

# U.S. Bancorp - Climate Change 2019

## C0. Introduction

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### C0.1

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

Minneapolis-based U.S. Bancorp (NYSE: USB), with 74,000 employees and \$482 billion in assets as of June 30, 2019, 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 a 2019 World's Most Ethical Company.

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.

Community Possible is the 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 2018, U.S. Bank gave over \$57 million to non-profit organizations across the country through its Foundation and corporate contributions. U.S. Bank employees also donated 209,000 hours of their time in 2018 to volunteering with organizations that benefit the communities in which they live. Visit [usbank.com/community](https://usbank.com/community).

### C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	Yes	1 year

### C0.3

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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 (to company assets or business opportunities/approach) or indirect (reputational). We have a robust reputation risk management process to help ensure we are appropriately identifying and addressing emerging reputation risks, including environmental risks. This process continues to evolve and be enhanced through cross-functional information and resource sharing. We use shared databases and specific presentations to educate and inform various business lines so each business line can integrate climate change into their business 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). Our Environmental Working Group and other feedback mechanisms ensure the communication is shared with the appropriate parties to prioritize the identified risks/opportunities. Opportunities are managed through the same channels outlined above for identifying risks. U.S. Bank views opportunities as a function of our risk mitigation function. Where there is a risk, we look for opportunities to better meet customer need and mitigate potential risk before it happens.

An example of a potential opportunity related to climate change and a transition to a low carbon economy that was shared through our Environmental Working Group was renewable energy lending. This was feedback provided by U.S. Bancorp's Community Development Corporation as an opportunity to meet client needs and is now being explored as a new product. Our extensive risk infrastructure monitors and helps mitigate risks due to climate change such as disaster recovery in the event of severe weather instances.

An example of how we have managed transitional climate change risk within our customer portfolio is through the expansion of our due diligence process to assess the environmental and reputation risk of customer relationships. 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 in 2018 to create a consistent enterprise framework for managing reputationally-high risk relationships. A Working Group that outlines policy expectations for prohibited segments or those that present elevated risk, including those who have a high environmental impact, such as coal mining, coal-fired power plants and timber/forestry activities.

U.S. Bank creates a unified approach through an enterprise Environmental Responsibility Policy that is integrated and linked from various other policies throughout the company, such as the credit policy and relationship review policy. This brings together corporate policies for wider awareness around U.S. Bank's environmental practices. Having an enterprise approach provides greater visibility to identify and uniformly manage relationship risks and allows us to identify opportunities for growth within emerging low carbon industries, such as renewable energy.

Another way U.S. Bank is working to manage transitional risk is conducting a materiality assessment with sustainability nonprofit, Ceres, and working with them to evaluate current environmental and social risk management practices and provide guidance on establishing a stronger risk management framework to close gaps and best address risks the company faces related to environmental and social issues, including climate change. A more streamlined framework will allow us to better assess transitional risk among our portfolio if certain high impact industries begin to struggle as a result of changing regulation and market demand during a shift to a low carbon economy.

An example of how we have managed physical climate change risks and opportunities is through energy efficiency programs. 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 have managed this risk through energy efficient upgrades, such as LED lighting, more efficient HVAC equipment and motion sensor lighting. Our work towards decreasing the energy footprint of our buildings has opened opportunities for us to save money through reduced energy bills and through increased partnership with our energy vendors, such as purchasing renewable energy through Xcel Energy's Renewable Connect program.

## C2.3

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**(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

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**(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**

Physical risk

**Primary climate-related risk driver**

Chronic: Rising mean temperatures

**Type of financial impact**

Increased operating costs (e.g., inadequate water supply for hydroelectric plants or to cool nuclear and fossil fuel plants)

**Company- specific description**

In 2018, U.S. Bank spent \$67 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, 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.

**Time horizon**

Current

**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)**

670000

**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.

#### **Management method**

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 LEED certified standards, switching out light bulbs/fixtures to more efficient options, etc. We approved 11 projects in 2018, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 5000 MWh of electrical energy. \$2 million is U.S. Bank's annual budget for energy efficient projects. 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 decrease the effect increased energy prices might have on operational costs.

#### **Cost of management**

2000000

#### **Comment**

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#### **Identifier**

Risk 2

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

Customer

#### **Risk type**

Physical risk

#### **Primary climate-related risk driver**

Acute: Increased severity of extreme weather events such as cyclones and floods

#### **Type of financial impact**

Reduced revenue from decreased demand for goods/services

#### **Company- specific description**

U.S. Bank's Risk Management Team completed a financial impact assessment following recent hurricanes in the southeast and 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.

#### **Management method**

U.S. Bank attempts to evaluate customer relationships in relation to recent trends through our risk management process. Industries that are more sensitive to flooding and other climate change impacts are evaluated more closely by location and risk management processes in place to limit impact. This work is completed through our ongoing stress testing work using the Comprehensive Capital Analysis and Review (CCAR) framework. Results of this stress testing are compiled into a dashboard and 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.

#### Cost of management

0

#### Comment

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#### Identifier

Risk 3

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

Direct operations

#### Risk type

Transition risk

#### Primary climate-related risk driver

Reputation: Increased stakeholder concern or negative stakeholder feedback

#### Type of financial impact

Reduced revenue from decreased demand for goods/services

#### 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.

#### Management method

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. In 2018, we continued 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. U.S. Bank also has a relationship review committee made up of senior level

staff to 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 provides a higher level of oversight for environmental reputation risk and drives 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.

**Cost of management**

0

**Comment**

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C2.4

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**(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

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**(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?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Type of financial impact**

Increased revenue through demand for lower emissions 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). The U.S. Bancorp Community Development Corporation (CDC) is a leader in this space and would see an increase in investment opportunities should the investment tax credit programs continue. They are currently a leader in underwriting CSG programs in states that do not currently have a robust program. In some cases, local regulation does not support the funding of CSG, so it's difficult to create a program, but a positive change in renewable energy regulation to support CSG would allow the U.S. Bancorp CDC to invest in more CSG funds.

**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)**

363000000

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

<Not Applicable>

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## Potential financial impact figure – maximum (currency)

<Not Applicable>

## Explanation of financial impact figure

In 2018, U.S. Bancorp Community Development Corporation invested over \$1.1 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.

## Strategy to realize opportunity

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 (USB CDC) 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. Access to the benefits of renewable energy is often out of reach for many low- and moderate-income (LMI) communities. Completed in 2018, USB CDC invested over \$45 million to develop Villa Hermosa in Santa Fe, NM in an effort to close that gap. The Villa Hermosa project focused on renovating almost 120 affordable, energy-efficient apartments spread across one-story buildings. The project meets the LEED green construction standards, including solar panels on the buildings' roofs, LED lighting, ENERGY STAR appliances, energy efficient cooling and heating systems, and courtyards landscaped with drought-tolerant plant species. Cost of management would be personnel costs associated with the renewable energy group within U.S. Bancorp Community Development Corporation, totaling approximately \$2.7 million.

## Cost to realize opportunity

2700000

## Comment

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### Identifier

Opp2

### Where in the value chain does the opportunity occur?

Customer

### Opportunity type

Products and services

### Primary climate-related opportunity driver

Shift in consumer preferences

### Type of financial impact

Increased revenue through demand for lower emissions 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 2018, U.S. Bank provided over \$1.8 billion in loans and investments for green building 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. Villa Hermosa is an example of a project financed in part through our renewable energy tax credit investing. Access to the benefits of renewable energy is often out of reach for many low- and moderate-income (LMI) communities. Completed in 2018, USB CDC invested over \$45 million to develop Villa Hermosa in Santa Fe, NM in an effort to close that gap. The Villa Hermosa project focused on renovating almost 120 affordable, energy-efficient apartments spread across one-story buildings. The project meets the LEED green construction standards, including solar panels on the buildings' roofs, LED lighting, ENERGY STAR appliances, energy efficient cooling and heating systems, and courtyards landscaped with drought-tolerant plant species.

### 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)**

18000000

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

90000000

**Explanation of financial impact figure**

In 2018, U.S. Bank provided over \$1.8 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.

**Strategy to realize opportunity**

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. An example of a current product being evaluated through this process is reduced pricing for commercial and corporate customers who meet specific ESG standards. U.S. Bank would use public ESG scoring, such as Sustainalytics and MSCI scores, to evaluate the customer and provide pricing based on tiers. Cost of management would be dollars associated with personnel costs to process loans and investments for rebuilding efforts. There is no additional cost for management due to this being done by staff who are already employed in roles with a primary focus outside of the outlined opportunity.

**Cost to realize opportunity**

0

**Comment**

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Customer

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Type of financial impact**

Increased revenue through demand for lower emissions products and services

**Company-specific description**

U.S. Bancorp's CDC is a leader in the renewable energy investment tax credit space. In 2018, these investments totaled over \$1.1 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)**

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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.

**Strategy to realize opportunity**

U.S. Bank is a national leader in renewable energy investing 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 (USB CDC) 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. Because of their leadership on the investing side of renewable energy, they are positioned well to also understand the debt market for renewable energy and be able to integrate both products into their financing of projects like Villa Hermosa mentioned in Opp 2. Cost of management would be personnel costs associated with the renewable energy group within U.S. Bancorp Community Development Corporation, totaling approximately \$2.7 million.

**Cost to realize opportunity**

2700000

**Comment**

**C2.5**

**(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

	Impact	Description
Products and services	Not impacted	Because U.S. Bank is a financial services company, climate change impacts are realized mostly within our operations and customer portfolio. We have not, yet, seen an impact to the products and services we offer.
Supply chain and/or value chain	Impacted	Increasing demand to do business with environmentally responsible companies has led to a need for U.S. Bank to share more of our environmental impact data with potential customers during the Request for Proposal "RFP" process. An example is a city government we bank asking for investment totals within the oil and gas industry. We have also seen an increase in demand for disclosure from our supply chain and current customers wanting to examine upstream and downstream impacts. We have seen an increase in the number of customers asking that we complete the CDP supply chain questionnaire. This number has grown to 3 customers asking for responses, up from 2 a couple years ago. The magnitude of impact in this area has been minor due to U.S. Bank being a services company and not having the same impact as other companies within our customers' supply chains.
Adaptation and mitigation activities	Impacted	We have strengthened our mitigation activities around understanding the impact our customers are having on climate change and the risk that poses to U.S. Bank. This is done through our enhanced environmental due diligence which is completed before new business is approved and during annual reviews of the relationship. We have also implemented a quarterly portfolio review of high environmental impact customers to assess our exposure to these industries and adapt as necessary to avoid risk. The magnitude of impact in this area has been medium as the increased customer review has led to an increase in documentation and monitoring of our customer impact. This has led to more processes and time to complete these assessments. It has also impacted our business strategy and overall risk management framework.
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Customer demand for a low carbon economy has resulted in internal discussions around potential new business opportunities for U.S. Bank. This includes researching the possibility of entering the debt side of renewable energy production, instead of just focusing on the equity side. This would be a significant investment for U.S. Bank and would have a high magnitude of impact on our lending business.
Operations	Impacted	Climate change risk and stakeholder demand contributed to U.S. Bank setting a GHG emissions reduction target of 40% reduction by 2029 and 60% reduction by 2044. This target necessitates a focus on energy reduction projects, such as lighting and HVAC upgrades, within in our operations. We also joined the Renewable Connect program offered by Xcel Energy to purchase renewable energy for our Minnesota locations and are looking at other options for procuring renewable energy for our facilities. This risk has a medium magnitude impact on our business, as it led to a doubling of budget for our energy efficient projects, which is now \$2 million, up from \$1 million prior to setting the target. It has also stretched us to consider climate change within our building portfolio and look more closely at outside opportunities that may help us reduce our energy use and emissions.
Other, please specify	Please select	



## C2.6

**(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.**

	Relevance	Description
Revenues	Not impacted	We have not yet seen an impact to our revenue stream, but as the shift to a low carbon economy continues, we will continue to evaluate our customer portfolio. We will assess potential revenue loss from industries that are becoming less profitable due to decreasing public interest and need. We anticipate any future impact will be minimal as we have a diversified customer portfolio and are able to shift our customer base as needed to mitigate risk.
Operating costs	Impacted	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 LEED certified standards, switching out light bulbs/fixtures to more efficient options, etc. We approved 11 projects in 2018, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 5000 MWh of electrical energy. We anticipate any future impact will be minimal because of the energy efficiency updates we have made and the fact we, as an industry, are not as energy intensive as others.
Capital expenditures / capital allocation	Impacted	In an effort to better manage climate change impacts to our operations 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 materiality 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	Impacted	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 with this activity. U.S. Bank would be able to address climate change risks at a later date following the acquisition or divestment activity.
Access to capital	Not impacted	As a financial services company, we do not seek outside capital for our climate change strategy or risk mitigations, so this category is not impacted.
Assets	Impacted	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 new branch locations consistent with LEED standards, switching out light bulbs/fixtures to more efficient options, etc. We approved 11 projects in 2018, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 5000 MWh of electrical energy.
Liabilities	Impacted	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.
Other	Please select	

## C3. Business Strategy

### C3.1

**(C3.1) Are climate-related issues integrated into your business strategy?**

Yes

#### C3.1a

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

Yes, qualitative and quantitative

#### C3.1c

### **(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.**

Climate-related issues have been integrated into U.S. Bank's short term strategy through addressing regulatory/legislative requirements, reviewing potential climate change risk/opportunity in our credit portfolios, and our approach to continuous improvement in reducing our consumption of natural resources (energy, paper, etc). In the short term, we have partnered with Ceres, an environmental non-profit organization. Their mission is to transform the economy to build a sustainable future for people and the planet, and they conducted a materiality assessment that will guide our long term climate change strategy. We have also partnered with them to evaluate and offer guidance on U.S. Bank's environmental and social risk management framework. This framework will be integrated across the enterprise to meet the overall business risk management objectives.

Climate-related issues have been integrated into U.S. Bank's long term strategy through our approach to building design and retrofits (designed for energy/environmental efficiency), by continuing to expand our environmental due diligence process to help mitigate risk, and by having a more specific focus on methods to capitalize on the opportunities created by climate change as identified through our various internal risk/opportunity identification process. This includes increased investments in the renewable energy space. U.S. Bank's operational strategy has been influenced by climate change, resulting in our decision to set a GHG emissions reduction target of 40% reduction by 2029/ 60% reduction by 2044 using 2014 as a baseline.

In today's environment, customers, investors and employees are increasingly aware of the importance of sustainability in the companies with whom they interact, and therefore communication to those constituents about our approach, and providing tools and resources to educate and engage our customers, has become increasingly important and can help us gain competitive advantage, resulting in customer/ employee acquisition and retention. Our work to expand our environmental efforts contributed to U.S. Bank being recognized as a World's Most Ethical Company by Ethisphere in 2015, 2016, 2017, and 2018. In addition, cost reduction as a result of our energy reduction efforts will provide a competitive advantage through greater available capital for non-energy related initiatives, such as product and strategy development.

Some key business decisions that have been made are: 1) our focus on the use of Energy Star Portfolio Manager to help benchmark performance and prioritize investment in our facilities; 2) continuing to look at the effectiveness of our environmental due diligence process across the enterprise for relationships with potentially high environmental impact; 3) escalating the management of climate change initiatives to a more senior role, as well as moving the policy oversight to an official subcommittee of an executive level committee that includes the Chief Administrative Officer, as well as the Chief Corporate Social Responsibility Officer. The most substantial business decision U.S. Bank has made as a result of climate change is the decision to set a GHG emissions reduction target.

A key business decision made in 2018 was to include a newly developed environmental strategy, which is tied to an overarching social impact strategy, in the enterprise strategy shared and managed at the highest levels of leadership within the company. The enterprise strategy drives business decisions and objectives for the next few years. This newly developed strategy focuses on addressing climate change through the advancement of renewable energy investment and partnerships. U.S. Bank will also be looking at opportunities to stay on par with peers through incremental goals and progress. Because of U.S. Bank's expertise in the renewable energy space, we felt this was a good area of focus where we could leverage the knowledge and talent already in place.

Environmental responsibility is one of the core focuses of our corporate social responsibility strategy at U.S. Bank and it will continue to be moving forward. Looking towards the future, we will continue to evaluate the impact our customers are having on the environment through an annual portfolio review. This review allows us to look at our exposure to certain high environmental impact industries to evaluate if any changes need to be made to our policy, strategy or portfolio in order to reduce our climate change risk.

### **C3.1d**

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

Climate related scenarios	Details
Other, please specify (CCAR (Comprehensive Capital Analysis and Review))	<p>Scenario analysis has been used at our company 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 firmwide scenario development process is managed by the Scenario Design Director within Risk Management and Compliance. The process is governed by a senior operating committee of the board of directors. With climate change causing an increase in natural disasters, it is important that we understand how these occurrences will affect our customers and our company. This is top of mind for this team. This begins with tracking the financial impact of past climate-related events. These events are tracked on a consolidated report, called a dashboard. Examples of recent climate-related events tracked on the dashboard include hurricanes and fires. Data tracked include losses, revenue, and other expenses from these events. The Scenario group uses the dashboard's climate-related events to build scenarios of potential events. A natural disaster scenario and the adverse impacts of historical natural disasters recurring were included when setting U.S. Bank's 2019 capital plan as part of CCAR. Disasters were identified through our risk identification and assessment process and selected by executive management through our existing CCAR governance process. Inputs, assumptions &amp; 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 shared with the board of directors via a presentation to the Capital Planning Committee. The Scenario Design group plans to continue to build scenarios for climate impacts that have yet to occur. The scenarios may include several events such as floods, droughts, or earthquakes. 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 work is tied to our internal capital adequacy assessment processes. It is informed by regulations that govern the capital planning process, notably the CCAR regulatory rule. The framework relies on scenarios designed to stress specific vulnerabilities of our risk profile and operations, including those related to capital adequacy and financial condition. We identify scenarios based on which would have the most significant impact on our organization, such as possible climate related effects in regions of the U.S. where we have a larger customer base or more assets. Another important element is where we have significant business operations. These areas impact our employees and ability to serve our customers in that region or nationally. Analysis began in 2012, looking at the impact of Hurricane Sandy on our customers. Results include financial impact and actions taken as a result of the scenarios. U.S. Bank's business objective remains the same, to protect our company from risk within our customer portfolio, but the strategy has evolved to take a more holistic approach and look at events outside the customer's control that might affect their business, and in return, affect our business. The scenario results have influenced our business decisions by informing capital planning, assessing capital adequacy given the natural disaster occurs in addition to other adverse events—specifically a severe recession. For this work, the full enterprise is considered, but impact is limited to those areas previously impacted by like natural disasters.</p>

**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.**

**Target reference number**

Abs 1

**Scope**

Scope 1 +2 (market-based)

**% emissions in Scope**

100

**Targeted % reduction from base year**

40

**Base year**

2014

**Start year**

2016

**Base year emissions covered by target (metric tons CO2e)**

415211

**Target year**

2029

**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

**% of target achieved**

71

**Target status**

Underway

**Please explain**

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

**Scope**

Scope 1 +2 (market-based)

**% emissions in Scope**

100

**Targeted % reduction from base year**

60

**Base year**

2014

**Start year**

2016

**Base year emissions covered by target (metric tons CO2e)**

415211

**Target year**

2044

**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

**% of target achieved**

48

**Target status**

Underway

**Please explain**

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) Provide details of other key climate-related targets not already reported in question C4.1/a/b.**

**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.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	12	3190
To be implemented*	7	739
Implementation commenced*	7	2081
Implemented*	87	13143
Not to be implemented	5	951

### C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative type**

Energy efficiency: Building services

**Description of initiative**

Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

5617

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

725490

**Investment required (unit currency – as specified in C0.4)**

3086449

**Payback period**

4 - 10 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

**Initiative type**

Energy efficiency: Building services

**Description of initiative**

HVAC

**Estimated annual CO2e savings (metric tonnes CO2e)**

2340

**Scope**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

256280

**Investment required (unit currency – as specified in C0.4)**

8932790

**Payback period**

&gt;25 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

There is also a small Scope 1 benefit for this initiative. Many of the newer HVAC units installed are more efficient on the heating side (natural gas) as well as the cooling side (electrical), resulting in less natural gas consumption and thus reduced Scope 1 emissions.

**Initiative type**

Low-carbon energy purchase

**Description of initiative**

Other, please specify (REC's from mix of Wind and Solar)

**Estimated annual CO2e savings (metric tonnes CO2e)**

5183

**Scope**

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)**

68500

**Payback period**

&lt;1 year

**Estimated lifetime of the initiative**

&lt;1 year

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

Method	Comment
Dedicated budget for energy efficiency	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, and switching out light bulbs and fixtures to more efficient options. 84 projects were implemented in 2018, mostly LED upgrades in which the expected impact is an annual reduction of nearly 975 MWh of electrical energy.
Internal incentives/recognition programs	U.S. Bank's facility managers receive reporting for lowest performing locations within their portfolio and site-based improvements are planned and recognized.
Employee engagement	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.

C4.5

---

**(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

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**(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**

Product

**Description of product/Group of products**

Green Auto Loan - In 2018, U.S. Bank offered a 0.5% reduced rate to customers who purchase an automobile that's listed on the U.S. Environmental Protection Agency's SmartWay list.

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

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (EPA's SmartWay List)

**% revenue from low carbon product(s) in the reporting year**

0

**Comment**

Revenue from this product is less than 1%

---

**Level of aggregation**

Product

**Description of product/Group of products**

Renewable energy investment tax credit (REITC) investing - U.S. Bancorp Community Development Corporation (CDC) is a leader in REITC investments in the United States. In 2018, these investments totaled over \$1.1 billion.

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

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (Federal REITC Program)

**% revenue from low carbon product(s) in the reporting year**

1

**Comment**

---

**Level of aggregation**

Company-wide

**Description of product/Group of products**

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. An example of this is our launch of Zelle's person to person electronic payments for no cost to the user. As a way of incenting use of these electronic options, U.S. Bank switched to making paper statements only available for an extra charge.

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

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (General knowledge)

**% revenue from low carbon product(s) in the reporting year**

0

**Comment**

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

---

**C5. Emissions methodology**

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## 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 Scope 1 and Scope 2 emissions.

Defra Voluntary 2017 Reporting Guidelines

The Climate Registry: General Reporting Protocol

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Climate Leaders: Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment

US EPA Climate Leaders: Indirect Emissions from Purchases/ Sales of Electricity and Steam

US EPA Climate Leaders: Direct Emissions from Mobile Combustion Sources

## C6. Emissions data

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## 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)

63333

##### Start date

January 1 2018

##### End date

December 31 2018

##### Comment

#### Past year 1

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

55029

##### Start date

January 1 2017

##### End date

December 31 2017

##### Comment

This is the scope 1 emission for CY2017. The amount of RECs purchased were not fully accounted for in the CY2017 Scope 2 market-based figure and we are restating the emissions with all RECs purchased in CY2017. However, this restatement only impacts the scope 2 market-based figure and the scope 1 emission remains the same.

## C6.2

---

### (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

---

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

**Reporting year**

**Scope 2, location-based**

287191

**Scope 2, market-based (if applicable)**

233322

**Start date**

January 1 2018

**End date**

December 31 2018

**Comment**

**Past year 1**

**Scope 2, location-based**

287196

**Scope 2, market-based (if applicable)**

239367

**Start date**

January 1 2017

**End date**

December 31 2017

**Comment**

This is the scope 2 emissions restated for CY2017. We restated our emissions for the previous year due to unallocated RECs in CY2017. This only affects the scope 2 market-based emissions which is now updated from 286,477 MTCO2e to 239,367 MTCO2e.

**C6.4**

---

**(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**

---

**(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 Emissions (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 fully depreciated assets, not reflected on our asset list. (i.e. inherited through acquisitions).

---

**C6.5**

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**(C6.5) Account for your organization's 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>

**Explanation**

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>

### Explanation

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>

### Explanation

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>

### Explanation

As a financial services company, U.S. Bank produces a limited number of physical products that require upstream or downstream 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

5165

### 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 Waste Reduction Model (WARM) tool (Version 14, updated March 2016). WARM calculates emissions based on a lifecycle alternative-to-baseline approach. While avoided emissions from recycling and composting are also quantified through the WARM tool, this figure represents only Scope 3 emissions from landfilled waste.

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

100

### Explanation

## Business travel

### Evaluation status

Relevant, calculated

### Metric tonnes CO2e

32382

### Emissions calculation methodology

U.S. Bank captures activity data from several means of business transportation including air, rail and rental car mileage. For air travel, emissions are calculated using Defra DECC (2018) 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 (2018) emissions factors per mile traveled. Actual rail distance traveled is also collected and emissions estimated with the EPA CCCL (2018) factors.

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

100

### Explanation

## Employee commuting

### 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>

### Explanation

U.S. Bank has not yet determined a reliable and accurate methodology for tracking and calculating emissions from employee commuting within our organization at this time.

## 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>

### Explanation

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>

### Explanation

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>

### Explanation

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>

### Explanation

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>

### Explanation

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

48317

### 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

### Explanation

## 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>

### Explanation

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

## Investments

### 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>

### Explanation

U.S. Bank is investigating possible methods to measure and report emissions from financial assets. Reporting standards are being developed by several external sources that may support more consistent reporting in the future.

## 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>

### Explanation



**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>

**Explanation**

C6.7

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**(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?**

No

C6.10

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**(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**

0.0000131

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

296656

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

22637000000

**Scope 2 figure used**

Market-based

**% change from previous year**

2

**Direction of change**

Decreased

**Reason for change**

This decrease is primarily due to a combination of our emissions reduction activities 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. Additionally, we have purchased additional renewable energy in 2018.

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**Intensity figure**

0.0098492

**Metric numerator (Gross global combined Scope 1 and 2 emissions)**

296656

**Metric denominator**

square foot

**Metric denominator: Unit total**

30119635

**Scope 2 figure used**

Market-based

**% change from previous year**

4

**Direction of change**

Decreased

**Reason for change**

This decrease is primarily due to a combination of our emissions reduction activities 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 our portfolio square footage. Additionally, we have purchased additional renewable energy in 2018.

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## C7. Emissions breakdowns

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### C7.1

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**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

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## C7.1a

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**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

CO2	62554	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	130	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	69	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	580	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

---

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

United States of America	62682
Canada	56
Cayman Islands	2
Germany	50
Ireland	174
Mexico	76
Norway	23
Poland	190
Spain	28
United Kingdom of Great Britain and Northern Ireland	27
Belgium	25

## C7.3

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**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

## C7.3c

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**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Stationary	59318
Mobile	3435
Refrigerant	580

## C7.5

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**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

United States of America	284608	229795	577051	86774
Canada	18	18	458	
Mexico	261	261	559	
United Kingdom of Great Britain and Northern Ireland	63	81	221	
Ireland	787	1215	1897	
Belgium	32	23	185	
Germany	361	588	804	
Spain	50	90	202	
Norway	1	85	171	
Poland	1011	1167	1398	

**C7.6**

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**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

**C7.6c**

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**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Chilled Water	3061	3061
Electricity	277029	223161
Steam	7101	7101

**C7.9**

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**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Increased

**C7.9a**

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**(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.**

Change in renewable energy consumption	5183	Decreased	1.76	U.S. Bank's gross scope 1 and 2 emissions decreased due to 'a change in renewable energy consumption' implemented in the 2018 reporting year. This change reflects additional REC procurement made in 2018. In total, 16,305 additional MWh of RECs were procured in 2018, resulting in an additional 5,183 MTCO <sub>2</sub> e reduction compared to the REC quantity purchased in the previous year. Total market-based scope 1 and 2 emissions in the previous year was 294,396 MTCO <sub>2</sub> e, therefore we arrived at 1.76% through $(5183/294396)*100=1.76\%$ .
Other emissions reduction activities	7640	Decreased	2.6	U.S. Bank's 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 2018, 7640 MTCO <sub>2</sub> e was reduced by our emissions reduction projects. Total scope 1 and 2 emissions in the previous year was 294,396 MTCO <sub>2</sub> e, therefore we arrived at 2.60% through $(7640/294396)*100=2.60\%$ .
Divestment		<Not Applicable	>	
Acquisitions		<Not Applicable	>	
Mergers		<Not Applicable	>	
Change in output		<Not Applicable	>	
Change in methodology	3260	Decreased	1.11	For the 2018 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 (PJM and ISO-New England), and international location-based grid emission factors. Net impact was calculated by applying 2017 emission factors to 2018 activity data to determine the difference in emissions from emission factor updates. In total, emissions factor updates decreased emissions by 3,260 MTCO <sub>2</sub> e. The total scope 1 and 2 emissions in the previous year was 294,396 MTCO <sub>2</sub> e, resulting in 1.11% from $(3260/294396)*100=1.11\%$ .
Change in boundary		<Not Applicable	>	
Change in physical operating conditions	9808	Increased	3.33	We experienced an increase in natural gas, steam, stationary propane and fleet fuel consumption in 2018. Conversely chilled water, jet fuel and diesel fuel consumption were reduced. We attribute most of these changes to site operating conditions in North America driven by weather variability. 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 9,808 MTCO <sub>2</sub> e. Total scope 1 and 2 emissions in the previous year was 294,396 MTCO <sub>2</sub> e, therefore the percent change in emissions was calculated as $(9808/294396)*100= 3.33\%$
Unidentified	8534	Increased	2.9	We were unable to identify the exact reasons for the remaining increase in emissions, however, this is most likely due to variations in the number of sites, YoY consumption for electricity and other miscellaneous emission sources. $(8534/294396)*100=2.90\%$
Other		<Not Applicable	>	

**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.

Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

---

### (C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	332849	332849
Consumption of purchased or acquired electricity	<Not Applicable>	86774	447807	534581
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	31341	31341
Consumption of purchased or acquired cooling	<Not Applicable>	0	17024	17024
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	27	<Not Applicable>	27
Total energy consumption	<Not Applicable>	86801	829021	915822

## C8.2b

---

### (C8.2b) Select the applications of your organization's consumption of fuel.

Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

---

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

317581

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Propane Liquid

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

1018

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

5292

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

---

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Fuel Oil Number 2

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

218

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**Fuels (excluding feedstocks)**

Jet Kerosene

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

8740

**MWh fuel consumed for self-generation of electricity**

<Not Applicable>

**MWh fuel consumed for self-generation of heat**

<Not Applicable>

**MWh fuel consumed for self-generation of steam**

<Not Applicable>

**MWh fuel consumed for self-generation of cooling**

<Not Applicable>

**MWh fuel consumed for self-cogeneration or self-trigeneration**

<Not Applicable>

**Comment**

---

**C8.2d**

---

**(C8.2d) List the average emission factors of the fuels reported in C8.2c.**



## Diesel

### Emission factor

0.03872

### Unit

metric tons CO<sub>2</sub>e per liter

### Emission factor source

2018 Climate Registry Default Emissions Factors (May 2018)

### Comment

This emission factor is the U.S. national average factor

## Fuel Oil Number 2

### Emission factor

0.0394

### Unit

metric tons CO<sub>2</sub>e per liter

### Emission factor source

2018 Climate Registry Default Emissions Factors (May 2018)

### Comment

This emission factor is the U.S. national average factor

## Jet Kerosene

### Emission factor

0.03725

### Unit

metric tons CO<sub>2</sub>e per liter

### Emission factor source

2018 Climate Registry Default Emissions Factors (May 2018)

### Comment

This emission factor is the U.S. national average factor

## Natural Gas

### Emission factor

0.01584

### Unit

metric tons CO<sub>2</sub>e per liter

### Emission factor source

2018 Climate Registry Default Emissions Factors (May 2018) UNFCCC CRF Implied Emission Factor Natural Gas; 2012; IPCC 2006 DEFAULT PER "Emissions Factor Database"; Defra/DECC Conversion factors for Company Reporting Version 1.0 (2018)

### Comment

This emissions factor is an average of the U.S. national average factor, Canadian provincial factors, and national average factors for the following countries: Belgium, Cayman Islands, Germany, Ireland, Mexico, Norway, Poland, Spain, United Kingdom

## Propane Liquid

### Emission factor

0.02157

### Unit

metric tons CO<sub>2</sub>e per liter

### Emission factor source

2018 Climate Registry Default Emissions Factors (May 2018)

### Comment

This emission factor is the U.S. national average factor

## C8.2e

---

**(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

Electricity	27	27	27
Heat			
Steam			
Cooling			

## C8.2f

---

**(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.**

**Basis for applying a low-carbon emission factor**

Energy attribute certificates, Renewable Energy Certificates (RECs)

**Low-carbon technology type**

Other low-carbon technology, please specify (Wind and Solar)

**Region of consumption of low-carbon electricity, heat, steam or cooling**

North America

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

10621

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

In CY2018, U.S. Bank purchased a total of 1491 MWh of Green-e Certified Clean Source RECs through both Portland General Electric's Clean Wind Green Tags. Additionally, in CY2018, U.S. Bank purchased a total of 9,130 MWh of Green-e Certified Clean Source RECs through Xcel's Renewable\*Connect program. The Renewable\*Connect program includes a mix of wind and solar energy, both of which carry an emissions attribute of 0. 'Other low-carbon technology, please specify' was selected to clarify this fact.

---

**Basis for applying a low-carbon emission factor**

Energy attribute certificates, Renewable Energy Certificates (RECs)

**Low-carbon technology type**

Solar PV

**Region of consumption of low-carbon electricity, heat, steam or cooling**

North America

**MWh consumed associated with low-carbon electricity, heat, steam or cooling**

76153

**Emission factor (in units of metric tons CO2e per MWh)**

0

**Comment**

In CY2018, U.S. Bank purchased a total of 86,774 MWh of RECs through the CD Global Solar NC Holdings, LLC which develops community Solar PV projects primarily in the State of North Carolina.

---

## C9. Additional metrics

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### 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.**

Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

### C10.1a

---

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

**Scope**

Scope 1

**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**

USBank - CDP Verification Statement Limited 2018 final rev 1.pdf

**Page/ section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope**

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**

USBank - CDP Verification Statement Limited 2018 final rev 1.pdf

**Page/ section reference**

Page 1

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope**

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**

USBank - CDP Verification Statement Limited 2018 final rev 1.pdf

**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 3 emissions and attach the relevant statements.**

**Scope**

Scope 3- all relevant categories

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Attach the statement**

USBank - CDP Verification Statement Limited 2018 final rev 1.pdf

**Page/section reference**

Page 1

**Relevant standard**

ISO14064-3

---

## 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?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

---

### C11.1

---

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### 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

**% 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 (52 suppliers in 2018/ 39 suppliers in 2017/ 9 suppliers in 2016) in an effort to better understand our customers' 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. Examples are our Green Auto loan where we leverage the EPA SmartWay program to help our customers reduce their emissions and 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. In 2018, U.S. Bank also added 3 new questions to our RFP process for all new projects. This will assist 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 52 suppliers in 2018). 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. We will measure 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**

---

**C12.1b**

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**(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 education customers about your climate change performance and strategy

**% of customers by number**

100

**% Scope 3 emissions as reported in C6.5**

0

**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.

**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 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 the first time, in 2018, 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](http://www.usbank.com/community). We will measure success for reaching customers and other stakeholders by looking at the number of downloads for each document from our website.

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**C12.1c**

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**(C12.1c) 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 also 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 recently 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. Our feedback was impactful to develop the final versions of each framework.

This round table has provided a peer resource for successful tracking and measuring of employee commuting emissions. U.S. Bank plans to utilize this resource over the next year to begin work on calculating our employee commuting emissions.

**C12.3**

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**(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

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**(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.

## 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

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**(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).**

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

2018\_USBancorp\_Annual\_Report (1).pdf

**Page/Section reference**

Pages 16 & 17. Page 16 includes our metric for environmentally beneficial lending and investments. Page 17 offers an overview of our strategy and initiatives.

**Content elements**

Strategy

Emission targets

Other metrics

**Comment**

---

**Publication**

In voluntary communications



**Status**

Complete

**Attach the document**

- 2018\_CSR Report Link.docx
- 2018\_USBancorp\_GRI-Index\_FINAL.pdf
- 2018\_USBancorp\_ESG\_FINAL.pdf
- 2018\_USBancorp\_Community\_One-Pager\_FINAL.pdf

**Page/Section reference**

In the full CSR annual report, our environmental efforts are found by clicking on the "Responsibility" tab at the top of the page and choosing "environment". U.S. Bank also provided 3 downloadable pieces this year that discuss environmental efforts throughout - GRI Index, ESG 2 pager and Community Possible one pager.

**Content elements**

- Governance
- Strategy
- Emission targets
- Other metrics

**Comment**

---

**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

- USB Proxy 2019.pdf

**Page/Section reference**

Page 9 provides an overview of U.S. Bank's responsible lending practices and risk management through enhanced due diligence; Page 27 provides documentation that the Public Responsibility Committee of the board of directors provides oversight of U.S. Bank's environmental work; Page 34 provides further insight into U.S. Bank's risk management, plus our GHG emissions reduction target and environmental lending and investing metric.

**Content elements**

- Governance
- Strategy
- Risks & opportunities
- Emission targets
- Other metrics

**Comment**

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**C14. Signoff**

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**C-FI**

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**(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.**

**C14.1**

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**(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

Row 1 Andrew Cecere - Chairman, President and CEO

Chief Executive Officer (CEO)

## SC. Supply chain module

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### SC0.0

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

### SC0.1

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

Row 1

22637000000

### SC0.2

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

Yes

### SC0.2a

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

Row 1 US

90297330

### SC1.1

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**(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

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

### SC1.3

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

Customer base is too large and diverse to accurately track emissions to the customer level

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.

---

**SC1.4**

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

No

---

**SC1.4b**

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**(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**

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

---

**SC2.2**

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**(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 2019-2020 CDP Action Exchange initiative?**

No

---

**SC3.2**

---

**(SC3.2) Is your company a participating supplier in CDP's 2018-2019 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**

I am submitting my response  Public

Investors  
 Customers

Yes, submit Supply Chain Questions now

**Please confirm below**

I have read and accept the applicable Terms