

# 2024 Environmental, Social and Governance Report

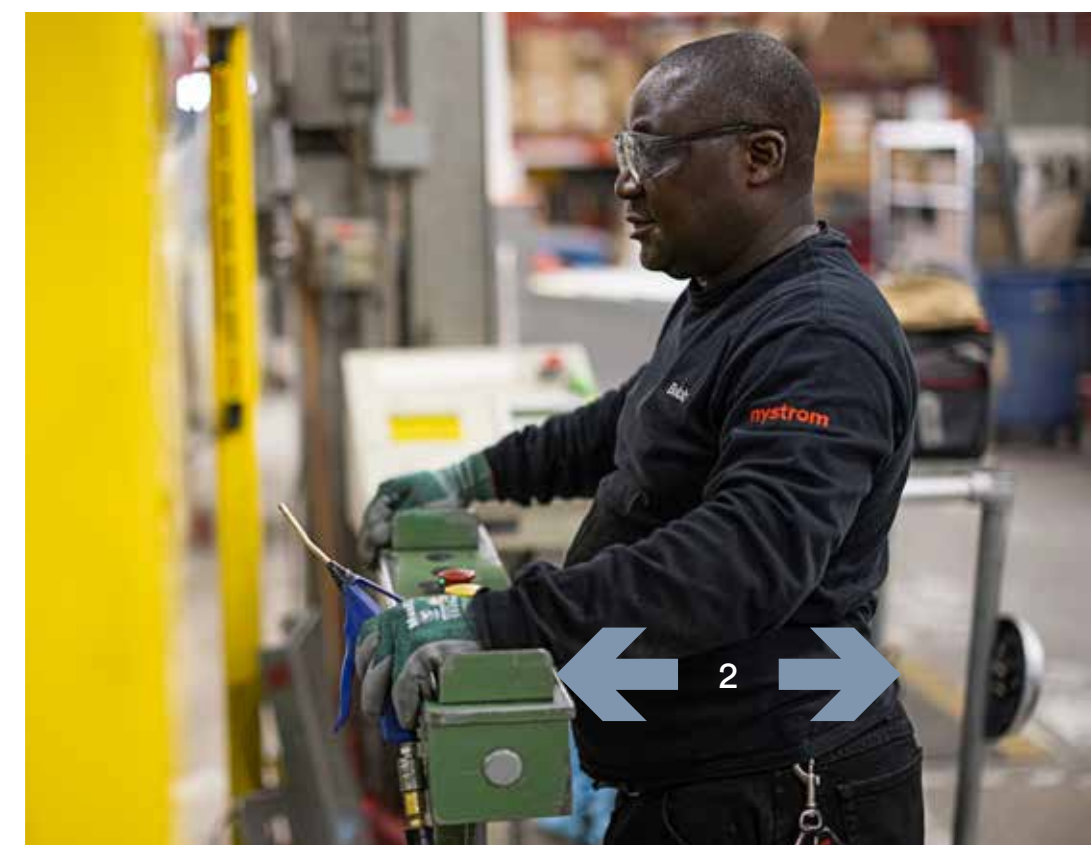
OUR COMMUNITY IMPACT





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## MESSAGE TO OUR PARTNERS

On behalf of Bremer Financial Corporation, we are pleased to present our fourth annual Environmental, Social and Governance (ESG) Report.

Bremer committed wholeheartedly to this work in 2021, when we published a foundational report identifying key focus areas, guided by four identified United Nations Sustainable Development Goals. As you will see in the following report, these three years of focused ESG efforts have enabled us to make a substantial impact on the communities that we serve.

Bremer achieved 80 years of serving the financial needs of our communities at the end of 2023, and this landmark anniversary challenged us to strengthen and deepen our work to honor the legacy of our founder, Otto Bremer. Throughout 2024, our efforts were spent fulfilling and

maximizing our purpose to cultivate thriving communities. Two highlights in a year of many included Bremer's recognition as one of Minnesota's top companies for innovative giving by the Minnesota Keystone Program, as well as Bremer's participation in and sponsorship of the 2024 Jimmy & Rosalynn Carter Work Project in Saint Paul, kicking off the largest-ever Twin Cities Habitat for Humanity redevelopment project.

Emphasizing ESG has been essential in fulfilling our purpose. Bremer's commitment to honoring our foundational strengths while prioritizing ESG efforts has enhanced our risk management, strengthened our customer relationships, and generated new value for our stakeholders.

It has been an honor and privilege to undertake this work. Our hope is that as the awareness and

appreciation of ESG continues to evolve, Bremer has planted the seeds for meaningful change, leveraging resources and expertise to inspire others and drive positive impact across our industry and communities served.

Sincerely,

Ronald James  
Bremer Financial Corporation  
Board Chair

Jeanne Crain  
Bremer Financial Corporation  
President and CEO



“Our hope is that Bremer has planted the seeds for meaningful change, leveraging resources and expertise to inspire others and drive positive impact across our industry and communities served.”

# UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2015, all United Nations Member States adopted 17 Sustainable Development Goals (SDGs) in an urgent call to action for all countries and organizations to work together to “end poverty, improve health and education, reduce inequality and spur economic growth, all while tackling climate change and working to preserve our oceans and forests.” These goals are the linchpin of the U.N.’s 2030 Agenda for Sustainable Development, which laid out a 15-year plan to accomplish them.

Bremer’s closely held purpose is cultivating thriving communities. The call laid out in these SDGs, adopted by our country and 192 other member states, is in clear alignment with who Bremer is and the values instilled in us by our immigrant founder. Our identity and our purpose demand that we commit to this work. The opportunities ahead of us are significant, and Bremer is engaging in this work with deliberate intention to ensure that the efforts we take are impactful and sustainable.



## Our focus

All companies have a part to play in furthering each of the U.N.’s sustainable development goals. Bremer has identified four areas that mirror our purpose and commitment, where our focus will have the most impact:

- (1) NO POVERTY
- (8) DECENT WORK AND ECONOMIC GROWTH
- (10) REDUCED INEQUALITIES
- (11) SUSTAINABLE CITIES AND COMMUNITIES

## ABOUT BREMER

Bremer Bank has roots in the places where we live and work that go back to 1943, and a history of making a real-world difference in the lives of our customers that begins with our founder. Otto Bremer believed that if banks helped businesses in good times and bad, communities would thrive. Today, we're proud to work with the people who grow our food, build our economy and serve our neighbors. We're here to help you solve your toughest problems, seize your biggest opportunities and achieve success on your terms, now and in the future.

### Our services

Bremer is a privately owned financial institution that offers full-service banking, investments, mortgage, trust, insurance and wealth management services.

### Our focus

Mid-size companies  
Agribusinesses and farmers  
Commercial real estate  
Education  
Healthcare  
Local government  
Manufacturing  
Nonprofits  
Professional services  
Small businesses

### Our locations

Bremer has a network of branches throughout Minnesota, North Dakota and Wisconsin. Our customers can access their accounts through thousands of MoneyPass® ATMs nationwide, and we offer online banking anytime, anywhere at [bremer.com](https://www.bremer.com).

### Headquarters

St. Paul, Minnesota.

### Employees

Approximately 1,500.



### OUR PURPOSE

Cultivating thriving communities



### OUR PROMISE

Working harder and smarter together to create new and better ways for our customers to grow



### OUR VALUES

Collaboration  
Commitment  
Creativity



## OTTO BREMER LEGACY

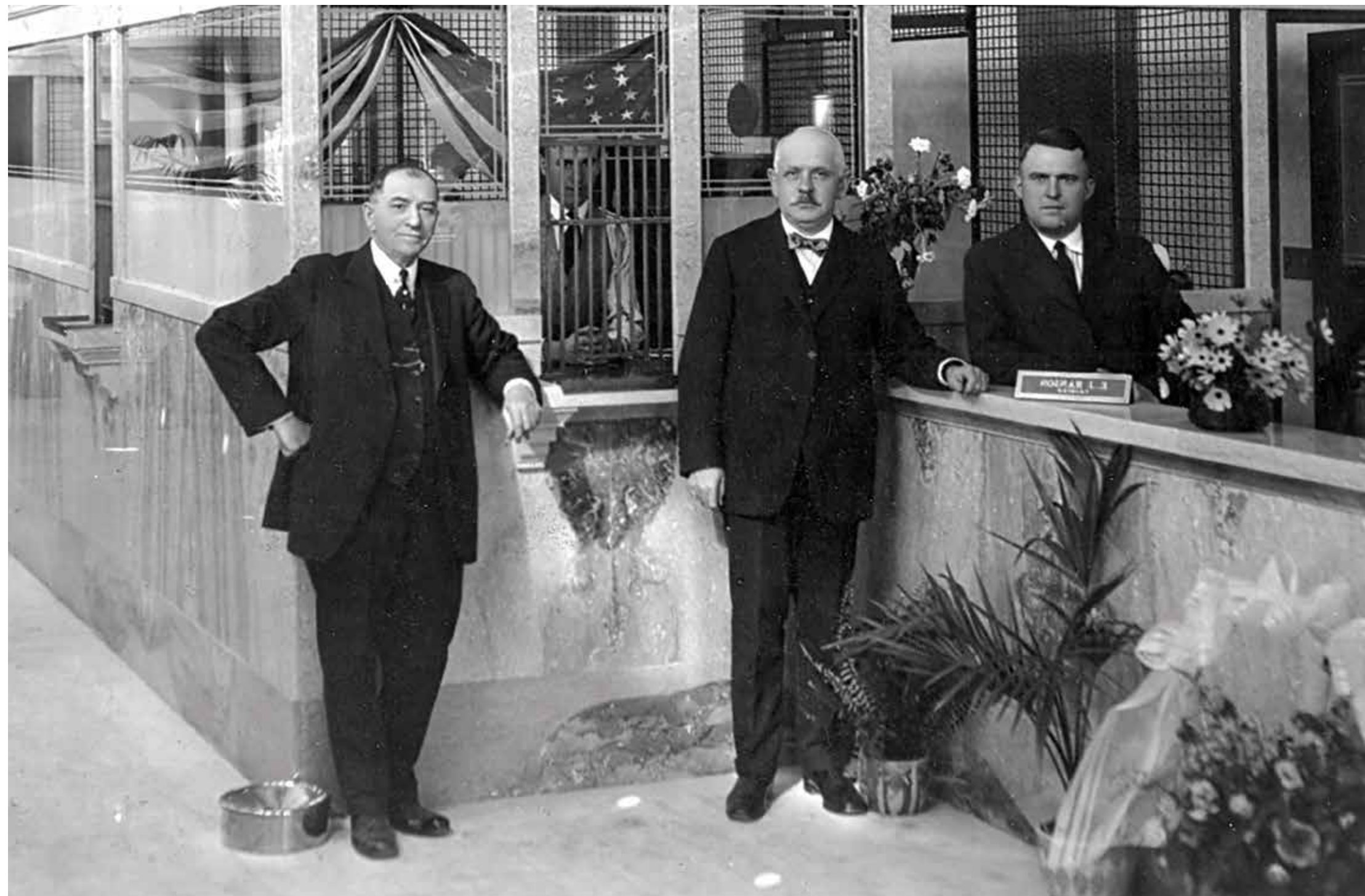
Bremer Bank is a leading regional and community bank established by Otto Bremer in 1943.

Otto Bremer came to Minnesota as a German immigrant in 1886 seeking opportunities for a good life. Over the next 36 years, he worked his way up to become chairman of the American National Bank and a dedicated community leader involved in civic, financial and corporate life. Otto's financial acumen led to investments in many independent rural banks in the Upper Midwest. During the Great Depression, Otto liquidated many of his personal assets to strengthen these banks and help them withstand hard times. He believed that people could survive and flourish if they had help at critical times.

For all his success, Otto did not forget the strengths and hardships of the rural and immigrant experience. His concern for those working to make their lives better, coupled with his commitment to the local banks, became the cornerstone of his long-term vision. In 1943, Otto created Bremer Bank as a bank holding company to consolidate his stake in the community banks, giving the banks the advantage of acting as a group.

Otto believed that, done right, banking has the power – and responsibility – to help communities thrive. This is the guiding principle which inspires Bremer Bank's work every day.

Bremer's purpose is cultivating thriving communities, and we are proud to do so by partnering with the people who cultivate our food, sustain our economy and serve our neighbors. Through its focus on relationships, Bremer strives to use its expertise and understanding to help its customers and communities realize their dreams.



“To serve our customers, we must also serve their communities.

Otto Bremer - Founded Bremer Bank in 1943



## ESG COMMITTEE

At the beginning of 2022, Bremer deepened its investment in ESG work through the creation of a formal governance structure with the establishment of the ESG Committee. This Council is tasked with defining an organization-wide ESG strategy, and establishing and implementing performance goals and action plans in the ESG area. The council is represented by Bremer employees from the following teams:

Accounting	Facilities
Agriculture Banking	Human Resources
Capital Markets	Information Security
Collateral Management	Information Technology
Commercial Banking	Marketing
Consumer Banking	Risk Management
Corporate Governance	Strategic Sourcing
Diversity, Equity and Inclusion	Wealth Management

The creation of Bremer's ESG Committee aligned with the release of our foundational ESG Report in April of 2022. This foundational report firmly established Bremer's commitment to finding ways to make impact in the ESG space and emphasized why the time was right to begin this effort, after multiple once-in-a-generation events impacted our communities.

The report also provided a base for the council to work from, and moving forward, they are tasked with monitoring the progress of established goals and identifying new focus areas as we build on our initial efforts.

With the council in place, Bremer has established a formal structure around ESG work that will guide us well into the future. The council meets regularly to monitor and oversee the organization's ESG goals and action plans.

Since its inception, the ESG Committee has shown tremendous enthusiasm and commitment toward this important work, which has permeated all corners of the organization.



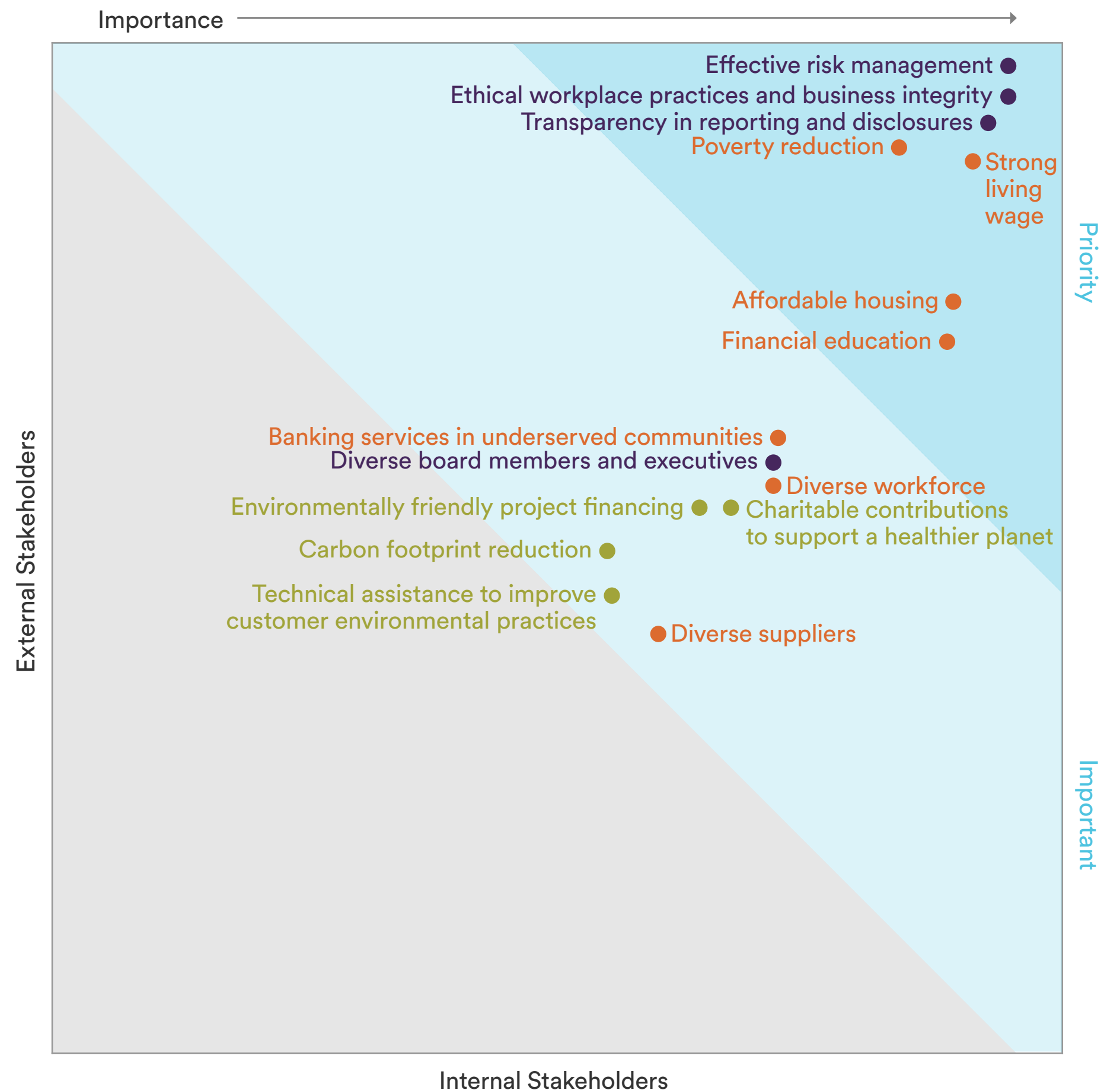


# ESG SURVEY RESULTS

Bremer engages with several ESG priorities throughout the enterprise under the leadership of the ESG Committee. To ensure we are listening to our stakeholders and emphasizing the efforts most important to them, Bremer engaged with a group of graduate students at the University of Minnesota Humphrey School in 2022 to create a materiality assessment, polling our customers and employees on the ESG priorities most important to them.

In the categories of environmental, social and governance, we asked respondents to evaluate a number of priority areas on a scale ranging from “not important” to “very important.” Bremer received responses from 470 employees and 881 customers and calculated scores for each of the individual priority areas based on the stakeholder feedback.

Areas that ranked highest for both groups were effective risk management, ethical workplace practices, and transparency in reporting and disclosures. These priorities align with a number of Bremer’s previously established organizational goals, which both reinforces our existing ESG work and gives us a roadmap for future work.





# ENVIRONMENTAL

Thriving environments are critical to thriving communities. Finding new ways to recycle, reconsidering our physical footprint, partnering with customers, and taking a critical look at how we operate moving forward are all important parts of building a strong environmental foundation.



**12**  
Bremer locations  
receiving Solar Credit



**4.4M**  
kilowatt hours of  
solar power usage



## Responsible and renewable energy

As part of our unwavering commitment to sustainability and reducing our environmental footprint, Bremer Bank is actively exploring the installation of solar panels at our Bremer Service Center and St. Cloud branch. We are currently in the diligence phase, meticulously evaluating the feasibility and potential impact of this initiative. Additionally, we subscribe to a solar farm service to provide alternative energy sources for the Bremer Service Center and our locations in South St. Paul, Mankato, St. Anthony, Watertown, Edina and Brooklyn Center.

In 2024, we conducted a comprehensive energy audit to identify inefficiencies at our largest location, the Bremer Service Center in Lake Elmo, Minnesota. At this site, we continue to prioritize responsible energy usage by participating in Xcel Energy's Electric Rate Savings program, which allows us to manage our energy load during peak usage times by transferring power to our backup generator.

These efforts underscore our dedication to integrating renewable energy solutions into our operations, aligning with our broader goals of promoting environmental stewardship and sustainable practices within the communities we serve.



## ENVIRONMENTAL

### Customer success story: St. James Social

Cody and Annalisa Bermel value and promote community every day through their business, making them perfect fits for Bremer Bank and its purpose of cultivating thriving communities.

Annalisa and Cody are the proud developers and proprietors of St. James Social, a boutique hotel, full-service restaurant and social lounge in the heart of charming Bayfield, designated “Wisconsin’s Smallest City” and the “Gateway to the Apostle Islands.” The Bermels purchased the iconic, 140-year-old building in the spring of 2022. The building, on the National Register of Historic Places, had been sitting vacant for several years.

The Bermels credit Bremer, Greiner Construction and the many local tradespeople involved in the renovation project for following an accelerated timeline. This allowed them to open the hotel part of the building in the summer of 2023, after obtaining a historic tax credit equity investment from Bremer using a complex, multiple-entity ownership structure. “I really had my work cut out for me on this project. My husband had encouraged me to take the leap and develop something for us, not just continue to be a development consultant, and I was pursuing a complicated funding model,” Annalisa said. “There was a lot on the line, including our signatures. I believed Rick Geisen, a Bremer banker I had known for years, and Tracy Hubbard, the community development finance director at Bremer, would support us. They understood how development projects need to fit into the larger fabric of the community, and as I expected, Bremer has been a tenacious, patient, supportive partner from day one.”

Rick is quick to recognize Annalisa for her guiding role in St. James Social’s successful renovation. “Annalisa has a strong ability to convey her vision, and her passion for the Bayfield community shines through. Annalisa, her husband Cody and their two young daughters all play important roles in the operation,” he said.

The “Social” in “St. James Social” is intentional, says Annalisa. The main level is open to the public and for the public; it’s not a private amenity for guests in the eight rooms upstairs. “We opened the restaurant, and because it was December, our guests were mainly Bayfield residents. We started serving dinner two nights a week, then grew it to five nights a week, and we served coffee seven days a week. These offerings, along with special events and fun surprise activities, have made St. James Social a place for our community, in addition to travelers visiting Bayfield,” she shared. With a full-service restaurant for the public, and a communal coffee bar, sauna and rooftop lounge for hotel guests, there is something for everyone.

St. James Social currently has 18 employees, plus the Bermels and their daughters. While seasonal operations may increase that number, the Bermels are focused on scaling with the right people, not just filling openings. “We treat employees like family. And we’re working with the local high school on an apprenticeship program that will hopefully lead to future roles on our team,” Cody said.

Every project in Annalisa’s career has been leading to this endeavor. From the Hewing Hotel in Minneapolis to the Wild Rice Retreat near Bayfield and others, she has been able to learn as a developer and development consultant. And she’s



built valuable relationships with experts she trusts — paving the way for St. James Social to come to life quickly in accordance with her vision and values, emphasizing community from the start.

Cody adds that they were determined to renovate the building that would become St. James Social in a responsible way with a focus on energy efficiency, including solar. “We were able to do it right — and do it fast — because we were surrounded by the right experts every step of the way.” Every detail, from the architecture to the artwork and the financing to the floors, was meticulously considered and implemented.

Because of the complexity of the financing, multiple teams at Bremer played a role, including financing, community development and construction. “We have never experienced a relationship with a bank where it felt like they were truly on the team like we experienced with Bremer on this project,” Annalisa said. “They were in it with us, helping us learn, advising us and cheering us on. And it is wonderful to be able to walk our daily deposits over to the bank branch two blocks away. It was meant to be!”



## ENVIRONMENTAL



66.2%

electronic use of consumer DocuSign in place of paper



50%

Bremer buildings converted to LED lighting



Bremer St. Paul and Minneapolis offices are located in LEED-certified buildings

### Climate risk assessment

Bremer manages climate risk through existing risk and credit functions. Climate change represents a dynamic set of strategic considerations that have the potential to impact the bank over various time frames. Bremer has identified the categories and sub-categories of physical and transition climate risks which may impact the company.

Physical risks relate to the direct impact of climate change that is driven by a specific disruptive event, while transition risks arise from policy and technology-driven adjustments.

To properly assess the impact of climate risk, we consider both Bremer's operational resilience and the associated impact to our banking activities, as well as the reach of impacts through our lending activities. Bremer's resilience is monitored through our business continuity and disaster recovery processes, while impacts to our lending activities are monitored through our credit process. The latter continues to include a rating methodology that captures both types of climate risk (physical and transition). Risk levels were assigned for each of Bremer's industries to identify those that could be most impacted by climate change.

We will continue to refine our assessment and begin working with customers in higher-risk industries to identify plans in place to address climate change risks.

Environmental impact					
	2021	2022	2023	2024	UN goal
<b>LED lighting upgrades</b> (install energy-efficient lighting within Bremer buildings)	7%	14%	25%	50%	
<b>Recycled electronics</b>	20K lbs	25K lbs	38K lbs	33K lbs	
<b>EConsumer DocuSign usage</b> (reduce paper use and travel by having customers sign documents electronically)	not tracked	35%	60%	66.2%	
<b>Bremer locations offering recycling</b>	50%	52%	100%	100%	



## SOCIAL

Bremer's closely held purpose, instilled in us by our immigrant founder, is cultivating thriving communities. We continue to find new and better ways to deepen our impact in the communities we serve.

Community impact					
	2021	2022	2023	2024	UN goal
Donations by Bremer Bank to nonprofit organizations	\$2.6M	\$2.7M	\$2.7M	\$2.7M	
Employee giving to United Way campaign	\$209K	\$212K	\$235K	\$213K	
Bremer Bank employee contribution match to United Way	\$209K	\$212K	\$235K	\$213K	
Employee volunteer hours	19K	16K	16K	16.5K	
Employees serving on nonprofit boards of directors	100	223	256	260	



**\$64.25M**

dividends paid by Bremer Financial Corporation to the Otto Bremer Trust in 2024 (\$1.13B since 1989)



**1,450**

Welcome Home kits donated to families transitioning into stable housing in 2024 through the Bremer Home For Good initiative

### A sampling of nonprofit organizations with a Bremer employee serving on its board of directors

#### Twin Cities

Avivo  
 Catholic Charities  
 CFA Society of Minnesota  
 EMERGE  
 Enterprise Minnesota  
 Dress for Success Twin Cities  
 Goodwill-Easter Seals Minnesota  
 Greater Twin Cities United Way  
 Junior Achievement North  
 Minneapolis Foundation  
 Minneapolis Regional Chamber of Commerce  
 Minnesota Children's Museum  
 Minnesota Homeownership Center  
 Northside Economic Opportunity Network  
 Opportunity Partners  
 Ordway Center for the Performing Arts  
 Project for Pride in Living  
 Reconnect Rondo  
 Saint Paul Area Chamber of Commerce  
 Saint Paul Downtown Alliance  
 Science Museum of Minnesota  
 Twin Cities Habitat for Humanity  
 YWCA Minneapolis

#### Greater Minnesota

Aitkin County Habitat for Humanity  
 Boys and Girls Club of Central Minnesota  
 Duluth Downtown Council  
 Habitat for Humanity of Douglas County  
 Habitat for Humanity South Central MN  
 Initiative Foundation  
 Junior Achievement St. Cloud  
 Junior Achievement Winona  
 The Bridge Food Pantry

#### North Dakota

Altru Health Systems  
 Fargo Moorhead West Fargo Chamber of Commerce  
 Grand Forks Region Economic Development Corp.  
 Minn-Dak Manufacturers Association  
 Minot Area Community Land Trust  
 North Country Food Bank  
 United Way of Cass Clay

#### Wisconsin

Amery Area Food Pantry  
 Greater Menomonie Development Corp.  
 Northwest Alliance Community Foundation  
 United Way of St. Croix Valley



## SOCIAL



### 2024 Featured Company

Bremer Bank is honored to be recognized as a 2024 Keystone Honored Company. This annual recognition celebrates Minnesota's tradition of corporate social responsibility, philanthropic giving and corporate generosity. As a dedicated Keystone member since 2005, Bremer is grateful for this prestigious award, which underscores our commitment to making a positive impact in the communities we serve. We are proud to be part of a tradition that values giving back and fostering a spirit of generosity.



**#1**  
company for corporate  
giving in Minnesota in  
2023, as ranked by the  
Minneapolis/St. Paul  
Business Journal



## SOCIAL

In addition to providing the revenue that fuels the work of the Otto Bremer Trust, Bremer focuses its own substantial philanthropic giving and charitable sponsorships in three pillars: affordable housing, financial education and economic empowerment.



### Outstanding CRA ranking

Bremer Bank received an overall “Outstanding” rating – the highest rating that can be achieved – on its most recent Community Reinvestment Act (CRA) performance evaluation from the Office of the Comptroller of the Currency.



**\$1.5B**

CRA-eligible loans provided

Includes affordable housing, economic development, small business and farms, and residential mortgages



**\$68.5M**

CRA-qualified community investments in 2024

### Bremer's commitment to sustainable and affordable housing: Supporting the 2024 Jimmy & Rosalynn Carter Work Project

In 2024, the Twin Cities area was the proud home of the Jimmy & Rosalynn Carter Work Project. During its nearly 40-year history, the Carter Work Project has traveled to 14 countries and brought together thousands of volunteers, celebrities, elected officials and other VIPs to build homes and highlight the urgent importance of affordable housing.

This significant event, hosted by Habitat for Humanity International and Twin Cities Habitat for Humanity, marked the beginning of The Heights project, the largest Habitat redevelopment project to date.

The Heights is a transformative redevelopment of the former Hillcrest Golf Course on St. Paul's East Side, designed to be a model for sustainable and affordable housing. During the event, 4,000 volunteers, including Bremer employees and customers, came together to build 30 homes. Over the next five years, the project aims to construct a total of 147 affordable housing units.

Bremer is proud to have provided a \$100,000 sponsorship and volunteers in support of this purposeful program, deepening our commitment to affordable housing and turning passion into impact for our communities.

### Project examples:

- New multi-service community facility providing daycare in rural Wisconsin (\$2.5M)
- New Federally Qualified Health Center (FQHC) in historically underserved community in South Minneapolis (\$6.4M)



## SOCIAL



**\$3.3M**

saved collectively by nearly 16,000 families through CollegeBound Saint Paul



**760**

mortgage loans purchased from Twin Cities Habitat for Humanity to support homeownership

### CollegeBound Saint Paul

Bremer is proud to be the banking partner for CollegeBound Saint Paul, a first-of-its-kind program launched on January 1, 2020, to provide every newborn child in the city with a savings account, including a \$50 seed deposit, to jump-start additional savings toward a college education. Since the program's launch, over 16,000 children have been enrolled, and their families have collectively saved over \$3.3 million for their future.

In 2024, we hosted three CollegeBound Deposit Days at our Midway branch. During these events, attendees were able to ask questions about their children's CollegeBound accounts and receive extra support with making deposits. At our third and final deposit day of the year, Mayor Melvin Carter and Saint Paul Public Schools announced the launch of the next phase of the CollegeBound Saint Paul program — CollegeBound Elementary.

### Twin Cities Habitat for Humanity

Bremer continues to partner with Twin Cities Habitat for Humanity (TCHFH) on the Home Loan Impact Fund, the largest banking partnership in Habitat's history. We have now purchased more than 760 below-market mortgages totaling \$150 million over the past six years. The below-market interest rate provided by Bremer helps to subsidize the affordability gap and more than doubles the number of local families who can partner with TCHFH on affordable homeownership.

Additionally, Bremer has partnered with TCHFH on the development of their Advancing Black Homeownership Program. This pilot program was launched in 2024 and is designed for applicants who identify as Foundational Black Americans. It aims to narrow racial disparities in housing. In 2024, Bremer closed five loans utilizing this program.





### One Southside Clinic

Bremer is serving as a New Markets Tax Credit (NMTC) program partner to the One Southside clinic, a \$30 million, 30,000-square-foot facility coming to the medically underserved East Lake Street community in Minneapolis. The new clinic is expected to open in 2026 and will consolidate two existing facilities in the area that are at capacity. One Southside will provide high-quality care to a greater number of patients across expanded hours, greatly benefiting the community. Bremer is receiving a total of \$7.8 million in tax credits in exchange for an equity investment into the project, and is also financing two loans to support the project's capital campaign and construction costs while managing a deposit account for the customer.



## SOCIAL



Bremer is cultivating a diverse and inclusive workplace where everyone is empowered to be their authentic self and feels a sense of belonging. Bremer continues its effort to ensure our workforce at all levels reflects the communities we serve.



Diversity: All employees					
	Women	Men	White	POC*	UN goal
2021	65%	35%	89%	11%	 
2022	66%	34%	87%	13%	
2023	64.4%	35.6%	85.5%	14.5%	
2024	64.6%	35.4%	83.5%	16.5%	



# 23.5%

of new hires in 2024  
represent people of color

Diversity: Senior executive team					
	Women	Men	White	POC*	UN goal
2021	45%	55%	91%	9%	 
2022	36%	64%	86%	14%	
2023	36%	64%	86%	14%	
2024	38%	62%	85%	15%	

Diversity: Board of directors					
	Women	Men	White	POC*	UN goal
2021/2022/2023	43%	57%	86%	14%	 
2024	44%	56%	56%	44%	

### Supporting early-career talent

For over 10 years, Bremer has supported students and early-career talent as they embark on their professional careers and grow into future leaders. This effort aims to introduce students to the financial industry, an area where they may not have otherwise had the opportunity to gain experience.

Bremer partners with Genesys Works and Cristo Rey, a coeducational high school in Minneapolis, to provide meaningful work opportunities and career pathways for youth from underserved communities. The goal is to help change the trajectory of students' lives, close the skills gap, promote equitable access to opportunities and empower them to be the leaders of tomorrow.

Bremer's internship program is focused on university and college hiring. In 2024, 56% of Bremer's interns were female and 44% were people of color, representing significant increases from 2023.

\*People of color



## SOCIAL

**Bremer's people are what power our purpose. We invest in our employees in the same way that we invest in our communities.**

### Working at Bremer

Our company-sponsored pension plan provides employees a pension benefit in retirement. The plan remains well funded at approximately 123% and is open to new employees. Bremer also sponsors an employee stock ownership plan (ESOP) and contributed \$508,000 to the ESOP in 2024. In addition, Bremer offers employees the option to save for retirement with tax-deferred money through a 401(k) plan. We contributed \$6.4 million in matching funds to the 401(k) in 2024. At the end of the year, 89.2% of employees held shares of Bremer stock.

We are committed to developing talented individuals throughout their careers at Bremer. It starts with Bremer Beginnings, our orientation program that sets all employees up for success. We also offer several internal opportunities focused on personal, team and enterprise leadership development. Bremer's Education Assistance Program provides employees the opportunity to pursue degrees that expand their knowledge and skills for both current and future roles. Finally, Bremer's Professional Development Fund provides support to employees and teams in the pursuit of conferences, certifications and continuing education units.

Bremer maintains a competitive compensation program for employees at all levels. The program is comprised of base salary and variable pay opportunities tied to company, team or individual performance. We conduct periodic reviews of base pay to ensure there is equity across genders and ethnicities, and in 2024, we participated in an independent pay-gap analysis. Bremer is a leader in pay transparency, posting all salary ranges internally for employees in 2023, two years ahead of the 2025 Minnesota mandate to include ranges with internal and external job postings.



Quality work should be recognized. Bremer utilizes several employee recognition programs. This includes our peer-to-peer North Star and Blue Bar initiatives, the Community Cultivators program that celebrates outstanding Bremer volunteers, and the quarterly 3 Cs awards for employees who best exemplify Bremer's three core values. Lastly, the annual Above & Beyond awards are our most prestigious honor, given to employees who far exceed expectations.

Employees should be happy, healthy and supported in all aspects of their lives. Bremer offers robust health insurance to meet the unique needs of our team, with 78% of employees participating in 2024. Offerings include traditional medical plans and a high-deductible option with a health savings account (HSA), which received more than \$800,000 in Bremer funding in 2024. These offerings are supplemented by a number of valuable wellness programs, including mental health support, healthy eating resources and more. Overall, Bremer spends roughly \$32 million annually on employee benefits.



## SOCIAL

In 2024, Bremer continued to prioritize diversity, equity and inclusion as essential elements to cultivating thriving communities and the organization's long-term success. Bremer's DEI efforts are focused on the workforce, workplace and marketplace.



84%

employees who are proud of the work they do



\$126,775

scholarships to employee dependents in 2024



\$79,000

educational assistance to employees to pursue degree programs

### Workforce representation: Attracting and retaining a diverse workforce

Bremer's recruitment goal is to attract and hire the best candidates for all roles across our footprint, a commitment that encompasses hiring individuals from all races and ethnicities, and encompassing other identifying characteristics such as gender/sex, religion, age, disability status, veteran status and LGBTQ+.

Bremer has made great strides since 2020 to both increase diverse representation across the organization and to create an inclusive work environment. In 2024, 16.5% of Bremer's total workforce represented people of color, marking a 5% growth since 2020. This growth is most prevalent in Bremer's senior leadership, with a 9% increase in people of color reporting directly to the CEO and a 30% increase of people of color representation on the Bremer Financial Corporation board of directors.

### Ensuring pay equity

Bremer's compensation approach ensures pay equity for all employees. Bremer has achieved and maintained gender pay equity as well as race and ethnicity pay equity.

Bremer partners with an independent third-party vendor annually to examine our employees' pay equity. If compensation disparities are identified, adjustments are made to ensure pay equity is maintained.

### Engagement survey

Retaining talent requires that we make every effort to develop, promote and support our employees. To focus on this retention goal, and to ensure employees are engaged in their work at Bremer, we conduct an annual employee engagement survey. The survey measures employee sentiment in a number of key areas, with a focus both on individual teams as well as the organization more generally. Results are shared with senior leaders, who then develop action plans based directly from employee feedback.

In 2024, we had a survey response rate of 71%, continuing Bremer's history of strong survey participation and reflecting an employee culture that cares deeply about its work and our organization. We also saw overall employee engagement increase by 3%. We were particularly proud to see a 23% increase in engagement among Black employees and a 5% increase in engagement among all minority employees, as we know that engaging and retaining these employees is critical to our ongoing DEI efforts.



SOCIAL

**Workplace: Integrating DEI principles and practices into our company culture**

Bremer is focused on cultivating belonging through a culture that inspires inclusion and respect for everyone. We are strengthening this culture by intentionally growing DEI awareness through training requirements and educational opportunities. All employees are required to take harassment-free compliance training. In addition, Bremer’s board of directors, senior executive team, senior leadership team, DEI council and people and culture team have completed Intercultural Development Inventory (IDI) training, an assessment that specializes in the development of intercultural competencies.

Bremer’s DEI Advisory Council, established in January 2024, has championed diversity and promoted awareness and understanding of diverse perspectives throughout the organization. With support from the council and teams across t he

organization, more than 20 DEI-focused events and educational opportunities were offered throughout 2024, including lunch and learn sessions and internal videos. These employee touchpoints were focused on promoting inclusivity and understanding different viewpoints.

**Marketplace: Focusing on supplier diversity**

Our work to make Bremer more inclusive extends to the businesses we partner with. Bremer’s supplier diversity program was developed and implemented in 2022 to work with suppliers from historically underrepresented communities, helping drive economic empowerment in the communities we serve.

From 2022 to 2024, we have increased our total annual diversity spend by 3%, and it now represents 7.4% of our overall spend.



**Diversity advertising spend**

For the third year in a row, Bremer intentionally invested advertising dollars in BIPOC-owned and focused media outlets. In 2024, 5.6% of Bremer’s total advertising spend was dedicated to nine BIPOC-owned outlets and partners. This initiative has furthered Bremer’s stated racial equity action plan goals driving brand engagement and service in communities of color.

Competitive benefits						
	2020	2021	2022	2023	2024	UN goal
Paid parental leave	N/A	2 weeks	6 weeks	6 weeks	6 weeks	
Hours of paid community volunteer time	8	16	16	16	16	
Starting hourly wage range	\$12	\$15	\$17-\$19	\$17-\$19	\$17-\$19	



# IGI GOVERNANCE

Excellence requires oversight. Bremer's independent board of directors and committee structure sets the critical framework for its culture, ethics and success. Key areas of responsibility are defined, and individual charters outline the purpose, roles and reporting structure for each committee. Our governance structure also includes management-level committees focused on certain strategic priorities and specific areas of risk management.

## BOARD OF DIRECTORS

Sets the tone for Bremer's culture, inclusive of integrity, risk and compliance

Provides oversight of management and guides company direction through review of Bremer's strategic plan and initiatives, capital planning and annual budget



## BOARD-LEVEL COMMITTEES

Each operates under a charter which outlines its respective oversight responsibilities and authority

Specific oversight of ESG priorities are delegated across these committees

Committee membership is 100% independent

### GOVERNANCE

- Corporate governance guidelines
- Board composition, selection/qualification of director nominees, and board performance
- Succession planning

### RISK

- Enterprise risk management program, including frameworks and policies
- Oversight of risk profile and performance against risk appetite

### AUDIT

- Effectiveness of internal controls over accounting and financial reporting
- Performance of internal audit function and independent auditor

### COMPENSATION

- Compensation philosophy, including desired competitive positioning and benefits
- Talent acquisition
- DEI initiatives



## MANAGEMENT-LEVEL GOVERNING BODIES

### SENIOR EXECUTIVE TEAM (SET)

Identifies and manages execution of strategy and business objectives

Consists of all senior executive officers

Separate SET Risk Committee provides leadership to manage key risks

### ESG COMMITTEE

Identifies and manages execution of strategy and business objectives

### RISK AND COMPLIANCE COMMITTEES

Manages governance for specific types of risk or compliance matters with defined reporting and escalation requirements



# GOVERNANCE

## Risk management

Risk management at Bremer is executed through a three-lines-of-defense organizational structure. This framework is important in providing structure around risk management and internal controls within Bremer.

**First line:** Business lines are responsible for identifying, managing and owning their respective risks.

**Second line:** Supports the first line of defense by providing oversight, guidance, and credible challenges related to specific business activities and the associated risks. Bremer's second line of defense includes the functional areas of risk management, compliance, legal and credit exam.

**Third line:** Composed of internal audit, which provides an independent assessment of the existence and effectiveness of controls, processes and systems.

Bremer's approach to risk management is defined in our Risk Appetite Statement, Enterprise Risk Management Framework, and other risk-specific frameworks and policies.

## Cybersecurity

Bremer makes significant cybersecurity investments to protect customer security using a vulnerability management program, as well as endpoint, antivirus, malware and data loss protection. Industry-leading network firewalls have been deployed to protect our networks from unwanted and unauthorized internet traffic.

Bremer employees take mandatory cybersecurity training at least once per year, and we hire external firms to conduct internal and external network security penetration testing annually.

Bremer is subject to internal and external audits and security exams.

## Government relations committee

Bremer formed a government relations committee in 2023 to oversee when and how we engage in public policy issues. The committee is tasked with monitoring legislative activity, identifying opportunities for civic engagement, and building relationships with trade organizations and coalition partners. Through this committee, we will ensure a clear and consistent approach to public policy issues across the organization, in accordance with our employee code of conduct.

## Compliance

Bremer is committed to sound compliance and risk management processes, standards and oversight in the delivery of bank and trust services. This includes oversight of compliance with applicable laws and regulations as managed through Bremer's Compliance Management System, and oversight of compliance with anti-money laundering and antiterrorist financing regulations by Bremer's Bank Secrecy Act team.

All employees must complete annual training on ethics and regulations relevant to their jobs.

## Ethical standards

Bremer has adopted a code of conduct that outlines expected behaviors and conduct by its employees and directors. Employees must complete training and acknowledge understanding of the code of conduct on an annual basis.

Bremer maintains an anonymous ethics reporting hotline through an outside partner which allows employees, customers, vendors or other interested parties to report issues around employee behavior, policy violations, vendor or customer behavior, and whistleblower reports on violations of law. All reports are reviewed and investigated by outside subject matter experts, and independent oversight is provided for all reported issues.



100%

required employees who completed compliance training in 2024



100%

employees who completed code of conduct training in 2024 and acknowledged their understanding and responsibility to comply

## Senior Executive Team



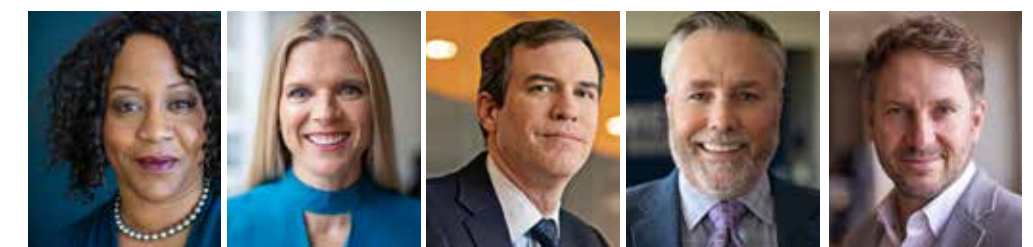
Jeanne Crain

Keith Ahrendt

Mitch Bleske

Meghan Brown

Justin Butler



Colette Campbell

Erin Dady

Dan Flanningan

Travis Hoaglund

Matt Keen



Tim Kocher

Ginny Kremer

Tom Rickers





# BREMER

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