and employment without regard to protected classes. Forbriht Bank is committed to a work environment in which all individuals are treated with respect and dignity and to promoting a workplace free of discrimination, harassment, and retaliation. Forbriht Bank partners with a variety of organizations to attract a broad range of candidates, including partnering with colleges, KIPP DC, and Urban Alliance to build future talent pipelines.

In 2024, we doubled our number of employee resource groups (ERGs), launching a Remote Employee ERG and a Young Professionals ERG, to foster a sense of belonging and collaboration for our remote employees and emerging professionals. The Remote Employee ERG enrolled 86 members in less than a year, while the Young Professionals ERG saw more than 40 members join in six months. These new ERGs join our Women's ERG and the Environmentalists ERG, both launched in 2023. All of our ERGs are open to all employees and have an executive sponsor. Our ERGs had an active 2024 – hosting trivia nights, coffee chats, a board member panel, fireside chats, and networking events.

**Learn More:**

Workplace Inclusivity



# Communities

*We support our communities through corporate philanthropic giving, strategic partnerships with nonprofit organizations, and employee volunteerism.*

## Philanthropic Giving

Forbright Bank drives purposeful and impactful partnerships with local and national nonprofit organizations helping to build a brighter future. For the second year in a row, we made over \$1MM in financial contributions to 67 nonprofit organizations. We also continued our Employee Matching Gifts Program, matching over \$16K in contributions from employees. Below, we have highlighted several of the nonprofit partners we're proud to support.



### National Geographic Society

The global nonprofit National Geographic Society is dedicated to illuminating and protecting the wonder of our world through exploration, science, storytelling, and education. In 2024, Forbright Bank proudly contributed \$25K in support of the Society's World Freshwater Initiative (WFI), which is working to better understand emerging imbalances between freshwater supply and

demand and to enact and inspire sustainable freshwater action. Through a combination of science, storytelling, and education, the WFI has deepened understanding of freshwater challenges and contributed tools (including the World Water Map), knowledge, and freshwater conservation projects to help address them on a local and global scale.



### GRID Alternatives Mid-Atlantic

GRID Alternatives is the nation's largest nonprofit installer of clean energy technologies. In 2024, Forbright Bank contributed \$50K to GRID Alternatives Mid-Atlantic to support their mission to install solar projects that serve low-income households and communities while fostering careers in the clean energy sector. Forbright employees installed a solar system in Northeast Washington, D.C., alongside GRID staff in November. The system included 24 solar panels and is expected to save homeowners approximately \$34K in energy costs throughout the system's lifetime. The system will have a significant environmental impact, reducing an estimated total of 150 tons of greenhouse gas emissions – the equivalent of planting nearly 3,500 trees.

## 2024 Highlights



**\$1MM+** in corporate contributions across 67 nonprofits



**\$534MM** provided in small business and community development loans over the past three years



**4,822** hours volunteered by employees and interns, ~9.3 hours per employee on average



**65%** of Forbright employees volunteered their time





## Junior Achievement

Junior Achievement of Greater Washington empowers young people with the knowledge, skills, and experiences they need to succeed in a dynamic global economy. By focusing on financial literacy, work readiness, and entrepreneurship, JA builds future-ready ecosystems that inspire students to achieve economic mobility and success. In 2024, Forbrite Bank proudly contributed more than \$46K to support JA's impactful work. Our employees guided over 470 students through hands-on budgeting activities in Montgomery County, MD, and Fairfax County, VA, and mentored exceptional high school students in Austin, TX. We are honored to be recognized as one of Junior Achievement of Greater Washington's Top Corporate Volunteers for 2024.

Learn More:

Philanthropic Giving

# Employee Volunteerism

We encourage employees to support the causes they care about through volunteering and believe our focus on service helps keep employees engaged and satisfied at work. We focus on organizations that address environmental sustainability, economic mobility, and local impact. In total, 65% of Forbrite Bank employees volunteered their time in 2024. We're thrilled to have surpassed our goal of an average of eight hours of annual community service per employee by reaching an average of 9.3 hours per employee in 2024.

Our Community Action Committee identifies and plans Company-wide community service events aligned to the needs of our communities. Composed of seven leaders representing various departments, the Committee's goal is to foster a holistic approach to building and sustaining a culturally sensitive and inclusive corporate citizenship program, and to be an impactful partner in Forbrite's charitable efforts. We have highlighted several of these efforts below.



## Making a Coast-to-Coast Impact

During Earth Month in April 2024, 60 Forbrite Bank employees participated in an inaugural coast-to-coast clean up. In Virginia, volunteers cleaned up the James River Park, while California employees cleaned up the coast at Shorebird Nature Center. Colorado employees completed trail maintenance, while D.C. volunteers planted trees. Washington, D.C. is facing significant tree loss, and our employees helped plant 44 trees at the Emery Heights Community Center. Increasing tree cover helps mitigate urban heat by providing shade and cooling, improves air quality by absorbing pollutants, and enhances stormwater management by reducing runoff and erosion. All these efforts create a beautiful and relaxing environment for people and wildlife.





## A Month of Volunteering

October marked our second annual Volunteer Month. Nearly 50% of employees volunteered over 1,000 hours to support 60 nonprofit organizations across 25 states and Washington, D.C., doubling the number of organizations assisted from the prior year. Employees engaged in a wide range of activities, from removing invasive species at a national park to planting vegetables for local food banks, to teaching personal finance skills to middle school students.



## Urban Alliance Internship Program

Urban Alliance connects high school students to equitable, inclusive careers through paid high school internships, mentorship, and professional development. In 2024, Forbright Bank continued our partnership with Urban Alliance, hosting two interns from Montgomery County Public Schools for our second year. Forbright mentors were carefully selected through a nomination process and interns learned from these mentors and rotational leaders to support their success. We look forward to continuing this partnership in 2025.

Learn More:

Employee Volunteerism

## Community Reinvestment Act

The Community Reinvestment Act (CRA) focuses on lending, investing, and volunteerism activities that help Low-and Moderate-Income (LMI) individuals and neighborhoods. Forbright Bank is committed to serving the credit needs of our local communities, including the needs of LMI individuals and residents living within LMI communities, especially those located within our Assessment Area, which includes ten counties within the Washington, D.C. metro area. In 2024, Forbright committed to a three-year plan that focuses CRA efforts within our assessment area by meeting specific lending, investment, and service-related goals.



# Governance

*We operate with a high standard of ethics and are committed to enhancing our governance structures to conduct business with honesty and integrity.*

## Business Ethics

Forbright Bank’s success as an organization is built on a foundation of ethical decision-making and a commitment by our employees to conduct business honestly and with integrity. Our Code of Ethics for employees and Code of Conduct and Ethics for Directors are important tools, aligning our business practices with our corporate values and specifying what we expect of all directors, employees, officers, and agents. In 2024, 100% of Forbright employees completed their annual regulatory and compliance training, including acknowledgement of our Code of Ethics.

In line with our commitment to a high standard of ethics, we introduced a new anonymous whistleblower platform, EthicsPoint®, in 2024. EthicsPoint provides telephonic, web-based, and mobile channels for more accessible anonymous reporting. The Chair of the Audit Committee of the Board of Directors and Forbright’s Chief Legal Officer receive EthicsPoint reports.

To strengthen governance and streamline systems, this year we introduced an Integrated Risk Management system, creating a centralized data hub for risk management. This transition consolidated systems, improved reporting efficiency, and enhanced issue management, encouraging a more integrated and effective approach to risk oversight.

To promote responsible use within the growing artificial intelligence landscape, we introduced a Company-wide AI Acceptable Use Policy and added a new AI Board in 2024. Our policy establishes a framework and program to identify, track, and fulfill requests to use AI and machine learning within the Company. Our AI Board, comprised of senior leaders from our Technology and Risk Management teams, is tasked with approving significant uses for AI. These include data uses related to customer communication, cybersecurity, financial planning, fraud, and other regulatory protected data uses. Together, these controls help us utilize the benefits of AI while mitigating risks to the Company and our customers.

### 2024 Highlights

-  **90%** of Forbright Bank’s directors are independent
-  **100%** of employees completed annual regulatory and compliance training
-  Launched EthicsPoint® anonymous whistleblower hotline
-  Introduced a Company-wide Artificial Intelligence (AI) Acceptable Use Policy



# Corporate Governance

Forbright Bank is the wholly-owned, FDIC-insured, depository bank subsidiary of Forbright, Inc., a bank holding company. Forbright Bank is governed by a ten-member Board of Directors. The Board of Directors' governance framework focuses on efficiency, strong controls, and aligned leadership to streamline decision-making, profitability, and resilience, as the organization grows.

In 2024, we implemented an annual Board of Director self-evaluation to assess effectiveness, strengthen governance practices, and pinpoint opportunities for improvement. While no major issues were identified, the Board took proactive steps to refine overall functions and have committed to conducting this self-evaluation on an annual basis moving forward.

The Forbright Bank Board of Directors held eight regularly scheduled meetings last year, with an average meeting attendance rate of 95%. The average tenure of Forbright Bank directors is approximately 9.5 years, and in 2024, 90% of Forbright Bank directors were independent. The Forbright Bank Board of Directors has four standing committees, all of which are comprised of independent directors: Audit; Nominating, Compensation, and Governance; Risk; and Sustainability.

We strive for our Boards to reflect the diversity of the markets we serve. There were no new Board members or committees this year, and we remain committed to long-term efforts to build a Board that reflects the customers, markets, and communities we serve.



**Learn More:**

Supplier Engagement

Data Security & Privacy

Enterprise Risk Management

Systemic Risk Management



# Appendix

## About This Report

Our annual Sustainability Report provides an overview of our activities and operations, including our commitments and progress. To provide stakeholders with meaningful information on our sustainability performance, we report against the recommended disclosures for Commercial Banks, as stated by the Sustainability Accounting Standards Board (SASB) Standards and the recommended TCFD disclosures. As these standards continue to evolve, including the incorporation of SASB and TCFD into the IFRS Foundation's International Sustainability Standards Board (ISSB), we will simultaneously continue to review our disclosure efforts. These disclosures are available [online](#). Further, we have included the Principles for Responsible Banking (PRB) Reporting and Self-Assessment [online](#). We include sustainability performance metrics that we have determined to be useful in measuring and reporting against our goals on the following page. Forbriht Bank measures many sustainability performance metrics that are important to our key stakeholders. In our external sustainability reporting, we publicly disclose metrics that we have determined to be useful in measuring and reporting our progress related to a variety of sustainability topic areas. We review these performance metrics annually to confirm their usefulness to our various users of our sustainability report, which is a subset of the performance metrics evaluated internally by our leadership and Board. In conjunction with our annual review, our sustainability performance metrics have been refined this year in response to the evolving legal and regulatory environment in the U.S. with respect to sustainability disclosure best practices. Additional representation metrics of our Board and vendor spend (as disclosed in prior years) are available upon request by contacting [sustainability@forbrihtbank.com](mailto:sustainability@forbrihtbank.com).

This report primarily covers calendar year 2024 activities. Performance metrics included cover the full year, ending on 12/31/24, and point-in-time metrics are as of 12/31/24, unless otherwise noted. The report includes early 2025 initiatives, as relevant. The activities, performance, and data detailed in this report refer to Forbriht Bank's national operations, unless otherwise stated. Forbriht, Inc. is the bank holding company of Forbriht Bank.

Forbriht, Inc. and Forbriht Bank are collectively referred to as "Forbriht," "we," "us," and "the Company" throughout this document.

We welcome your questions about this Sustainability Report and Forbriht Bank's sustainability efforts via email, at [sustainability@forbrihtbank.com](mailto:sustainability@forbrihtbank.com).

## Forward-Looking Statements

Certain statements that we make may constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. The Company and its representatives may, from time to time, make written or verbal forward-looking statements. Those statements relate to developments, results, conditions, or other events the Company expects or anticipates will occur in the future. The Company intends words, such as "believes," "anticipates," "plans," "expects," and similar expressions, to identify forward-looking statements. Without limiting the foregoing, those statements may relate to future revenues, earnings, store openings, market conditions, new strategies, and the competitive environment. Forward-looking statements are based on management's then-current views and assumptions. And, as a result, are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Any such forward-looking statements are qualified by key important risk factors that could cause actual results to differ materially from those predicted by the forward-looking statements. Such risks include, but are not limited to, risks related to general economic conditions, competitive pressures, consumer demand, regulatory and litigation developments, and other factors and unanticipated events that could adversely affect the Company. The Company does not undertake to revise any forward-looking statement to reflect events or circumstances that occur after the date the statement is made.



# Sustainability Performance Metrics

Stakeholder	Disclosure	2024	2023	2022
Environment	LEED-certified square footage	46,589 square feet; 74% of physical locations	46,424 square feet; 74% of physical locations	45,004 square feet; 65% of physical locations
Environment	Electricity usage <sup>4</sup>	300,163 kWh	299,106 kWh	422,182 kWh
Environment	Greenhouse gas emissions <sup>5</sup>	Total (Scope 1, 2, 3)*: 4,371 metric tons Scope 1 (Fuels): 41 metric tons Scope 2 (Electricity): 87 metric tons Scope 3* (Total): 4,243 metric tons Business travel: 778 metric tons Employee commuting (including remote working): 432 metric tons Fuel- and energy-related activities: 12 metric tons Downstream leased assets: 19 metric tons Purchased goods: 2,963 metric tons Capital goods: 21 metric tons Waste: 18 metric tons	Total (Scope 1, 2, 3): 6,168 metric tons Scope 1 (Fuels): 30 metric tons Scope 2 (Electricity): 87 metric tons Scope 3* (Total): 6,051 metric tons Business travel: 840 metric tons Employee commuting: 120 metric tons Remote working: 150 metric tons Fuel- and energy-related: 38 metric tons Downstream leased assets: 6 metric tons Purchased goods: 4,818 metric tons Capital goods: 33 metric tons Waste: 48 metric tons	Total (Scope 1, 2, 3): 4,756 metric tons Scope 1 (Fuels): 13 metric tons Scope 2 (Electricity): 117 metric tons Scope 3* (Total): 4,626 metric tons Business travel: 1,167 metric tons Employee commuting: 120 metric tons Remote working: 109 metric tons Fuels- and energy-related: 55 metric tons Downstream leased assets: Not calculated in 2022 Purchased goods: 3,033 metric tons Capital goods: 81 metric tons Waste: 61 metric tons
Environment	Emissions intensity <sup>6</sup>	17.2 tCO <sub>2</sub> e/million USD of revenue 8.4 tCO <sub>2</sub> e/full time employees (FTE) 7.0 tCO <sub>2</sub> e/100 sq. ft.	18.7 tCO <sub>2</sub> e/million USD of revenue 13.0 tCO <sub>2</sub> e/FTE 8.7 tCO <sub>2</sub> e/100 sq. ft.	16.4 tCO <sub>2</sub> e/million USD of revenue 12.6 tCO <sub>2</sub> e/FTE 6.7 tCO <sub>2</sub> e/100 sq. ft.
Environment	Renewable energy credits purchased	300,163 kWh	300,000 kWh	423,000 kWh
Environment	Carbon offsets purchased <sup>7</sup>	1,300 metric tons	1,140 metric tons	1,324 metric tons
Environment	Pages printed at headquarters and branches <sup>8</sup>	233,520 pages (453 per employee)	269,392 pages (610 per employee)	228,891 pages (698 per employee)
Environment	Electronic waste diverted from landfill <sup>9</sup>	1,657 pounds; 100% of total electronics responsibly recycled	2,397 pounds; 100% of total electronics responsibly recycled	931 pounds; 100% of total electronics responsibly recycled

<sup>4</sup> Electricity usage for our Simi Valley, CA, New York City, NY, and Bethesda, MD locations was estimated based on square footage, given that actual data was unavailable from building owners.

<sup>5</sup> Greenhouse gas emissions calculated in alignment with the GHG Protocol, the internationally recognized standard for corporate emissions accounting. Direct emissions (Scope 1) are those originating from owned or controlled sources by the reporting entity (including energy/heat generation). Indirect emissions (Scope 2 and 3) are generated as a result of the reporting entity's activities, yet they occur at sources owned or controlled by another entity (including purchased electricity, heat and cooling, employee commuting, business travel, and work-from-home energy usage). The only category not included in Scope 3 is our financed emissions, which we calculated for the first time during 2023 and are still establishing a baseline.

<sup>6</sup> Emissions Intensity Metrics compare only the emissions calculated in all listed years, including Scope 1, Scope 2, and partial Scope 3 emissions related to business travel, employee commuting, and work-from-home emissions.

<sup>7</sup> Carbon offset projects include forest conservation and projects in the United States. Offset projects were verified by a third party, and each project offset was certified by the Climate Action Reserve, American Carbon Registry, or Verified Carbon Standard. In line with market best practice, carbon offsets were purchased for Scope 1 and partial Scope 3 emissions, including business travel, employee commuting, and work from home emissions, to achieve carbon neutrality in our operational footprint. Renewable energy credits were purchased for our Scope 2 emissions (purchased electricity).

<sup>8</sup> Includes headquarter location Chevy Chase, MD, five branch locations across D.C., Maryland, and Virginia, as well as corporate offices in San Diego, CA, and Manhattan, NY.

<sup>9</sup> Includes all electronic equipment disposed of during the year, which was 100% recycled through a third-party equipment recycling solution.

## Sustainability Performance Metrics (continued)

Stakeholder	Disclosure	2024	2023	2022
Employees	Number of employees	521	475	377
Employees	Voluntary turnover <sup>10</sup>	7.2%	7.3% <sup>11</sup>	12.7% <sup>12</sup>
Employees	Number of new hires during the year <sup>13</sup>	140 new hires	174 new hires	188 new hires
Employees	Total training hours <sup>14</sup>	11,748 hours (~23 hours per employee)	13,810 hours (~31 hours per employee)	4,762 hours (~13 hours per employee)
Employees	Total workforce race and ethnic representation <sup>15</sup>	White - 56% Asian (Not Hispanic or Latino) - 15% Black (Not Hispanic or Latino) - 15% Hispanic or Latino - 10% Two or more races (Not Hispanic or Latino) - 3% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - 0% Prefer not to disclose racial identity - 2%	White - 56% Asian (Not Hispanic or Latino) - 15% Black (Not Hispanic or Latino) - 14% Hispanic or Latino - 11% Two or more races (Not Hispanic or Latino) - 3% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - Not previously tracked Prefer not to disclose racial identity - 1%	White - 59% Asian (Not Hispanic or Latino) - 13% Black (Not Hispanic or Latino) - 14% Hispanic or Latino - 11% Two or more races (Not Hispanic or Latino) - 2% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - Not previously tracked Prefer not to disclose racial identity - 0%
Employees	Total workforce gender representation <sup>16</sup>	Men - 50% Women - 49% Prefer not to disclose gender identity - 1% Non-binary - 0%	Men - 53% Women - 47% Prefer not to disclose gender identity - 0% Non-binary - Not previously tracked	Men - 60% Women - 40% Prefer not to disclose gender identity - 0% Non-binary - Not previously tracked
Employees	Leadership race and ethnic representation <sup>17</sup>	White - 69% Asian (Not Hispanic or Latino) - 12% Black (Not Hispanic or Latino) - 9% Hispanic or Latino - 8% Two or more races (Not Hispanic or Latino) - 1% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - 0% Prefer not to disclose racial identity - 1%	White - 72% Asian (Not Hispanic or Latino) - 12% Black (Not Hispanic or Latino) - 6% Hispanic or Latino - 6% Two or more races (Not Hispanic or Latino) - 2% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - Not previously tracked Prefer not to disclose racial identity - 2%	White - 75% Asian (Not Hispanic or Latino) - 11% Black (Not Hispanic or Latino) - 8% Hispanic or Latino - 5% Two or more races (Not Hispanic or Latino) - 1% Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino) - Not previously tracked Prefer not to disclose racial identity - 0%
Employees	Leadership gender representation <sup>18</sup>	Men - 54% Women - 46% Prefer not to disclose gender identity - 0% Non-binary - 0%	Men - 61% Women - 39% Prefer not to disclose gender identity - 0% Non-binary - Not previously tracked	Men - 66% Women - 34% Prefer not to disclose gender identity - 0% Non-binary - Not previously tracked

<sup>10</sup> Includes all voluntary resignations during the year, calculated as the number of separated employees divided by the average number of employees (excluding interns) at each year-end. Involuntary terminations are not reflected.

<sup>11</sup> This metric has been restated against the 2023 Sustainability Report to follow our updated methodology, described in footnote 11, and to provide an accurate year-over-year comparison.

<sup>12</sup> This metric has been restated against the 2023 Sustainability Report to follow our updated methodology, described in footnote 11, and to provide an accurate year-over-year comparison.

<sup>13</sup> Includes all newly hired employees during the year.

<sup>14</sup> Represents total required training hours across all employees through an external bank-focused training provider. Forbriht Bank conducts a number of additional formal and informal trainings throughout the year that are not currently tracked.

<sup>15</sup> Represents all full- and part-time employees (including interns). Racial and gender categories and job levels are defined by the U.S. Equal Employment Opportunity Commission. Leadership includes Executives/Senior Level Officials and Managers (executive management) and First/Mid-Level Officials and Managers (non-executive management). "Prefers Not to Disclose" represents individuals who chose not to disclose gender or race and ethnic data.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid.



## Sustainability Performance Metrics (continued)

Stakeholder	Disclosure	2024	2023	2022
Customers	Number and amount of small business loans originated <sup>19</sup>	33; \$10,742,000	45; \$12,872,000	6,618; \$304,638,000
Customers	Number and amount of community development loans originated <sup>20</sup>	3; \$34,745,000	3; \$36,970,000	21; \$134,492,000
Community	Total contributions to nonprofits <sup>21</sup>	\$1,011,521 (2.2% of net income)	\$1,005,039 (1.5% of net income)	\$559,833 (0.8% of net income)
Community	Nonprofit partnerships <sup>22</sup>	67 nonprofit organizations	80 nonprofit organizations	60 nonprofit organizations
Community	Number of employee volunteer hours <sup>23</sup>	4,822 hours (9 hours/employee on average)	2,987 hours (7 hours/employee on average)	1,305 hours (4 hours/employee on average)
Community	Number of nonprofit Board seats held by our Board Directors <sup>24</sup>	9	8	16
Governance	Number of Board directors <sup>25</sup>	21 total directors (10 Forbrite Bank directors; 11 Forbrite, Inc. directors)	21 total directors (10 Forbrite Bank directors; 11 Forbrite, Inc. directors)	16 total directors (12 Forbrite Bank directors; 11 Forbrite, Inc. directors)
Governance	Percentage of independent Board directors <sup>26</sup>	90% (FB); 91% (FI)	90% (FB); 91% (FI)	83% (FB); 91% (FI)
Governance	Average tenure of Board directors <sup>27</sup>	9.5 years (FB); 7.1 years (FI)	8.5 years (FB); 6.1 years (FI)	8.5 years (FB); 5.6 years (FI)
Governance	Number of Board meetings <sup>28</sup>	22 meetings (FB); 17 meetings (FI)	20 meetings (FB); 18 meetings (FI)	11 meetings (FB); 5 meetings (FI)
Governance	Average attendance at Board meetings <sup>29</sup>	95% (FB); 95% (FI)	95% (FB); 94% (FI)	97% (FB); 98% (FI)

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<sup>19</sup> Includes in-market activity, as defined by the Community Reinvestment Act (CRA) for the year, in addition to certain out-of-market activity, as available. Forbrite Bank is currently developing a process to track lending activity outside of our CRA assessment area as a more complete representation of our small business and community development lending initiatives. Dollar amount are rounded to thousands.

<sup>20</sup> Ibid.

<sup>21</sup> Represents total contributions made to nonprofit (501c3) organizations during the year.

<sup>22</sup> Represents all nonprofit (501c3) organizations, which were the beneficiary of a corporate financial contribution during the year.

<sup>23</sup> Represents total tracked volunteer hours during the year divided by the average number of employees throughout the year.

<sup>24</sup> Includes members of the Forbrite Bank or Forbrite, Inc. Board of Directors who are also on the Board of Directors of a nonprofit (501c3) organization.

<sup>25</sup> Represents data related to members of the Forbrite Bank (FB) and Forbrite, Inc. (FI) Board of Directors, respectively. Meetings and attendance data relates to meetings held by the FB and FI Board of Directors, respectively.

<sup>26</sup> Ibid.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid.

<sup>29</sup> Ibid.





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