

U.S. Bancorp - Climate Change 2018

C0. Introduction

C0.1

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

Minneapolis-based U.S. Bancorp (“USB”), with 74,000 employees and \$461 billion in assets as of June 30, 2018, is the parent company of U.S. Bank, the fifth-largest commercial bank in the United States. The Company operates 3,054 banking offices in 25 states and 4,729 ATMs . 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 2018 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 tactics 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. Philanthropic support through the U.S. Bank Foundation and corporate giving program reached \$58.4 million in 2017. Visit usbank.com/community.

C0.2

(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 2017	December 31 2017	No	<Not Applicable>
Row 2	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 3	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Row 4	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

C0.3

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

- Canada
- Cayman Islands
- Ireland
- Mexico
- United States of America

C0.4

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

- USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

- Operational control

C1. Governance

C1.1

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

- Yes

C1.1a

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board/Executive board	The committee with the highest level of direct responsibility for climate change is our Public Responsibility Committee (PRC), an official committee of U.S. Bancorp Board of Directors. It is comprised of independent directors. The committee's purpose is to review/ consider U.S. Bancorp's position/ practices on matters of public interest and public responsibility and similar issues involving our relationship with the community at large, including reputation. Item #6 under the Powers and Responsibilities section of the committee charter states the committee oversees "the Company's policies and programs related to corporate social responsibility matters, including environmental sustainability." This includes guiding our public stance on climate change, and the direction of climate change efforts. This work fits under the PRC due to our responsibility to protect the communities in which we operate (public) and potential reputation impact of this work.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Environmental updates, including climate-related issues, are presented to the Public Responsibility Committee of the Board of Directors annually. The purpose of these updates is to review strategy, goals, possible risks, as well as risk mitigation initiatives, and major environmental partnerships/ initiatives. These scheduled presentations ensure accountability as well as allow board members to provide feedback and guidance on current and future work.

C1.2

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (U.S. Bank’s Chief Administrative Officer)	Both assessing and managing climate-related risks and opportunities	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

U.S. Bank’s Chief Administrative Officer (CAO) reports directly to the CEO and is responsible for overseeing the management of U.S. Bank’s reputational risk, including climate change risk. This responsibility is included in her annual goal plan. Issues are monitored and reported to the CAO by U.S. Bank’s Chief Corporate Social Responsibility Officer (CCSRO), who reports directly to the CAO, and U.S. Bank’s Environmental Program Manager who is part of the CCSRO’s team. The CAO assesses the potential reputational and business impact of the issue and advises on mitigation strategy. Day to day climate related issues are monitored and managed by the Environmental Program Manager. This includes quarterly meetings and working with an enterprise wide group of senior leaders (Environmental Working Group) to assess and implement U.S. Bank’s climate related initiatives. Weekly updates are provided to the CCSRO during regularly scheduled meetings and included in weekly email updates to the CAO as needed. U.S. Bank’s Reputation Risk Oversight Committee (RROC), which is an official subcommittee of an executive level committee and includes the CAO, as well as the CCSRO, provides oversight for the Environmental Working Group and receives quarterly updates regarding climate related issues. The Public Responsibility Committee of the board of directors provides oversight of the RROC. The work outlined above fits within the scope of the CAO’s role as the C-suite executive tasked with managing U.S. Bank’s reputation. Climate change is a risk we take very seriously and one that our stakeholders are showing an increase in interest around. As such, it can have a significant impact on our reputation. Also, as the C-suite executive tasked with managing the impact on the communities we serve and sharing our company brand and strategy, our impact on the environment is a key piece of that work. "We do the right thing" is central to our brand and our identity as a company, and lessening our impact on the environment is the right thing to do.

C1.3

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

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?

Other C-Suite Officer

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

U.S. Bank's Vice Chairman and Chief Administrative Officer has high level oversight of company environmental strategy and policy, including U.S. Bank's GHG emissions reduction target of 40% by 2029 and 60% by 2044. This includes employee engagement around environmental efforts to reduce corporate emissions, customer engagement and driving internal change towards being more environmentally responsible. She has oversight of strategy and initiatives to drive U.S. Bank's environmental progress, including meeting our target, and this is written into her annual performance goals. Her compensation is informed by achieving the goals in her goal plan.

Who is entitled to benefit from these incentives?

Executive officer

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

U.S. Bank's Chief Corporate Social Responsibility Officer is responsible for managing the employees who set U.S. Bank's environmental strategy, including performance targets. She is also responsible for managing climate change risk in partnership with her team. Management of climate change strategy and risk is part of her performance goals and success is incentivized through annual performance awards.

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction project

Comment

U.S. Bank's VP - Environmental Program Manager is responsible for coordinating efforts to engage employees and modify behaviors to reduce emissions, as well as working across business lines to coordinate energy/ emissions reduction initiatives. Success is incentivized through annual performance awards.

Who is entitled to benefit from these incentives?

Energy manager

Types of incentives

Monetary reward

Activity incentivized

Energy reduction project

Comment

U.S. Bank's VP - Energy Manager within Corporate Real Estate has a bonus that is directly tied to improvements in energy consumption and reduced emissions caused by reduced energy usage.

Who is entitled to benefit from these incentives?

Facilities manager

Types of incentives

Monetary reward

Activity incentivized

Energy reduction project

Comment

U.S. Bank's facility managers receive reporting for lowest performing locations within their portfolio. They are incentivized for reducing the energy use/ emissions at those low performing locations.

Who is entitled to benefit from these incentives?

Business unit manager

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction project

Comment

Renewable energy managers within the U.S. Bancorp Community Development Corporation are responsible for tax credit investing of projects within the solar/ renewable energy industry. These projects help customers reduce or avoid GHG emissions. These managers are incentivized by the number of renewable energy projects they facilitate and manage.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Behavior change related indicator

Comment

Development and implementation of sustainability initiatives, including those which have direct impact on emissions reduction, such as energy reduction and transportation initiatives. U.S. Bank employees are recognized with specific environmentally focused recognition tools within the company's employee recognition program.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	5	
Medium-term	5	10	
Long-term	10	20	

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	U.S. Bank risk management procedures vary across types of potential risks (asset level, portfolio risk, reputational risk, etc.) In general, the timeframe looks out up to 20 years depending on the product type and length of commitment. Depending on nature and severity of the risk identified, the results are reported up through the impacted business line risk division, the corporate-wide risk division, the Environmental Working Group, and the Reputation Risk Oversight Committee who oversees the Environmental Working Group. An environmental update is shared annually with the Board of Directors' Public Responsibility Committee. This report includes an update on environmental risk identification processes and potential high impact risks. U.S. Bank's focus is mainly on national (U.S.), but some international focus as well.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

U.S. Bank's enterprise risk management policy covers management of risks that may negatively impact the Company, including credit, financial, liquidity, market, operational, reputational, strategic, and other risks as appropriate. U.S. Bank has a Chief Risk Officer who reports to the CEO. He leads the independent risk management organization, Risk Management & Compliance, which provides oversight of the Company's risk-taking activities.

In addition, every business line within U.S. Bank has a team specifically focused on all types of risks, both at the business unit level (i.e. risk in lending portfolio or product specific risk), risks at the asset level (i.e. corporate real estate for our facilities and credit risk for assets within our portfolio), and risks at the company level (reputational risk or supply chain risk). U.S. Bank encourages open discussion and escalation of possible risks across all business lines. As risks are identified and addressed, our business lines are simultaneously looking at ways to turn these to opportunities for additional product development/sales, and/or cost savings.

U.S. Bank utilizes a multiple line of defense approach in the prioritization of risk, looking at business line risk management, corporate-level risk management and assurance/validation/verification of our risk management processes, with escalation processes and procedures clearly defined.

From an opportunities perspective, as risks are identified and addressed, business lines simultaneously look for ways to turn these into opportunities for additional product development/sales, and/or cost savings, and opportunities are typically prioritized by creation of positive operating leverage (balancing the revenue potential with the development expense).

U.S. Bank seeks feedback from NGOs, industry groups, customers, shareholders, and peer banks to better understand and identify current and potential risks related to climate change.

Specifically related to climate change, U.S. Bank would recognize impact of risks/ opportunities to be substantive to the organization and prioritize them based on the likelihood and significance of the potential financial and/or reputational impact to the company. This includes consideration around 1) number of business lines and/ or customers affected, 2) potential financial loss and/or revenue as a result of the risk or opportunity, and 3) stakeholder attention around the risk/ opportunity, including potential effect on U.S. Bank's reputation. Highest priority would be given to any risk or opportunity seeing an increase in more than one of the three metrics listed.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As a financial services company, we are highly regulated, so this is always relevant to our business and included in our climate-related risk assessment. Two members of U. S. Bank's legal department are part of the Environmental Working Group that drives climate related risk management initiatives and our formal risk management process is a detailed review by the compliance team who is well versed in current regulations. Current regulation that is included in our risk assessment is around renewable energy tax credits. The U.S. Bancorp Community Development Corporation is a leader in the renewable energy investment tax credit and community solar garden markets. Increased regulation, setting limits around the types of investments allowed under the tax credit, or a decrease in supportive regulation, such as discontinuing the tax credit at the federal level, in this area might lead to a reduced ability to make these types of investments. In 2017 they invested more than \$1.8 billion in renewable energy, including \$4 million in renewable energy tax credit equity and \$3.2 million in New Market Tax Credits equity with Scenic Hill Solar to finance the completion of a solar energy facility in Clarksville, Arkansas. Scenic Hill is just one example of our investment work. The 6.5 megawatt project will generate 11.1 million kilowatt-hours of electricity in the first year of operation. The carbon offset of this investment is equal to planting 8,800 acres of forest, 195,000 seedlings grown over 10 years, or eliminating 18 million miles driven by an average passenger car. This Scenic Hill project created 100 construction jobs in the community and produces enough energy to power 816 homes. It also has served as a starting point for other area businesses to review their sustainable and renewable energy goals.
Emerging regulation	Relevant, always included	Similar to current regulations, as a financial services company, we are highly regulated, so this is always relevant to our business and included in our climate-related risk assessment. Two members of U. S. Bank's legal department are part of the Environmental Task Force that drives climate related risk management initiatives and our formal risk management process is a detailed review by the compliance team who is well versed in current regulations. An example of emerging regulation that is being assessed throughout our risk management process is increased taxes and regulation around energy and fuel. Increased taxes and regulation around fuel and energy would increase the operating cost to run U.S. Bank's over 3,000 locations. It might also affect the type of energy we can purchase, which has the potential to force us into fuel/ energy purchasing agreements with a higher cost than previous partnerships. In 2017, U.S. Bank spent around \$64 million on energy to operate our over 3,000 locations. If fuel and energy taxes increase, these costs will increase the level of funding needed to operate our facilities.
Technology	Relevant, always included	U.S. Bank offers many online services that reduce emissions by eliminating the need to travel to branches for customers' banking needs. Data security is paramount to who we are as a company and to our industry in general, so any risks involved with these services are always included in our risk management process. An example would be the fact that U.S. Bank recently became the first bank to offer banking services on all three major platforms: Amazon Alexa, Google Home and Apple Siri. In order to reduce risk, certain banking functions are not allowed when using these platforms.
Legal	Not relevant, included	We have not faced any climate-related litigation as a company, so we do not currently consider this risk relevant to our company. We do monitor potential legal risk and will consider it relevant if we see a change in our current situation.
Market	Relevant, sometimes included	Market shifts do affect our customer, which in turn can affect our bottom line through an increase in write-offs. For example, if the shift to a low carbon economy increases the market for electric vehicles, any customers who have not diversified into this market might see a decrease in revenue, resulting in an inability to meet financial commitments, which would, in turn, affect U.S. Bank's business. When we see a market shift that would affect a large number of customers, we would then include the risk in our portfolio review and risk assessment.
Reputation	Relevant, always included	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' emissions 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. Due to an increase in feedback being received through our Customer Experience Group, our Investor Relations Group, and our Communications team, we now have a better, more streamlined approach to collecting this feedback and assessing the risk through our Environmental Working Group.
Acute physical	Relevant, always included	Natural disasters affect U.S. Bank's customers and can lead to their inability to fulfill commitments. If their business is destroyed through flooding or other climate related event, they may be unable to conduct business. This would lead to an inability to repay debt and a decrease in future relationship opportunities. It's difficult to manage this risk due to the uncertain nature of where a flood or disasters will hit, but U.S. Bank attempts to evaluate customer relationships in relation to recent trends through our risk management process. A dashboard has been created to track financial impact to our portfolio from past events and evaluate the likelihood of future impact from additional disasters.
Chronic physical	Relevant, always included	Similar to the acute physical occurrences, chronic shifts caused by climate change can also affect our customers and their ability to fulfill commitments, as well as a decrease in future relationship opportunities. Our Risk Management Team is working on stress testing our portfolio against current drought conditions, as well as worsening conditions. Changes in temperature extremes will also lead to an increase in energy use to heat and cool U.S. Bank's over 3,000 locations. U.S. Bank has several locations in the Western/ Southwestern United States, in cities such as Las Vegas, Phoenix, San Diego and Los Angeles. With temperatures continuing to rise, especially in the desert climates, our locations in these areas will require a continually higher level of cooling. U.S. Bank is headquartered in Minneapolis, a traditionally cool city, and has a large presence in other northern locations, such as Milwaukee and Fargo. These locations do not usually require a high level of cooling, but with increasingly warmer weather, they now require more use of air conditioning units, resulting in higher costs and emissions. In 2017, U.S. Bank spent around \$64 million on energy to operate our over 3,000 locations. If extreme temperatures worsen, these costs will increase the level of capital needed to operate our facilities.
Upstream	Not relevant, explanation provided	As a financial services company, U.S. Bank's upstream assets are limited and not reliant on specific suppliers, so they would not pose a significant risk if impacted by climate change.
Downstream	Relevant, always included	As a financial services company, U.S. Bank's downstream risks involve our customers and climate change impacts that affect their ability to fulfill commitments and expand their relationship with us. We work to mitigate this risk through enhanced due diligence of customers within high environmental impact industries. We also address this risk through our portfolio stress testing against natural disasters.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

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 continue to expand our internal communication through use of shared databases and specific presentations to educate and inform various business lines about issues and opportunities so that each business line can use that information to integrate climate change into their business risk management process and identify opportunities for business growth. We have resources within our Environmental Working Group, Reputation Risk Oversight Committee, and within business lines that work to continually expand/integrate climate change risks/opportunities into business strategies.

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 risk of customer relationships. In 2017, we developed a review and escalation process with senior management and it has heightened environmental impact awareness across all business lines, thus being reflected in individual business line strategy and goals. U.S. Bank also created a Policy that is supported by a Working Group that identifies and monitors areas of elevated risk associated with Bank relationships, including those who have a high environmental impact. This has allowed us to identify and address relationship risks in a more consistent and proactive manner. 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.

An example of how we have managed physical climate change risks and opportunities is through our 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 our participation in Xcel Energy's Renewable Connect program.

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. Our extensive risk infrastructure monitors and helps mitigate risks due to climate change such as disaster recovery in the event of severe weather instances.

C2.3

(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

(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 driver

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

Company- specific description

In 2017, U.S. Bank spent around \$64 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 and Fargo. 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

Potential financial impact

640000

Explanation of financial impact

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 45 projects in 2017, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 2100 MWh of electrical energy.

Cost of management

2000000

Comment

\$2 million is U.S. Bank's annual budget for energy efficient projects.

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 driver

Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations)

Company- specific description

U.S. Bank's Risk Management Team completed a financial impact assessment following recent hurricanes and did see losses 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.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Potential financial impact

0

Explanation of financial impact

U.S. Bank is currently tracking financial impact of historical climate related events in an effort to inform risk management around future events, but has not yet been able to quantify the potential financial impact of those future events.

Management method

It's difficult to manage this risk due to the uncertain nature of where a flood or hurricane will hit, but 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.

Cost of management

0

Comment

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.

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 driver

Reputation: 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. Examples of this risk are recent divestment campaigns targeted at banks who have relationships with companies who build oil and gas pipelines. U.S. Bank has been included in some of these campaigns and has been contacted by shareholders to discuss climate change impact.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

0

Explanation of financial impact

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 2017, we continued to enhance policy overview for our Environmental Responsibility Policy by adding more robust approval procedures and implementing a quality assurance process by an outside business line to ensure procedures are being followed. Review of this process roles up to an executive management level committee who reports to the Public Responsibility Committee of U.S. Bancorp's Board of Directors. We have also formed a relationship review committee to evaluate potential reputation risk attached to specific customers. This committee is made up of senior level staff, including C-suite leaders. 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. In 2017, we also published an annual Corporate Social Responsibility Report with a dedicated environmental section to better tell our positive story. We also included an expanded environmental impact section within U.S. Bank's Annual Report and addressed our environmental initiatives during our annual shareholder meeting.

Cost of management

0

Comment

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.

C2.4

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

Yes

C2.4a

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

Identifier

Opp1

Where in the value chain does the opportunity occur?

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 driver

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 fostering the development of 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

Potential financial impact

540000

Explanation of financial impact

In 2017, U.S. Bank invested over \$1.8 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 would hope to see our tax credit investing increase around 30% based on past investment totals.

Strategy to realize opportunity

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 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. In 2017, they invested \$4 million in renewable energy tax credit equity and \$3.2 million in New Market Tax Credits equity with Scenic Hill Solar to finance the completion of a solar energy facility in Clarksville, Arkansas. The 6.5 megawatt project will generate 11.1 million kilowatt-hours of electricity in the first year of operation. The carbon offset of this investment is equal to planting 8,800 acres of forest, 195,000 seedlings grown over 10 years, or eliminating 18 million miles driven by an average passenger car. This Scenic Hill project created 100 construction jobs in the community and produces enough energy to power 816 homes. It also has served as a starting point for other area businesses to review their sustainable and renewable energy goals. Scenic Hill is just one example of U.S. Bank's commitment to investing in businesses that support renewable energy efforts.

Cost to realize opportunity

2700000

Comment

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.

Identifier

Opp2

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 driver

Increased revenue through demand for lower emissions products and services

Company- specific description

A shift in customer preference for low carbon products could lead to increased interest in U.S. Bank's energy efficient premier loan and our green auto loan. Both provide a reduced interest rate for activities that reduce emissions. U.S. Bank's premier loan offers a 0.5% reduced rate if the loan is used to finance energy efficient improvements. U.S. Bank's green auto loan offers a 0.5% reduced rate if the vehicle being purchased is on the EPA's Smartway list.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

450000

Explanation of financial impact

In 2017, U.S. Bank provided over \$15 million dollars in green auto loans. If customer demand shifts to a low carbon economy, we would hope to significantly increase this number as customers seek to purchase more fuel efficient vehicles. We would also hope to see an increase in our energy efficient premier loan product as well. These increases would likely be minor, due to these not being large revenue generating products, probably only a 1-5% increase.

Strategy to realize opportunity

U.S. Bank promotes our energy efficient products, such as our green auto loan and energy efficient premier loan, during times when it's anticipated that the tax on oil and/ or gasoline will be increasing. If our customers are able to take advantage of these products to upgrade their car and/ or home to be more efficient, the impact will be less severe when the tax is increased. The intent is to reach the right audience at the right time so we can optimize participation in these products in an effort to assist our customers in reducing their emissions.

Cost to realize opportunity

0

Comment

Promotion of these products is included in general marketing campaigns, so no additional capital is needed to support the efforts.

Identifier

Opp3

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 driver

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's 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 2017, U.S. Bank provided over \$2.9 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. One specific project is Scenic Hill, where we invested \$4 million in renewable energy tax credit equity and \$3.2 million in New Market Tax Credits equity with Scenic Hill Solar to finance the completion of a solar energy facility in Clarksville, Arkansas. The 6.5 megawatt project will generate 11.1 million kilowatt-hours of electricity in the first year of operation. The carbon offset of this investment is equal to planting 8,800 acres of forest, 195,000 seedlings grown over 10 years, or eliminating 18 million miles driven by an average passenger car. This Scenic Hill project created 100 construction jobs in the community and produces enough energy to power 816 homes. It also has served as a starting point for other area businesses to review their sustainable and renewable energy goals. Having stronger sustainability goals in place will allow the city of Clarksville to be resilient against warming temperatures by offering a low cost, stable source of energy to cool their homes.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Potential financial impact

87000

Explanation of financial impact

In 2017, U.S. Bank provided over \$2.9 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 increasing our tracking efforts around our green lending and investment reporting to better capture our work in this space. Our work around stress testing our portfolio against natural disasters has allowed us to begin forecasting areas of future natural disasters. A potential strategy moving forward would be to reach out to customers within those areas and discuss products that can help them strengthen their assets against risk.

Cost to realize opportunity

0

Comment

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.

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 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 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. In 2016 and 2017, this number was 2, but this year it's 3 customers. 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 customers 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. In 2017 we also joined the Renewable Connect program offered by Xcel Energy to purchase renewable energy for our Minnesota locations. This risk has a medium magnitude impact on our business, as it led to a doubling of budget for our energy efficient projects (\$1M in 2016/ \$2M in 2017). 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 factored into your financial planning process.

	Relevance	Description
Revenues	Not yet 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 45 projects in 2017, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 2100 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 will provide 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.
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 all new branch locations to LEED certified standards, switching out light bulbs/fixtures to more efficient options, etc. We approved 45 projects in 2017, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 2100 MWh of electrical energy.
Liabilities	Impacted	By tracking the financial impact of historical natural events caused by climate change, such as the recent hurricanes, 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. Their mission is to transform the economy to build a sustainable future for people and the planet, and they are conducting a materiality assessment that will guide our long term climate change strategy.

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 lending and 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 communicatin 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 and 2017. 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 expand the 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 a sub-committee of the Board of Directors' Public Responsibility Committee. 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 2017 was to join the Ceres Company Network. Ceres is a nonprofit which is working to transform the economy to build a sustainable future for people and the planet. Through powerful networks and advocacy, Ceres tackles the world's biggest sustainability challenges, including climate change, water scarcity and pollution, and human rights abuses. This was a substantial investment for the Bank and will help shape our climate change roadmap and drive internal change, starting with a thorough materiality assessment.

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

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

Climate-related scenarios	Details
Other, please specify (CCAR (see details))	<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. Scenarios are presented to various business partners in an effort to protect our business from future climate change effects. Once scenarios are selected, the company estimates the potential financial impacts. Results are reviewed by a senior operating committee of the board of directors and then shared with U.S. Bank’s 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. Our framework is tied to our internal capital adequacy assessment processes. It is informed by regulations that govern the capital planning process, notably the Comprehensive Capital Assessment and Review (CCAR) regulatory rule. The framework relies on scenarios designed to stress specific vulnerabilities of our risk profile and operations, including those related to our 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. Our time horizon for analysis of future events is next two years. 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 wholistic 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.</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

% 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

% achieved (emissions)

44

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

% 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

% achieved (emissions)

29

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 projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	17	1379
To be implemented*	35	3133
Implementation commenced*	7	2293
Implemented*	76	5474
Not to be implemented	6	1117

C4.3b

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

Activity type

Energy efficiency: Building services

Description of activity

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

3451

Scope

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

479406

Investment required (unit currency – as specified in CC0.4)

1582322

Payback period

4 - 10 years

Estimated lifetime of the initiative

16-20 years

Comment

Activity type

Energy efficiency: Building services

Description of activity

HVAC

Estimated annual CO2e savings (metric tonnes CO2e)

2023

Scope

Scope 2 (location-based)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

224298

Investment required (unit currency – as specified in CC0.4)

7476611

Payback period

>25 years

Estimated lifetime of the initiative

16-20 years

Comment**Activity type**

Low-carbon energy purchase

Description of activity

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

Estimated annual CO2e savings (metric tonnes CO2e)

1897

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

1055

Payback period

<1 year

Estimated lifetime of the initiative

<1 year

Comment

This low carbon energy purchase reflects additional REC procurement made in 2017. In total, 3104 additional MWh of REC's were procured in 2017.

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, building all new branch locations to LEED certified standards, switching out light bulbs/fixtures to more efficient options, etc. 45 projects were approved in 2017, mostly LED upgrades, including several large buildings in Ohio and Missouri, where the expected impact is an annual reduction of nearly 2100 MWh of electrical energy.
Internal incentives/recognition programs	U.S. Bank's facility managers receive reporting for lowest performing locations within their portfolio. They are incentivized for reducing the energy use/ emissions at those low performing locations.
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

(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 - U.S. Bank offers 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

Energy Efficiency Loan - U.S. Bank offers a 0.5% reduced rate for our Premier Loan when the loan is being used to make energy efficient upgrades to a customer's home.

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 (Customer Attestation)

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

0

Comment

Revenue 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 2017, these investments totaled over \$1.8 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

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, US 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, US 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, US 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

C6.1

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

Row 1

Gross global Scope 1 emissions (metric tons CO2e)

55029

End-year of reporting period

<Not Applicable>

Comment

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 US 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?

Row 1

Scope 2, location-based

287196

Scope 2, market-based (if applicable)

286477

End-year of reporting period

<Not Applicable>

Comment

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 the source is excluded

There are potentially ATM's 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

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why the source is excluded

US Bank began tracking emissions from emergency generators in 2012 and have been able to capture data from most of our generators. However, there are likely still small generators that are not being tracked/estimated (i.e. through acquisitions)

C6.5

(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

Emissions calculation methodology

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

Explanation

US 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

Emissions calculation methodology

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

Explanation

US 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

Emissions calculation methodology

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

Explanation

US 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, US 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

Emissions calculation methodology

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

Explanation

As a financial services company, US 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

4800

Emissions calculation methodology

US 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

28963

Emissions calculation methodology

US 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 (2017) 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 (2015) emissions factors per mile traveled. Actual rail distance traveled is also collected and emissions estimated with the EPA CCCL (2015) 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

Emissions calculation methodology

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

Explanation

US 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

Emissions calculation methodology

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

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

Emissions calculation methodology

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

Explanation

As a financial services company, US 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

Emissions calculation methodology

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

Explanation

As a financial services company, US 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

Emissions calculation methodology

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

Explanation

As a financial services company, US Bank produces a limited number of physical products. Furthermore, there is a limited set of actions US 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

Emissions calculation methodology

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

Explanation

As a financial services company, US Bank produces a limited number of physical products. Furthermore, there is a limited set of actions US 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

50961

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

Emissions calculation methodology

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

Explanation

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

Investments

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

US Bank is investigating possible methods to measure and report emissions from financial assets. Accounting guidance is being developed by several external sources that will hopefully allow for more consistency around this type of reporting in the future. We hope to have a reliable method for reporting this in upcoming years.

Other (upstream)

Evaluation status

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

Other (downstream)

Evaluation status

Metric tonnes CO2e

Emissions calculation methodology

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

Explanation

C6.7

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

No

C6.10

(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

0.0000155

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

341506

Metric denominator

unit total revenue

Metric denominator: Unit total

22057000000

Scope 2 figure used

Market-based

% change from previous year

13

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.

Intensity figure

0.0119465

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

341506

Metric denominator

square foot

Metric denominator: Unit total

28586233

Scope 2 figure used

Market-based

% change from previous year

11

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 supplemental renewable energy in 2017.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

Yes

C7.1a

(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).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	53583	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	111	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	55	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	81	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	54593
Other, please specify (The Rest of the World)	436

C7.3

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

By activity

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Stationary	51143
Mobile	3805
Refrigerant	81

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America	284896	283061	569482	4694
Other, please specify (The Rest of the World)	2300	3415	5484	0

C7.6

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

By activity

C7.6c

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

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Chilled Water	3169	3169
Electricity	278767	278048
Steam	5260	5260

C7.9

(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?

Decreased

C7.9a

(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 emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1897	Decreased	0.5	US Bank's gross scope 1 and 2 emissions decreased due to 'a change in renewable energy consumption' implemented in the 2017 reporting year. This change reflects additional REC procurement made in 2017. In total, 3104 additional MWh of RECs were procured in 2017, resulting in an additional 1897 MTCO2e reduction compared to the REC quantity purchased in the previous year. Total market-based scope 1 and 2 emissions in the previous year was 378982 MTCO2e, therefore we arrived at 0.50% through $(1897/378982)*100=0.50\%$.
Other emissions reduction activities	5474	Decreased	1.44	US 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 voluntary LED lighting retrofits, building structural enhancements, installation of programmable thermostats and motion sensors and upgrades to HVAC systems. We estimate that in 2017, 5474 MTCO2e was reduced by our emissions reduction projects. Total scope 1 and 2 emissions in the previous year was 378982 MTCO2e, therefore we arrived at 1.44% through $(5474/378982)*100=1.44\%$.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology	29905	Decreased	7.89	For the 2017 inventory, a number of emissions factor updates impacted our overall scope 1 and 2 emissions. The most significant changes to emissions factors came from the use of eGRID2016 electricity emissions. Net impact was calculated by applying 2016 emission factors to 2017 activity data to determine the difference in emissions from emission factor updates alone. Additionally, some international emissions factors and market-based utility emissions factor also changed in 2017. In total, emissions factor updates decreased emissions by 29905 MTCO2e. Total scope 1 and 2 emissions in the previous year was 378982 MTCO2e. Therefore we arrived at 7.89% by $(29905/378982)*100=7.89\%$.
Change in boundary		<Not Applicable>		
Change in physical operating conditions	1993	Increased	0.53	US Bank experienced an increase in natural gas consumption in 2017. Conversely steam consumption was reduced at several our locations. We attribute most of these changes to site operating conditions in North America. The impact was calculated by finding the YOY change in natural gas and steam emissions. This was calculated as an overall emissions increase of 1993 MTCO2e. Total scope 1 and 2 emissions in the previous year was 378982 MTCO2e, therefore the percent change in emissions was calculated as $(1993/378982)*100=0.53\%$
Unidentified	2548	Decreased	0.67	We are unable to identify the exact reason for the remaining decrease in emissions. However, it likely stems from decreases in YOY consumption from other sources such as chilled water and fuel oil, as well as variations in our total electricity consumption.
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.

	Indicate whether your organization undertakes this energy-related activity
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.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	289693	289693
Consumption of purchased or acquired electricity	<Not Applicable>	4694	529454	534148
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	23196	23196
Consumption of purchased or acquired cooling	<Not Applicable>	0	17622	17622
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	31	<Not Applicable>	31
Total energy consumption	<Not Applicable>	4725	859965	864690

C8.2b

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

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	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

272801

MWh fuel consumed for the 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>

Fuels (excluding feedstocks)

Propane Liquid

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

952

MWh fuel consumed for the 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>

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

5348

MWh fuel consumed for the 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>

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

117

MWh fuel consumed for the 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>

Fuels (excluding feedstocks)

Jet Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

10476

MWh fuel consumed for the 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>

C8.2d

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

Diesel

Emission factor

0.03872

Unit

metric tons CO2e per liter

Emission factor source

2017 Climate Registry Default Emissions Factors (March 2017).

Comment

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

Fuel Oil Number 2

Emission factor

0.0394

Unit

metric tons CO2e per liter

Emission factor source

2017 Climate Registry Default Emissions Factors (March 2017).

Comment

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

Jet Kerosene

Emission factor

0.03725

Unit

metric tons CO2e per liter

Emission factor source

2017 Climate Registry Default Emissions Factors (March 2017).

Comment

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

Natural Gas

Emission factor

0.01584

Unit

metric tons CO2e per m3

Emission factor source

2017 Climate Registry Default Emissions Factors (March 2017); 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 (2017).

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 CO2e per liter

Emission factor source

2017 Climate Registry Default Emissions Factors (March 2017).

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.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	31	31	31	31
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

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

Wind

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

1591

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

0

Comment

In CY2017, US Bank purchased a total of 1591 MWh of Green-e Certified Clean Source RECs through both Portland General Electric's Clean Wind Green Tags.

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 (Program includes a mix of solar and wind)

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

3104

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

0

Comment

In CY2017, US Bank purchased a total of 3104 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.

C9. Additional metrics

C9.1

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

C10. Verification

C10.1

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

	Verification/assurance status
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 2017 Final.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 2017 Final.pdf

Page/ section reference

Page 1

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

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 2017 Final.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 2017 Final.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

Other, please specify (Supplier actions/ potential partnerships)

% 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 over last year (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.

Impact of engagement, including measures of success

In certain vendor selection processes, U.S. Bank engages with suppliers to discuss sustainability opportunities related to the goods and services being purchased. An example of this is working with our promotional item vendor to find 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. We now require a larger order before shipping in an effort to cut down on number of shipments and emissions related to shipping supplies. We measure success quantitatively through an increase in promotional and office items with a smaller carbon footprint being available to employees, as well as qualitatively through expanded relationships with our vendors around climate change issues. U.S. Bank has begun integrating climate change discussions into our supplier conversations, resulting in more frequent and meaningful discussions around how to better track and monitor this impact. We expect this initiative to continue growing over the next couple years. 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. U.S. Bank is currently working on finding opportunities to increase our supplier engagement around climate change. These efforts have resulted in over twice as many suppliers with whom we engaged 2015-2016 (9 vs. 4), and even more for 2017 . We anticipate that this number will continue to increase as we grow this program. We continue to evaluate our supplier approval program to find ways to prioritize suppliers based on their climate change reduction efforts.

Comment

C12.1b

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

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

Size of engagement

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 employees in an effort to draw attention to our efforts. We hope this will encourage customers to bring specific questions to us and seek deeper conversations, which we have seen in the past. We feel this is the most efficient way of sharing our performance and strategy.

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.

C12.1c

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

U.S. Bank engages regularly with industry peers via monthly meeting and other "as needed" group and individual calls and emails. This 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.

Our Chief Procurement Officer also participates in a sustainable purchasing council to discuss climate-related strategy with others in the procurement industry.

C12.3

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

Trade associations

Other

C12.3b

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

No

C12.3e

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

As a member of the Ceres Company Network, we have also become involved with their policy team. This 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

(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

USB-2017-Annual-Report.pdf

Content elements

Strategy

Emission targets

Other metrics

Publication

In voluntary communications

Status

Complete

Attach the document

coeHandbook2017.pdf

Content elements

Strategy

Publication

In voluntary communications

Status

Complete

Attach the document

CSRAR Link.docx

Content elements

Strategy

Emission targets

Other metrics

C14. Signoff

C-FI

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

C14.1

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

	Job title	Corresponding job category
Row 1	Andrew Cecere - Chairman, President and CEO	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

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

SC0.1

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

	Annual Revenue
Row 1	22057000000

SC0.2

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

Yes

SC0.2a

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

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	90297330

SC1.1

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

Requesting member

BT Group

Scope of emissions

Please select

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Energy, transportation, paper and waste

Verified

No

Allocation method

Other, please specify (Unable to Allocate)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Due to the intangible nature of the products and services we provide, and the large number of customers we service, we are not able to allocate our Scope 1, Scope 2 or Scope 3 emissions by customer. The vast majority of our Scope 1, Scope 2 and Scope 3 emissions are the result of our overall business operations and are reported in our response to the Investor CDP.

Requesting member

Eaton Corporation

Scope of emissions

Please select

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Energy, transportation, paper and waste

Verified

No

Allocation method

Other, please specify (Unable to Allocate)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Due to the intangible nature of the products and services we provide, and the large number of customers we service, we are not able to allocate our Scope 1, Scope 2 or Scope 3 emissions by customer. The vast majority of our Scope 1, Scope 2 and Scope 3 emissions are the result of our overall business operations and are reported in our response to the Investor CDP.

SC1.2

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

2017 CDP Climate Change Response

SC1.3

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

Allocation challenges	Please explain what would help you 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

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

No

SC1.4b

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

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

SC2.1

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

SC2.2

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

No

SC3.1

(SC3.1) Do you want to enroll in the 2018-2019 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2017-2018 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization’s goods or services, if so, what functionality will you be using?

No, I am not providing data

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
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