

Community Possible

2016 Corporate Social Responsibility Report



Creating sustained change

Banks have been the cornerstone of communities for generations — it is a role we are proud to fill at U.S. Bank.

In 2016, we contributed \$54.2 million to nonprofit organizations across the country through the [U.S. Bank Foundation](#) and corporate contributions.



We are fueled by a commitment to do the right thing, and that commitment has been recognized by organizations including the Ethisphere Institute, which has named us a [World's Most Ethical Company](#) three years in a row. Every dollar we pledge, every hour we volunteer and every step we take toward building stronger financial futures is an opportunity to establish trust and lay a foundation that leads to sustained, positive change. We call this approach [Community Possible](#).

Community Possible is our corporate giving and volunteering platform focused on the areas of Work, Home and Play. We believe the building blocks that make our country great — a stable job, a home to call your own and a community connected through culture, arts, recreation and play — are at the heart of possibility for us all.

We introduced Community Possible to the country in 2016 by sending two U.S. Bank employees out on the road for a first-of-its-kind [Community Possible Relay](#), complete with a coach bus we called “Big Blue.” The team traveled 13,000 miles, visited 38 cities in 25 states, worked with thousands of U.S. Bank volunteers, 96 nonprofit organizations, and served 177,000 individuals through random and planned volunteerism efforts. Along the way, the team energized communities with their devotion to people and passion for

discovering untapped potential. It was a visible, powerful movement.

Through Community Possible, our corporate social responsibility work includes philanthropic and business investments supporting economic development, workforce development and community development. Our corporate social responsibility work also includes our commitment to diversity and inclusion, financial education and environmental responsibility. And none of it is possible without our employees. We are proud to give back and to provide our employees with opportunities to do the same through paid time off to volunteer, matching gifts and our Dollars for Doing program. We encourage you to [learn more](#) about our Corporate Social Responsibility efforts and impact.

There are over 73,000 of us working together every day to create sustained, positive change. We are proud to be a cornerstone of the community because we know our business is built on the foundation of trust, and that trust begins at Home, at Work and where we Play.

A handwritten signature in black ink, appearing to read 'Andy Cecere'. The signature is stylized and fluid.

Andy Cecere
President and CEO
U.S. Bancorp



Our business

Community impact and economic development are at the heart of our business. From the banker helping parents open a college savings account for a child, to helping a family purchase their first home or providing a loan to a small business, we take the time to help our customers navigate financial milestones to make their possible happen.

\$22B

supportive
homeownership
programs

\$2.6B

environmentally
beneficial loans and
investments

\$2B

small business
loan balances

\$4.7B

community
development lending
and investing

150,000

individuals reached
through financial
education

\$400M

investment in
minority- and
women-owned
businesses

\$85M

impact investing
client asset
value

\$54.2M

grants and
contributions



U.S. Bank offers a variety of **mortgage programs and products for first-time, veteran and low- to moderate-income (LMI) borrowers in the country.** Our proprietary American Dream home loan is widely considered to be one of the best home loans for first-time LMI borrowers and neighborhoods and is one of the only home loans on the market that allows for a low down payment and has rehabilitation options available. In 2016, the **American Dream loan program** offered more than 1,200 loans totaling \$145.7 million.

In addition to the American Dream home loan, U.S. Bank participates in a number of national programs such as VA, FHA and Home Possible Advantage, Freddie and First Step loan programs and Housing Finance Agency products. Our combined lending through all our supportive homeownership programs reached \$22 billion in 2016.

Beyond lending, U.S. Bank is committed to supporting all homebuyers through the process of **home ownership.** We partner with several housing counseling agencies to provide first-time **home buyer training** and participate in numerous **down payment assistance programs.** In 2016, nearly 1,500 U.S. Bank mortgage customers benefitted from down payment assistance programs.



Last year, we revitalized communities with a total of **\$4.7 billion** in community development loans and [U.S. Bancorp Community Development Corporation \(USBCDC\)](#) investments.

USBCDC is a division of U.S. Bank and the nation's most active investor in building affordable housing, helping growing companies expand, preserving historic buildings and investing in renewable energy. USBCDC has been making investments across the nation for the past 30 years in **tax credits to help developers, nonprofits and business owners bridge gaps in funding.**

In 2016, USBCDC invested **\$3.2 billion in tax credit projects** across the United States, committed to increasing opportunities for individuals in need.

U.S. Bank contributes to the growth and strength of its communities through its [Community Development Lending program.](#) Our lending programs range from multi-family and senior rental to special-needs and military housing and commercial redevelopment projects. In 2016, U.S. Bank made **\$1.5 billion in community development loans,** creating 9,730 housing units and supporting the creation of 3,500 new jobs.



At U.S. Bank, we care deeply about promoting sustainable business practices while supporting economic growth — it is one of the reasons that we have invested **\$2.6 billion in environmentally beneficial business opportunities in 2016.**

We are also a leader in developing **Community Solar Garden (CSG)** programs in four states and have been recognized for our leadership nationwide. CSGs can lead to easier access and adoption of solar, which creates job opportunity and spurs economic development in these markets.

Our **tax equity investments** helped finance 61 megawatts of community solar projects in Minnesota, Massachusetts and New York. This includes a 20 megawatt community solar project in Massachusetts that is the largest community solar project in the nation. This project alone will support approximately 1,500 jobs during construction and 40 permanent jobs. Our investment in community solar will offset approximately 1.8 MM metric tons of CO₂. It will provide access to solar for those who do not have an appropriate roof, do not own their home or business, residents in multi-unit buildings, and low-income housing residents.



A community prospers when small businesses thrive, and U.S. Bank stands as a strong partner to the small business community having \$2 billion in [Small Business Administration \(SBA\) credit balances](#) as of year-end 2016, encouraging **business expansion, startup companies and job creation.** U.S. Bank is a leading participant in the SBA lending programs.

At the end of SBA's fiscal year 2016, U.S. Bank maintained its third-largest SBA lender by volume and fourth-largest lender by units with 3,285 total loan commitments. SBA-backed loans can be used for a variety of business expenses from equipment and real estate to working capital.

Additionally, we support small businesses by partnering with **Community Development Financial Institutions** to help create jobs and economic opportunities in communities across the country.



The mission of the [U.S. Bank Supplier Diversity program](#) is to identify, develop and build strong relationships with certified small and diverse business enterprises that are qualified to supply U.S. Bank with quality products and services.

In 2016, U.S. Bank spent more than **\$400 million** with minority- and women-owned businesses and was named the 2016 Corporation of the Year by the North Central Minority Supplier Development Council.

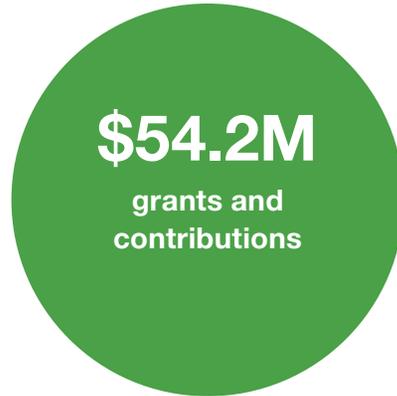
Supplier Diversity demonstrates our commitment to the process of promoting business opportunity at the bank for certified **minority- and woman-owned business enterprises as well as certified veteran and LGBT businesses**. This includes identifying opportunities for diverse suppliers to participate in the competitive bid process on an equal basis with all other bidders and to **promote business development of diverse suppliers**.



At the end of 2016, U.S. Bank had more than \$85 million in client asset value invested in [impact investing funds](#). These are investments made in companies, organizations and funds with the intention to **generate social and environmental impact alongside a financial return**. Social impact investments strive to provide opportunities for better life through **health and wellness, microfinance, affordable housing, small business development and environmental impact**. Environmental impact investments seek to reduce strain on the earth's finite resources through natural resources conservation, water conservation and sanitation, clean energy production and environmentally conscious real estate.

At U.S. Bank, we have a **team of experts** in impact investing ready to serve our clients who wish to invest while promoting positive environmental and societal impacts, customizing their portfolios to address their unique passions and concerns.

We build balanced portfolios of varied risk levels that look like traditional investment portfolios, drawing upon our **global investment platform** of external fund managers in stocks, bonds, private equity and private debt.



Strong communities are built upon strong foundations. To build those strong foundations, U.S. Bank invests in programs designed to serve **local community needs**. We add strength and vitality to our communities through the U.S. Bank Foundation and corporate contributions reaching a combined total of \$54.2 million in 2016.

Through the **U.S. Bank Foundation Community Possible** platform, we invest our time, resources and passion in economic development by supporting efforts to create stable jobs, better homes and vibrant communities. In 2016, the U.S. Bank Foundation provided **\$26.2 million in grant funding, matching gifts and Dollars for Doing contributions**.

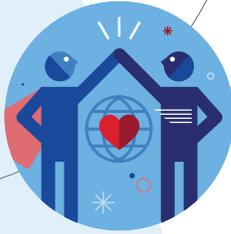
Nonprofit donations and sponsorships are an integral part of our company's philanthropic initiatives. In 2016, U.S. Bank contributed **\$28 million in corporate contributions** and nonprofit sponsorships.



Investing in education is an investment in our future. Creating opportunities for children and adults to equip themselves with the information they need to develop brighter futures helps build communities that are progressive and self-sufficient. U.S. Bank **empowers its employees and its customers to grow their financial knowledge** through programs like [Financial Genius](#), [Student Union](#) and financial education seminars.

At U.S. Bank, financial education refers to a set of skills and knowledge that enable an individual to make informed and effective decisions in regards to their personal finances. **Financial education seminars** have the power to teach individuals about the benefits of building a banking relationship with a financial institution. Among these benefits are economical access to funds and credit, the ability to establish a positive financial history, consumer protection and perhaps most important, a higher propensity towards saving, which increases net worth.

Through our grassroots efforts, U.S. Bank volunteers employ their expertise to educate and motivate local members of the community to achieve their financial goals. In 2016, more than **150,000** individuals were served through financial education seminars and online workshops in local communities.



Our employees

We empower our 73,000 employees to do the right thing and give back to their communities. To do that, we provide paid time for volunteer work and match employee donations.

Every U.S. Bank employee is given up to 16 hours of paid time off to volunteer and U.S. Bank supports organizations where our employees serve through programs like Matching Gifts and Dollars for Doing. In 2016, U.S. Bank employees donated 219,000 hours of volunteer time, which is estimated at \$5.2 million using the [valuation tool](#) provided by Independent Sector.

Our employees donate their own funds to support each other through our unique [Employee Assistance Fund \(EAF\)](#). The EAF was an idea from employees, who wanted to help their colleagues recover from unexpected financial hardships. Since its inception, the EAF has granted almost \$8 million to more than 2,000 employees.

As an organization, U.S. Bank and its employees collectively give back to the United Way with an annual campaign. In 2016, employees donated more than \$13.9 million through the United Way and completed 4,500 volunteer hours during the campaign.

We are committed to hiring and supporting veterans. U.S. Bank supports the needs of our military employees' spouses/partners with flexible work arrangements and relocation options for many roles. We are

\$8M

granted by the
Employee Assistance
Fund to 2,000+
employees



\$13.9M

donated through
the United Way



proud to participate in the White House's Joining Forces initiative and Military Spouse Employment Partnership. We also offer employees child and elder care support, adoption assistance reimbursement and student loan repayment options for our interns who have been hired on as full-time employees.

At U.S. Bank we do the right thing by rewarding employees fairly – demonstrating concern for employees' well-being, offering equal opportunities for employment, earning several "great places to work" accolades.

Read more about our employees' impact:

[Volunteer firefighters answer call in Gatlinburg](#)

[Employee Assistance Fund: Create hope](#)

[U.S. Bank supports United Way](#)



219,000

employee
volunteer
hours



Charitable giving

We believe the building blocks of all thriving communities where all things are possible include: stable employment, a home to call your own and a community connected through the arts, culture and recreation. Through [Community Possible](#), we focus our efforts to create stable jobs, better homes and vibrant communities: Work, Home and Play.

Work

Strong small businesses and an educated workforce ensure the prosperity of our communities. We support programs that **help small businesses thrive, people succeed in the workforce and gain financial literacy, and provide pathways to higher education.** To this end, in 2016, we gave \$8.2 million in Work grants and built partnerships with several nonprofit organizations providing financial and career-readiness support to ensure students have the tools to further their education and acquire skills to successfully transition to the workforce.

Home

The case for a stable, healthy home environment is clear: Children and families are better positioned to thrive and succeed in a home that is safe and permanent. In response, our giving supports efforts that **connect individuals and families with sustainable housing opportunities.** In 2016 U.S. Bank granted \$4.6 million in Home grants and corporate contributions.



\$8.2M
in Work grants



\$6.1M
in Play grants

Play

Play brings joy. It is beneficial for problem-solving, creativity and relationships. We invest in community programming that supports **access to the arts, arts education and learning through play for people in low- and moderate-income communities.** In 2016, we funded \$6.1 million in Play grants. Additionally, we provided \$25 million in sponsorships that help bring families and communities together to enjoy sports, the arts and nature.

Read more about our charitable giving impact:

[BankWork\\$ program gives a fresh start in Denver](#)

[North Sarah Affordable Housing](#)

[U.S. Bank Places to Play](#)



\$4.6M
in Home grants



Financial education

At U.S. Bank, we provide thoughtful, holistic and integrated financial education resources for every life stage and financial need. In 2016, nearly 150,000 individuals were served through financial education seminars and online workshops in our local communities.

Our support for financial education extends to the communities we serve, including supporting our employees who volunteer their time to deliver **financial education training**, providing **grants and support** for organizations that provide **financial education services**.

In 2016, 1,900 U.S. Bank employees volunteered for **Junior Achievement**, contributing more than 15,000 hours of service and reaching 34,000 students across the nation. Nearly 40 U.S. Bank employees serve on Junior Achievement Boards. Additionally, U.S. Bank contributed more than **\$1.1 million** to Junior Achievement in 2016.

We also held 2,850 **financial education seminars** in our local communities. Through our **Student Union program** focused on financial education for college students, 38,000 students completed nearly 180,000 financial education modules to learn more about credit-building, identity theft, and savings. In 2016, we awarded **\$50,000 in scholarships** through the Student Union program.

Read more about our financial education impact:

[Student Union](#)

[Supporting Junior Achievement](#)

[U.S. Bank Economic Empowerment Program](#)



150,000
individuals served
through our financial
education programs



\$1.1M
grants and
donations to Junior
Achievement



2,850
financial
education
seminars



Diversity & inclusion

At U.S. Bank, diversity and inclusion are defining characteristics of our company and culture. By creating and sustaining a diverse workforce, we're able to grow our business and deepen relationships with employees, our communities and diverse suppliers.

One of our strengths is in our **employee diversity**. More than 60 percent of our workforce is composed of women — which is considered “best in class” among top companies. We support the **career advancement of women** through our U.S. Bank Women **Business Resource Group (BRG)**, which is one of six we offer employees. Other BRG chapters include: African American, Proud to Serve (military), Spectrum (LGBT), Asian Heritage and Nosotros Latinos. A new Native American BRG will launch in 2017. Membership in our BRGs increased 221 percent in 2016.

Outside of our employees, diversity and inclusion are core to our business operations and values. Recently, we were **one of only 29 companies in the Fortune 500 cited by the Alliance for Board Diversity** to have the broadest diversity on our U.S. Bancorp Board of Directors.

As part of our Community Possible platform, we are committed to getting **students to and through college and preparing them for professional careers**. Examples of our support include: a \$700,000 commitment to the United Negro College Fund and a two-year partnership with the American Indian College Fund.

We also support and sponsor many organizations which look to create

opportunities, add value and build relationships for the **communities we serve**. We sponsored the 2016 NAACP National Convention and support the work of the Association of Latino Professionals for America.

U.S. Bank strives to be a partner of choice to make a meaningful impact in communities where we live and work. The [U.S. Bank Supplier Diversity program](#) works to identify, develop and build strong relationships with certified **small and diverse business enterprises** that are qualified to supply U.S. Bank with quality products and services. **Over the past five years, U.S. Bank has increased its spending with diverse suppliers by 36 percent.**

Read more about our diversity & inclusion impact:

[Supporting veterans who work for U.S. Bank](#)

[Step-Up demonstrates the power of mentorship in the Twin Cities](#)

[Ferguson Empowerment Center](#)



60%
women in
our workforce



36%
increase in supplier
diversity spending
over the past
five years

2,000
veterans
employed



Environment

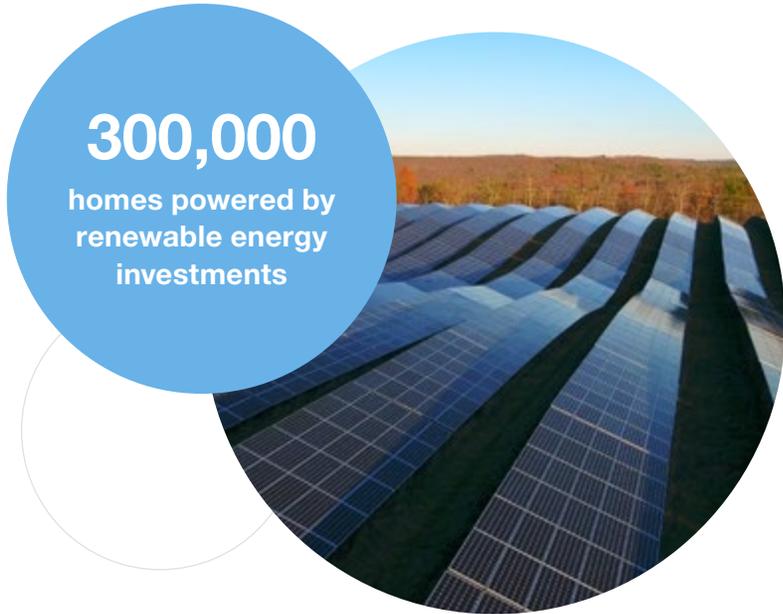
At U.S. Bank, we care deeply about promoting sustainable business practices while supporting economic growth — it is one of the reasons that we have invested more than **\$15 billion** in environmentally beneficial business opportunities over the past several years.

Since we serve a broad spectrum of enterprises across a diverse array of industries — **we embrace a balanced approach as we address climate change and the needs of our communities, customers, employees and shareholders.** Environmental sensitivity is an important component of our credit, investment, underwriting and payment procedures and is integrated into our overall risk management philosophy.

We believe that we can make a positive contribution to a sustainable environment by developing **business practices to protect and conserve our natural**



\$2.6B
to environmentally
beneficial
businesses



300,000
homes powered by
renewable energy
investments

resources, as well as by discovering opportunities to invest in **innovative new products, services, and partnerships** in areas such as renewable energy and mobile banking.

Most importantly, our oversight of customers incorporates awareness of the environmental impact they have, including our customers from the energy sector. Our [Environmental Responsibility Policy](#) is the centerpiece for our sustainability governance and guides us in how we improve our sustainability efforts today and in the future.

We're a national leader in **community solar garden development**, and our 2016 renewable energy investments helped power more than 300,000 homes and employ over 22,000 people. The carbon offset of these investments is equal to removing 445,000 cars from the road or planting about two million acres of forest. We are also committed to operating in a

more sustainable manner. We recently set a **goal to reduce our operational greenhouse gas (GHG) emissions by 40 percent by 2029 and 60 percent by 2044**, using a 2014 baseline.

All newly constructed U.S. Bank branches are built to **LEED-certification standards.**

We continually review our practices and our Environmental Responsibility Policy, looking for additional opportunities to enhance our commitment and continue making a positive impact on the environment around us.

Read more about our environmental impact:

[Strengthening our environmental commitment](#)

[Community Solar Gardens](#)

[Earthwatch Teach Earth program](#)

2016 Recognitions

A 2017 World's Most Ethical Company®

*Ethisphere® Institute, March 2017
(also in 2015 and 2016)*

#1 Employee Volunteer Program

PR Daily's 2016 Corporate Social Responsibility Awards

Best Places to Work for LGBT Equality

*Human Rights Campaign Foundation
(perfect score, for the 10th consecutive year)*

Most Trusted Companies for Retail Banking

*Ponemon Institute, October 2016
(for the 10th consecutive year)*

A 2016 Best Bank

*Money® magazine,
October 2016*

#1 Most Admired Superregional Bank

*Fortune, February 2017
(also annually from 2011–2016)*

Best for Vets: Employers

Military Times, 2010–2016

Military-Friendly Employers List

G.I. Jobs, 2012–2016



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