C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

U.S. Bancorp, with more than 70,000 employees and $543 billion in assets as of March 31, 2020, is the parent company of U.S. Bank National Association, the fifth-largest commercial bank in the United States. The Minneapolis-based bank blends its relationship teams, branches and ATM network with mobile and online tools that allow customers to bank how, when and where they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial and corporate, and investment services customers across the country and around the world as a trusted financial partner, a commitment recognized by the Ethisphere Institute naming the bank one of the 2020 World's Most Ethical Companies. Visit U.S. Bank at usbank.com or follow on social media to stay up to date with company news.

At U.S. Bank, we care deeply about promoting sustainable business practices while supporting economic growth and we embrace our responsibility to be a good steward of our natural resources. We have implemented a ‘continuous improvement’ approach by protecting and conserving our natural resources through methods such as: 1) Developing business practices that protect and conserve our natural resources; 2) Embracing opportunities for new products, services and partnerships that improve our environmental sustainability 3) Adopting new technologies, such as renewable resources, that continue to reduce our carbon footprint. Many of these approaches can create long-term value for our stakeholders through increased revenues, reduced costs and reduced risks. But just as importantly, these efforts can help improve the world we all share.

Our environmental strategy is woven into our overall Community Possible corporate giving and engagement platform at U.S. Bank, focused on the areas of Work, Home and Play. The company invests in programs that provide stable employment, a safe place to call home and a community connected through arts, culture, recreation and play. In 2019, U.S. Bank gave over $60 million to non-profit organizations across the country through its Foundation and corporate contributions. U.S. Bank employees also donated 334,000 hours of their time in 2019 to volunteering with organizations that benefit the communities in which they live. Visit usbank.com/community.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
<th>Select the number of past reporting years you will be providing emissions data for</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>January 1 2019</td>
<td>December 31 2019</td>
<td>Yes</td>
<td>1 year</td>
</tr>
</tbody>
</table>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Belgium
- Belize
- Canada
- Germany
- Ireland
- Lithuania
- Luxembourg
- Mexico
- Norway
- Poland
- Spain
- Sweden
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5
(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Bank lending (Bank)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board-level committee</td>
<td>The committee with the highest level of direct responsibility for climate change is our Public Responsibility Committee (PRC), an official committee of U.S. Bancorp Board of Directors. It is comprised of independent directors. The committee’s purpose is to review/consider U.S. Bancorp’s position/practices on matters of public interest and public responsibility and similar issues involving our relationship with the community at large, including reputation. The committee charter, under the Powers and Responsibilities section, states the committee oversees “the Company’s policies and programs related to corporate social responsibility matters, including environmental sustainability.” Its oversight includes how climate change risk fits into the overall business strategy and how we can manage our operations responsibly. This work fits under the PRC due to our responsibility to protect the communities in which we operate (public) and potential reputation impact of this work.</td>
</tr>
</tbody>
</table>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Scope of board-level oversight</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding strategy</td>
<td>Climate-related risks and opportunities to our own operations and the climate</td>
<td>Environmental updates, including climate-related issues, are presented to the Public Responsibility Committee (PRC) of the Board of Directors regularly. We made the decision in 2019 to increase updates from annually to quarterly, starting in 2020. The purpose of these updates is to review strategy, goals, possible risks, as well as risk mitigation initiatives, and major environmental partnerships/ initiatives. These scheduled presentations ensure accountability as well as allow board members to provide feedback and guidance on current and future work. Board members are also encouraged to share trends they are seeing around climate change. For example, based on a board member’s recommendation, the U.S. Bank team researched a growing focus around biodiversity and its potential impact on U.S. Bank’s current environmental strategy. Each time environmental information is shared with the PRC, an update on progress towards U.S. Bank’s GHG target is provided. This allows members to ask questions and hold employees accountable to meeting the target. As new goals are explored, they are reviewed with the committee to provide feedback and guide our strategy around setting goals and how best to meet those goals.</td>
</tr>
</tbody>
</table>

C1.2
(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Reporting line</th>
<th>Responsibility</th>
<th>Coverage of responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other C-Suite Officer, please specify (U.S. Bank's Chief Administrative Officer)</td>
<td>CEO reporting line</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Risks and opportunities related to our other products and services; Risks and opportunities related to our own operations</td>
<td>Annually</td>
</tr>
<tr>
<td>Chief Risks Officer (CRO)</td>
<td>CEO reporting line</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Risks and opportunities related to our bank lending activities; Risks and opportunities related to our investing activities; Risks and opportunities related to our own operations</td>
<td>As important matters arise</td>
</tr>
</tbody>
</table>

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Chief Administrative Officer (CAO) and the Chief Risk Officer (CRO) have joint responsibility for the leadership of climate risk. As direct reports to the Chief Executive Officer, they have appropriate authority, along with the expertise and organizational structures to address both the reputational risks and the financial risks related to climate change. U.S. Bank’s CAO reports directly to the CEO and is responsible for overseeing the management of U.S. Bank’s reputational risk, including reputational risk associated with climate change risk. This responsibility is included in her annual goal plan. Issues are monitored and reported to the CAO by U.S. Bank’s Chief Social Responsibility Officer (CSRO), who reports directly to the CAO, and U.S. Bank’s Environmental Program Manager who is part of the CSRO’s team. The CAO evaluates and manages exposure to emerging environmental, social and governance trends that pose reputational risk. Day-to-day climate related matters are monitored and managed by the Environmental Program Manager. This includes quarterly meetings and working with an enterprise wide group of senior leaders (Environmental Working Group) to assess and implement U.S. Bank’s climate related initiatives. Regular updates are provided to the CSRO and included in weekly email updates to the CAO as needed. U.S. Bank’s Reputation Risk Oversight Committee (RROC), which is an official subcommittee of an executive level committee and includes the CAO, as well as the CSRO, provides oversight for the Environmental Working Group and receives quarterly updates regarding relevant climate related matters. Regular updates are provided to the Public Responsibility Committee of the board of directors.

The work outlined above fits within the scope of the CAO’s role as the C-suite executive tasked with managing U.S. Bank’s reputation. Climate change is a risk we take very seriously and one that our stakeholders are showing an increase in interest around. As such, it can have a significant impact on our reputation. Also, as the C-suite executive tasked with managing the impact on the communities we serve and sharing our company brand and strategy, our impact on the environment is a key piece of that work. “We do the right thing” is central to our brand and our identity as a company and lessening our impact on the environment is the right thing to do.

The Chief Risk Officer manages climate risk through existing risk functions and climate risk is embedded in U.S. Bank’s risk policies. In 2019 we started to engage stakeholders and design a new working group, for launch in 2020, with the goal to monitor and manage financial risk related to climate change. This group is called the Climate Risk Working Group and the Chief Risk Officer has oversight of this activity. The purpose of this effort is to further integrate climate risk into U.S. Bancorp’s overall enterprise risk process.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td></td>
</tr>
</tbody>
</table>

C1.3a
(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

<table>
<thead>
<tr>
<th>Entitled to incentive</th>
<th>Type of incentive</th>
<th>Activity incentivized</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other C-Suite Officer</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>U.S. Bank's Vice Chairman, Chief Administrative Officer (CAO) has high level oversight of company environmental strategy and policy, including U.S. Bank's GHG emissions reduction target of 40% by 2029 and 60% by 2044. U.S. Bank achieved its 2029 target in 2019. This includes employee engagement around environmental efforts to reduce corporate emissions, customer engagement and driving internal change towards being more environmentally responsible. The CAO has oversight of strategy and initiatives to drive U.S. Bank's environmental progress, including meeting our target, and this is written into her annual performance goals. Compensation is informed by achieving the goals in annual performance goal plans.</td>
</tr>
<tr>
<td>Business unit manager</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>U.S. Bank's Chief Social Responsibility Officer (CSRO) is responsible for managing the employees who set U.S. Bank's environmental strategy, including performance targets. The CSRO is also responsible for managing reputational climate change risk in partnership with her team. Management of climate change strategy and risk is part of performance goals and success is incentivized through annual performance awards.</td>
</tr>
<tr>
<td>Environment/Sustainability manager</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>U.S. Bank's VP - Environmental Program Manager is responsible for coordinating efforts to engage employees and modify behaviors to reduce emissions, as well as working across business lines to coordinate energy/emissions reduction initiatives. She also reviews pertinent environmental due diligence escalations from the business lines to determine whether further escalation is needed. Success is incentivized through annual performance awards.</td>
</tr>
<tr>
<td>Energy manager</td>
<td>Monetary reward</td>
<td>Emissions reduction target</td>
<td>U.S. Bank's VP - Energy Manager within Corporate Real Estate is responsible for managing and supporting our energy reduction program as well as renewable energy efforts. Success is incentivized through annual performance awards.</td>
</tr>
<tr>
<td>Business unit manager</td>
<td>Monetary reward</td>
<td>Portfolio/fund alignment to climate-related objectives</td>
<td>Renewable energy managers within the U.S. Bancorp Community Development Corporation are responsible for tax credit investing of projects within the solar/renewable energy industry. These projects help customers reduce or avoid GHG emissions. These managers are incentivized by the number of renewable energy projects they facilitate and manage.</td>
</tr>
<tr>
<td>All employees</td>
<td>Non-monetary reward</td>
<td>Behavior change related indicator</td>
<td>Development and implementation of sustainability initiatives, including those which have direct impact on emissions reduction, such as energy reduction and transportation initiatives. U.S. Bank employees are encouraged to recognize each other using the Best in US portal - U.S. Bank's employee recognition program.</td>
</tr>
</tbody>
</table>

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

<table>
<thead>
<tr>
<th>We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No</td>
</tr>
</tbody>
</table>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Medium-term</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Long-term</td>
<td>5</td>
<td>100</td>
</tr>
</tbody>
</table>

C2.1b
(C2.1b) How does your organization define substantive financial or strategic impact on your business?

U.S. Bank would define substantive as having a significant financial, reputation or social impact, or impacting our business operations and/or brand, making it more difficult to meet the needs of our customers and communities. Level and type of impact would vary by business line. This includes consideration around 1) number of business lines and/or customers affected, 2) potential financial loss and/or revenue as a result of the risk or opportunity, and 3) stakeholder attention around the risk/opportunity, including potential effect on U.S. Bank’s reputation.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
- Direct operations
- Downstream

Risk management process
- Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
- More than once a year

Time horizon(s) covered
- Short-term
- Medium-term
- Long-term

Description of process
U.S. Bank risk management procedures vary across types of potential risks (asset level, portfolio risk, reputational risk, etc.) In general, the time frame looks out to 20 years depending on the product type and length of commitment. Depending on nature and severity of the risk identified, the results are reported through the impacted business line risk division, the corporate-wide risk division, the Environmental Working Group (EWG), the Climate Risk Working Group (CRWG) and the Reputation Risk Oversight Committee (RROC). An update is shared regularly with the Board of Directors. In 2019, we formally integrated climate risk into our qualitative scorecard and emerging risk process, adding it to our emerging risk report. We continue to develop our governance structure with plans to increase reporting to the Board. U.S. Bank’s risk management framework covers management of risks that may negatively impact the Company, including credit, interest rate, liquidity, market, operational, reputational, strategic, compliance, and BSA/AML. U.S. Bank’s Chief Risk Officer leads the independent risk management organization, which provides oversight of the Company’s risk-taking activities. In addition, every business line has a team specifically focused on all types of risks; at the business unit level (i.e. lending portfolio or product specific), risks at the asset level (i.e. corporate real estate and credit risk for assets within our portfolio), and risks at the company level (reputational or supply chain). We utilize a multiple line of defense approach in the prioritization of risk, looking at business line risk management, corporate level risk management and assurance/Validation/Verification of our risk management processes, with escalation processes/procedures clearly defined. From an opportunities perspective, as risks are identified and addressed, business lines simultaneously look for ways to turn these into opportunities for additional product development/sales, and/or cost savings, and opportunities are typically prioritized by creation of positive operating leverage (balancing the revenue potential with the development expense). U.S. Bank seeks feedback from NGOs, industry groups, customers, shareholders, and peer banks to better understand and identify risks related to climate change. Through conducting a materiality assessment, we engaged with customers, investors, peers and employees to seek feedback on most relevant risks (e.g., emissions) and opportunities (e.g., renewable energy financing) related to our company and business. This process provided valuable feedback to assess target areas. Highest priority is given to any risk or opportunity seeing an increase in more than one of our substantive financial or strategic impact metrics. Management of climate change risks and opportunities is integrated into U.S. Bank’s business strategy due to its broad array of potential impacts (both positive and negative), whether direct or indirect. We have a robust reputation risk management process to help ensure we are appropriately identifying and addressing emerging risks. The most recent enhancement is the design of the CRWG to further identify and manage financial risks related to climate change. We work to educate and inform business lines so each line can integrate climate change into their risk management process and identify opportunities for business growth. As regulatory/legislative measures are implemented, there is direct impact to opportunities (new products/services to help customers meet the requirements), business practices (ensuring our compliance with applicable requirements), and risk (will the requirements result in a negative impact on ability to do business or cost to do business for our company and our customers). Several feedback mechanisms ensure communication is shared with the appropriate parties to prioritize the identified risks/opportunities. U.S. Bank assesses opportunities as a function of our existing risk management processes. When an opportunity to better meet customer need is identified, risk programs are in place to identify and mitigate any potential risk. An example related to a transition to a low carbon economy is renewable energy lending. This opportunity to meet client needs is being explored as a new product and is being assessed by Credit Risk Management. Our extersive risk infrastructure monitors and helps mitigate risks due to climate change such as disaster recovery in the event of severe weather instances. As an example, the new CRWG will oversee climate change risk across the enterprise. This working group includes senior leaders from risk management, Corporate Social Responsibility, Legal and customer business lines, working together to identify and track risk within our customer portfolio and to develop management methods to reduce risk. This work continues to be escalated to senior management in a continued effort to heighten environmental impact awareness across all business lines, thus being reflected in individual business line strategy and goals. U.S. Bank established a Relationship Risk policy to create a consistent enterprise framework for managing relationship risk and designed a Working Group that outlines policy expectations for prohibited segments or those that present elevated risk. We create a unified approach through an enterprise environmental policy that is integrated and linked from various other policies, such as the credit policy and relationship risk policy. This brings together corporate policies for wider awareness around our environmental practices. In an effort to manage transitional risk, we worked with Ceres to evaluate current ESRM practices. A more streamlined framework allows us to better assess risk within our portfolio as a result of changing regulation and market demand during a shift to a low carbon economy. Following the conclusion of this work, we made two major changes 1) combining our environmental policy with our relationship review oversight policy and 2) designed a climate risk working group. These changes better streamlined environmental risk into our well defined relationship risk process, allowing an integrated approach to management, and the climate risk working group will streamline communications around climate risk to address risks and opportunities at an enterprise level instead of one off. Increasing temperatures caused by climate change have the potential to significantly increase the cost to power U.S. Bank’s over 3,000 locations. We need to manage physical climate change risks and opportunities through rigorous energy efficiency programs and have done this through building upgrades. This work has resulted in opportunities to save money and increased vendor partnerships, such as purchasing renewable energy through Xcel Energy’s Renewable Connect program, saving us nearly $800K in utility costs and decreasing our carbon footprint by 3.55% in 2019.
(C2.2a) Which risk types are considered in your organization’s climate-related risk assessments?

<table>
<thead>
<tr>
<th>Risk Type</th>
<th>Relevance &amp; Inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current regulation</td>
<td>Relevant, always included</td>
<td>As a financial services company, we are highly regulated, so this is always relevant to our business and included in our climate-related risk assessment. U. S. Bank’s legal department is represented on both the Climate Risk Working Group and the Environmental Working Group that drive climate-related risk management initiatives and our formal risk management process includes a detailed review by corporate compliance who is well versed in current regulations. Current regulation that is included in our risk assessment is around renewable energy tax credits. The U.S. Bancorp Community Development Corporation is a leader in the renewable energy investment tax credit and community solar gardens markets. Increased regulation, setting limits around the types of investments allowed under the tax credit, or a decrease in supportive regulation, such as discontinuing the tax credit at the federal level, in this area might lead to a reduced ability to make these types of investments. In 2019 U.S. Bancorp Community Development Corporation invested more than $1.2 billion in renewable energy. These investments helped add 2.2 gigawatts of solar power across the country, create 18,000 construction jobs, and produced an equivalent amount of renewable energy to power 340,000 homes. The carbon offset of these investments is equal to removing 522,000 passenger vehicles from the road or planting three million acres of forest.</td>
</tr>
<tr>
<td>Emerging regulation</td>
<td>Relevant, always included</td>
<td>As a financial services company, we are highly regulated, so this is always relevant to our business and included in our climate-related risk assessment. U. S. Bank’s legal department is part of the Environmental Working Group and the Climate Change Working Group that drive climate-related risk management initiatives and our formal risk management process is a detailed review by the compliance team who is well versed in current regulations. An example of emerging regulation that is being assessed throughout our risk management process is increased taxes and regulation around energy and fuel. Increased taxes and regulation around fuel and energy would increase the operating cost to run U.S. Bank’s over 3,000 locations. It might also affect the type of energy we can purchase, which has the potential to force us into fuel energy purchasing agreements with a higher cost than previous partnerships. In 2019, U.S. Bank spent approximately $65 million on energy to operate our over 3,000 locations. If fuel and energy taxes increase, these costs will increase the level of funding needed to operate our facilities.</td>
</tr>
<tr>
<td>Technology</td>
<td>Relevant, always included</td>
<td>U.S. Bank offers many online services that reduce emissions by eliminating the need to travel to branches for customers’ banking needs, as well as reducing paper use. Data security is paramount to who we are as a company and to our industry in general, so any risks involved with these services are always included in our risk management process. An example would be the fact that U.S. Bank was the first bank to offer banking services on all three major platforms: Amazon Alexa, Google Home and Apple Siri. In order to reduce risk of unauthorized persons accessing customer information through these types of devices, certain banking functions are not allowed when using these platforms. Precautions need to be taken to ensure service to our customers continues in the event a data center is impacted. Higher reliance on technology also presents risk within our operation. As a financial services company, we require multiple data centers that are strategically placed across our footprint to ensure operation resiliency. We also see physical climate change risk associated with our data centers due to increased energy use with more dramatic temperature changes. Data centers also create unique physical security risks, in the event of heightened natural disasters caused by climate change.</td>
</tr>
<tr>
<td>Legal</td>
<td>Not relevant, explanation provided</td>
<td>We currently do not consider climate change to present material litigation or regulatory enforcement risks to our company. We continue to monitor the legal implications of the changing climate.</td>
</tr>
<tr>
<td>Market</td>
<td>Relevant, sometimes included</td>
<td>Market shifts do affect our customers, which in turn can affect our bottom line through an increase in write-offs. For example, if the shift to a low carbon economy increases the market for electric vehicles, any automotive industry manufacturers who have not effectively transitioned might see a decrease in revenue, resulting in an inability to meet financial commitments, which would, in turn, affect U.S. Bank’s business. When we see a market shift that would affect a large number of customers, we would then include the risk in our portfolio review and risk assessment. With the shift to a low carbon economy, U.S. Bank is beginning to look at products to assist and/or encourage our customers with this shift. Examples of products being explored are renewable energy lending and expanded impact investment offerings. Because of this, we see market shifts as both a risk and an opportunity to expand our business. In addition, as climate risk events increase, we should expect more frequent market shock events. The bank currently maintains a strong capital structure, non-high risk trading strategies, and a risk management framework that includes stress scenarios to estimate potential loss from a severe market shock.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Relevant, always included</td>
<td>Increased expectations from customers, shareholders, communities, and investors regarding disclosure and management of environmental impact have led to more scrutiny and reputation risk. As a financial services provider, U.S. Bank’s impact may be lower than that of our customers, but we are more frequently being evaluated based on our customers’ environmental impact due to our financial relationship with them. A negative evaluation could damage U.S. Bank’s reputation and result in a loss of business, so we make sure to take the time to get to know our customers. U.S. Bank has an escalation process in place to review customers posing reputation risk up through the Company Chief Risk Officer and other Managing Committee members, as appropriate. We’ve also enhanced our approach on assessing climate risk; we have established an Environmental Working Group, Reputation Risk Working Group, and a Climate Risk Working Group to share, monitor, and report on relevant reputation and financial risks. All three working groups are made up of senior leaders across several business lines.</td>
</tr>
<tr>
<td>Acute physical</td>
<td>Relevant, always included</td>
<td>Natural disasters affect U.S. Bank’s customers and can lead to their inability to fulfill commitments. If their business is destroyed through flooding or other climate related event, they may be unable to conduct business. This would lead to an inability to repay debt and a decrease in future relationship opportunities. U.S. Bank attempts to evaluate customer relationships in relation to recent trends through our risk management processes. A natural disaster dashboard has been created to track financial impact to our operations and credit portfolios from past events and evaluate the potential impact of additional disasters. Stress Testing scenarios have also been created that incorporate increased frequency and severity of natural disasters and to incorporate these scenarios into capital planning considerations.</td>
</tr>
<tr>
<td>Chronic physical</td>
<td>Relevant, always included</td>
<td>Similar to the acute physical occurrences, chronic shifts caused by climate change can also affect our customers and their ability to fulfill commitments, as well as a decrease in future relationship opportunities. Our Capital Management and our Risk Management &amp; Compliance groups are working on scenarios to stress test our portfolio against various risks, including those related to climate-change. Changes in temperature extremes will also lead to an increase in energy use to heat and cool U.S. Bank’s over 3,000 locations. U.S. Bank has several locations in the Western/Southwestern United States, in cities such as Las Vegas, Phoenix, San Diego and Los Angeles. With temperatures continuing to rise, especially in the desert climates, our locations in these areas will require a continually higher level of cooling. U.S. Bank is headquartered in Minneapolis, a traditionally cool city, and has a large presence in other northern locations, such as Milwaukee. These locations do not usually require a high level of cooling, but with increasingly warmer weather, they now require more use of air conditioning units, resulting in higher costs and emissions. In 2019, U.S. Bank spent approximately $65 million on energy to operate our over 3,000 locations. If extreme temperatures worsen, these costs will increase the level of capital needed to operate our facilities.</td>
</tr>
</tbody>
</table>

C-FS2.2b
Do you assess your portfolio’s exposure to climate-related risks and opportunities?

<table>
<thead>
<tr>
<th>Portfolio coverage</th>
<th>Assessment type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Majority of the portfolio</td>
<td>Qualitative and quantitative Credit Risk Management maintains a quarterly report on credit exposure to environmentally sensitive industries based on U.S. Bank’s Environmental Responsibility Policy. Tools used to assess the portfolios exposure include portfolio risk limits on the bank’s exposure to the oil and gas sector. In addition, our policy restrictions around environmentally sensitive types of coal mining demonstrate the Bank’s strategy to be responsive to a warmer world. We do not have portfolio limits specifically around coal, precisely because the environmental policy prohibits certain forms of coal mining and financing new coal-fired power plants or new coal mines. Because of this, our credit exposure is immaterial. Clients in industries with higher environmental impact (e.g. oil and gas, utilities, forestry, coal/metals and mining) go through due diligence to assess environmental risk and are subject to the Bank’s policy prohibitions or escalation process. The Risk Identification process for stress testing includes risk events related to increased frequency of physical risks, such as natural disasters, and incorporates those risk events into the stress testing processes.</td>
</tr>
</tbody>
</table>

Investing (Asset manager) | Not Applicable | Not Applicable |
Investing (Asset owner) | Not Applicable | Not Applicable |
Insurance underwriting (Insurance company) | Not Applicable | Not Applicable |
Other products and services, please specify | Not Applicable | Not Applicable |

Describe how you assess your portfolio’s exposure to climate-related risks and opportunities.

Do you assess your portfolio’s exposure to water-related risks and opportunities?

<table>
<thead>
<tr>
<th>Portfolio coverage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Yes Majority of the portfolio U.S. Bank’s credit policy on loans for agricultural production does require an assessment of “water rights”. In states where real estate values are dependent on water rights, policy states U.S. Bank must ensure compliance with state law regarding water. It’s also required that an evaluation be done with respect to production management, including but not limited to, water and environmental issues.</td>
</tr>
</tbody>
</table>

Investing (Asset manager) | Not Applicable | Not Applicable |
Investing (Asset owner) | Not Applicable | Not Applicable |
Insurance underwriting (Insurance company) | Not Applicable | Not Applicable |
Other products and services, please specify | Not applicable | Not applicable |
C-FS2.2e

Do you assess your portfolio’s exposure to forests-related risks and opportunities?

<table>
<thead>
<tr>
<th>We assess the portfolio’s exposure</th>
<th>Portfolio coverage</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Yes</td>
<td>Majority of the portfolio</td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Insurance underwriting (Insurance company)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other products and services, please specify</td>
<td>Not applicable</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

C-FS2.2f

Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

<table>
<thead>
<tr>
<th>We request climate-related information</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Yes, for some</td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Insurance underwriting (Insurance company)</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other products and services, please specify</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

C2.3

Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.3a

Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

**Identifier**
Risk 1

**Where in the value chain does the risk driver occur?**
Direct operations

**Risk type & Primary climate-related risk driver**

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where in the value chain does the risk driver occur?</td>
<td>Direct operations</td>
</tr>
<tr>
<td>Risk type &amp; Primary climate-related risk driver</td>
<td>Chronic physical Rising mean temperatures</td>
</tr>
</tbody>
</table>

**Primary potential financial impact**
Increased indirect (operating) costs

**Climate risk type mapped to traditional financial services industry risk classification**
Operational risk

**Company-specific description**
In 2019, U.S. Bank spent $65 million on energy to operate our over 3,000 locations. Rising temperatures will mean air conditioners will run more frequently, causing this cost to increase. U.S. Bank has several locations in the Western/ Southwestern United States, in cities such as Las Vegas, Phoenix, San Diego and Los Angeles. With temperatures continuing to rise, especially in the desert climates, our locations in these areas will require a continually higher level of cooling. U.S. Bank is headquartered in Minneapolis, a traditionally cool city on average, and has a large presence in other northern locations, such as Milwaukee. These locations do not usually require a high level of cooling, but with increasingly warmer weather, they now require more use of air conditioning units, resulting in higher emissions and costs. In addition, we monitor operational concentrations in areas with warm climates where we rely on third parties (including India), which is a consideration as we make strategic decisions related to outsourcing.

**Time horizon**
Short-term

**Likelihood**
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
650000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We estimate that we could see an annual 1% increase in our energy cost due to increased temperatures across our footprint and an increased need to cool U.S. Bank's over 3,000 buildings. This is an estimate and might vary.

Cost of response to risk
2000000

Description of response and explanation of cost calculation
In an effort to mitigate this risk, we are working to upgrade our facilities to be more energy efficient. Examples of this are installations of motion sensor lighting, building all new branch locations to energy efficient standards, switching out light bulbs/fixtures to more efficient options, etc. We approved 16 projects in 2019, mostly LED upgrades, including several large buildings in Iowa, Wisconsin and North Dakota, where the expected impact is an annual reduction of nearly 4000 MWh of electrical energy. $2 million is U.S. Bank’s annual budget for energy efficient projects. This figure was calculated when we were establishing our GHG reduction target. $2M was seen as the amount needed annually to cover the energy reduction portion based on past efficiency project performance. The impact of that figure assumes that we continue to see the same energy savings going forward that we have seen in the past. This is considered the “cost of management” because the full amount is dedicated to reducing the energy use of U.S. Bank buildings in an effort to minimize the effect increased energy prices might have on operational costs.

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver
Acute physical
Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
U.S. Bank’s Risk Management Team completes a financial impact assessment following past climate-related events. These events are tracked on a consolidated report, called a Natural Disaster Dashboard. Examples of recent climate-related events tracked on the dashboard include hurricanes, floods, and fires. Data tracked include operational expenses, credit expenses, impact on revenue, and other expenses from these events. Specific examples include past hurricanes in the southeast when we did experience a negative financial impact due to forgiven interest, actual losses and reduced revenue. The forgiven interest was an effort to lighten the stress of our customers following such a devastating loss. This was also done following the devastating fires in California due to increasingly dry conditions in that region. Because U.S. Bank has a larger presence in California than in the southeast portion of the United States, losses seen due to this disaster were greater.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
U.S. Bank is currently tracking financial impact of historical climate related events in an effort to inform risk management around future events. We have begun estimating potential future financial impact but are not at a point where we are able to disclose this information.

Cost of response to risk
0

Description of response and explanation of cost calculation
U.S. Bank attempts to evaluate customer relationships in relation to recent trends through our risk management process. This work is governed by our Relationship Risk Oversight and Environmental Responsibility Policies. Customer Segments that are more sensitive to flooding and other climate change impacts are evaluated more closely by location and risk management processes are in place to limit impact. This work is completed through our ongoing stress testing processes, including those using the Comprehensive Capital Analysis and Review (CCAR) framework. Results of this stress testing are compiled into a natural disasters dashboard that has been shared with the Capital Planning Committee of U.S. Bancorp’s Board of Directors. Results are used to assess and potentially limit exposure to certain industries or regions based on risk related to climate related events. There is no additional cost for management due to the risk being managed by staff who are employed in roles with a primary focus other than environmental risk. Climate change risk is being integrated into those other roles are part of the overall risk management structure.

**Comment**

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 3</th>
</tr>
</thead>
</table>

**Where in the value chain does the risk driver occur?**

Direct operations

<table>
<thead>
<tr>
<th>Risk type &amp; Primary climate-related risk driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reputation</td>
</tr>
</tbody>
</table>

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Climate risk type mapped to traditional financial services industry risk classification**

Reputational risk

**Company-specific description**

Increased expectations from customers, shareholders, and investors regarding disclosure and management of environmental impact have led to more scrutiny and reputation risk. As a financial services provider, U.S. Bank's emissions may be much lower than those of our customers, but we are more frequently being evaluated based on our customers' impact due to our financial relationship with them. A negative evaluation could damage U.S. Bank's reputation and result in a loss of business, so we make sure to take the time to get to know our customers. U.S. Bank is headquartered in Minnesota where there has been significant activism around environmental issues specifically related to energy companies and pipelines. U.S. Bank was the target of some activism due to an existing relationship, unrelated to the pipeline, with the company involved in the build. That relationship has been reduced for several reasons, including business decisions, and as a result, we have seen a decrease in our reputation risk.

**Time horizon**

Medium-term

**Likelihood**

More likely than not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

0

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact figure**

To date, we have not seen a financial impact based on recent experience and research into the role environment plays in customer choices for doing business. We seek to manage environmental risks associated with our higher impact customers in an effort to reduce risk to U.S. Bank.

**Cost of response to risk**

0

**Description of response and explanation of cost calculation**

U.S. Bank strives to be responsible stewards of the environment, so even though the financial impact of reputation risk is minimal, we work hard to tell our positive story around environmental responsibility and to mitigate any negative exposure risk. We continue to enhance policy overview for our Environmental Responsibility Policy by adding more robust quality assurance to ensure procedures are being followed. This process is now managed by the Chief Reputation Risk Officer and his team. Samples of the required enhanced environmental due diligence are pulled and evaluated for quality. A report of findings is communicated with Chief Risk Officers in each business that didn’t pass evaluation. They are tasked with ensuring appropriate training to complete the required due diligence in a satisfactory manner. With an increase in potential reputation risk appearing with certain customers or industries, it became necessary for us to create a streamlined evaluation process to address this risk. This is handled through a relationship review committee made up of senior level staff who evaluate potential reputation risk attached to specific customers. Recommendations from this committee are reviewed with a C-Suite level committee for feedback and guidance. This has provided a higher level of oversight for environmental reputation risk and has resulted in deeper engagement with customers who are determined to pose a higher reputation risk for U.S. Bank. Cost of management is minimal, as management has mostly been a change in oversight and an escalation in issue awareness. Because we already had processes in place for this, additional capital was not needed.

**Comment**

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 4</th>
</tr>
</thead>
</table>

**Where in the value chain does the risk driver occur?**

Direct operations

<table>
<thead>
<tr>
<th>Risk type &amp; Primary climate-related risk driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chronic physical</td>
</tr>
</tbody>
</table>
Primary potential financial impact
Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification
Credit risk

Company-specific description
Monitoring of environmentally sensitive industries credit exposure occurs through the “Environmentally Sensitive Credit Exposure Report.” This allows management to have awareness of exposure levels and to effectively analyze exposure levels if a certain climate / environmental risk emerges. For example, if a significant oil & gas climate risk emerges, we would be able to quickly ascertain our exposure levels and to activate enhanced risk management analysis and activities.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
A shift to a low carbon economy could lead to an increase in programs such as the federal tax credit program and community solar gardens (CSG). Each year, our U.S. Bancorp Community Development Corporation finances about 15 percent of all solar installations in the United States via tax credit financing. Should the federal tax credit program continue, we would see an increase in investment opportunities for this business. One example of a business opportunity tied to this work is a partnership with Starbucks Coffee Company and a solar developer on a portfolio of solar farms across Texas. Two solar farms were developed, built and now operated by the solar developer, and are providing enough energy for the equivalent of 360 Starbucks stores in Texas.

Time horizon
Short-term

Likelihood
Unlikely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
360000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In 2019, U.S. Bancorp Community Development Corporation invested over $1.2 billion in renewable energy through tax credits. If these projects are expanded, we would have several more opportunities to significantly increase the dollar amount invested in renewable energy programs, especially community solar gardens. Because U.S. Bank is a leader in this space, we estimate an increase of 30% in our tax credit investment business based on historical activity.

Cost to realize opportunity
2700000

Strategy to realize opportunity and explanation of cost calculation
U.S. Bank is a national leader in financing renewable energy which makes communities more environmentally sustainable as well as more economically resilient through access to affordable energy and the promotion of job growth. At U.S. Bank, we are committed to investing in businesses that are supporting renewable energy efforts and sustainable business practices while supporting job growth. U.S. Bancorp Community Development Corporation (USBCDC) has experts who specialize in renewable energy investing and are seen as leaders in this space. Part of their work includes finding opportunities that drive a clean economy, but also support the communities where we do business. Our continued efforts in environmental sustainability resulted in a major milestone: by end of year 2019 we had invested over $11 billion in renewable energy projects enabling the development of more than 10 gigawatts of solar installations. Access to the benefits of renewable energy is often out of reach for many low- and moderate-income (LMI) communities. The 10 gigawatts of solar installations are spread throughout communities across the country. In South Carolina, we participated in the financing of the state's first utility-sponsored community solar program, providing solar options for those who have historically lacked access including renters and low-to-moderate income individuals. Near Rosamond, California, we worked with one of the nation's top renewable energy providers by financing one of the largest solar facilities in its fleet, a 150 megawatt solar farm comprising of more than 477,000 solar panels extending over 1,100 acres of land. In Washington D.C., we are investing in a project with a non-profit that's installing solar on commercial rooftops and donating the electricity credits to low-income households. As a result of the direct, indirect and induced impacts – from construction jobs to build the projects to workers grabbing lunch at local restaurants – the 10 gigawatts of solar installations we helped finance suggests an overall economic impact of $50 billion. Cost of management would be personnel costs associated with the renewable energy group within U.S. Bancorp Community Development Corporation (CDC), totaling approximately $2.7 million. Because the entire CDC is responsible for the success of our renewable energy tax credit business, we calculate the cost to manage as the personnel costs for each member of that team combined.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Natural disasters caused by climate change can lead to significant losses for U.S. Bank customers. As a financial institution, it is our privilege to be there to assist in the rebuilding process of those communities where we do business. We do this through lending and investing opportunities. Much of the rebuilding is done with a smaller footprint, such as building a new structure to LEED certified standards or adding new, energy efficient technology to replace damaged equipment. We offer debt products, such as financing for commercial buildings and equity opportunities, such as renewable energy investment tax credit investments. In 2019, U.S. Bank provided over $1.5 billion in loans and investments for green buildings or other environmentally beneficial business opportunities, many which were the result of our customers rebuilding following a physical event caused by climate change, or customers working to mitigate risks of future climate change activities. Our continued efforts in environmental sustainability resulted in a major milestone: by end of year 2019 we had invested over $11 billion in renewable energy projects enabling the development of more than 10 gigawatts of solar installations. The 10 gigawatts of solar installations are spread throughout communities across the country. In South Carolina, we participated in the financing of the state’s first utility-sponsored community solar program, providing solar options for those who have historically lacked access including renters and low-to-moderate income individuals. Near Rosamond, California, we worked with one of the nation’s top renewable energy providers by financing one of the largest solar facilities in its fleet, a 150 megawatt solar farm comprising of more than 477,000 solar panels extending over 1,100 acres of land. In Washington D.C., we are investing in a project with a non-profit that's installing solar on commercial rooftops and donating the electricity credits to low-income households. As a result of the direct, indirect and induced impacts – from construction jobs to build the projects to workers grabbing lunch at local restaurants – the 10 gigawatts of solar installations we helped finance suggests an overall economic impact of $50 billion.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
15000000

Potential financial impact figure – maximum (currency)
Explanation of financial impact figure
In 2019, U.S. Bank provided over $1.5 billion in loans and investments for green building or other environmentally beneficial business opportunities. We would estimate an increase in this total, 1%-5% based on location, with an increase in natural disasters, as a portion of these opportunities either directly or indirectly contribute to climate change adaptation.

Cost to realize opportunity
450000

Strategy to realize opportunity and explanation of cost calculation
U.S. Bank continues to work on meeting the needs of our customers and offering products to assist them with a transition to a low carbon economy. As needs or opportunities for new products are realized, they are brought to the Environmental Working Group for evaluation and socialization within the appropriate business lines. Cost of management would be dollars associated with personnel costs to process loans and investments for rebuilding efforts. Because rebuilding would primarily be homes and commercial buildings, we estimated the cost to realize based on current mortgage and commercial real estate loan volume and the cost to initiate and manage those loans.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Primary potential financial impact
Increased revenues through access to new and emerging markets

Company-specific description
U.S. Bancorp's CDC is a leader in the renewable energy investment tax credit space. In 2019, these investments totaled over $1.2 billion. Several customers have expressed a desire for U.S. Bank to meet their renewable energy debt needs in combination with the REITC investments. In order to meet customer demand as our customers make the transition to a low carbon economy, U.S. Bank has been pursuing the possibility of offering a renewable energy debt product.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
6000000

Potential financial impact figure – maximum (currency)
25000000

Explanation of financial impact figure
Based on customer demand, if the product is offered, we estimate $4 million-$15 million in net interest income and $2 million-$10 million in fee revenue. Both fee revenue and net interest income can be generated from making loans to renewable energy projects.

Cost to realize opportunity
2700000

Strategy to realize opportunity and explanation of cost calculation
At U.S. Bank, we are committed to investing in businesses that are supporting renewable energy efforts and sustainable business practices while supporting job growth. U.S. Bancorp Community Development Corporation (USBCDC) his space and has experts who specialize in renewable energy investing and are seen as leaders in this space. Part of their work includes finding opportunities that drive a clean economy, but also support the communities where we do business. These efforts resulted in a major milestone: by end of year 2019 we had invested over $11B in renewable energy projects enabling the development of more than 10 gigawatts of solar installations. The 10 gigawatts of solar installations are spread throughout communities across the United States. In South Carolina, we participated in the financing of the state's first utility-sponsored community solar program, providing solar options for those who have historically lacked access including renters and low-to-moderate income individuals. Near Rosamond, California, we worked with one of the nation's top renewable energy providers by financing one of the largest solar facilities in its fleet, a 150 megawatt solar farm comprising of more than 477,000 solar panels extending over 1,100 acres of land. In Washington D.C., we are investing in a project with a non-profit that's installing solar on commercial rooftops and donating the electricity credits to low-income households. As a result of the direct, indirect and induced impacts – from construction jobs to build the projects to workers grabbing lunch at local restaurants – the 10 gigawatts of solar installations we helped finance suggests an overall economic impact of $50B. This success in the tax credit space provides a level of expertise and structure that would make a smooth transition if we were to add a debt product. Having two options within the renewable energy space would allow us to make an even greater impact by supporting our customers more fully. Cost of management would be personnel costs associated with the renewable energy group within USBCDC, totaling approximately $2.7M. Because the entire CDC is responsible for the success of our tax credit business, as well as any future debt product, should it be approved, we calculate the cost to manage as the personnel costs for each member of that team combined.

Comment
C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenarios and models applied</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify (CCAR: Comprehensive Capital Analysis and Review)</td>
<td>Scenario analysis has been used at U.S. Bank for several years to understand the potential impact of adverse events. This includes events due to several factors from climate-related events, to economic-related events, and operational-related events. The firm-wide scenario development process is managed by the Economic Scenario and Analytics group within the Investor Relations and Economic Analysis. The process is governed by a senior operating committee under the oversight of a Board committee. With climate change resulting in an increase in natural disasters, it is important that the Company understands how these occurrences will affect the Company’s customers and the firm. This begins with tracking the financial impact of past climate-related events. These events are tracked on a consolidated report, called a Natural Disaster Dashboard. Examples of recent climate-related events tracked on the dashboard include hurricanes, floods, and fires. Data tracked include operational expenses, credit losses, impact on revenue, and other expenses from these events. The dashboard’s climate-related events are used to build hypothetical natural disaster scenarios. These scenarios were included in U.S. Bank’s 2019 capital plan as part of Comprehensive Capital Assessment and Review (CCAR) and Dodd-Frank Stress Test (DFAST) process. Natural Disaster risks are identified as a risk through the Company’s risk identification and assessment process. The Risk Identification program is where all company risks are identified, including climate change related risks. Examples include the increase of natural disasters. Those risks are reviewed by management and governance committees, and then inform the design of the stress scenarios. They are then selected by executive management through the Company’s CCAR governance process for inclusion in the Company’s scenarios. Inputs, assumptions, and analytics are developed based on historical experience and expectations that similar events will occur in the future. A nine-quarter forecast is used, which is aligned with our capital planning process and CCAR / DFAST stress test requirements. Scenarios are presented to various business partners in an effort to protect our business from future climate change effects. Once scenarios are selected, the company estimates the potential financial impacts. Results are reviewed by executive management and the board of directors (through the Capital Planning Committee). Results in 2019 included the impact on increased frequency and severity of natural disasters such as hurricanes, floods and wildfires. The Economic Scenario and Analytics group has plans to continue to build scenarios for climate impacts that have yet to occur. The scenarios may include several events such as impact from floods and droughts. Plans are in place to continue this work and refine the process as the Company learns from past events and results from the scenario analysis process. This is tied to the Company’s CCAR / DFAST stress test processes. The framework relies on scenarios designed to stress specific vulnerabilities of the Company’s risk profile and operations. The Company identifies scenarios based on events that might have the most significant impact on the bank. For instance, climate related effects in regions of the U.S. where there is a larger customer base or concentration of loans. Another important element is locations where the Company has significant business operations and personnel. These areas impact our employees and ability to serve our customers in that region or nationally. Results include financial impact and actions taken as a result of the scenarios. The scenario results inform capital planning, which has a direct impact on business decisions related to capital distributions, capital expenditures, and company strategic planning initiatives.</td>
</tr>
</tbody>
</table>

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

<table>
<thead>
<tr>
<th>Description of influence</th>
<th>Have climate-related risks and opportunities influenced your strategy in this area?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products and services</td>
<td>U.S. Bancorp’s Community Development Corporation (USBCDC) is a leader in the renewable energy investment tax credit space. Each year, we finance about 15 percent of all solar installations in the United States via tax credit financing. In 2019, these investments totaled over $1.2 billion. Several customers have expressed a desire for U.S. Bank to meet their renewable energy debt needs in combination with the REITC investments. In order to meet customer demand as our customers make the transition to a low carbon economy, U.S. Bank has been pursuing the possibility of offering a renewable energy debt product. The hope with adding this consideration to our renewable energy strategy is that we would be able to further solidify our leadership in this space and attract new customers. We anticipate a medium time horizon for the development of this product, should it be approved.</td>
</tr>
<tr>
<td>Supply chain and/or value chain</td>
<td>We continue to have discussions with U.S. Bank suppliers around partnership opportunities to positively affect climate change. A short term example of this is current work with Ricoh, our copy machine vendor, to right-size U.S. Bank’s copier fleet in an effort to reduce energy use and paper use. This was a shift in strategy and involved considerable education for employees as we removed copiers from certain locations, causing employees to evaluate their printing habits. In addition, we monitor operational concentrations in areas with warm climates where we rely on third parties (including India), which is a consideration as we make strategic decisions related to outsourcing.</td>
</tr>
<tr>
<td>Investment in R&amp;I</td>
<td>Because we are a financial services provider, our product offerings and any further development of these offerings are not greatly affected by climate change, due to their non-physical nature.</td>
</tr>
<tr>
<td>Operations</td>
<td>With climate change impacts and the need to better manage our energy use, our strategy is to continue to look for opportunities to purchase renewable energy for our facilities, such as our participation in Xcel Energy’s Renewable Connect Program, as well as utilize $2 million of the Corporate Real Estate budget to reduce energy use at our facilities. In the long term, this will help us reach our 2044 GHG reduction target. As part of our strategy to reduce energy consumption, we approved 36 projects in 2019, mostly LED upgrades, including several large buildings in Iowa, Wisconsin and North Dakota, where the expected impact is an annual reduction of nearly 4000 MWh of electrical energy. Additionally, we have instituted a program to assess our physical assets with operating costs (including energy) as part of the evaluation. This resulted in the closing/disposition of a number of locations in 2019, which impacts our operating costs.</td>
</tr>
</tbody>
</table>
Financial planning elements that have been influenced

<table>
<thead>
<tr>
<th>Row</th>
<th>Description of influence</th>
</tr>
</thead>
</table>
| 1   | Operating costs: Due to climate change causing fluctuations in energy regulations and prices affecting our operating costs, we are working to upgrade our facilities to be more energy efficient. Examples of this are installations of motion sensor lighting, building all new branch locations to high energy efficiency standards, switching out lights/fixtures to more efficient options, etc. We approved 16 projects in 2019, mostly LED upgrades, including several large buildings in Iowa, Wisconsin and North Dakota, where the expected impact is an annual reduction of nearly 4000 MWh of electrical energy. Additionally, we have instituted a program to assess our physical assets with operating costs (including energy) as part of the evaluation. This resulted in the closing/disposition of a number of locations in 2019, which impacts our operating costs. We anticipate any future impact will be minimal because of the energy efficiency updates we have made and the fact that financial services, as an industry, are not as energy intensive as others. Capital expenditures / capital allocation: In an effort to better manage climate change impacts to our operating costs and reputation, U.S. Bank has increased capital towards these efforts. An example of this is the significant investment we made to join the Ceres Company Network. This engagement provided a materially assessment and roadmap to drive our climate change efforts forward. The magnitude of impact for this opportunity is significant in that it will drive resources and support of our environmental efforts. Acquisitions and divestments: Climate risk would be considered and reported through our annual CDP reporting process for new acquisitions and divestments, as part of our overall climate impact as a company. The magnitude of impact for this opportunity is minimal as other factors, such as market fit and strategy alignment are weighted more heavily in this activity. U.S. Bank would be able to address climate change risks at a later date following the acquisition or divestment activity. Assets: In an effort to mitigate climate change risk, we are working to upgrade our facilities to be more energy efficient. Examples of this are installations of motion sensor lighting, building all new branch locations to high energy efficiency standards, switching out lights/fixtures to more efficient options, etc. Additionally, we have instituted a program to assess our physical assets with operating costs (including energy) as part of the evaluation. This resulted in the closing/disposition of a number of locations in 2019, many of them being inefficient with regards to energy performance. Liabilities: By tracking the financial impact of historical natural events caused by climate change, such as the recent hurricanes and fires, we have realized an impact due to increased write-offs and forgiven interest. The magnitude of impact is moderate for this risk due to the diversity of our customer portfolio and the highly regulated nature of our industry.

C-FS3.2

(C-FS3.2) Are climate-related issues considered in the policy framework of your organization?

Yes, both of the above

C-FS3.2a

(C-FS3.2a) in which policies are climate-related issues integrated?

<table>
<thead>
<tr>
<th>Type of policy</th>
<th>Portfolio Coverage of policy</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Credit policy Risk policy Engagement</td>
<td>Majority of the portfolio In addition to bank policy on environmental responsibility and environmental reputation risk, environmental considerations are also covered in various credit policies, usually as a reminder on the need to comply with the bank’s overall environmental policy. The following are particularly notable: U.S. Bancorp General Credit Arrangements; Wholesale Lending; U.S. Bancorp Wood Products; General Lending Policy and Guidelines; U.S. Bancorp Oil &amp; Gas Division; Petroleum Industry Policy and Guidelines. In addition, the U.S. Bancorp Government Banking General Credit Policy and Guidelines requires an assessment of a municipal entity’s ability to deal with climate change.</td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Insurance underwriting (Insurance company)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Other products and services, please specify</td>
<td>Please select</td>
<td>Please select</td>
</tr>
</tbody>
</table>

C-FS3.2b
(C-FS3.2b) Describe your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

<table>
<thead>
<tr>
<th>Type of exclusion policy</th>
<th>Portfolio</th>
<th>Application</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coal</td>
<td>Bank lending</td>
<td>Other, please specify (All new business, new projects, and renewal of existing business or existing projects.)</td>
<td>U.S. Bank's Environmental Responsibility Policy and Relationship Review Policy encompass financing for certain high risk activities. Prohibitions include most mountaintop removal, forestry that negatively impacts indigenous people, project financing of coal-fired power plants, etc.</td>
</tr>
<tr>
<td>Oil &amp; gas</td>
<td>Bank lending</td>
<td>Other, please specify (All new business, new projects, and renewal of existing business or existing projects.)</td>
<td>The company does not provide project financing of oil or natural gas pipelines. Relationships with clients in the oil and gas pipeline industries are subject to the Bank's environmental due diligence and enhanced escalation processes.</td>
</tr>
<tr>
<td>Other, please specify (Forestry)</td>
<td>Bank lending</td>
<td>Other, please specify (All new business, new projects, and renewal of existing business or existing projects.)</td>
<td>U.S. Bank's Environmental Responsibility Policy and Relationship Review Policy prohibit financing for certain high risk activities including forestry that negatively impacts indigenous people. Forestry customers are also subject to environmental due diligence with an escalation process.</td>
</tr>
</tbody>
</table>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

<table>
<thead>
<tr>
<th>Target reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abs 1</td>
</tr>
</tbody>
</table>

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2014

Covered emissions in base year (metric tons CO2e)

415211

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2029

Targeted reduction from base year (%)

40

Covered emissions in target year (metric tons CO2e) [auto-calculated]

249126.6

Covered emissions in reporting year (metric tons CO2e)

232928

% of target achieved [auto-calculated]

109.75323897946

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)

We followed CDP recommendations to set two targets, one pre-2035 and one post-2035. We also followed the CDP guidance for targets to align with the science-based target framework since our industry does not qualify for science-based target certification.

Target reference number

Abs 2

Year target was set

2016

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2014

Covered emissions in base year (metric tons CO2e)
415211

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2044

Targeted reduction from base year (%)
60

Covered emissions in target year (metric tons CO2e) [auto-calculated]
166084.4

Covered emissions in reporting year (metric tons CO2e)
232928

% of target achieved [auto-calculated]
73.1688225986306

Target status in reporting year
Underway

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)
We followed CDP recommendations to set two targets, one pre-2035 and one post-2035. We also followed the CDP guidance for targets to align with the science-based target framework since our industry does not qualify for science-based target certification.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>55</td>
</tr>
<tr>
<td>To be implemented*</td>
<td>2</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>9</td>
</tr>
<tr>
<td>Implemented*</td>
<td>112</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>5</td>
</tr>
</tbody>
</table>
(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy efficiency in buildings</td>
<td>Lighting</td>
</tr>
</tbody>
</table>

### Energy efficiency in buildings

- **Estimated annual CO2e savings (metric tonnes CO2e)**: 6224.8
- **Scope(s)**: Scope 2 (market-based)
- **Voluntary/Mandatory**: Voluntary
- **Annual monetary savings (unit currency – as specified in C0.4)**: 281000
- **Investment required (unit currency – as specified in C0.4)**: 1122459
- **Payback period**: 4-10 years
- **Estimated lifetime of the initiative**: 16-20 years

### Heating, Ventilation and Air Conditioning (HVAC)

- **Estimated annual CO2e savings (metric tonnes CO2e)**: 3948
- **Scope(s)**: Scope 2 (market-based)
- **Voluntary/Mandatory**: Voluntary
- **Annual monetary savings (unit currency – as specified in C0.4)**: 508000
- **Investment required (unit currency – as specified in C0.4)**: 15941903
- **Payback period**: >25 years
- **Estimated lifetime of the initiative**: 16-20 years

### Low-carbon energy consumption

- **Estimated annual CO2e savings (metric tonnes CO2e)**: 41418
- **Scope(s)**: Scope 2 (market-based)
- **Voluntary/Mandatory**: Voluntary
- **Annual monetary savings (unit currency – as specified in C0.4)**: 0
- **Investment required (unit currency – as specified in C0.4)**: 65803
- **Payback period**: <1 year
- **Estimated lifetime of the initiative**: <1 year

**Comment**

- CDP
(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated budget for energy efficiency</td>
<td>U.S. Bank's Energy and Sustainability Manager within Corporate Real Estate has a dedicated budget for energy efficiency projects. He is using this budget to upgrade our facilities to be more energy efficient. Examples of this are installations of motion sensor lighting, building all new branch locations to LEED certified standards, and switching out light bulbs and fixtures to more efficient options. 109 projects were implemented in 2019, including LED lighting and HVAC upgrades with expected total annual reduction of 14.4 million kWh.</td>
</tr>
<tr>
<td>Internal incentives/recognition programs</td>
<td>U.S. Bank's facility managers receive reporting for lowest performing locations within their portfolio. They are incentivized and/or recognized for reducing the energy use/ emissions at those low performing locations.</td>
</tr>
<tr>
<td>Employee engagement</td>
<td>U.S. Bank's Environmental Program Manager is responsible for employee education and engagement across the enterprise. This includes sharing tips and information via internal collaboration sites and hosting educational calls available to all employees. Employees are encouraged to share ideas via a shared email address and employee blog for how we can become more energy efficient as a company. U.S. Bank also has more than 30 employee green teams which lead sustainable volunteer efforts at a local level across the company.</td>
</tr>
</tbody>
</table>

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

**Level of aggregation**

<table>
<thead>
<tr>
<th>Product</th>
<th>Description of product/Group of products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable energy investment tax credit (REITC) investing</td>
<td>U.S. Bancorp Community Development Corporation (CDC) is a leader in REITC investments in the United States. In 2019, these investments totaled over $1.2 billion. Other, please specify (U.S. Environmental Protection Agency (EPA) Avoided Emissions and Generation Tool (AVERT))</td>
</tr>
</tbody>
</table>

**Are these low-carbon product(s) or do they enable avoided emissions?**

<table>
<thead>
<tr>
<th>Avoided emissions</th>
<th>Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions</th>
<th>% revenue from low carbon product(s) in the reporting year</th>
<th>% of total portfolio value</th>
<th>Asset classes/ product types</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Other, please specify (We use the common knowledge that not driving reduces carbon emissions.)</td>
<td>0</td>
<td>100</td>
<td>Investing Infrastructure</td>
</tr>
</tbody>
</table>

**Comment**

This product generates tax credits for our company and not revenue, therefore the % revenue is 0. In looking at % total portfolio value, we calculated the % of total tax credit portfolio for this product.

**Level of aggregation**

<table>
<thead>
<tr>
<th>Company-wide</th>
<th>Description of product/Group of products</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Bank offers a variety of online banking options for our consumer and commercial customers. These products help customers avoid emissions by eliminating the need to travel to our branch locations and the emissions associated with mailing communications and payments/ deposits. Examples of this is our launch of Zelle's person to person electronic payments for no cost to the user, mobile deposit and online bill pay. As a way of incentivizing use of these electronic options, U.S. Bank switched to making paper statements only available for an extra charge.</td>
<td>U.S. Bank offers a variety of online banking options for our consumer and commercial customers. These products help customers avoid emissions by eliminating the need to travel to our branch locations and the emissions associated with mailing communications and payments/ deposits. Examples of this is our launch of Zelle's person to person electronic payments for no cost to the user, mobile deposit and online bill pay. As a way of incentivizing use of these electronic options, U.S. Bank switched to making paper statements only available for an extra charge.</td>
</tr>
</tbody>
</table>

**Are these low-carbon product(s) or do they enable avoided emissions?**

<table>
<thead>
<tr>
<th>Avoided emissions</th>
<th>Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions</th>
<th>% revenue from low carbon product(s) in the reporting year</th>
<th>% of total portfolio value</th>
<th>Asset classes/ product types</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>Other, please specify</td>
<td>0</td>
<td>100</td>
<td>Please select</td>
</tr>
</tbody>
</table>

**Comment**

These are free services, so they do not generate revenue.
C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1
Base year start
January 1 2014
Base year end
December 31 2014
Base year emissions (metric tons CO2e)
60412

Comment
To better account for emissions under a new leased site modeling methodology, U.S. Bank recalculated our CY2014 and CY2015 emissions. We have restated our baseline as CY2014 and the revised emissions figures for CY2014 are reported here.

Scope 2 (location-based)
Base year start
January 1 2014
Base year end
December 31 2014
Base year emissions (metric tons CO2e)
354799

Comment
To better account for emissions under a new leased site modeling methodology, U.S. Bank recalculated our CY2014 and CY2015 emissions. We have restated our baseline as CY2014 and the revised emissions figures for CY2014 are reported here.

Scope 2 (market-based)
Base year start
January 1 2014
Base year end
December 31 2014
Base year emissions (metric tons CO2e)
354799

Comment
To better account for emissions under a new leased site modeling methodology, U.S. Bank recalculated our CY2014 and CY2015 emissions. We have restated our baseline as CY2014 and the revised emissions figures for CY2014 are reported here.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
Defra Voluntary 2017 Reporting Guidelines
Energy Information Administration 1605B
The Climate Registry: General Reporting Protocol
US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources
US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources
US EPA Emissions & Generation Resource Integrated Database (eGRID)
Other, please specify (v IEA GHG Emissions from Electricity Generation, OECD/IEA, Paris, 2019. (Year 2017 data))

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

C6. Emissions data

C6.1
(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**

56482

**Start date**

January 1 2019

**End date**

December 31 2019

**Comment**

Past year 1

**Gross global Scope 1 emissions (metric tons CO2e)**

61179

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

CY 2018 emissions have been recalculated because new data points have become available that allowed a more accurate estimation for some of the portfolio

---

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

**Row 1**

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

To improve GHG inventory completeness, accuracy and relevance U.S. Bank reports a Scope 2 market-based figure.

---

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

**Reporting year**

**Scope 2, location-based**

255929

**Start date**

January 1 2019

**End date**

December 31 2019

**Comment**

Past year 1

**Scope 2, location-based**

280654

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

CY 2018 emissions have been recalculated because new data points have become available that allowed a more accurate estimation for some of the portfolio

---

(C6.4) Describe your organization's approach to reporting Scope 3 emissions.
(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure? 
Yes

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
ATMs (owned and operated independently of our facilities that are not yet reported)

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
There are potentially ATMs with small energy consumption that are not being captured in our existing reporting, the emissions would be minimal and thus not relevant.

Source
Emergency Generator (for those generators not yet reported)

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
U.S. Bank began tracking emissions from emergency generators in 2012 and have been able to capture data from most of our generators. However, there are possibly a few small generators that are not being tracked or estimated as they are not recorded on our asset list. (i.e. inherited through acquisitions).

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
U.S. Bank has not yet determined a reliable and accurate methodology for tracking and calculating emissions from purchased goods and services

Capital goods

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
U.S. Bank has not yet determined a reliable and accurate methodology for tracking and calculating emissions from capital goods.
Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
U.S. Bank captures the bulk of fuel and energy related activities within Scope 1 and 2. These emissions would be de minimis in comparison to our Scope 1 and 2 fuel and energy emissions. Furthermore, U.S. Bank has limited ability to influence Scope 3 emissions within this category.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
As a financial services company, U.S. Bank produces a limited number of physical products that require upstream transportation. The estimated size of this Scope 3 category is therefore small relative to our total estimated Scope 3 emissions.

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
8528

Emissions calculation methodology
U.S. Bank compiles waste data provided by third-party vendors on actual waste streams from serviced locations. We then calculate waste emissions utilizing EPA’s CCCL Emission Factors for Greenhouse Gas Inventories (updated March 2020). This calculates emissions based on a lifecycle alternative-to-baseline approach. This represents emissions only from landfilled waste.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
38762

Emissions calculation methodology
U.S. Bank captures activity data from several means of business transportation including air, rail, rental car mileage, and hotel stay. For air travel, emissions are calculated using the Defra DECC (2019) 1.0 business travel – air emissions factors for various seating classes and flight segment lengths. Rental car emissions are determined from actual mileage data and EPA CCCL (2019) emissions factors per mile traveled. Actual rail distance traveled is also collected and emissions estimated with the EPA CCCL factors (2019).

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
79195

Emissions calculation methodology
U.S. Bank captures activity data from commuting surveys including mode of transportation, number of travels, distance traveled, etc. The emissions are calculated using the EPA’s CCCL factors (2019) for various modes of transportation including passenger cars, light-duty truck, motorcycle, bus, rail, etc. The activity data was collected from a sample size of approximately 4,800 employees and extrapolated to the entire US Bank’s U.S. full-time employee headcount.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
### Upstream leased assets

**Evaluation status**  
Not relevant, explanation provided

**Metric tonnes CO2e**  
<Not Applicable>

**Emissions calculation methodology**  
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**  
<Not Applicable>

**Please explain**  
Due to our organizational boundary definition for operational control under Scopes 1 and 2, upstream leased assets are incorporated in our Scopes 1 and 2 emissions inventory.

### Downstream transportation and distribution

**Evaluation status**  
Not relevant, explanation provided

**Metric tonnes CO2e**  
<Not Applicable>

**Emissions calculation methodology**  
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**  
<Not Applicable>

**Please explain**  
As a financial services company, U.S. Bank produces a limited number of physical products that require downstream transportation. The estimated size of this Scope 3 category is therefore small relative to our total estimated Scope 3 emissions.

### Processing of sold products

**Evaluation status**  
Not relevant, explanation provided

**Metric tonnes CO2e**  
<Not Applicable>

**Emissions calculation methodology**  
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**  
<Not Applicable>

**Please explain**  
As a financial services company, U.S. Bank produces a limited number of physical products that require processing. The estimated size of this Scope 3 category is therefore de minimis and not relevant to our Scope 3 emissions.

### Use of sold products

**Evaluation status**  
Not relevant, explanation provided

**Metric tonnes CO2e**  
<Not Applicable>

**Emissions calculation methodology**  
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**  
<Not Applicable>

**Please explain**  
As a financial services company, U.S. Bank produces a limited number of physical products. Furthermore, there is a limited set of actions U.S. Bank could take to influence use of sold products (e.g. online banking portals) within Scope 3. The estimated size of this Scope 3 category is therefore de minimis and not relevant to our Scope 3 emissions.

### End of life treatment of sold products

**Evaluation status**  
Not relevant, explanation provided

**Metric tonnes CO2e**  
<Not Applicable>

**Emissions calculation methodology**  
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**  
<Not Applicable>

**Please explain**  
As a financial services company, U.S. Bank produces a limited number of physical products. Furthermore, there is a limited set of actions U.S. Bank could take to influence end of life treatment of sold products within Scope 3. The estimated size of this Scope 3 category is therefore de minimis and not relevant to our Scope 3 emissions.
Downstream leased assets

**Evaluation status**
Relevant, calculated

**Metric tonnes CO₂e**
44088

**Emissions calculation methodology**
Emissions from leased office space is estimated in two ways. For sites with invoice data capture, total annual emissions for leased assets was extrapolated from actual consumption data based on the portion of building square feet that is tenant occupied. For sites requiring modeling, building tenant square feet was multiplied by a portfolio energy use intensity factors generated from actual site consumption of electricity and natural gas.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
100

**Please explain**

Franchises

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO₂e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

**Please explain**
U.S. Bank does not operate any franchises. Therefore, this category is not relevant.

Other (upstream)

**Evaluation status**

**Metric tonnes CO₂e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

Please explain

Other (downstream)

**Evaluation status**

**Metric tonnes CO₂e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
<Not Applicable>

Please explain

C6.10
Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000101

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
232928

Metric denominator
unit total revenue

Metric denominator: Unit total
22986000000

Scope 2 figure used
Market-based

% change from previous year
20

Direction of change
Decreased

Reason for change
This decrease is primarily due to a combination of our emissions reduction activities reported in C4.3b and the impact of emissions factor changes, particularly those for electricity. Our emissions reduction initiatives focused on energy retrofits and efficiency upgrades that help decouple GHG emissions from revenue growth. Furthermore, we have purchased additional renewable energy credits (RECs) in 2019.

Intensity figure
0.0082099

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
232928

Metric denominator
square foot

Metric denominator: Unit total
28371711

Scope 2 figure used
Market-based

% change from previous year
17.5

Direction of change
Decreased

Reason for change
This decrease is primarily due to a combination of our emissions reduction activities reported in C4.3b and the impact of emissions factor changes, particularly those for electricity. Our emissions reduction initiatives focused on energy retrofits and efficiency upgrades that help decouple GHG emissions from revenue growth. Furthermore, we have purchased additional renewable energy credits (RECs) in 2019.
(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>Decreased</td>
<td>12.46</td>
<td>The gross scope 1 and 2 emissions decreased due to ‘a change in renewable energy consumption’ implemented in the 2019 reporting year. This change reflects additional REC procurement made in 2019. In total, 50,250 additional MWh of RECs were procured in 2019, resulting in an additional 38,720 MTCO2e reduction compared to the REC quantity purchased in the previous year. Total market-based scope 1 and 2 emissions in the previous year was 286,591 MTCO2e, therefore we arrived at 12.46% through (35720/286591)*100=12.46%.</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>Decreased</td>
<td>3.55</td>
<td>The gross scope 1 and 2 emissions decreased due to ‘other emissions reduction activities’ implemented in the reporting year. Such projects include improvements in building operational efficiency including LED lighting retrofits and upgrades to HVAC systems. We estimate that in 2019, 10,173 MTCO2e was reduced by our emissions reduction projects. Total scope 1 and 2 emissions in the previous year was 286,591 MTCO2e, therefore we arrived at 3.55% through (10173/286591)*100=3.55%.</td>
</tr>
<tr>
<td>Change in output</td>
<td>Decreased</td>
<td>3.23</td>
<td>In 2019, the total energy consumption from stationary, mobile, and refrigerant emission sources have decreased due to changes in the output. Furthermore, the total portfolio has decreased from closing approximately 200 sites. The impact was calculated by finding the YOY change in the emission source and the overall emissions increase attributed from changes physical operating conditions to be 9,269 MTCO2e. Total scope 1 and 2 emissions in the previous year was 286,591 MTCO2e, therefore the percent change in emissions was calculated as (9269/286591)*100= 3.23%</td>
</tr>
<tr>
<td>Change in methodology</td>
<td>Increased</td>
<td>0.23</td>
<td>For the 2019 inventory, a number of emissions factor updates impacted our overall Scope 1 and 2 emissions including changes in supplier-specific emissions factors, residual mix factors in the United States (Green-e), and international location-based grid emission factors. Net impact was calculated by applying 2018 emission factors to 2019 activity data to determine the difference in emissions from emission factor updates. In total, emissions factor updates increased emissions by 654 MTCO2e. The total scope 1 and 2 emissions in the previous year was 286,591 MTCO2e, resulting in 0.23% from (654/286591)*100=0.23%.</td>
</tr>
<tr>
<td>Change in boundary</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in physical operating conditions</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Increased</td>
<td>0.29</td>
<td>This is most likely due to variations in the number of sites, YoY consumption for electricity, changes electricity emission factor (supplier-specific, residual mix and eGRID) and other miscellaneous emission sources. (845/286591)*100=0.29%</td>
</tr>
</tbody>
</table>

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Energy-related Activity</th>
<th>Indicate whether your organization undertook this energy-related activity in the reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>Yes</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>
C8.2a Report your organization's energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Heating value (HHV, higher heating value)</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstock)</td>
<td>0</td>
<td>294944</td>
<td>294944</td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>&lt;Not Applicable&gt;</td>
<td>137024</td>
<td>361750</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>27344</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>&lt;Not Applicable&gt;</td>
<td>0</td>
<td>12863</td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>&lt;Not Applicable&gt;</td>
<td>26</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>&lt;Not Applicable&gt;</td>
<td>137050</td>
<td>696851</td>
</tr>
</tbody>
</table>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
<td>Third-party verification or assurance process in place</td>
</tr>
<tr>
<td>Scope 3</td>
<td>Third-party verification or assurance process in place</td>
</tr>
</tbody>
</table>

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/ section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b
(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

---

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

---

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Waste generated in operations

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

---

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete
Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 3 category
Scope 3: Downstream leased assets

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

<table>
<thead>
<tr>
<th>Disclosure module verification relates to</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>C4. Targets and performance</td>
<td>Year on year change in emissions (Scope 1)</td>
<td>ISO 14064-3</td>
<td>Scope 1 YoY change in emissions -8% increase</td>
</tr>
<tr>
<td></td>
<td>Year on year change in emissions (Scope 2)</td>
<td>ISO 14064-3</td>
<td>Scope 2 YoY change in emissions -9% increase</td>
</tr>
<tr>
<td>C4. Targets and performance</td>
<td>Change in Scope 1 emissions against a base year (not target related)</td>
<td>ISO 14064-3</td>
<td>Scope 1 change from base year (base year not verified) - 7% decrease</td>
</tr>
<tr>
<td>C4. Targets and performance</td>
<td>Change in Scope 2 emissions against a base year (not target related)</td>
<td>ISO 14064-3</td>
<td>Scope 2 change from base year (base year not verified) - 28% decrease</td>
</tr>
</tbody>
</table>
C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

0.13

% total procurement spend (direct and indirect)

5

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

U.S. Bank's supplier engagement efforts around climate change are managed by the Procurement team. Because many business lines manage specific supplier relationships outside of this process, engagement efforts have not yet reached those suppliers. We are currently working on process improvements that would allow us to engage with a larger number of suppliers. We have increased our engagement significantly each year (82 suppliers in 2019/ 52 suppliers in 2018/ 39 suppliers in 2017) in an effort to better understand our suppliers' environmental programs and leverage available programs to reduce our environmental impact. Another rationale for engaging with the suppliers included above is materiality. The suppliers with whom we currently engage are ones that provide products or services that have an impact on the environment, such as business travel vendors or copy machine vendors. A large portion of our annual spend is on suppliers who provide a service, such as temporary employees, and therefore, have a much smaller environmental impact. We prioritize engagement based on programs in place that we can leverage in order to reduce our emissions or the emissions of our supplier and customers and based on largest impact to emissions. An example is utilizing the robust program our copy machine vendor already has in place to reduce our energy use, resulting in lower emissions for us, and increase our product recycling efforts. U.S. Bank also asks specific climate change questions during our RFP process for all new projects. This assists with learning what environmental programs our suppliers have in place and how their results are measured.

Impact of engagement, including measures of success

In certain vendor selection processes, U.S. Bank engages with suppliers to discuss opportunities related to the goods and services being purchased. An example of this is working with our promotional item vendor on alternative items that are similar to what is currently being offered, but with a smaller carbon footprint, such as local items to reduce emissions during shipping, or items made from recycled materials. We have also implemented guidelines for our office supply vendor regarding shipping orders. Larger orders are required to ship in an effort to cut down on number of shipments and emissions related to shipping supplies. Discussions with our supply and copy machine vendors have already resulted in changes to a more environmentally friendly standard paper option and expanded utilization of our copy vendor's recycling program. These efforts have resulted in large increases in number of suppliers with whom we engage (from 4 suppliers in 2015 to 82 suppliers in 2019). We anticipate that this number will continue to increase as we grow this program, especially with the added questions to our RFP process. We continue to evaluate our supplier approval program to find ways to prioritize suppliers based on their climate change reduction efforts. Another example of engagement is with our waste management vendor. In 2018, we streamlined management of waste and recycling services under one vendor in an effort to better track and utilize recycling options. In 2019, we began measuring success by the number of locations reporting use of U.S. Bank's Eco2Go recycling program that was developed for smaller and more remote locations. We are also leveraging the expertise of this vendor to educate U.S. Bank employees around recycling and waste management options. This engagement will provide increased visibility and metrics for measuring our success in this area. We measure success quantitatively through number of suppliers with whom we engage and qualitatively through progress made to leverage programs in place by our suppliers within U.S. Bank to strengthen our environmental efforts.

Comment

CDP
C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

**Type of engagement**
Education/Information sharing

**Details of engagement**
Run an engagement campaign to educate customers about your climate change performance and strategy

- **% of customers by number**
  100

- **% of customer-related Scope 3 emissions as reported in C6.5**
  0

- **Portfolio coverage (total or outstanding)**
  Majority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

U.S. Bank has taken a wide, more general approach to engage and educate our customers in an effort to encourage customers to bring specific questions to us and seek deeper conversations. We feel this is the most efficient way of sharing our performance and strategy. We target all customers in an effort to reach the largest number possible with our communication and engagement efforts. An example of engagement in 2019 is a payment services campaign to encourage customers to sign up for electronic statements. By encouraging this practice, we are encouraging customers to reduce emissions.

**Impact of engagement, including measures of success**

Through U.S. Bank’s RFP process, customers are analyzing us in part based on our climate change strategies and environmental initiatives and we have offered to collaborate with them to help meet their needs. We also engage with and educate customers by sharing our environmental initiatives and statistics via our Corporate Social Responsibility Annual Report which is available to all customers and the general public. We draw attention to it on our website and share it on social media to raise awareness. Our Environmental Responsibility Policy is also available on our website to educate customers. Both of these items are also discussed at some of our annual shareholder meeting as another avenue to engage customers. We measure success quantitatively through an increase in conversations with customers and new business, as well as qualitatively through expanded relationships with our customers around climate change issues. This has resulted in more frequent and meaningful discussions around U.S. Bank's impact on the environment. We expect this initiative to continue growing over the next couple years. For a second year in a row, in 2019, we produced a GRI index and a one-page environmental, social, governance (ESG) document that includes information on our efforts to reduce climate change impact. Both of these documents are available for U.S. Bank customers to download via www.usbank.com/community. We increased visibility this year, by also including these items as part of U.S. Bank's 2019 Annual Report. We will measure success for reaching customers and other stakeholders by looking at the number of downloads for each document from our website.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

U.S. Bank’s Environmental Program Manager engages regularly with industry peers via monthly meetings and other “as needed” group and individual calls and emails. This forum allows us to share best practices to identify and manage climate-related risks and opportunities. It allows us to collaborate and address climate issues as a group for a larger impact. As an industry, we are collaborating on solutions and strategies to keep up with an increase in reporting requirements around climate change. As part of the monthly round table we have heard from various reporting organizations, such as CDP and SASB, and were provided an opportunity to address new frameworks and changes to existing frameworks affecting our industry.

A specific example was the new CDP sector specific questionnaire and a need for those of us completing the questionnaire to better understand the requirements. In an effort to voice feedback and ask questions, the group invited a CDP representative to join our offsite. This provided an excellent opportunity to engage and learn, leaving most of us feeling more comfortable with the changes. Our feedback was also impactful to develop the final versions of the questionnaire.

This round table has also provided a peer resource for successful tracking and measuring of employee commuting emissions. We were able to meet with a peer bank and they shared the metrics and methods they used to calculate employee commuting emissions. We took what we learned back to our emissions vendor and created a calculation method to use in 2019.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Trade associations
- Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

No
C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

As a member of the Ceres Company Network, their policy team keeps us informed on energy policy, particularly in our major markets, and provides opportunities for us to participate in joint efforts to inform and provide feedback to policy makers at the national and state levels. U.S. Bank's Environmental Program Manager also engages with peers, both within our industry and outside our industry through peer round table engagement opportunities.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Direct and indirect activities are reviewed and approved by a level of senior management not more than three levels removed from the CEO. Potential engagement opportunities are brought to the attention of U.S. Bank's Environmental Program Manager who reviews them within the context of U.S. Bank's Environmental Responsibility Policy. The Environmental Program Manager takes the opportunity to the appropriate Environmental Working Group members, or the full group, depending on the focus of the opportunity, for feedback. The ultimate decision is made in collaboration with the Senior Vice President, Chief Corporate Social Responsibility Officer and is reflective of U.S. Bank's climate change strategy and policy.
(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

<table>
<thead>
<tr>
<th>Publication</th>
<th>In mainstream reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>Complete</td>
</tr>
<tr>
<td><strong>Attach the document</strong></td>
<td>USBank_2019Annual_Report.pdf</td>
</tr>
<tr>
<td><strong>Page/Section reference</strong></td>
<td>Pages 16-17</td>
</tr>
<tr>
<td><strong>Content elements</strong></td>
<td>Strategy, Risks &amp; opportunities, Emissions figures, Emission targets</td>
</tr>
</tbody>
</table>

**Comment**

<table>
<thead>
<tr>
<th>Publication</th>
<th>In voluntary communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>Complete</td>
</tr>
<tr>
<td><strong>Attach the document</strong></td>
<td>2019 CSR Report Link.docx</td>
</tr>
<tr>
<td><strong>Page/Section reference</strong></td>
<td>Because our CSR report is only available online, there are no page numbers. You can find information on our environmental efforts by clicking on “Environmental Sustainability” from the provided link.</td>
</tr>
<tr>
<td><strong>Content elements</strong></td>
<td>Strategy, Risks &amp; opportunities, Emissions figures, Emission targets</td>
</tr>
</tbody>
</table>

**Comment**

<table>
<thead>
<tr>
<th>Publication</th>
<th>In mainstream reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status</td>
<td>Complete</td>
</tr>
<tr>
<td><strong>Attach the document</strong></td>
<td>2020 Proxy Statement.pdf</td>
</tr>
<tr>
<td><strong>Page/Section reference</strong></td>
<td>Page 81</td>
</tr>
<tr>
<td><strong>Content elements</strong></td>
<td>Strategy</td>
</tr>
</tbody>
</table>

**Comment**

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

<table>
<thead>
<tr>
<th>Industry collaboration</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting framework</td>
<td>Other, please specify (Global Reporting Initiative) U.S. Bank has published a GRI inventory for the past two years with our Corporate Social Responsibility Report.</td>
</tr>
<tr>
<td>Industry initiative</td>
<td>Other, please specify (Bank Sustainability Roundtable) U.S. Bank participates in the Bank Sustainability Roundtable to further initiatives within our industry.</td>
</tr>
<tr>
<td>Commitment</td>
<td>Other, please specify (Ceres) U.S. Bank is a member of the Ceres Company Network and receives communication from their Policy Network as an additional method of engagement.</td>
</tr>
</tbody>
</table>

C14. Portfolio Impact

C-FS14.1
(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

<table>
<thead>
<tr>
<th>We conduct analysis on our portfolio’s impact on the climate</th>
<th>Disclosure metric</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>Not Applicable</td>
<td>We have identified several industries with high environmental impact, and clients in those industries are subject to an enhanced due diligence questionnaire which addresses their impact on the environment.</td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>Not Applicable</td>
<td></td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>Not Applicable</td>
<td></td>
</tr>
<tr>
<td>Insurance underwriting (Insurance company)</td>
<td>Not Applicable</td>
<td></td>
</tr>
<tr>
<td>Other products and services, please specify</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 “Investments” emissions or alternative carbon footprinting and/or exposure metrics)

We acknowledge this is a challenging activity. We currently do not have the internal infrastructure or resources to calculate this. We would also need to collect additional sensitive information from our customers. We recognize this is an opportunity to evolve with the industry on this topic and we intend to look for ways to leverage existing internal data (such as from our environmental due diligence questionnaires) to identify opportunities to analyse our portfolio’s impact on the climate.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

<table>
<thead>
<tr>
<th>We are taking actions to align our portfolio to a well below 2-degree world</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank lending (Bank)</td>
<td>No, no formal strategic plans, but we do have portfolio risk limits on the bank's exposure to the oil and gas sector. For example, our policy restrictions around coal indicate that is part of the bank’s strategy to be responsive to a warmer world. We do not have portfolio limits specifically around coal, precisely because the environmental policy prohibitions certain forms of coal mining, and coal-fired power, and the fact that our credit exposure is minimal due to those restrictions.</td>
</tr>
<tr>
<td>Investing (Asset manager)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Investing (Asset owner)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Insurance underwriting (Insurance company)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Other products and services, please specify</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization’s response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andrew Cecore, Chairman, President and CEO</td>
<td>Chief Executive Officer (CEO)</td>
</tr>
</tbody>
</table>
SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

<table>
<thead>
<tr>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>22986000000</td>
</tr>
</tbody>
</table>

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

<table>
<thead>
<tr>
<th>ISIN country code (2 letters)</th>
<th>ISIN numeric identifier and single check digit (10 numbers overall)</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>90297330</td>
</tr>
</tbody>
</table>

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer base is too large and diverse to accurately track emissions to the customer level</td>
<td>As a very large financial services provider with a large and diverse customer base, the majority of U.S. Bank's emissions result from our ongoing business operations. Our facilities, our technologies, and our employees all support various aspects of the services we provide and are not dedicated to one product or service or to one customer.</td>
</tr>
</tbody>
</table>

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Due to the structure of U.S. Bank's operations and the nature of the products and services we provide, it is unlikely that there would be any accurate way to allocate emissions to the customer level.
SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP’s 2019-2020 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>I am submitting to</th>
<th>Public or Non-Public Submission</th>
<th>Are you ready to submit the additional Supply Chain Questions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>Public</td>
<td>Yes, submit Supply Chain Questions now</td>
</tr>
<tr>
<td>Customers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please confirm below

I have read and accept the applicable Terms