# Capital One Financial - Climate Change 2020

## C0. Introduction

### C0.1

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

Capital One Financial Corporation (www.capitalone.com) is a financial holding company whose subsidiaries, which include Capital One, N.A., and Capital One Bank (USA), N.A., had $262.7 billion in deposits and $390.4 billion in total assets as of December 31, 2019. Headquartered in McLean, Virginia, Capital One offers a broad spectrum of financial products and services to consumers, small businesses and commercial clients through a variety of channels. Capital One, N.A. has branches located primarily in New York, Louisiana, Texas, Maryland, Virginia, New Jersey and the District of Columbia. A Fortune 500 company, Capital One trades on the New York Stock

Exchange under the symbol “COF” and is included in the S&P 100 index.

### 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 |
|---|---|---|---|---|
| Reporting year | January 1 2019 | December 31 2019 | No | <Not Applicable> |

### C0.3

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

Canada
India
Philippines
United Kingdom of Great Britain and Northern Ireland
United States of America

### C0.4

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

USD

### C0.5

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

Operational control

### C-FS0.7

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

Bank lending (Bank)

## C1. Governance

### C1.1

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

Yes

## C1.1a

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

| Position of individual(s) | Please explain |
|---|---|
| Director on board | The Capital One Board Governance and Nominating Committee is responsible for ESG including climate related issues. The Chief Enterprise Services Officer (CESO) and oversees the Environmental Sustainability Office (ESO) is responsible for reporting climate related information to the Committee. |

## 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 | Scope of board-level oversight | Please explain |
|---|---|---|---|
| Scheduled – some meetings | Reviewing and guiding risk management policies<br>Monitoring and overseeing progress against goals and targets for addressing climate-related issues | Climate-related risks and opportunities to our own operations | The Environmental Sustainability Office (ESO) develops an annual update on the Capital One environmental sustainability program which includes strategy, progress toward corporate goals, key initiatives, risks, and recommendations. The update is delivered in memo form as part of a regular Enterprise Services update from the Chief Enterprise Services Officer. Additional climate-related topics may be shared with the Board by other leaders through the course of business unit specific updates |

## C1.2

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

| Name of the position(s) and/or committee(s) | Reporting line | Responsibility | Coverage of responsibility | Frequency of reporting to the board on climate-related issues |
|---|---|---|---|---|
| Other C-Suite Officer, please specify (Chief Enterprise Services Officer (CESO)) | CEO reporting line | Assessing climate-related risks and opportunities | Risks and opportunities related to our own operations | Annually |
| Other, please specify (EVP External Affairs) | Other, please specify (Chief Enterprise Services Officer Reporting line) | Assessing climate-related risks and opportunities | Risks and opportunities related to our own operations | As important matters arise |
| Other, please specify (President Commercial Bank) | CEO reporting line | Both assessing and managing climate-related risks and opportunities | Risks and opportunities related to our bank lending activities | As important matters arise |

## C1.2a

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

The Chief Enterprise Services Officer (CESO) and Commercial Bank have the highest below-board level responsibility for climate related issues. The CESO oversees departments accountable for environmental sustainability strategy, climate related issues impacting business operations, and issues pertinent to the External Affairs team which includes Government Policy and Affairs Group (GPAG), Corporate Social Responsibility, Community Affairs, CRA, and Corporate Communications. Commercial Bank is accountable for energy and commercial real estate lending businesses which include oil and gas, renewable energy, as well as the multi-family lending finance green program.

Reporting to the Chief Enterprise Services Officer is the Senior Vice President of Enterprise Services and the Executive Vice President of External Affairs. The SVP of Enterprise Services is accountable for the Environmental Sustainability Office (ESO), Corporate Real Estate, and Supplier Management. The ESO is accountable for developing the sustainability strategy, coordinating initiatives across the enterprise, driving associate engagement, and external reporting. The ESO partners with the Workplace Solutions (corporate real estate) and Network Management (bank branches and cafes) on energy and water efficiency projects, composting/waste reduction, and green buildings. Supplier Management and the ESO collaborate on influencing the sustainability of our supply chain through programs like the corporate environmentally preferred paper policy and the supplier code of conduct. The ESO provides updates and recommendations for Capital One Executive Committee members and the Board of Directors. These updates are presented annually by the Chief Enterprise Services Officer.

The Executive Vice President for External Affairs team includes Corporate Communications, Government Relations, Regulatory Relations, Community Reinvestment Act (CRA) Compliance, Community Affairs, Community Finance, and Community Development Banking. Coordination of Capital One's philanthropic and community development programs is shared across several of the External Affairs teams (Community Affairs, Community Finance, and Community Development Banking), GPAG engages policymakers on climate related regulation or legislation relevant to our businesses and operations.

The Commercial Bank has two business units directly impacted by climate related issues: Energy Lending and Commercial Real Estate (CRE) lending. Energy lending includes oil and gas as well as renewable energy finance, all of which could be impacted during a transition to a low carbon economy. CRE lending has climate and resiliency considerations for its commercial asset investments. In addition, a portion of the multi-family housing business is focused on multi-family finance green programs through Fannie Mae and Freddie Mac.

## C1.3

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

| | Provide incentives for the management of climate-related issues | Comment |
|---|---|---|
| Row 1 | Yes | |

## C1.3a

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

| Entitled to incentive | Type of incentive | Activity inventivized | Comment |
|---|---|---|---|
| Environment/Sustainability manager | Monetary reward | Emissions reduction project<br>Emissions reduction target<br>Behavior change related indicator | The Environmental Sustainability Office is responsible for developing strategy and driving progress towards Capital One's sustainability targets and commitments, and for creating transparency through internal and external reporting. They are also tasked with driving engagement with key stakeholders, including line-of-business partners, vendors, NGOs, and associates. These performance objectives are directly linked to annual compensation, including bonuses which are part of the traditional corporate incentive plan. |
| Energy manager | Monetary reward | Emissions reduction project<br>Energy reduction project<br>Efficiency project | Energy managers develop enterprise strategies to improve energy efficiency, decrease cost, and reduce GHG emissions. Additionally, they are responsible for managing the company's purchase of green power through renewable energy credits (RECs), deregulated market contracts, and power purchasing agreements (PPAs). These performance objectives are directly linked to annual compensation, including bonuses which are part of the traditional corporate incentive plan. |
| Facilities manager | Monetary reward | Efficiency project | Facilities managers are incentivized to collaborate with service providers and to implement effective processes to improve energy efficiency and reduce waste in the offices that fall within their areas of responsibility. These performance objectives are directly linked to annual compensation, including bonuses which are part of the traditional corporate incentive plan. |
| Business unit manager | Monetary reward | Portfolio/fund alignment to climate-related objectives | Commercial bankers focused on Renewable Energy Lending, Multi-Family Green Finance, and Non-Profit Banking all finance emissions reduction and energy reduction focused projects. Performance objectives are directly linked to annual compensation, including bonuses which are part of the traditional corporate incentive plan. |
| Environmental, health, and safety manager | Monetary reward | Other (please specify) (environmental health and safety programs) | The Environmental Health and Safety manager is responsible for refrigerant management and working with facility managers to track and prevent refrigerant leaks. Ensuring that emergency generators burn diesel fuel efficiently and within permitted limits. Leading projects to reduce Capital One's environmental footprint through reductions in energy, water, and waste. Performance objectives are directly linked to annual compensation which are part of the traditional corporate incentive plan. |
| Procurement manager | Monetary reward | Supply chain engagement | Supplier Management associates are responsible for ensuring that environmental sustainability factors are considered as part of sourcing exercises, and for verifying that ongoing procurement of goods and services align with our existing policies and standards, (e.g.., LEED certification standards, paper policy, etc.). These performance objectives are directly linked to annual compensation which are part of the traditional corporate incentive plan. |

## C-FS1.4

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

| | We offer an employment-based retirement scheme that incorporates ESG principles, including climate change. | Comment |
|---|---|---|
| Row 1 | No | |

# C2. Risks and opportunities

## C2.1

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

Yes

## C2.1a

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

| | From (years) | To (years) | Comment |
|---|---|---|---|
| Short-term | 0 | 1 | Capital One uses a rolling two-year time horizon for formal risk identification, assessment and disposition decision making, coupled with its capital planning process, to evaluate risks within a short and medium term time horizon. On a quarterly basis, risks are formally identified and assessed across seven risk categories (e.g., Compliance, Credit, Liquidity, Market, Operational, Liquidity, Reputation, Strategic) by the first line of defense to understand the estimated likelihood, severity, and controls in place for each risk within a two-year, forward-looking time horizon. This process includes the identification of risks which may have a remote likelihood of occurrence in that two-year horizon. Ultimately, this assessment process produces our Enterprise Risk Inventory (ERI), which informs Management and the Board of Directors on Enterprise risks that may impact Capital One's ability to meet its strategic objectives within the subsequent nine quarters. The ERI is also used within Capital One's Comprehensive Capital Analysis and Review (CCAR) methodology for ensuring capital adequacy within our risk environment, which includes an evaluation of our risk profile in the short and medium term that spans a three year horizon. |
| Medium-term | 1 | 2 | Capital One uses a rolling two year time horizon for formal risk identification, assessment and disposition decision making, coupled with its capital planning process, to evaluate risks within a short and medium term time horizon. On a quarterly basis, risks are formally identified and assessed across seven risk categories (e.g., Compliance, Credit, Liquidity, Market, Operational, Liquidity, Reputation, Strategic) by the first line of defense to understand the estimated likelihood, severity, and controls in place for each risk within a two-year, forward-looking time horizon. This process includes the identification of risks which may have a remote likelihood of occurrence in that two-year horizon. Ultimately, this assessment process produces our Enterprise Risk Inventory (ERI), which informs Management and the Board of Directors on Enterprise risks that may impact Capital One's ability to meet its strategic objectives within the subsequent nine quarters. The ERI is also used within Capital One's Comprehensive Capital Analysis and Review (CCAR) methodology for ensuring capital adequacy within our risk environment, which includes an evaluation of our risk profile in the short and medium term that spans a three year horizon. |
| Long-term | 2 | 10 | Capital One evaluates risks using a longer term time horizon as part of both our emerging risk identification and reporting process, and our risk modeling process. While Capital One's emerging risk identification typically spans a 10-year period, our risk modeling efforts, which focus on predicting risk and portfolio behavior under various macroeconomic conditions, use scenarios that may extend beyond 10 year time horizons. |

## C2.1b

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

Economic and business conditions in the U.S., the U.K., Canada or our local markets, including conditions affecting employment levels, interest rates, tariffs, collateral values, consumer income, credit worthiness and confidence, spending and savings that may affect consumer bankruptcies, defaults, charge-offs and deposit activity

## C2.2

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

**Value chain stage(s) covered**
Direct operations
Upstream
Downstream

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

**Frequency of assessment**
More than once a year

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

**Description of process**
Capital One manages climate-related risks and opportunities holistically on a quarterly basis, leveraging a multi-faceted approach that combines insights from our risk identification (Risk ID) process, and dedicated Environmental Sustainability Office (ESO). Risk ID Process Capital One's enterprise risk inventory (ERI) is developed through the execution of our quarterly Risk ID process, with the risk inventory and control environment assessment refreshed across our seven Risk Categories using a two year time horizon. Our Division Executive Committee Members, supported by our Business Risk Offices, identify, assess, and respond to risks that are relevant to their Division each quarter, with climate-related risks included in this process's scope. In recent quarters, certain areas of our business have identified climate-related risks for further monitoring and management moving forward, with consideration being given towards not only the organizational impacts of a physical climate event, but also the regulatory and reputational impacts of climate-related shifts in our business environment. Our Risk ID process has resulted in climate-related risks being added to our ERI. For example, we are exposed to physical risk of a climate-related event, such as a natural disaster, and its impact on our operational execution, specifically due to the potential for workforce or workplace disruptions. Additionally, we manage transitional risks that focus on the strategic, compliance, and credit implications of any new climate change regulation, specifically as it relates to our commercial and auto customers. As part of our initial sizing of these transitional risks, Capital One has used model-based techniques, such as scenario analysis based on carbon emissions data, to approximate the potential impact carbon legislation would have on at-risk clients. Also, climate risk is thematically captured within risks that focus on geographic concentration of our operations and unexpected disruptions in key processes. Lastly, with its potential to impact our business beyond the means already defined in our inventory, climate risk is considered an "on watch" emerging risk theme for ongoing monitoring. ESO Process Supplementing the Risk ID process with a deeper focus on climate-related issues, Capital One's Environmental Sustainability Office (ESO) also identifies physical and transitional climate risks and opportunities. The ESO serves as the central coordinating body for Capital One's climate change risks and opportunities, and is responsible for researching, monitoring and identifying potential risks and opportunities for environmental considerations. The ESO shares identified risks and opportunities with impacted Divisions, including senior decision makers, on an annual (or ad-hoc) basis to determine risk level and mitigation strategies, or strategic next steps. Additionally, ESO formally reports climate related risks as part of the annual environmental updates to both the Executive Committee and the Board of Directors. ESO-driven climate opportunities include a partnership with our Commercial Real Estate (CRE) operations and project delivery teams that aimed to reduce operational costs and improve sustainability performance. The pursuit of this transitional climate opportunity led to the organizational investment in energy efficiency programs including LED retrofits, the implementation of smart building technology through our National Operations Center (NOC) and assessment and installation of net-metered on site solar.

## C2.2a

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

| | Relevance & inclusion | Please explain |
|---|---|---|
| Current regulation | Relevant, always included | Current regulation is included in Divisional risk assessments as it relates to revenue streams, including renewable energy lending, oil and gas lending, and multi-family lending as well in operational areas impacted by local regulation. For example, there is a risk that 2020 change in the Investment Tax Credit ( ITC) will impact the Commercial Bank energy lending business. The Government Affairs team provides additional perspective on current regulation risk. |
| Emerging regulation | Relevant, always included | Emerging regulation is included in line-of-business risk assessments as it relates to revenue streams like renewable energy lending, oil and gas lending, and multi-family lending as well in operational areas impacted by local regulation. For example, a price on carbon (which Capital One supports) would increase credit and market risk for our fossil fuel energy portfolio while also benefiting our renewable energy business. The Government Affairs team provides additional perspective on emerging regulation risk. |
| Technology | Relevant, always included | The pace of technological change impacts all aspects of Capital One's business from credit card transactions and customer interactions, electric vehicles auto, or the impact of battery storage on the energy lending businesses. Both the ESO and the business risk offices account for technological change in risk assessments. |
| Legal | Relevant, always included | The Legal Department assesses legal exposure on a regular as well as ad hoc basis across the enterprise, within business areas, and for Capital One products and services |
| Market | Relevant, sometimes included | Market risk is included in Divisional risk assessments, and is inherent in the banking business due to the nature of the assets and liabilities of banks. The risk associated with changing consumer preferences due to continuous and rapid evolution of technology, resulting in an adverse impact to current market share is always included in our risk assessments. For example, new technologies and changing consumer preferences when it comes to car ownership may continue to evolve. This poses risk to the auto finance business existing portfolio to the extent this trend may adversely impact valuation of existing vehicles or increases portfolio attrition rate and may impact new originations. |
| Reputation | Relevant, always included | Reputation risk is always included. Reputation risk is defined as the risk to market value, recruitment and retention of talented associates and maintenance of a loyal customer base due to the negative perceptions of Capital One's internal and external constituents regarding Capital One's business strategies and activities. Capital One's reputation is affected by external forces as well as its own activities including significant breakdowns in experiences in other risk categories; actions of third parties with whom we have a relationship, including suppliers and customers; and events driven by or impacting the broader financial services industry. An example of a climate related reputation risk would be a significant portion of our direct mail marketing paper purchasing not meeting our company Environmentally Preferred Paper policy standards. |
| Acute physical | Relevant, always included | Acute Physical Risk is always included in Divisional and operational risk assessments.The business continuity plans include an assessment by location of primary threats such as severe weather events, storm surge, flooding, straight line winds, and other natural disasters. Physical risks are also assessed as credit risks for example, the risk of increased credit loss in the municipal lending portfolio arising from a major natural disaster that impacts a number of borrowers |
| Chronic physical | Relevant, always included | Chronic Physical Risk is always included from both a credit risk and operational risk assessments. For example underwriting for commercial multi-family housing lending includes geography, chronic physical risk factors, and the portfolio is monitored for heterogeneity. |

## C-FS2.2b

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

| | We assess the portfolio's exposure | Please explain |
|---|---|---|
| Bank lending (Bank) | Yes | Capital One assesses both portfolio's exposure to climate-related risks and opportunities, specifically within its Commercial portfolio. |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Not applicable | |

## C-FS2.2c

**(C-FS2.2c) Describe how you assess your portfolio’s exposure to climate-related risks and opportunities.**

| | Portfolio coverage | Assessment type | Description |
|---|---|---|---|
| Bank lending (Bank) | Minority of the portfolio | Qualitative and quantitative | Capital One assesses both portfolio's exposure to climate-related risks and opportunities, specifically within its Commercial portfolio. As part of Capital One’s formal risk identification process, our Commercial Banking business identified a climate-focused emerging risk for the increase in default rates due to new climate change-related regulation, with the potential for larger than expected credit losses as a result. While this risk’s designation as an emerging risk conveys uncertainty around sizing, Capital One’s Commercial Bank (referred to as “Commercial Bank” hereafter) has leveraged carbon emissions data and subject matter expert judgement to develop models and scenario analyses for preliminarily predicting the potential impact carbon legislation would have on at-risk clients within our Commercial portfolio. This risk, along with other climate-focused risks, has garnered additional monitoring and visibility within key Executive level risk selection meetings, due to Capital One’s ongoing assessment of our portfolio exposure and an enterprise-level evaluation of climate risk as a potential risk for Board consumption. As for opportunities, Commercial Bank has spearheaded our organization’s considerable investment within both renewable energy financing, and Commercial real estate financing through Green Lending programs. Since May 2014, Commercial Bank’s renewable energy investments team has invested over three-quarters of a billion dollars to finance nearly 2,000 megawatts of solar and wind projects. After an initial $100 million investment with SolarCity to finance thousands of residential solar power systems, the program has grown to include additional residential solar investments as well as investments in utility-scale wind and solar projects Prior to making these investments, Capital One engages in a thorough due diligence process to ensure compliance with solar and wind energy codes and standards. Additionally, Capital One has financed ~$8 billion since 2016 in environmentally sustainable multi-family housing projects through the Fannie Mae Green Financing and Freddie Mac Green Advantage programs. These programs provide financing for apartment buildings and cooperatives that improve the energy and water efficiency of the building. As part of this investment process, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments, which ensure each property’s adherence to the requisite Green Financing and Green Advantage criteria |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | <Not Applicable> | <Not Applicable> | <Not Applicable> |

## C-FS2.2d

**(C-FS2.2d) Do you assess your portfolio’s exposure to water-related risks and opportunities?**

| | We assess the portfolio’s exposure | Portfolio coverage | Please explain |
|---|---|---|---|
| Bank lending (Bank) | Yes | Minority of the portfolio | Capital One has financed ~$8 billion since 2016 in environmentally sustainable multi-family housing projects through the Fannie Mae Green Financing and Freddie Mac Green Advantage programs. These programs provide financing for apartment buildings and cooperatives that improve the energy and water efficiency of the building. As part of this investment process, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments, which ensure each property’s adherence to the requisite Green Financing and Green Advantage criteria. |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Not applicable | <Not Applicable> | |

## C-FS2.2e

**(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?**

| | We assess the portfolio's exposure | Portfolio coverage | Please explain |
|---|---|---|---|
| Bank lending (Bank) | No, we don't assess this | <Not Applicable> | Capital One has minimal exposure to forest-related lending |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Yes | All of the portfolio | Direct Mail marketing is an important part of the Capital One business strategy and Capital One assesses forest related risks and opportunities in regards to our paper procurement. Capital One instituted a corporate Paper Policy in 2009, and since then we've steadily increased the percentage of environmentally preferred paper we source. In 2012, Capital One became a participant in the World Wildlife Fund's Global Forest & Trade Network (GFTN) to advance the environmental sustainability of our paper procurement practices. The GFTN brings together companies, their suppliers, NGOs, forest-product producers, managers of certification schemes, and others from around the world with a shared goal of eliminating illegal logging, improving forest management and making the global marketplace for forest products a force for economic and environmental responsibility. Beginning in 2017, we set a new goal for 95% of Capital One's paper to come from sources that are either certified by the Forest Stewardship Council® (FSC) or contain at least 30% recycled post-consumer waste. |

## C-FS2.2f

**(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?**

| | We request climate-related information | Please explain |
|---|---|---|
| Bank lending (Bank) | Yes, for some | Capital One specifically requests climate-related information as part of our due diligence process for our renewable energy finance business, financing of environmentally sustainable multi-family housing projects, and as part of our Commercial Bank underwriting process. Prior to making any renewable energy investments in solar or wind projects, Capital one engages in a thorough due diligence process to ensure compliance with solar and wind energy codes and standards. Similarly, prior to financing any environmentally sustainable multi-family housing projects through our Green lending initiatives, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments to ensure each property's adherence to the requisite Green Financing and Green Advantage criteria. Lastly, as part of our Commercial Bank underwriting process, Capital One performs due diligence via high risk reviews that include a screen for certain types of oil and gas production, greenfield development of long-haul pipelines, and the health and safety standards of collateral properties used in healthcare real estate transactions. Since May 2014, Capital One's Commercial Bank renewable energy investments team has invested over three-quarters of a billion dollars to finance nearly 2,000 megawatts of solar and wind projects. Prior to making these investments, Capital One engages in a thorough due diligence process to ensure compliance with solar and wind energy codes and standards. Additionally, Capital One has financed more than $6.5 billion since 2016 in environmentally sustainable multi-family housing projects through the Fannie Mae Green Financing and Freddie Mac Green Advantage programs. Prior to providing financing for apartment buildings and cooperatives that improve the energy and water efficiency, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments to ensure each property's adherence to the requisite Green Financing and Green Advantage criteria. Lastly, as part of Capital One's Commercial Bank general underwriting process, we review and ask questions related to environmental risks which could have a material financial impact to the borrower (i.e. spills, ground contamination, workers' health, etc.). Depending on the type of transaction, we may review audits by government / environmental agencies, obtain environmental reports (Environmental Site Assessments), and request confirmation that there are no known material issues related to environmental risks. While uncommon, if a heightened risk is perceived, third party experts may be utilized to help review and understand the reports. Additional environmental information (ex. LEED certified buildings) may be received from borrowers / appraisers and included in the credit package documentation, but this is not a requirement. Industry-specific considerations: Oil and Gas - We work with counsel and agent banks on environmental due diligence for new deals, primarily focused on compliance with existing regulatory requirements for the sector. High risk review processes are triggered for certain types of oil and gas production, focused primarily on sensitive geographies such as deepwater or Artic development. Greenfield development of long-haul pipelines also triggers high risk review processes for potential environmental or social concerns given they could potentially cross environmentally sensitive areas or sovereign lands. Healthcare Real Estate - In addition to the standard underwriting practices above in regard to environmental risks, for Healthcare Real Estate transactions, we typically order Property Engineering Reports to help ensure collateral properties meet relevant environmental, health and safety codes for the pertinent building types (e.g. life safety systems). |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Not applicable | |

## 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 & Primary climate-related risk driver**

| | |
|---|---|
| Market | Changing customer behavior |

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

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

Strategic risk

**Company-specific description**

The risk associated with the inability to predict and/ or react to the impacts of climate change due to the unknown nature of the regulatory landscape.

**Time horizon**

Long-term

**Likelihood**

Exceptionally unlikely

**Magnitude of impact**

Unknown

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

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

We are unable to meaningfully predict the estimated financial implication of regulatory uncertainty at this time.

**Cost of response to risk**

0

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

Not Available

**Comment**

We are unable to meaningfully predict the estimated financial implication of regulatory uncertainty at this time.

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**Identifier**

Risk 2

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

Direct operations

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

| | |
|---|---|
| Emerging regulation | Mandates on and regulation of existing products and services |

**Primary potential financial impact**

Increased credit risk

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

Credit risk

**Company-specific description**

The risk of increase in default rates due to new climate change-related legislation impacting clients' abilities to pay debt, resulting in larger than expected credit losses

**Time horizon**

Long-term

**Likelihood**

Exceptionally unlikely

**Magnitude of impact**
Medium

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

**Potential financial impact figure (currency)**
<Not Applicable>

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

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

**Explanation of financial impact figure**
We are unable to meaningfully predict the estimated financial implication of regulatory uncertainty at this time.

**Cost of response to risk**
0

**Description of response and explanation of cost calculation**
Not Available

**Comment**
We are unable to meaningfully predict the estimated financial implication of regulatory uncertainty at this time.

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**Identifier**
Risk 3

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

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

| | |
|---|---|
| Acute physical | Increased severity and frequency of extreme weather events such as cyclones and floods |

**Primary potential financial impact**
Other, please specify (Reduced revenue and higher costs from negative impacts on workforce (e.g., health, safety, absenteeism))

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

**Company-specific description**
The risk of workplace/workforce disruptions caused by a local (e.g. natural or man made disaster) or widespread event (e.g. pandemic) resulting in financial losses or customer, compliance, or reputational impact.

**Time horizon**
Long-term

**Likelihood**
Very unlikely

**Magnitude of impact**
Medium-high

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

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
300000000

**Potential financial impact figure – maximum (currency)**
999999999

**Explanation of financial impact figure**
The financial impact assumes a significant disaster impacts our workplaces and workforce for an extended period of time. A disaster of this magnitude was estimated as significant, but unlikely, and could be driven by climate related events, but also potential from man-made disasters, pandemic, or other causes. Notably, widespread events (e.g. pandemic) would be more likely to result in significant financial impacts, vs. local events. Existing business continuity management plans provide a starting point for minimizing customer impact, but the firm may incur operational losses, reduced revenues, and increased costs.

**Cost of response to risk**
0

**Description of response and explanation of cost calculation**
Not Available

**Comment**
Our Business Continuity Program ensures that Capital One recovers from significant business disruptions in a risk-based manner commensurate with business and stakeholder requirements. Disruptions to Capital One's workplaces, workforce, technology, and third parties are considered regardless of the cause (e.g., severe weather, natural incidents, potential government disruptions, widespread civil unrest, technology disruptions, and extensive data breaches, including cyber incidents).

---

## C2.4

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

Yes

## C2.4a

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

**Identifier**
Opp1

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

**Opportunity type**
Products and services

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

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

**Company-specific description**
Opportunity for increased Commercial lending for renewable energy projects

**Time horizon**
Long-term

**Likelihood**
Likely

**Magnitude of impact**
Low

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

**Potential financial impact figure (currency)**
<Not Applicable>

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

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

**Explanation of financial impact figure**
The magnitude of impact is low because, while energy lending is an important part of our Commercial Bank business, it is not a large percentage of the total Capital One lending portfolio.

**Cost to realize opportunity**
0

**Strategy to realize opportunity and explanation of cost calculation**
The Commercial Bank Energy lending business pursues tax equity based lending opportunities for large scale renewable investments.

**Comment**
Existing employee resources exist to support this opportunity.

---

**Identifier**
Opp2

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

**Opportunity type**
Products and services

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

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

**Company-specific description**
Changes in GHG emissions or water regulation could lead to increased demand for our Commercial Bank multi-family housing green finance products

**Time horizon**
Long-term

**Likelihood**
About as likely as not

**Magnitude of impact**
Low

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

**Potential financial impact figure (currency)**
<Not Applicable>

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

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

**Explanation of financial impact figure**
Increased demand in this space would have an impact on Commercial Bank revenue. We are not able to provide a potential financial impact at this time.

**Cost to realize opportunity**
0

**Strategy to realize opportunity and explanation of cost calculation**
The Commercial Bank real estate lending team markets green lending products as a means to achieve rate benefits and incorporate energy and water efficiency into a deal structure

**Comment**
Existing employee resources exist to support this opportunity.

---

**Identifier**
Opp3

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

**Opportunity type**
Resource efficiency

**Primary climate-related opportunity driver**
Move to more efficient buildings

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

**Company-specific description**
Increased operational cost savings through the deployment of smart building technology and net-metering of on-site solar

**Time horizon**
Long-term

**Likelihood**
Likely

**Magnitude of impact**
Low

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

**Potential financial impact figure (currency)**
<Not Applicable>

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

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

**Explanation of financial impact figure**
The financial impact will materialize through reduced electrical costs which will vary by market

**Cost to realize opportunity**
0

**Strategy to realize opportunity and explanation of cost calculation**
The ESO, Energy and Facility Managers collaboratively identify opportunities and scope for potential impact and ROI

**Comment**
Total capital investment will depend on final scope. Existing employee resources exist to support this opportunity.

---

## C3. Business Strategy

## C3.1

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

Yes

## C3.1a

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

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

## C3.1c

**(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?**

Over the next two years the Environmental Sustainability Offices is working with Enterprise Risk Management to develop a methodology and process for climate related scenario analysis.

## C3.1d

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

| | Have climate-related risks and opportunities influenced your strategy in this area? | Description of influence |
|---|---|---|
| Products and services | Yes | Commercial Bank has spearheaded our organization's considerable investment within both renewable energy financing, and Commercial real estate financing through Green Lending programs. Since May 2014, Commercial Bank's renewable energy investments team has invested over three-quarters of a billion dollars to finance nearly 2,000 megawatts of solar and wind projects. After an initial $100 million investment with SolarCity to finance thousands of residential solar power systems, the program has grown to include additional residential solar investments as well as investments in utility-scale wind and solar projects Prior to making these investments, Capital One engages in a thorough due diligence process to ensure compliance with solar and wind energy codes and standards. Additionally, Capital One has financed ~$8 billion since 2016 in environmentally sustainable multi-family housing projects through the Fannie Mae Green Financing and Freddie Mac Green Advantage programs. These programs provide financing for apartment buildings and cooperatives that improve the energy and water efficiency of the building. As part of this investment process, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments, which ensure each property's adherence to the requisite Green Financing and Green Advantage criteria. |
| Supply chain and/or value chain | Yes | Capital One instituted a corporate Paper Policy in 2009, and since then we've steadily increased the percentage of environmentally preferred paper we source. Beginning in 2017, we set a new goal for 95% of our paper to come from sources that are either certified by the Forest Stewardship Council® (FSC) or contain at least 30% recycled post-consumer waste. Capital One intends to become a member of the CDP Supply Chain program in Q4 2020 to support 2021 reporting. |
| Investment in R&D | No | Capital One R&D investment is primarily focused on technology and digital products and customer experience |
| Operations | Yes | Capital One has committed to 100% renewable energy and has been a member of RE100 since 2018 . We established a policy that all new office locations or comprehensive renovations would pursue a green building certification of LEED silver or higher. In addition to our LEED commitment, we established a corporate efficiency standard for lighting and water fixtures that is implemented on new office projects regardless of whether a renovation meets the threshold for our LEED commitment. |

## C3.1e

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

| | Financial planning elements that have been influenced | Description of influence |
|---|---|---|
| Row 1 | Revenues<br>Indirect costs<br>Capital expenditures | Revenue: Since May 2014, Commercial Bank's renewable energy investments team has invested over three-quarters of a billion dollars to finance nearly 2,000 megawatts of solar and wind projects. After an initial $100 million investment with SolarCity to finance thousands of residential solar power systems, the program has grown to include additional residential solar investments as well as investments in utility-scale wind and solar projects Prior to making these investments, Capital One engages in a thorough due diligence process to ensure compliance with solar and wind energy codes and standards. Additionally, Capital One has financed ~$8 billion since 2016 in environmentally sustainable multi-family housing projects through the Fannie Mae Green Financing and Freddie Mac Green Advantage programs. These programs provide financing for apartment buildings and cooperatives that improve the energy and water efficiency of the building. As part of this investment process, Capital One performs due diligence via Fannie and Freddie-sponsored Green Assessments, which ensure each property's adherence to the requisite Green Financing and Green Advantage criteria. Capital Expenditures: Climate-Related Capital Expenditures are allocated through the annual budgeting process. Examples include LED retrofits, green roofs and native landscaping, rainwater capture system and automated shade and lighting controls for daylight harvesting at our McLean headquarters, and on site solar array at our innovation center in downtown Richmond. Indirect Costs (Operating Expenses): Climate-related operational expenses are also allocated through the annual budget process and are reflected in utility budgets, renewable energy procurement, and composting programs . |

## C3.1f

**(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

## C-FS3.2

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

Yes, climate-related issues are integrated into our general policy framework that relates to our financing activities

## C-FS3.2a

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

| | Type of policy | Portfolio coverage of policy | Description |
|---|---|---|---|
| Bank lending (Bank) | Risk policy | Minority of the portfolio | Portfolio coverage is focused on Commercial Bank, which is ~11% of the Capital One loan portfolio. Climate risks are included in our quarterly Risk Control and Self-Assessment process, which is governed by the guidance communicated through our enterprise risk standard. |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Please select | Please select | |

# 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

**Year target was set**
2018

**Target coverage**
Company-wide

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

**Base year**
2017

**Covered emissions in base year (metric tons CO2e)**
11719

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

**Target year**
2019

**Targeted reduction from base year (%)**
100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**
0

**Covered emissions in reporting year (metric tons CO2e)**
0

**% of target achieved [auto-calculated]**
100

**Target status in reporting year**
Achieved

**Is this a science-based target?**
No, but we anticipate setting one in the next 2 years

**Please explain (including target coverage)**
Capital One has a year over year goal to be carbon neutral for Scope 1, 2 (market based) emissions. 11,719 MT of base year 2017 Scope 1 emissions where 0 due to purchased carbon offsets. The majority of 2017 Base year Scope 2 (market based) emissions were neutralized through REC purchases as part of our 100 % renewable energy goal. The remaining 150 MT was from steam which equaled 1% of the total Scope 1 and Scope 2 (market based) emissions for 2017. In 2019 all Scope 1 was neutralized through carbon offsets. Scope 2 market based electricity was 0 due to REC purchases. Scope 2 steam was 0 due to carbon offsets

---

**Target reference number**
Abs 2

**Year target was set**
2018

**Target coverage**
Company-wide

**Scope(s) (or Scope 3 category)**
Scope 3: Business travel

**Base year**
2017

**Covered emissions in base year (metric tons CO2e)**
62340

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

**Target year**
2019

**Targeted reduction from base year (%)**
100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**
0

**Covered emissions in reporting year (metric tons CO2e)**
0

**% of target achieved [auto-calculated]**
100

**Target status in reporting year**
Achieved

**Is this a science-based target?**
No, but we anticipate setting one in the next 2 years

**Please explain (including target coverage)**
Capital One has a year over year goal to be carbon neutral for Scope 3 business travel emissions. Base year 2017 business travel emissions were 62,340 MT of CO2e and were neutralized through purchased carbon offsets. 34,539 MT of 2018 Business travel emissions were neutralized through carbon offsets

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## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**
Target(s) to increase low-carbon energy consumption or production

## C4.2a

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

**Target reference number**
Low 1

**Year target was set**
2017

**Target coverage**
Company-wide

**Target type: absolute or intensity**
Absolute

**Target type: energy carrier**
Electricity

**Target type: activity**
Consumption

**Target type: energy source**
Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**
Percentage

**Target denominator (intensity targets only)**
<Not Applicable>

**Base year**
2018

**Figure or percentage in base year**
0

**Target year**
2019

**Figure or percentage in target year**
100

**Figure or percentage in reporting year**
100

**% of target achieved [auto-calculated]**
100

**Target status in reporting year**
Achieved

**Is this target part of an emissions target?**
Our renewable energy target enables our emissions targets

**Is this target part of an overarching initiative?**
RE100

**Please explain (including target coverage)**
Since 2017 Capital One has matched 100% of electricity consumption with RECS. In 2018 we joined RE100 have maintained a rolling market-based 100% renewable energy goal year over year.

## C4.3

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

## C4.3a

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

| | Number of initiatives | Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *) |
|---|---|---|
| Under investigation | 2 | 28.5 |
| To be implemented* | 0 | 0 |
| Implementation commenced* | 10 | 56.98 |
| Implemented* | 71 | 531.37 |
| Not to be implemented | 0 | 0 |

## C4.3b

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

**Initiative category & Initiative type**

| | |
|---|---|
| Energy efficiency in buildings | Lighting |

**Estimated annual CO2e savings (metric tonnes CO2e)**
505.67

**Scope(s)**
Scope 2 (location-based)
Scope 2 (market-based)

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
0

**Investment required (unit currency – as specified in C0.4)**
0

**Payback period**
4-10 years

**Estimated lifetime of the initiative**
6-10 years

**Comment**
Office, Branch, and Cafe Lighting efficiency projects. Capital One chooses not to disclose financial details regarding our GHG investments at this time.

---

**Initiative category & Initiative type**

| | |
|---|---|
| Energy efficiency in buildings | Heating, Ventilation and Air Conditioning (HVAC) |

**Estimated annual CO2e savings (metric tonnes CO2e)**
82.68

**Scope(s)**
Scope 2 (location-based)
Scope 2 (market-based)

**Voluntary/Mandatory**
Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**
0

**Investment required (unit currency – as specified in C0.4)**
0

**Payback period**
16-20 years

**Estimated lifetime of the initiative**
21-30 years

**Comment**
Office, Branch, and Cafe HVAC projects. Capital One chooses not to disclose financial details regarding our GHG investments at this time.

---

## C4.3c

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

| Method | Comment |
|---|---|
| Dedicated budget for other emissions reduction activities | Dedicated budgets for operational policy changes, lighting and HVAC upgrades, building automation, and Renewable Energy Credits (RECs) |
| Dedicated budget for other emissions reduction activities | Waste reduction projects include the implementation of enhanced recycling and composting programs, back-of-house food digesters for kitchen scraps, etc. |
| Employee engagement | We engage our associates on environmental sustainability and energy efficiency topics in a variety of ways through our Environmental Sustainability Office. Any associate can keep up with and discuss sustainability best practices, news, and events through our robust intranet site. We also sponsor yearly events and contests for Earth Day and other events including an annual Environmental Speaker Series event which feature leading figures in the sustainability world. In 2016, we have hosted Bill Nye the Science Guy, former VP Al Gore, Jeff Corwin, Alexandra Cousteau and Jane Goodall all of which were extremely popular and served as a catalyst to extend our associate engagement. In addition to these enterprise-wide efforts, we also support local Green Team in each of our markets, which are comprised of passionate associates who dedicate their time and talents to coordinate community volunteerism and educational opportunities to help their colleagues learn more about how to be more environmentally sustainable at work and at home. |
| Other | Capital One has a stated commitment to pursue LEED Silver certification (or better) for all future construction projects as well as comprehensive renovations. |

## 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**
Multi-Family Housing Green Finance products from Fannie Mae and Freddie Mac

**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 (Internal Assessment)

**% revenue from low carbon product(s) in the reporting year**
0

**% of total portfolio value**
0

**Asset classes/ product types**

| | |
|---|---|
| Bank lending | Commercial Loans |

**Comment**
Per CDP scoring guidance for financial services, columns '% of total portfolio value' and 'Asset classes/product types' are not included in our disclosure

---

**Level of aggregation**
Product

**Description of product/Group of products**
Renewable Energy Lending Tax Equity Finance

**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 (Internal Assessment)

**% revenue from low carbon product(s) in the reporting year**
0

**% of total portfolio value**
0

**Asset classes/ product types**

| | |
|---|---|
| Bank lending | Commercial Loans |

**Comment**
Per CDP scoring guidance for financial services, columns '% of total portfolio value' and 'Asset classes/product types' are not included in our disclosure

---

## 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 2013

**Base year end**
December 31 2013

**Base year emissions (metric tons CO2e)**
17319

**Comment**
Base Year was recalculated in 2013 after the ING Direct and HSBC credit card portfolio acquisitions

**Scope 2 (location-based)**

**Base year start**
January 1 2013

**Base year end**
December 31 2013

**Base year emissions (metric tons CO2e)**
207587

**Comment**
Base Year was recalculated in 2013 after the ING Direct and HSBC credit card portfolio acquisitions

**Scope 2 (market-based)**

**Base year start**
January 1 2016

**Base year end**
December 31 2016

**Base year emissions (metric tons CO2e)**
178720

**Comment**

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

# C6. Emissions data

## C6.1

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

**Reporting year**

**Gross global Scope 1 emissions (metric tons CO2e)**
9495

**Start date**
<Not Applicable>

**End date**
<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**

## C6.3

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

**Reporting year**

**Scope 2, location-based**
146671

**Scope 2, market-based (if applicable)**
135

**Start date**
<Not Applicable>

**End date**
<Not Applicable>

**Comment**
Scope 2 Market based emissions are 135 due to steam emissions which are offset through carbon credit purchases. Market based electricity emissions are 0 due to annual REC purchases

## 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?**
No

## C6.5

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

**Purchased goods and services**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
165571

**Emissions calculation methodology**
Food Services - spend calculation leveraging Quantis Scope 3 calculater https://quantis-suite.com/Scope-3-Evaluator/ Paper - https://c.environmentalpaper.org/group.html Plastics Manufacturing - spend calculation leveraging Quantis Scope 3 calculater https://quantis-suite.com/Scope-3-Evaluator/ Cloud Computing - provided by suppliers

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
4

**Please explain**
Capital One has estimated or received Scope 3 Category 1 emissions for : Food Service Providers for our office locations, plastic card manufacturing, paper suppliers, construction, and cloud computing providers. We have conducted an initial assessment of our total purchased goods and services spend with a consultant (Point380) and will be joining the CDP Supply Chain program to further refine our Scope 3 emissions reporting in 2021.

**Capital goods**

**Evaluation status**
Relevant, not yet calculated

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital Goods will be reported in the 2021 reporting cycle

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
8156

**Emissions calculation methodology**
Transmission and Distribution Related losses be eGrid factor

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
80

**Please explain**
Transmission loss estimates are based on electrical consumption provided by our third party utility bill pay supplier

**Upstream transportation and distribution**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
67870

**Emissions calculation methodology**
Fed Ex and USPS provide emissions calculation allocations for their services.

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

**Please explain**
Upstream transportation and distribution data is provided by FedEx, the US Postal Service, and bulk freight providers

**Waste generated in operations**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
4762

**Emissions calculation methodology**
Emissions Factors via WARM v15 Landfill 0.36 MTCO2e/ ton waste Recycle (2.86) MTCO2e/ ton waste Compost (0.16) MTCO2e/ ton waste Shred (2.86) MTCO2e/ ton waste

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

**Please explain**

**Business travel**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
37500

**Emissions calculation methodology**

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

**Please explain**
Includes; Commercial Air, Rail, Rental Car, Uber, Lyft, and taxi services, corporate jets, shuttle services, and expensed Mileage. Leveraged the EPA Climate Leaders guide "Optional Emissions from Commuting, Business Travel, and Product Transport." Commercial Air and Rail emissions are estimated based on the specific trip mileage and the appropriate CO2e/km-passenger mile conversion factor (short-haul air, medium-haul air, long-haul air, and rail). Emissions for rental car and expensed mileage is based on the total mileage and the appropriate GHG factors for gasoline from EPA Emissions Factors for Green House Gas Inventories.

**Employee commuting**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
101249

**Emissions calculation methodology**
Includes associate and non-associate workforce. One way commute in miles was calculated using ESRI GIS software, then doubled. We assumed five commuting days per week and 49 weeks per year. Commuters of one mile or less were assumed to walk. We took a conservative approach and did not make an assumption on carpooling. We estimated percentages of the population that were assumed to leverage public transportation in major cities like NYC, Chicago, London, San Francisco. GHG emissions calculated based on passenger vehicle, bus, and rail mileage. Methodology was verified by third-party verifier Apex.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**
0

**Please explain**
Associated commute is based on workforce home address data which is internal to Capital One. GIS calculations were performed by an internal Capital One GIS team.

### Upstream leased assets

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One does not lease any equipment or assets other than office locations.

### Downstream transportation and distribution

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One transportation and distribution emissions are captured in category 4 per the GHG protocol

### Processing of sold products

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One does not sell intermediate products that require processing into final products.

### Use of sold products

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One does not have any sold products as defined by the Greenhouse Gas Protocol Product Life Cycle Accounting and Reporting Standard

### End of life treatment of sold products

**Evaluation status**
Relevant, not yet calculated

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One provides financial services and thus does not sell physical products that would incur emissions from the end of life or waste disposal. Evaluation for end of life treatment of credit card plastics may be calculated in the future

**Downstream leased assets**

**Evaluation status**
Relevant, calculated

**Metric tonnes CO2e**
5866.51

**Emissions calculation methodology**
Electricity emissions from properties where Capital One is accountable for the utilities and subleases space to other tenants.

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

**Please explain**
Emissions are estimated based on consumption data provided by utillities

**Franchises**

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Capital One does not operate franchises

**Other (upstream)**

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Not applicable

**Other (downstream)**

**Evaluation status**
Not relevant, explanation provided

**Metric tonnes CO2e**
<Not Applicable>

**Emissions calculation methodology**
<Not Applicable>

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

**Please explain**
Not applicable

## 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**
0.0000054603

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**
156166

**Metric denominator**
unit total revenue

**Metric denominator: Unit total**
28600000000

**Scope 2 figure used**
Location-based

**% change from previous year**
9

**Direction of change**
Decreased

**Reason for change**
31% Reduction in heating oil emissions 19% reduction in propane emissions 9% reduction in electricity emissions

---

**Intensity figure**
3.32e-7

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**
9495

**Metric denominator**
unit total revenue

**Metric denominator: Unit total**
28600000000

**Scope 2 figure used**
Market-based

**% change from previous year**
3

**Direction of change**
Decreased

**Reason for change**
31% Reduction in heating oil emissions 19% reduction in propane emissions

---

## C7. Emissions breakdowns

## 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 | 0 | No change | 0 | Capital One Renewable Energy procurement is REC based and not relevant for this Location based analysis |
| Other emissions reduction activities | 320 | Decreased | 3 | 3% Reduction in Natural Gas Emissions, 31% reduction in heating oil emissions, 19% reduction in propane emissions |
| Divestment | | <Not Applicable> | | |
| Acquisitions | | <Not Applicable> | | |
| Mergers | | <Not Applicable> | 0 | |
| Change in output | | <Not Applicable> | | |
| Change in methodology | | <Not Applicable> | | |
| Change in boundary | | <Not Applicable> | | |
| Change in physical operating conditions | | <Not Applicable> | | |
| Unidentified | | <Not Applicable> | | |
| 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?**

Location-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 undertook this energy-related activity in the reporting year |
|---|---|
| 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 | No |
| Generation of electricity, heat, steam, or cooling | No |

## 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 (renewable and non-renewable) MWh |
|---|---|---|---|---|
| Consumption of fuel (excluding feedstock) | Unable to confirm heating value | 0 | 39754 | 39754 |
| Consumption of purchased or acquired electricity | <Not Applicable> | 364041 | 0 | 364041 |
| Consumption of purchased or acquired heat | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Consumption of purchased or acquired steam | <Not Applicable> | 0 | 598 | 598 |
| Consumption of purchased or acquired cooling | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Consumption of self-generated non-fuel renewable energy | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Total energy consumption | <Not Applicable> | 364041 | 40352 | 40393 |

## 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 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/ section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

### C10.1b

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

**Scope 2 approach**
Scope 2 location-based

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/ section reference**

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 2 approach**
Scope 2 market-based

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/ section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

## C10.1c

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

**Scope 3 category**
Scope 3: Business travel

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 3 category**
Scope 3: Upstream transportation and distribution

**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**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 3 category**
Scope 3: Employee commuting

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 3 category**
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

**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**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 3 category**
Scope 3: Downstream leased assets

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

**Scope 3 category**
Scope 3: Waste generated in operations

**Verification or assurance cycle in place**
Annual process

**Status in the current reporting year**
Complete

**Type of verification or assurance**
Limited assurance

**Attach the statement**
Capital One RY2019_CDP Verification Statement Limited Final 08-18-2020.pdf

**Page/section reference**
1

**Relevant standard**
ISO14064-3

**Proportion of reported emissions verified (%)**
100

---

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**
No, but we are actively considering verifying within the next two years

# C11. Carbon pricing

## C11.2

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

## C11.2a

**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.**

**Credit origination or credit purchase**
Credit purchase

**Project type**
N2O

**Project identification**
Facility Name: Terra Verdigris #2 Serial Numbers: CAR-1-US-766-30-585-OK-2011-1020-206414 to 356413; CAR-1-US-766-30-585-OK- 2011-599-137553 to 187552

**Verified to which standard**
CAR (The Climate Action Reserve)

**Number of credits (metric tonnes CO2e)**
200000

**Number of credits (metric tonnes CO2e): Risk adjusted volume**
200000

**Credits cancelled**
Yes

**Purpose, e.g. compliance**
Voluntary Offsetting

---

## C11.3

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

## C11.3a

**(C11.3a) Provide details of how your organization uses an internal price on carbon.**

**Objective for implementing an internal carbon price**
Drive energy efficiency
Drive low-carbon investment

**GHG Scope**
Scope 1
Scope 2
Scope 3

**Application**
Allocated to business units through the Enterprise Services budgeting process

**Actual price(s) used (Currency /metric ton)**
15

**Variance of price(s) used**
$15 per MT for Scope 1, 2, and Scope 3 third party verified categories

**Type of internal carbon price**
Internal fee

**Impact & implication**
Establish a dedicated revenue stream to fund carbon reduction efforts and sustainability initiatives

## C12. Engagement

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**
Yes, our suppliers

### C12.1a

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

**Type of engagement**
Information collection (understanding supplier behavior)

**Details of engagement**
Collect climate change and carbon information at least annually from suppliers
Other, please specify ( fiber sourcing data from our paper suppliers)

**% of suppliers by number**
1

**% total procurement spend (direct and indirect)**
0

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

**Rationale for the coverage of your engagement**

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

**Comment**
We are not able to disclose % of total procurement spend at this time . Capital One will join the CDP Supply Chain program in late 2020 to expand the number of suppliers we are collecting carbon information from annually

### 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?**
Direct engagement with policy makers
Trade associations

### C12.3a

**(C12.3a) On what issues have you been engaging directly with policy makers?**

| Focus of legislation | Corporate position | Details of engagement | Proposed legislative solution |
|---|---|---|---|
| Clean energy generation | Support | Headquartered in Virginia, Capital One actively participated in a Virginia Lawmaker Education Day organized by Ceres as part of the 2019 and 2020 Virginia General Assembly sessions. Capital One met delegates/senators to discuss why renewable energy is an important business issue for our company, challenges with existing Virginia law, and the benefits and concerns regarding various proposed pieces of legislation. | Maintain existing choice and opportunities or expand options to procure renewable energy in the state of Virginia. |
| Carbon tax | Support | Capital One participated in Lawmaker Education and Awareness Day (LEAD) on carbon pricing on Capitol Hill in May of 2019 and a virtual LEAD on Climate event in May of 2020, with several sessions by Capital One leaders. Capital One joined other leading companies advocating for a price on carbon, a market-based solution to address climate change. | Capital One did not advocate for a specific policy (carbon tax vs cap and trade) however stated congressional policy and action is needed to meet the severity of the global challenge. Business needs strong, transparent, and predictable federal policies to drive down emissions at the pace and scale required to meet emissions targets identified by scientists and international leaders. Putting a national price on carbon would send a long- term market signal to businesses, allowing them to plan ahead and reduce their emissions in a way that is most cost-effective for them. Capital One is supportive of government action in addressing the climate crisis. |

## C12.3b

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

No

## 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 engagement activities for the company are coordinated through Capital One External Affairs, which includes the Community Affairs, Government Policy and Affairs Group and the Corporate Communications teams. Additionally, the Capital One Reputation Risk Council provides guidance on activities that could pose a reputation risk to the company like inconsistency between company activities and our corporate values and commitments. Council membership includes representatives from Enterprise Risk Management, Government Affairs, Corporate Communications, Investor Relations, Regulatory Relations, and is chaired by the EVP of External Affairs. Our indirect activities that influence policy are through trade association memberships, which require executive sponsorship and Legal department review. We are members of the World Wildlife Fund's Global Forest & Trade Network, EPA Green Power Partnership, US Green Building Council, CoreNet Global, and GreenBiz Executive Network all of which are sponsored by the Senior Vice President of Enterprise Services. Capital One's Government Affairs team also has dedicated support for issues relating to ESG and environmental stewardship.

## 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**
2020 Proxy Statement.pdf

**Page/Section reference**
SECTION I - CORPORATE GOVERNANCE AT CAPITAL ONE Environmental and Social Governance Practices Page 45

**Content elements**
Emissions figures
Emission targets
Other metrics

**Comment**
Capital One began including and update on our environmental sustainability targets in our Annual Proxy statement starting in 2019.

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**Publication**
In voluntary sustainability report

**Status**
Underway – previous year attached

**Attach the document**

**Page/Section reference**
https://ecm.capitalone.com/WCM/stories/pdfs/cof-2018-csr-report---final-7-2-19.pdf Page 60

**Content elements**
Emissions figures
Emission targets
Other metrics

**Comment**
File is too large to attach. Document is available at the following link: https://ecm.capitalone.com/WCM/stories/pdfs/cof-2018-csr-report---final-7-2-19.pdf

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## C-FS12.5

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

| | Industry collaboration | Comment |
|---|---|---|
| Reporting framework | Please select | |
| Industry initiative | Ceres | Capital One became a member of the Ceres Company Network in July of 2020 |
| Commitment | Please select | |

## C14. Portfolio Impact

## C-FS14.1

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

| | We conduct analysis on our portfolio's impact on the climate | Disclosure metric | Comment |
|---|---|---|---|
| Bank lending (Bank) | No, but we plan to do so in the next two years | <Not Applicable> | We will be working with our NGO partners to develop a company approach to financed emissions |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Not applicable | <Not Applicable> | |

## C-FS14.1c

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

This is an open text question with a limit of 5,000 characters. Please note that when copying from another document into the ORS, formatting is not retained.

## C-FS14.3

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

| | We are taking actions to align our portfolio to a well below 2-degree world | Please explain |
|---|---|---|
| Bank lending (Bank) | No | We will be working with our NGO partners to develop a company approach to financed emissions |
| Investing (Asset manager) | <Not Applicable> | <Not Applicable> |
| Investing (Asset owner) | <Not Applicable> | <Not Applicable> |
| Insurance underwriting (Insurance company) | <Not Applicable> | <Not Applicable> |
| Other products and services, please specify | Not applicable | |

## C15. Signoff

## C-FI

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

## C15.1

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

| | Job title | Corresponding job category |
|---|---|---|
| Row 1 | Chief Enterprise Services Officer | Other C-Suite Officer |

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

| | I am submitting to | Public or Non-Public Submission |
|---|---|---|
| I am submitting my response | Investors | Public |

**Please confirm below**

I have read and accept the applicable Terms