

Carbon Offsets and Significant Reduction Claims

California AB-1305, Division 26 Part 10 of the California Health and Safety Code

Columbia Banking System, Inc., including Umpqua Bank, is not marketing, selling, purchasing, or using voluntary carbon offsets.

Our company has reported the following significant reductions to our greenhouse gas (GHG) emissions:

Statement	Explanation
<p>Our combined emissions have decreased 11% since 2019, and our combined Scopes 1 and 2 emissions intensity has decreased 3% since 2019.</p> <p>2022 ESG Report (pages 8, 46-47) published on UmpquaBank.com/Our-Impact</p>	<p>As of close of business on February 28, 2023, Columbia Banking System, Inc., the holding company for Columbia Bank and Columbia Trust Company, merged with Umpqua Holdings Corporation, the holding company for Umpqua Bank and its subsidiary, Financial Pacific Leasing. As part of the acquisition, the former Columbia Bank was merged into Umpqua Bank. The 2022 ESG Report covers both Umpqua Holdings Corporation and Columbia Banking System, Inc. and their subsidiaries for the fiscal year ended December 31, 2022, unless otherwise noted.</p> <p>To complete both Umpqua Bank’s and Columbia Bank’s GHG inventories, we engaged third party firms to calculate emissions using best practices as outlined in the GHG Protocol’s Corporate Accounting and Reporting Standard. The inventories use Global Warming Potential (GWP) rates from the IPCC’s Fifth Assessment Report (AR5) and emissions factors from the 2023 GHG Emissions Factor Hub (EPA), 2020 Climate Registry Default Emission Factors, 2020 EPA Emission Factors for Greenhouse Gas Inventories, USEPA eGRID 2019, and 2019 Street Light Data. The calculations include CO₂, CH₄, N₂O, and HFC gases. To consolidate our GHG emissions, we utilize the operational control approach: our Scope 1 and 2 emissions include any asset or facility in which the combined organization has an operating interest, whether leased or owned. For Scope 3 emissions, we currently calculate Category 6: Business Travel.</p> <p>We remain committed to collecting and using actual data where possible when calculating our GHG emissions. Umpqua Bank’s inventory employed actual use data for 65% of the calculation, relying on modeled data for the remaining 35% of the calculation. Columbia Bank’s inventory employed actual use data for 29% of the calculation, relying on modeled data for the remaining 71% of the calculation. We use modeled data where needed to ensure we report on 100% of our owned and leased sites and produce a complete and comprehensive inventory.</p> <p>Our Scope 3 emissions only include indirect emissions from business travel. We do not currently calculate indirect emissions for other upstream or downstream categories.</p> <p>We calculate our intensity using calendar normalized square footage of our offices and branches. We calendar normalize to account for any sites that were open for only part of the year.</p> <p>We did not seek independent third-party verification of GHG inventories.</p>