Module: Introduction

Page: Introduction

CC0.1

Introduction
Please give a general description and introduction to your organization.

The PNC Financial Services Group, Inc. (PNC) is one of the leading financial services organizations in the United States, with $366 billion in assets and $257 billion in deposits as of Dec. 31, 2016. For 165 years, PNC has been a strong competitor, innovator and engaged corporate citizen. Headquartered in Pittsburgh, Pa., we provide asset management, consumer banking and small business banking primarily in 19 states and the District of Columbia and offer corporate and institutional banking services across the continental United States. As a Main Street bank, we establish deep roots in and are committed to strengthening the communities where we operate.

CC0.2

Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Jan 2016 - Sat 31 Dec 2016

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
United States of America

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

USD($)

CC0.6

Modules

As part of the request for information on behalf of investors, companies in the electric utility sector, companies in the automobile and auto component manufacturing sector, companies in the oil and gas sector, companies in the information and communications technology sector (ICT) and companies in the food, beverage and tobacco sector (FBT) should complete supplementary questions in addition to the core questionnaire.
If you are in these sector groupings, the corresponding sector modules will not appear among the options of question CC0.6 but will automatically appear in the ORS navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.
If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below in CC0.6.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

Chairman, President and Chief Executive Officer Bill Demchak leads the company, helps inform our environmental commitment and advises on how PNC can mitigate the impacts of climate change. As more than 95 percent of PNC's scope 1 and 2 greenhouse gas (GHG) emissions can be attributed to the company's building portfolio, PNC's Director of Corporate Real Estate, Kevin Wade, oversees the company's environmental strategy. In light of the emissions attributed to the company's building portfolio, PNC has made a long-term commitment to the development and operations of sustainable and high-performing real estate.

PNC's Innovation and Performance Group, which lives in Realty Services and reports up to Wade, manages PNC's carbon footprint. Leading this group is Nana Wilberforce, PhD, vice president and Innovation and Performance Manager, who develops and executes on the company's impact and responsibility strategy, which aims to lower our direct environmental impacts and educate stakeholders on sustainability. Wilberforce also oversees both the demand and supply sides of PNC's energy consumption, seeking cost-effective ways to enhance building operational efficiencies and reduce total energy consumption and associated carbon emissions.

Furthermore, and through coordination with various departments, including Realty Services, Supply Chain Management, Technology and Travel, Wilberforce tracks the company's total GHG emissions and reduction efforts and helps find new ways to further decrease PNC's carbon footprint. Finally, Wilberforce provides Wade, among other senior leaders, with regular updates on our environmental efforts.

PNC Corporate Communications also is involved in the company's environmental commitment, specifically as it pertains to Corporate & Institutional Banking's environmental and social due diligence, which is conducted for new and existing clients in select industries. Corporate Communications works with Corporate & Institutional Banking, as well as PNC's portfolio management and credit risk management teams, to facilitate and manage the development and implementation of

environmental and social due diligence policies and procedures, including but not limited to stress tests and portfolio reviews.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Energy managers	Monetary reward	Emissions reduction target Energy reduction target	The Innovation and Performance Group is charged with developing and executing on the company's sustainability strategy, which aims to engage stakeholders on low-carbon activities, meet GHG reduction goals and publicly disclose emissions. It also oversees both the demand and supply sides of PNC's energy consumption, seeking cost-effective ways to reduce energy consumption and expand the use of renewable energy. These efforts, including a $50 million lighting upgrade program, significantly contribute to PNC's GHG reduction efforts. The team members' annual bonus, merit increase and corporate recognitions are tied to their success in these areas.
All employees	Monetary reward	Efficiency project	All PNC employees have the opportunity to acknowledge each other's achievements by sending Spotlight recognitions, which have a monetary value. The Innovation and Performance Group uses the Spotlight program to recognize employees who participate in sustainability initiatives and contests.

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Pennsylvania, Ohio, New Jersey, Michigan, Illinois, Maryland, Indiana, North Carolina, Florida, Kentucky, Washington, D.C., Delaware, Alabama, Virginia, Georgia, Missouri, Wisconsin and South Carolina.	3 to 6 years	PNC's governance and approach to risk management help ensure that risks are effectively identified, monitored and managed. Risk committees established within PNC's governance structure provide oversight for risk management activities at the Board, corporate and business levels. Committee composition is designed to provide effective oversight, with the risk organization having sufficient authority to influence material decisions. The Board oversees enterprise risk management for any material changes to the risk profile and periodically reviews core elements of enterprise risk, including the Risk Appetite Statement and Risk Capacity, Appetite and Strategy. Operational risks related to the regulatory and physical impacts of climate change are assessed and managed by PNC Business Resiliency and Realty Services.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Company Level:
PNC's risk management processes, as well as the risks we undertake, reflect our commitment to optimizing long-term shareholder value. Risk reports are produced at the line of business, functional risk and enterprise level. Quarterly aggregation of our risk profile offers a clear view of our risk level relative to our risk appetite and capacity. This enterprise level report is provided to the Board of Directors.

Asset Level:
Credit risk represents the possibility that a customer, counterparty or issuer may not act in accordance with contractual terms. Credit risks and exposures are identified and assessed, managed through policies and processes, evaluated against our risk appetite and credit concentration limits, and reported, along with mitigation activities, to management and the Board. When evaluating prospective borrowers in the extractive industries, PNC implements an enhanced pre-screening and due diligence process that considers environmental impact.

Operational risk represents the possibility of loss due to human factors, external events or inadequate or failed internal processes or systems. PNC's Operational Risk Management (ORM), which focuses on balancing business needs, regulatory expectations and risk management priorities, reports key operational risks to senior management and the Board of Directors on a quarterly basis. As part of Business Continuity risk, PNC Realty Services' chief operating officer, Francis Walters, oversees environmental risks associated with PNC's buildings and operations.

CC2.1c

How do you prioritize the risks and opportunities identified?

Risks are identified through the use of analytical tools and management judgment for both on- and off-balance sheet exposures. Our governance structure supports risk identification by assessing key risk issues, as well as emerging and idiosyncratic risks, and by implementing mitigation strategies as appropriate. These risks are prioritized based on quantitative and qualitative analysis and assessed against the company's risk appetite. Multiple tools and approaches, including Key Risk Indicators (KRIs), Key Performance Indicators (KPIs), Risk and Control Self-Assessments (RCSAs), scenario analysis, stress testing, special investigations and controls, help identify and prioritize risks.

Risks are aggregated and assessed within and across risk functions or businesses. The aggregated risks are reviewed and reported at an enterprise level for adherence to PNC's risk appetite and ultimately are approved by the Board of Directors or the appropriate managing committees. This enterprise aggregation and reporting approach promotes the appropriate identification and escalation of material risks across the organization and raises awareness of the cumulative impact of risk in relation to our risk appetite.

For more information on PNC's risk management assessment, please see the company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2016 (www.pnc.com/annualreport).

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

I. How PNC's business strategy has been influenced: Climate change's influence on PNC's business strategy is reflected in our governance structure and oversight, commitment to manage environmental risk in our lending portfolio, and efforts to reduce our carbon footprint. PNC's Board of Directors oversees the company's corporate CSR program and discusses related initiatives, as well as risks and opportunities. Also, in 2017, PNC named a Vice President of Corporate Social Responsibility to manage the company's corporate sustainability program. In addition, the company is expanding and centralizing its CSR team by hiring new and leveraging existing talent to support the company's ESG practices and communications.

II. One example of how our business strategy has been influenced: An example of the most significant business strategy impacted by climate change is PNC Corporate & Institutional Banking's requirement that companies in the coal mining, electric power generation, oil and gas industries complete an enhanced environmental due diligence questionnaire. This questionnaire focuses on the borrower's past and present environmental compliance with laws and regulations; the borrower's financial resources needed to adhere to environmental mandates; the borrower's internal policies, procedures and resources related to environmental risk management; and the transaction's compliance with PNC's credit and underwriting policies related to environmental risk. In 2016, PNC conducted enhanced due diligence on 11 new clients, who were subject to our supplemental due diligence criteria, and ultimately approved nine for financing. In addition to reviewing new clients, we conduct annual reviews for existing clients in these industries that incorporate similar environmental assessments.

III. Aspects of climate change that have influenced our strategy: The aspects of climate change that have most influenced our strategy are the need to manage our operations' utility costs, as well as the environmental risks—including the regulatory and physical climate-related risks—embedded in our lending portfolio. As

our building portfolio's energy consumption is responsible for the majority of our Scope 1 and 2 GHG emissions, fuel/energy taxes and regulations could heighten PNC's operational costs. In addition, increasing levels of GHG emissions impact temperature extremes, making them more intense, more frequent and longer lasting. Extremely hot temperatures stress HVAC systems and impact work locations and data centers, while extremely cold temperatures have the ability to freeze and crack pipes. Furthermore—and to the extent that our customers are impacted by legislative and regulatory initiatives related to climate change—our business could be negatively impacted by adverse changes in our customers' creditworthiness and demand for PNC products and services.

At the same time, regulatory changes have driven greater interest in and demand for renewable energy sources, including solar and wind power. This increased demand presents an opportunity for PNC's renewable energy products and services, including PNC Energy Capital, which helps clients finance renewable energy solutions. In 2015 and 2016, for example, PNC's sustainable financing totaled more than $5 billion.

IV. How our short term strategy has been influenced by climate change: In 2016, Corporate & Institutional Banking further increased its focus on environmental risk during the underwriting process. In addition to considering environmental risk before finalizing any credit transaction, we apply supplemental due diligence criteria to companies in the coal mining, electric power generation, oil and gas industries. Corporate & Institutional Banking also incorporated an environmental risk analysis into the due diligence it conducts during the earliest stage of its lending process across all industries. In addition, PNC regularly conducts stress tests to better understand how certain environmental risks could impact its wholesale credit portfolio. By using our regulatory stress-testing framework and models, and applying various downgrade scenarios that "shock" the sector, we are able to estimate the impact on a specific customer portfolio, including the probability of default and loss.

V. How our long term strategy has been influenced by climate change: We will continue to manage our direct impact on climate change by further reducing our energy and water consumption, as well as our GHG emissions. In 2016, PNC met its 2020 carbon emissions reduction goal of 30 percent, and it expects to meet its 2020 energy reduction goal—also 30 percent—before the end of 2017. To ensure transformational actions in line with science and our tradition of innovation and responsibility, the team recently set an ambitious emissions reduction target of 75 percent by 2035 using a 2009 baseline. In support of these and other environmental performance goals, the company hired a team to manage the demand and supply sides of PNC buildings' energy use and to enhance operational efficiencies and reduce total energy consumption and carbon emissions. The team tracks corporate utility use, conducts energy audits and implements energy efficiency projects across the footprint. Additionally, the team seeks and implements innovative approaches to address energy use problems. For example, the team is revamping the company's existing green building program to focus more on innovation and intelligent building capabilities.

VI. How the Paris Agreement has influenced our business strategy: In 2016, PNC met its 2020 carbon emissions reduction goal of 30 percent and expects to meet its 2020 energy reduction goal—also 30 percent—before the end of 2017. To ensure transformational actions in line with science and our tradition of innovation and responsibility, we recently set an ambitious carbon emissions reduction target of 75 percent by 2035.

VII. How our business strategy helps us gain a competitive advantage over our competitors: PNC's business strategy helps the company remain competitive, specifically through its focus on risk management, strong governance and operational efficiency. These attributes ensure that PNC balances the competing needs of its diverse stakeholders while adhering to ethical business practices and optimizing its day-to-day operations to reduce costs and improve the employee and customer experience.

VIII. How we use forward-looking scenario analyses to inform our organization's strategy and financial planning: Our energy management strategy is informed by market forces, growth projections, and weather forecasts and predictions. We look at weather predictions 10 or more years into the future to calculate our buildings' potential energy consumption and costs and use science- and market-based techniques to mitigate any increases in PNC's energy consumption and associated carbon emissions.

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.2c

Does your company use an internal price on carbon?

No, and we currently don't anticipate doing so in the next 2 years

CC2.2d

Please provide details and examples of how your company uses an internal price on carbon

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Other

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?

CC2.3d

Do you publicly disclose a list of all the research organizations that you fund?

CC2.3e

Please provide details of the other engagement activities that you undertake

In 2016, PNC continued its partnerships with organizations described in detail below, all of which are influential in setting policies around building energy performance. In addition, PNC is an active member of the Association of Energy Engineers (AEE), Emerge Alliance, the Environmental Bankers Association and Sustainable Pittsburgh.

University Collaborations: More than 40 percent of our individual energy use can be saved by changing the way we interact with buildings. Recognizing this opportunity, PNC's Innovation and Performance Group collaborated with Carnegie Mellon University (CMU) in 2014 to conduct a plug load pilot study at 80 employee workstations, specifically by separating employees into four groups with varying levels of access and control of an intelligent energy dashboard. This study found that PNC could reduce its energy consumption by 40 percent by influencing employee behavior. Based on the success of the pilot study, we expanded this initiative by deploying smart plug devices at more than 2,850 employee desks.

Strategic Partnerships: Occupant behavior significantly impacts building performance, particularly in the area of achieving energy efficiency. In 2016, PNC's Innovation and Performance Group worked with a major engineering firm to redefine occupancy behavior through comfort analytics. This project was based on the premise that while data and analytics are important tools for designing a building, analyzing equipment use is equally important. The study's results showed that by investing a modest amount of time in collecting and analyzing data, PNC can reduce energy consumption and enhance human efficiency.

Employee Engagement: In November 2016, the Innovation and Performance Group launched the “Bring to Light” energy campaign to educate employees about energy conservation at work and home. As PNC’s first employee communications campaign focused on energy conservation, Bright to Light included six stories on PNC News Online, PNC’s intranet, about the history of and conservation practices for lighting, computers, plug loads and thermal comfort.

Other Stakeholder Engagement: PNC regularly engages with the Rainforest Action Network, a leading environmental group, as well as Boston Common Asset Management, an investor that has long been interested in PNC’s commitment to environmental, social and governance issues. Our relationships with both organizations have evolved over time to become incredibly valuable. Not only do these organizations share best practices, but they challenge us to continually revisit and enhance our environmental, social and governance policies, procedures and disclosures.

Innovative and Intelligent Buildings: Thanks to our 2003 commitment that all new construction and major renovations would follow the USGBC’s standards, we have reduced the environmental impact of our spaces and provided healthier environments for our customers and employees. PNC was an early adopter of green building and has since made sustainable design and construction a key ingredient in its long-term carbon strategy. To further enhance the performance of our buildings, the Innovation and Performance Group is working to revamp its existing green building program to focus more on innovation and intelligent building capabilities. We want to showcase our achievements while establishing a scientific basis for improvement and innovation, preparing the company for future success and leadership.

ENERGY STAR and LEED Certifications: We recognize top performing buildings through ENERGY STAR and LEED certification programs. In 2011, we added utility data from 2,400 PNC properties to the EPA’s ENERGY STAR Portfolio Manager, which tracks building performance. At the end of 2016, we had 155 buildings spanning 3.0 million square-feet that were ENERGY STAR certified, as well as 4.1 million square-feet of LEED certified space across 289 buildings.

International Living Future Institute Recognition: In 2016, the International Living Future Institute recognized PNC’s net-zero energy branch in Fort Lauderdale, Fla. as the 16th building and only retail building in the world to be certified as a Net Zero Energy Building.

Better Buildings Challenge: In 2011, PNC agreed to participate as a “partner” in the President’s Better Buildings Challenge (BBC), which aims to make U.S. commercial buildings 20 percent more efficient by 2020. The BBC supports commercial and industrial building owners by providing technical assistance and proven solutions to energy efficiency. In 2016, PNC continued working towards a 30 percent energy reduction goal by 2020 across 2,700 properties and 28 million square feet.

CC2.3f

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?

Our commitment to reducing our environmental impact extends to our third-party suppliers, including those who support PNC’s commitment to green building and whose operations we carefully evaluate before beginning an engagement or relationship. We firmly believe that our third parties and their actions are an extension of our own actions and reputation and subsequently expect our third parties to demonstrate sound values and ethical practices. Furthermore, PNC’s Code of Business Conduct and Ethics provides the ethical guidelines and expectations for conducting business on behalf of PNC. The Code is a resource for all PNC employees and business partners, such as vendors, agents, consultants and other representatives who serve as an extension of PNC, and they are expected to adhere to the spirit of the Code, and to any applicable provisions, when working on behalf of PNC.

Also, as we have made a strong commitment to emission reductions in our own operations, a key focus of our external engagements has related to green buildings. PNC's Innovation and Performance Group carefully evaluates green building and other environmental performance vendors before engaging with them on a project, certification program or industry challenge to ensure that their goals align with our internal energy and GHG emissions targets. In addition, PNC Energy Capital evaluates trade associations representing the industries in which it is involved to ensure that they align with PNC's overall strategy.

Furthermore, as part of its underwriting process, PNC Corporate & Institutional Banking requires companies in the coal mining, electric power generation, oil and gas industries to complete an enhanced environmental due diligence questionnaire. This questionnaire focuses on the borrower's past and present environmental compliance with laws and regulations; the borrower's financial resources, including liquidity and access to public debt and equity markets, needed to adhere to environmental mandates; the borrower's internal policies, procedures and resources related to environmental risk management; and the transaction's compliance with PNC's credit and underwriting policies related to environmental risk. As part of our commitment to increasing transparency, we now report on the frequency with which we conduct this later-stage enhanced due diligence for potential new clients. In 2016, PNC conducted enhanced due diligence on 11 new clients, who were subject to our supplemental due diligence criteria, and ultimately approved nine for financing. In addition to reviewing new clients, we conduct annual reviews for existing clients in these industries that incorporate similar environmental assessments. These reviews facilitate greater client engagement and allow us to identify potential concerns and help clients better mitigate risks.

Finally, PNC is intentional in developing relationships with financial trade associations, including but not limited to the Clearinghouse, the American Bankers Association and the Financial Services Roundtable. While these relationships help us identify the risks of proposals or practices as they pertain to banking, we do engage in conversations about environmental issues with select organizations, including local chambers of commerce, as well as the Allegheny Conference in Pittsburgh, Pa. Furthermore, every PNC Regional President sits on the board of his or her respective chamber of commerce (or a similar organization, if a local chamber does not exist), and PNC's CEO has always been on the board of the Allegheny Conference. This leadership engagement ensures that PNC is aware of and participates in conversations regarding environmental and other issues that impact the communities we serve.

CC2.3g

Please explain why you do not engage with policy makers

Further Information

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?

Absolute target
Renewable energy consumption and/or production target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1+2 (location-based)	100%	30%	2009	480206	2020	No, as there is currently no established science-based targets methodology in this sector	Original base year emissions were reported to be 451,970 metric tons CO2e. In March 2012, PNC acquired the U.S. branches of the Royal Bank of Canada, which increased the company's baseline by 6.3 percent. We have readjusted the baseline to reflect the 28,236 metric tons of CO2 associated with the acquisition. We are using the absolute methodology of science-based targets to cut our scope one and two emissions by 30 percent by 2020.
Abs2	Scope 1+2 (location-based)	100%	75%	2009	480206	2035	No, as there is currently no established science-based targets methodology in this sector	Original base year emissions were reported to be 451,970 metric tons CO2e. In March 2012, PNC acquired the U.S. branches of the Royal Bank of Canada, which increased the company's baseline by 6.3 percent. We have readjusted the baseline to reflect the 28,236 metric tons of CO2 associated with the acquisition. In 2016, PNC met its 2020 carbon emissions reduction goal of 30 percent. To ensure transformational actions in line with science and our tradition of innovation and responsibility, the team recently set ambitious scope one and two emissions reduction targets of 75 percent by 2035 using a 2009

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
								baseline based on absolute methodology of science-based targets as a means of verification.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions covered by target	Target year	Is this a science-based target?	Comment

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment

CC3.1d

Please provide details of your renewable energy consumption and/or production target

ID	Energy types covered by target	Base year	Base year energy for energy type covered (MWh)	% renewable energy in base year	Target year	% renewable energy in target year	Comment
RE1	Electricity consumption	2009	529863	3.38%	2035	50%	

CC3.1e

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	64%	100%	Over the past seven years, we have reduced our carbon emissions by 30 percent. Key initiatives to reduce emissions from building energy use include high performance new construction, more than $50 million in lighting upgrades, and improvements to HVAC equipment. PNC was an early adopter of green building and has since made sustainable design and construction a key ingredient in its long-term carbon strategy. To further enhance the performance of its buildings, the team is revamping PNC's existing green building program to focus more on innovation and intelligent building capabilities. We want to showcase our achievements while establishing a scientific basis for improvement and innovation, preparing the company for future success and leadership. In March 2012, PNC acquired the U.S. branches of the Royal Bank of Canada, which increased the company's baseline by 6.3 percent. Since then, we have adjusted our baseline to account for the company's larger footprint.
Abs2	27%	40%	To ensure transformational actions in line with science and our tradition of innovation and responsibility, the team recently set ambitious scope one and two emissions reduction targets of 75 percent by 2035 (using a 2009 baseline based on absolute methodology of science-based targets).

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
RE1	5%	16%	In 2015, we set a target of 10 percent by 2020. Since then, we have increased that target to 50 percent to better reflect our commitment to renewable energy. We have increased our renewable by purchasing Renewable Energy Certificates (RECs).

CC3.1f

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

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

CC3.2a

Please 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	Description of product/Group of products	Are you reporting low carbon product/s or avoided emissions?	Taxonomy, project or methodology used to classify product/s as low carbon or to calculate avoided emissions	% revenue from low carbon product/s in the reporting year	% R&D in low carbon product/s in the reporting year	Comment
Group of products	PNC actively invests in alternative energy, primarily solar, through PNC Energy Capital and Public Finance, among other PNC businesses. We finance a variety of energy projects, including Solar: PV, thin film, thermal and CSP, wind, geo-thermal, water treatment plants, waste-to-energy plants, land-fill gas plants, distributed and stand-by generation/co-generation systems, central plant improvements and energy conservation projects, HVAC, and lighting retrofits and upgrades. In 2015 and 2016, PNC's sustainable financing totalled more than $5 billion, which includes contributions from PNC's Equipment Finance, Public Finance and Real Estate Finance businesses, among other areas. These investments result in Scope 1 and Scope 2 emission reductions.					
Product	Launched in 2008, PNC's Small Business Green Lending program discounts standard loan origination fees by 50 percent and interest rates by 0.5 percent for energy and water efficiency project loans of $500,000 or less. Projects include the purchase of low-emission fleet vehicles to assist with Scope 1 emissions reductions, the purchase of ENERGY STAR appliances, water efficient fixtures, solar hot water systems and energy efficient roofs, and efficiency upgrades to existing systems to assist with Scope 2 emissions reductions.					
Company-wide	Customers can take advantage of our online and mobile banking tools, which eliminate Scope 1 emissions associated with transportation and Scope 2 emissions associated with statement printing and check processing. In 2016, approximately 60 percent of our retail banking customers used non-teller channels for the majority of their transactions, compared with 55 percent in 2015. Furthermore, 51 percent of deposit transactions now come via an ATM or mobile device.					

CC3.3

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

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	450	
To be implemented*	206	3296
Implementation commenced*	194	2910
Implemented*	451	8784
Not to be implemented	41	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Voluntary lighting retrofit projects to replace T12 and T8 to LEDs in high traffic areas, and T12 to T8 bulbs and magnetic with electronic ballasts in low traffic areas at 125 buildings to reduce PNC's Scope 2 emissions from purchased electricity.	4006	Scope 2 (location-based)	Voluntary	650000	2000000	1-3 years	16-20 years	
Energy efficiency: Building services	Voluntary HVAC-related projects with energy efficiency impacts, such as equipment and controls upgrades, at 205 buildings to reduce PNC's Scope 2 emissions from purchased electricity.	2025	Scope 2 (location-based)	Voluntary	250000	5600000	21-25 years	>30 years	
Energy efficiency: Building services	Voluntary energy audits at 250 buildings to reduce PNC's Scope 2 emissions from purchased electricity.	1044	Scope 1 Scope 2 (location-based)	Voluntary	200000				
Energy efficiency: Building fabric	Voluntary design and construction of 19 new or major renovation bank branch projects that achieved LEED certification due in part to efficient energy performance to reduce PNC's Scope 1 emissions from natural gas and refrigerants, and Scope 2 emissions from purchased electricity. This is compared against traditional branch building design and construction.	356	Scope 1 Scope 2 (location-based)	Voluntary	57000	228000	4-10 years	>30 years	
Energy efficiency:	Voluntary design and construction of eight new or major renovation office projects that achieved LEED	150	Scope 1 Scope 2 (location-	Voluntary	24000	96000	4-10 years	>30 years	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Building fabric	certification due in part to efficient energy performance to reduce PNC's Scope 1 emissions from natural gas and refrigerants, and Scope 2 emissions from purchased electricity. This is compared against traditional office building design and construction.		based)						
Energy efficiency: Building services	Voluntary plug load management project in 60 buildings to reduce PNC's Scope 2 emissions from purchased electricity.	703	Scope 1 Scope 2 (location-based)	Voluntary	100000	300000	1-3 years	6-10 years	
Energy efficiency: Building services	Voluntary addition and enhancement of lighting and HVAC control equipment and associated programming updates at targeted major buildings to reduce PNC's Scope 1 emissions from natural gas and Scope 2 emissions from purchased electricity.	500	Scope 1 Scope 2 (location-based)	Voluntary	97500	195000	1-3 years	6-10 years	

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	PNC budgets $3 million every year for the Innovation and Performance Group to execute its energy audit and lighting retrofit program. Over the past seven years, PNC has invested more than $50 million in lighting retrofits.
Employee engagement	How people interact with a building can significantly affect that building's energy consumption. In 2014, PNC worked with Carnegie Mellon University to study this connection at individual employee workstations. PNC and CMU found that employees could reduce their individual energy consumption simply by being aware of and sensitive to that consumption. Since then, PNC has committed to empowering employees to realize the simple changes they can make to reduce their energy consumption at work and home. As part of this commitment, PNC launched a Bring to Light campaign in 2016. This month-long campaign led by PNC's Innovation and Performance Group focused on a different energy topic each week, looking at the story behind it and how it has shaped our world. The campaign also brought to light current trends in energy consumption, along with energy conservation tips.
Other	Comfort analytics: Occupant behavior is recognized as a major contributing factor to the success of building performance, particularly in the area of achieving energy efficiency. In 2016, the team worked on a project to redefine occupancy behavior through comfort analytics. This was based on the premise that while data and analytics are important tools for designing a building, analyzing equipment use, both large and small, is equally as important. Results from this study showed that with a small investment in time collecting data and analyzing data, PNC can show improvements in energy and human efficiency, resulting in both cost savings and increased employee satisfaction.
Other	Intelligent building: Completing innovative projects and utilizing new technologies are critical to enhancing our vision and further reducing carbon emissions. In 2016, we utilized advanced building data analytics to identify important drivers of energy use, to optimize and predict energy use, and to determine the health of our buildings. Managing PNC building assets requires data from many existing sources. There is a vast amount of building data currently available through building management systems (BMS), utility bills and many other sources. By linking these data sources and finding meaningful relationships between them, we were able to use data in a productive manner to impact decisions, inform actions and yield substantial cost savings.
Other	Energy audits: Energy audits are performed on the poor-performing buildings to identify and correct building system problems, as well to achieve peak performance in the buildings moving forward. In 2016, we visited more than 250 buildings and provided regional teams with energy efficiency plans to reduce consumption in their buildings based on problems with lighting, HVAC and plug loads. Once our recommendations were implemented, measured and verified, we scheduled evaluations to ensure that all necessary changes were made and that there were no additional energy problems.
Other	Data analytics: To maximize operational efficiency, we continuously analyze our building portfolio to identify opportunities for improving the performance of our buildings. We accomplish this by auditing utility bills and analyzing operational data. Based on energy use and energy cost data, we determine the top 10 worst-performing buildings in each region.
Internal incentives/recognition programs	All PNC employees have the opportunity to acknowledge each other's achievements by sending Spotlight recognitions. The Innovation and Performance Group uses the Spotlight program to recognize employees who participate in sustainability contests and initiatives.
Internal finance mechanisms	As PNC mandates building efficiency in all newly-constructed buildings, LEED and other green building costs are embedded in Realty Services' building costs.

Method	Comment
Dedicated budget for other emissions reduction activities	PNC building engineers commission all new construction and major renovations to ensure that the company's buildings operate as intended, which ensures maximum energy and water efficiency, as well as minimal refrigerant use.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

Page: CC4. Communication

CC4.1

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	Status	Page/Section reference	Attach the document	Comment
In voluntary communications	Complete	PNC's environmental commitment and indicators are discussed on pages 2-3, 8, 52-59, and 60-64.		

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fuel/energy taxes and regulations	PNC monitors developments in key regulatory areas, especially with respect to fuel/energy taxes, primarily in our retail footprint. As our building portfolio's energy consumption is responsible for the majority of our Scope 1 and 2 GHG emissions, fuel/energy taxes	Increased operational cost	Up to 1 year	Direct	Likely	Low-medium	Fuel/energy taxes and regulation could increase our operational expenses due to higher utility costs. If unmanaged, we estimate that the financial impact could increase our annual energy	PNC hired energy manager Nana Wilberforce in 2009 to oversee PNC's energy consumption. Now head of PNC's Innovation and Performance Group, Wilberforce manages the demand and supply sides of energy use in PNC's buildings,	A key cost to manage this risk is capital projects that reduce energy consumption. For example, since 2010, we have invested more than $50 million in lighting retrofit initiatives that have a payback period of less than four years.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	and regulations could heighten PNC's operational costs. In addition—and to the extent that our customers are impacted by legislative and regulatory initiatives related to climate change—our business could be negatively impacted by adverse changes in our customers' creditworthiness and demand for PNC products and services. Furthermore, PNC conducts annual "environmental risk" reviews to increase awareness of the potential sensitivity of its relationships in carbon intensive industries to these legislative and regulatory initiatives.						expenses by more than $2.1 million.	while enhancing operational efficiencies. His team tracks corporate utility use, conducts energy audits and implements energy efficiency projects across the footprint. In 2016, PNC partnered with FuseMap, a big data energy analytics company, to use deep learning to analyze various buildings' energy consumption. This project helped us reduce our energy consumption at applied locations by 10 percent. Another way that we are managing this risk is through Corporate & Institutional Banking's increased focus on environmental risk during the underwriting process. In	Furthermore, in 2016, we invested $2 million across 125 buildings to replace T12 and T8 bulbs with LEDs in high-traffic areas and to replace T12 bulbs with T8 bulbs and magnetic with electronic ballasts in low-traffic areas. We will continue to invest in energy efficiency to reduce this risk and ensure that we can achieve our 2020 energy reduction goal of 30 percent (based on 2009 use).

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								addition to considering environmental risk before finalizing any credit transaction, we now apply supplemental due diligence criteria to companies in the coal mining, oil, gas and coal-fired power generation sectors. Corporate & Institutional Banking also incorporated an environmental risk analysis into the due diligence it conducts during the earliest stage of its lending process across all industries. This environmental pre-screening process for prospective clients occurs prior to PNC's presentation of a term sheet and before underwriting.	

CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in temperature extremes	Increasing levels of GHG emissions impact temperature extremes, making them more intense, more frequent and longer lasting. Extremely hot temperatures and heat waves stress HVAC systems and impact work locations and data centers. At the same time, however, extremely cold temperatures have the ability to freeze and crack pipes. In 2016, there were three severe winter weather events that Enterprise Crisis Management engaged in from an assessment perspective. All three of these events resulted in disruptions to PNC	Other:	Up to 1 year	Direct	Likely	Medium	Temperature extremes increase demand on heating and cooling, which results in higher utility costs. If unmanaged, we estimate that the financial impact could increase our energy expenses annually by more than $3 million.	We manage increased operational costs through our energy management program. PNC hired energy manager Nana Wilberforce in 2009 to oversee PNC's energy consumption. Now head of PNC's Innovation and Performance Group, Wilberforce is responsible for managing the demand and supply sides of energy use in PNC's buildings, while enhancing operational efficiencies. His team tracks corporate utility use, conducts energy audits and implements energy efficiency projects	For example, since 2010, we have invested more than $50 million in lighting retrofit initiatives that have a payback period of less than four years. Furthermore, in 2016, we invested $2 million across 125 buildings to replace T12 and T8 bulbs with LEDs in high-traffic areas and to replace T12 bulbs with T8 bulbs and magnetic with electronic ballasts in low-traffic areas. We will continue to invest in energy efficiency to reduce this risk and ensure that we can achieve our 2020 energy reduction goal of

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	locations and impacted the availability of facilities. In January, Winter Storm Jonas caused disruptions to PNC and our third-party vendor operations, forcing alternate work solutions to be employed for employees across an 11-state area between Georgia and New York. On January 23, the worst impact day to PNC branches, there were approximately 928 retail branches and multiple lines of business that operated on modified schedules due to weather conditions. In February, Winter Storm Nacio forced Enterprise Crisis Management to engage in a communication campaign to ensure that businesses were prepared for							across the footprint. In 2016, PNC partnered with FuseMap, a big data energy analytics company, to use deep learning to analyse the energy consumption of various buildings. This project helped us reduce our energy consumption at applied locations by 10 percent. We manage disruption in services through our business resiliency procedures. Enterprise Crisis Management and Realty Services partner with Lines of Business to implement Alternate Work Solutions to include Alternate Work Areas and Workload Transfer. Crisis Management processes and	30 percent (based on 2009 use).

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	what was forecast to be a severe storm. Line of business and Realty Services preparations mitigated any occurrences of impact during this storm. In December, severe winter weather caused disruptions to PNC's retail branch network in that approximately 185 branches operated on modified schedules throughout Maryland, Pennsylvania and Washington, DC. If unmanaged, growing temperature extremes could have a greater impact on our operations through higher utility costs and increased service disruptions.							procedures and Business Continuity Plans are enacted. We also have expanded alternative channels, such as online, mobile and ATMs, to conduct business. Customers continue to take advantage of these services. In 2016, approximately 60 percent of our retail banking customers used non-teller channels for the majority of their transactions, compared with 55 percent in 2015.	
Tropical cyclones (hurricanes	Our buildings are subject to changing weather patterns that have resulted in	Other:	Up to 1 year	Direct	More likely than not	Medium-high	The financial implications vary based on magnitude and	We manage service disruptions through our business resiliency	Varies based on magnitude and geographical

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
and typhoons)	an increase in extreme climate-related incidents over the past decade. Hurricanes and tropical storms have the potential to impact PNC operations on an annual basis. While these natural disasters historically have targeted the Gulf Coast and Florida coast, their potential impact now extends up the eastern coast and into the south-central regions of the United States, large portions of PNC's footprint. In 2016, two tropical storms impacted PNC locations and business processes, resulting in delayed openings, early closures, total closures and the implementation of alternate work strategies to minimize business impact. In June 2016, Tropical						geographical impact (PNC footprint). For example, during Hurricane Sandy, which impacted a major market for PNC, more than 500 branches remained closed for the better part of a week after the storm made landfall.	procedures. Enterprise Crisis Management (ECM) engages the Crisis Management (CM) team to determine and assess potential and current business impacts, and CM processes and procedures and Business Continuity Plans are enacted. ECM and PNC Realty Services partner with the company's lines of business to implement Alternate Work Solutions, including Alternate Work Areas and Workload Transfer. We also have expanded alternative channels, such as online, mobile and ATMs, to conduct business. Customers continue to take advantage of these services. In 2016,	impact (PNC footprint).

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Storm Colin forced the early closure of 24 retail branches due to potential hurricane conditions in the Tampa, Fla. region. Additionally, several lines of business employed alternate work strategies as precautionary measures to ensure safe commutes for employees. In October of 2016, Hurricane Matthew resulted in wide-spread wind conditions throughout Florida and Georgia coastal areas, as well as flood conditions across North and South Carolina, over the course of a two-week period. These occurrences impacted PNC borrowers, depositors, suppliers and other counterparties. PNC employees' home lives also were affected, which							approximately 60 percent of our retail banking customers used non-teller channels for the majority of their transactions, compared with 55 percent in 2015. We also build our retail branches to commercial grade standards, which can help mitigate damage during major storms. To mitigate the risk associated with future storms and to ensure that PNC branches in storm-prone areas can operate during severe weather and other emergency conditions, we equipped select branches with the ability to connect to an emergency generator using a mechanical transfer switch. By 2015, switch gears had been installed at more than 100	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	added to the company's business disruption. PNC also could suffer adverse consequences to the extent that disasters affect the financial markets or the economy in general. These types of impacts could lead to an increase in delinquencies, bankruptcies or defaults tied to higher levels of nonperforming assets, net charge-offs and credit loss provisions.							branches, and PNC has an agreement with one of its suppliers to ensure that it has access to both generators and fuel, as needed, during the hurricane season.	
Change in precipitation pattern	Coastal and inland flooding can significantly disrupt PNC's ability to operate, including during weather emergencies, when customer needs are often the highest. In 2016, several PNC locations in the Mid-West region were impacted by flooding, and	Other:	Up to 1 year	Direct	About as likely as not	Medium-high		Enterprise Crisis Management engages the Crisis Management Team to determine and assess potential and current business impacts. Crisis Management processes and procedures and Business	Varies based on magnitude and geographical impact (PNC footprint).

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	several other PNC facilities suffered from power disruptions related to severe storms. Critical PNC facilities in Dallas, Tex. and Strongsville, Ohio experienced power outages due to severe storm activity in July and August 2016 (respectively). In the case of Dallas, impact to business operations was mitigated as a result of permanent generators and other resiliency measures. In the case of Strongsville, the time of day and speed of recovery of utility services minimized the impact to business.							Continuity Plans are enacted.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	We recognize that how we do or do not address climate change can impact our reputation, and subsequently our business. As our stakeholders' awareness of and sensitivity to the risks of climate change continue to grow, it becomes increasingly important for us to respond in a thoughtful and deliberate manner. Employees, investors and customers often care about a company's environmental, social and governance practices, and some reference these practices when deciding where to work, invest and do business. If PNC does not continue to advance its environmental, social and governance practices and/or carefully respond to climate-related developments, it could lose talent, investors	Other:	1 to 3 years	Direct	About as likely as not	Medium	We would not attempt to quantify any potential financial impact associated with reputational risks.	PNC has taken numerous steps to manage potential reputational risks by being transparent about its carbon management program and communicating its environmental commitment. Since 2010, we have shared information about our sustainability programs and environmental commitment on our website and in our annual Corporate Social Responsibility (CSR) report, among other communications channels. Furthermore, we regularly meet and engage with our key stakeholders to ensure that our sustainability programs align with their interests and address their concerns. Finally, in 2016, we invested significant time and energy in enhancing our environmental, social and governance disclosures as part of our responses to investment research	The cost to manage this risk is embedded in the department budget.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	and customers. These stakeholders and their trust are incredibly valuable to PNC and allow us to operate in a competitive and sustainable manner. Their scrutiny of and interest in PNC's response to climate change will encourage us to continue to implement and disclose initiatives and changes that align with our commitment to environmental responsibility.							firms MSCI and Sustainalytics. From a performance standpoint, we have significantly reduced our energy and water consumption and carbon emissions since 2009. We have more newly constructed LEED certified green buildings than any other company in the world and continue to seek new ways to reduce our impact on the environment. Most importantly, we recognize the risk of carbon emissions and are constantly re-evaluating our risk management processes and procedures to ensure that our business can withstand changes in our industry and natural environment.	

CC5.1d

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to inherent risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Renewable energy regulation	Renewable energy, including solar and wind power, has become an increasingly important contributor to our power supply. For example, in the last decade, the U.S. solar industry has experienced a compound annual growth rate of more than 60 percent. The United States has installed more than 42 GW of solar, the same amount of energy needed to power approximately 8.3 million	Increased demand for existing products/services	1 to 3 years	Direct	More likely than not	Low-medium	In addition to monitoring our internal operations, we support the transition to a low-carbon economy by helping our clients finance energy efficient and renewable energy projects, among other environmentally beneficial activities. In 2015 and 2016, PNC's sustainable financing totalled more than $5 billion.	PNC supports the continued adoption of renewable energy and encourages innovation in the deployment of alternative energy sources by helping customers implement economically viable, renewable energy solutions. In 2016, for example, PNC's Energy Capital business provided financing to the city of Riverside, California, for a 1.4 MWdc fuel cell power	The cost to manage this opportunity is embedded in the department budget.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	U.S. homes. National and regional renewable energy policy targets or other policies that support renewable energy would drive greater demand for alternative energy sources. This increased demand would be a business opportunity for PNC's renewable energy products and services, including PNC Energy Capital, which helps clients finance renewable energy solutions.							plant located at the California Regional Wastewater Quality Control Plant. Fuel cell installations are compact, clean, base-load power plants serving distributed generation needs. They run 24 hours per day, seven days a week and serve as back-up power to entities such as the Wastewater Quality Control Plant, which require uninterrupted power.	

CC6.1b

Please describe your inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Induced changes in natural resources	Building and operating green has emerged as an enormous opportunity for PNC, especially in light of the potential impacts of climate change and other environmental issues. We have established ourselves as a leader in green building and regularly evaluate our real estate portfolio to identify opportunities to reduce our material and resource consumption, waste generation and operating costs throughout the supply chain. In addition to enhancing operational efficiency and reducing costs, our commitment to green building and energy efficiency have helped us	Reduced operational costs	Up to 1 year	Direct	Very likely	Low-medium	Through our energy management program, we have reduced our energy costs by 15 percent since 2009 and expect to further decrease these costs by at least 30 percent by 2020 (compared to 2009). Over the next four years, we estimate the savings to be more than $12 million.	Our key method for managing this opportunity is constructing and operating a high-performing building portfolio. At the end of 2016, PNC had 289 LEED-certified projects and 155 ENERGY STAR-certified buildings. One of these projects is PNC's net-zero energy branch in Fort Lauderdale, Fla., which in 2016 became the 16th building and only retail building in the world to be certified as a Net Zero Energy Building by the International Living Future Institute. Also, we are able to reduce the environmental impact of the extraction, transport and disposal of virgin materials by selecting environmentally-	A key cost to manage this risk are capital projects that reduce energy consumption. For example, since 2010, we have invested more than $50 million in lighting retrofit initiatives that have a payback period of less than four years. Furthermore, in 2016, we invested $2 million across 125 buildings to replace T12 and T8 bulbs with LEDs in high-traffic areas and to replace T12 bulbs with T8 bulbs and magnetic with electronic ballasts in low-traffic areas. We will continue to invest in energy efficiency to reduce this risk

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	create a healthy and productive workplace for thousands of employees. Furthermore, our commitment to green building extends to our workplace practices. Specifically, in 2016, we launched several multi-year “paperless” projects that will reduce the company’s paper consumption and save millions of dollars while also enhancing efficiency and security. Finally, customer preferences are rapidly evolving with more PNC customers using online, mobile and ATM channels to complete their business transactions. PNC has made significant investments in the paperless delivery							friendly interior products. Among these products are LED lights, furniture that is 100 percent Greenguard certified, and carpeting that is more than 65 percent recycled. Furthermore, by purchasing 126,686 yards of Interface’s Cool Carpet, the company retired 1,380 tons of verified GHG emissions reduction credits (certificate number 16-119, issued 02/10/17). PNC’s efforts to reduce its resource consumption are also supported by the company’s investment in energy audits and lighting retrofits, as well as new building energy systems commissioning. In 2016, PNC implemented retrofits at 61 buildings, and a rigorous	and ensure that we can achieve our 2020 energy reduction goal of 30 percent (based on 2009 use).

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	of communications to better serve customers while reducing costs. In 2016, seventy-seven percent of active Online Banking customers received online statements. This equates to 66 percent of all checking account customers receiving online statements and millions of dollars in annual savings. Furthermore, deposit, lending and credit card account opening documents are now generated from the new platform, and deposit account servicing documents are digitally delivered to enrolled customers.							commissioning review was completed for all 2016 building projects to guarantee optimal operations of building systems.	

CC6.1c

Please describe your inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behavior	PNC's stakeholders increasingly care about PNC's response to climate change and other environmental and social issues. Specifically, they may decide to work for, invest in and/or do business with PNC because of our corporate social responsibility (CSR) practices. Millennials have become especially discerning when it comes to where they work, invest and do business. Numerous studies show that millennials would prefer to work for a socially responsible organization whose values align with their own even if it means taking a pay cut. Also,	Increased demand for existing products/services	>6 years	Direct	More likely than not	Low-medium	In 2015 and 2016, PNC's sustainable financing, including that for renewable and energy-efficient projects, totalled more than $5 billion. As consumer demand rapidly grows, PNC expects its lending in this space to continue to increase.	To manage changing consumer behavior, PNC's Asset Management Group (AMG) manages a RI platform focused on investment strategies that consider financial returns, as well as ESG impacts. At the end of 2016, AMG's dedicated RI products, active and passive overlays and other RI strategies totalled approximately $2 billion in assets under management. PNC also underwrites municipal bonds, including traditional and designated "green bonds," that drive greater efficiency and pollution control, and in 2016, PNC became a signatory to the	The cost to manage this opportunity is embedded in the department budget.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	according to a recent study covered in the Harvard Business Review, 82 percent of investors believe that ESG data is material to investment performance, primarily because it provides information about downside risks. Finally, PNC customers take pride in our commitment to green building and environmental performance and regularly ask about our commitment to corporate social responsibility. Fortunately, PNC has a strong CSR program in which climate change and other environmental issues play a major role and receive significant attention.							Green Bond Principles. Furthermore, PNC's Small Business Green Lending program discounts standard loan origination fees by 50 percent and interest rates by 0.5 percent for energy and water efficiency project loans of $500,000 or less. Finally, while PNC is often recognized for its green buildings, we also are invested in green workplace practices. Specifically, we launched several multi-year "paperless" projects that will reduce the company's paper consumption and save millions of dollars while also enhancing efficiency and security. Customer preferences are rapidly evolving	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	Furthermore, PNC is transparent in communicating this program to its stakeholders through its annual CSR report, its CSR website, and its responses to third-party sustainability reports, among other channels. Changes in climate-related developments have created an opportunity for PNC to further grow its sustainable financing, including its financing of solar and other renewable energy projects. Furthermore, PNC is growing its Responsible Investing (RI) platform to better serve clients who care about financial returns, as well as the environmental,							with more PNC customers using online, mobile and ATM channels to complete their business transactions. PNC has made significant investments in the paperless delivery of communications to better serve customers while reducing costs.	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	social and governance impacts of their investments. Finally, Corporate & Institutional Banking can cite specific instances where it has won new customer business directly tied to its refined policies around issues such as lending to companies engaged in mountaintop removal coal mining. At the same time, as PNC has enhanced its environmental lending due diligence, we have noticed more companies in environmentally sensitive businesses improving their own CSR efforts and leveraging these efforts to secure financing.								

CC6.1d

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to inherent opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Thu 01 Jan 2009 - Thu 31 Dec 2009	48962
Scope 2 (location-based)	Thu 01 Jan 2009 - Thu 31 Dec 2009	431243
Scope 2 (market-based)	Thu 01 Jan 2009 - Thu 31 Dec 2009	431243

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	IPCC Fourth Assessment Report (AR4 - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference

Further Information

Attachments

https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC7.EmissionsMethodology/CC7.4 PNC.xlsx

Page: CC8. Emissions Data - (1 Jan 2016 - 31 Dec 2016)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

39767

CC8.3

Please describe your approach to reporting Scope 2 emissions

Scope 2, location-based	Scope 2, market-based	Comment
We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	

CC8.3a

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
294313	278175	Location-based figure uses eGRID emission factors. Market-based figure is an approximation that incorporates purchased RECs. Both also include purchased steam and chilled water.

CC8.4

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

CC8.4a

Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why the source is excluded

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	We do not currently have measured data on the total refrigerant used (in HVAC equipment) in the project. Hence we have used building age, building areas, and estimates published by the USGBC and Climate registry to determine the refrigerant type and charge. Leakage rates are based on the data published by DOE handbook Table 3.2.3.
Scope 2 (location-based)	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	We do not currently have measured data on the electricity used at a few leased office locations, for which we used the national average kwh/sf/year to arrive at the 2016 annual energy use.
Scope 2 (market-based)	More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints	

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance process in place

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/CC8.6a/CDPVerificationStatementLimitedBVNA_PNC - 2016 RY - June 15_2017 - final.pdf	1	ISO14064-3	100

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emission Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission

CC8.7

Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

Third party verification or assurance process in place

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/CC8.7a/CDPVerificationStatementLimitedBVNA_PNC - 2016 RY - June 15_2017 - final.pdf	1	ISO14064-3	100
Market-based	Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/CC8.7a/CDPVerificationStatementLimitedBVNA_PNC - 2016 RY - June 15_2017 - final.pdf	1	ISO14064-3	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	Over the past few years, we have continued to enhance our third party verification process by adding additional sources. We will consider the verification of other data points in future reports.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

No

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By GHG type

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	28962
CH4	62
N2O	83
HFCs	9243
PFCs	0
SF6	0
NF3	0
HFCs	1416

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2016 - 31 Dec 2016)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

No

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes CO2e)

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

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

CC11.2

Please state how much heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Heat	0
Steam	11704
Cooling	275

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

129209

CC11.3a

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	125162.5
Propane	53
Diesel/Gas oil	3791.6
Other:	201.8

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the market-based Scope 2 figure reported in CC8.3a

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Emissions factor (in units of metric tonnes CO2e per MWh)	Comment
Energy attribute certificates, Renewable Energy Certificates (RECs)	24483		We do not have a defined emissions factor for RECs. Instead, our methodology to arrive at the market-based, scope 2 emissions was based on subtracting the total kwh of renewable energy purchased as RECs from the total kwh based on eGRID region. The emissions factor is based off the U.S. EPA eGRID2014 grid averages.

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
501444	501444	30.9	30.9	0	

Further Information

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please 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

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	2.6	Decrease	Due to emission reduction activities implemented during the year, PNC lowered its annual emissions. The activities implemented during the reporting period include building renovations, such as upgrades to energy consuming systems (lighting, HVAC, plumbing) in 450 buildings. Furthermore, all new bank branches constructed during the performance period were designed to be at least 26 percent more energy efficient than a conventional bank branch through the use of efficient HVAC and lighting equipment and controls and passive strategies such as daylighting and efficient building envelopes. In total, 8,784 metric tons of CO2e were reduced by our emissions reduction projects between 2015 and 2016, and our total Scope 1 and 2 emissions in 2015 were 342,864 metric tons of CO2e (therefore, we arrived at 2.6 percent by dividing 342,864 into 8,784 and multiplying that number by 100).
Divestment	0	No change	No change in emissions due to divestment of any aspects of the business.
Acquisitions	0	No change	No change in emissions value due to acquisitions.
Mergers	0	No change	No mergers occurred during the reporting period.
Change in output	0	No change	No change in emissions value due to changes in business output.
Change in methodology	0	No change	No changes were made to methodology protocol or emissions factors.
Change in boundary	0	No change	No changes were made to the boundary used for the inventory calculation.
Change in physical operating conditions	0	No change	No changes were made to the physical operating conditions for the inventory calculation.

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Unidentified	0	No change	No unidentified factors.
Other	0	No change	

CC12.1b

Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.00002203	metric tonnes CO2e	15162000000	Location-based	2.21	Decrease	Change is due to a 0.4 percent decrease in total revenue and a 2.6 percent decrease in Scope 1 and 2 absolute emissions, which is attributed to our emissions reduction activities Overall

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
						change from previous year is calculated as follows: [1 – ((1 - 0.026) / (1 - 0.004)] x 100 = 2.21 percent decrease.

CC12.3

Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
6.42	metric tonnes CO2e	full time equivalent (FTE) employee	52006	Location-based	1.62	Decrease	Change is due to a 1.0 percent decrease in number of FTE and a 2.6 percent decrease in Scope 1 + Scope 2 absolute emissions, which is attributed to our emissions reduction activities. Overall change from previous year is calculated as follows: [1 – ((1 - 0.026) / (1 - 0.01))] x 100 = 1.62 percent decrease.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits canceled	Purpose, e.g. compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	1870	Used Carnegie Mellon University's EIOLCA website (http://eiolca.psc.edu/cgi-bin/dft/use.pl?newmatrix=US430CIDOC2002) and selected 1997 values for "stationery related" materials.	100.00%	While we have focused our attention on larger emission sources, we are starting to incorporate

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					estimates for purchased goods and services. The amount provided here covers all the paper-based office supplies we purchased. We aim to add other purchased goods and services in future reports.
Capital goods	Not relevant, explanation provided				At this time, this emissions source is considered outside our operational control to exert influence in a meaningful way. We have focused our attention first

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					on PNC's more significant emission sources, and will continue to evaluate other potential sources.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	8042	Natural gas per region to calculate distribution losses. Methane Loss percent - EPA Natural Gas Star Program Report (1997)	100.00%	Natural gas consumption stems directly from utility bills.
Upstream transportation and distribution	Not relevant, explanation provided				At this time, this emissions source is considered outside our operational control to influence in a meaningful way. We have focused our attention first on more significant

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					emission sources, and will continue to evaluate other potential sources.
Waste generated in operations	Relevant, calculated	37247	Used U.S. EPA's WARM tool based on data from our confidential document destruction vendor. https://www.epa.gov/warm	100.00%	Over the past few years, PNC has worked to maximize efficiency and increase recycling rates, to drive down the waste the company sends to landfills.
Business travel	Relevant, calculated	18525	Rental Cars: Emission Calculation Sources: Climate registry v1.1 Tables 13.1 and 13.3. Hired Vehicles: Emission Factor: The Climate Registry, General Reporting Protocol, Version 1.1 (2008), updated emission factors (2014) Climate registry v1.1 Tables 13.1 and 13.4. Air Travel: Calculated by vendor NUS, updated emissions using USEPA 2014 Emissions Factors.	80.00%	The emissions were provided by the rental car, hired vehicles, and air/rail travel suppliers.
Employee commuting	Relevant, calculated	121216	PNC conducted a survey on employee commuting practices in 2012. PNC used the survey results for mode of transportation and distance travelled during the commute with	0.00%	The calculations

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
			the following emissions factors. Bus and Light Rail CO2, CH4, N2O emissions factors: EPA climate leaders - Optional Emissions from Commuting, Business Travel and Product Transport, Tables 2 (commuter rail) & Table 3 - http://www.epa.gov/climateleadership/documents/resources/commute_travel_product.pdf. Passenger Car, Emission Factors: The Climate Registry, General Reporting Protocol, Version 1.1 (2008), updated emission factors (2012) Climate registry v1.1 Tables 13.1 and 13.4		are based on the survey results and not actual emissions.
Upstream leased assets	Not relevant, explanation provided				Under the operational control approach, emissions from this category are covered under our Scope 1 and 2 emissions.
Downstream transportation and distribution	Not relevant, explanation provided				As a service based organization, we have limited emissions from downstream transportation and distribution.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Processing of sold products	Not relevant, explanation provided				As a service based organization, we have limited emissions from processing of sold products.
Use of sold products	Not relevant, explanation provided				As a service based organization, we have limited emissions from use of sold products.
End of life treatment of sold products	Not relevant, explanation provided				As a service based organization, we have limited emissions from end of life.
Downstream leased assets	Not relevant, explanation provided				Under the operational control approach,

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					emissions from this category are covered under our Scope 1 and 2 emissions.
Franchises	Not relevant, explanation provided				PNC does not have any franchises, so this scope is not applicable.
Investments	Relevant, not yet calculated				There is currently no standard methodology for calculating this category in our industry. The World Resources Institute (WRI) and the U.N. Environment Programme Finance Initiative (UNEP FI) is

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					working to develop a standard methodologies for accounting financed GHG emissions.
Other (upstream)					
Other (downstream)	Relevant, calculated	1614	Energy use for water Supply: Emission Effects of Water Supply, JENNIFER. STOKES AND ARPAD HORVATH Energy Use to supply one cu.m of water kWh/m3 kWh/gallon Supply 1.7 0.006439394 Treatment 0.17 0.000643939 Distribution 0.22 0.000833333 Total 2.09 0.007916667	100.00%	Water consumption data comes directly from utility bills.

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance process in place

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 3 emissions verified (%)
Annual process	Complete	Limited assurance	https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/CC14.2a/CDPVerificationStatementLimitedBVNA_PNC - 2016 RY - June 15_2017 - final.pdf		ISO14064-3	18

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Emissions reduction activities	3	Decrease	Transportation for hired vehicle and rental car travel decreased in 2016 due to emissions reduction activities connected with operational expense management.

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

No, we do not engage

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Type of engagement	Number of suppliers	% of total spend (direct and indirect)	Impact of engagement

CC14.4c

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

We are focused on first managing our own emission sources but do monitor the environmental practices of our third party suppliers, per our Third Party Conduct & Responsibility Guidelines.

We have started to engage some suppliers on environmental issues more broadly and plan to expand these efforts over the next few years. One target area has been our building material suppliers, from whom we have sourced products that have a lower carbon intensity. These products include but are not limited to those that are made from recycled materials, that are locally-harvested or manufactured, and/or that have carbon offsets. In 2016, for example, we purchased 126,686 yards of Interface's Cool Carpet and subsequently retired 1,380 tons of verified GHG emissions reduction credits (certificate number 16-119, issued 02/10/17). We are in the process of evaluating the adoption of LEED v4's Product Disclosure and Optimization, which requires suppliers of our building products and materials to provide Environmental Product Declarations (EPDs). EPDs incorporate lifecycle analysis data on a product's environmental impact, including GHG emissions. We

can use data from the EPDs to prioritize products with a lower impact on the environment. We have also had conversations with our office supply vendor about sustainability issues. In 2016, approximately 15 percent of all office products purchased by PNC contained recycled content or held a green certification. We will continue to look for ways to expand our engagement with suppliers to further reduce our GHG emissions.

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
William S. Demchak	Chairman, President and CEO	Chief Executive Officer (CEO)

Further Information

Attachments

https://www.cdp.net/sites/2017/30/14830/Climate Change 2017/Shared Documents/Attachments/ClimateChange2017/CC15.SignOff/Demchak_William_BW.jpg