Fifth Third Bancorp - Climate Change 2021

C0. Introduction

C0.1

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

Fifth Third Bancorp is a diversified financial services company headquartered in Cincinnati, Ohio, and the indirect parent company of Fifth Third Bank, National Association, a federally chartered institution. As of June 30, 2021, the Company had $205 billion in assets and operates 1,096 full-service Banking Centers, and 2,369 Fifth Third branded ATMs in Ohio, Kentucky, Indiana, Michigan, Illinois, Florida, Tennessee, West Virginia, Georgia, North Carolina and South Carolina. In total, Fifth Third provides its customers with access to approximately 53,000 fee-free ATMs across the United States. Fifth Third operates four main businesses: Commercial Banking, Branch Banking, Consumer Lending, and Wealth & Asset Management. Fifth Third is among the largest money managers in the Midwest and, as of June 30, 2021, had $483 billion in assets under care, of which it managed $61 billion for individuals, corporations and not-for-profit organizations through its Trust and Registered Investment Advisory businesses. Investor information and press releases can be viewed at www.53.com. Fifth Third's common stock is traded on the NASDAQ® Global Select Market under the symbol "FITB."

Fifth Third is committed to operating in a socially responsible way. We do this by working to positively impact our consumers, communities, businesses, employees, and the environment. More information on these efforts can be found in our 2020 Environmental, Social & Governance Report at ir.53.com/ESG

C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

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

United States of America

C0.4

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

USD

C0.5

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

Operational control

C-FS0.7

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

Bank lending (Bank)

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual(s)	Please explain
Board-level committee	Board Risk and Compliance Committee (RCC). The Risk and Compliance Committee has been delegated the responsibilities to monitor and oversee risks, including climate risk, from the Board. The RCC's purpose is to oversee development and implementation of Fifth Third's Risk Management Framework, inclusive of risk appetite; review, approve, and oversee the development of effective policies, processes and programs to ensure risks are properly managed and controlled; and annually review risk management policies
Board-level committee	Board Nominating and Corporate Governance Committee (NCGC). The Nominating and Corporate Governance Committee has been delegated responsibilities to monitor and oversee governance matters from the Board. The NCGC is responsible for developing and recommending corporate governance policies and guidelines, recommending policies to enhance Board effectiveness, creating and reviewing corporate governance policies, reviewing and advising on the governance structure, and overseeing ESG related commitments, issues and strategy (including climate strategy). Climate-related issues are addressed in this committee in the context of stakeholder concerns, including those articulated by institutional investors, employees, customers, and community advocacy groups.
Chief Executive Officer (CEO)	Chief Executive Officer (CEO). The Board of Directors is responsible for overseeing the corporate governance, strategy, and risks of Fifth Third, which include risks and opportunities relating to climate. In fulfilling its responsibilities, the full Board is supported by the CEO who is also Board Chair. Given the integration of the CEO and Board Chair roles, the CEO is well positioned to help the full board understand how climate change is integrated into the bank's strategy and risk management, and to help the board fulfill its oversight responsibilities related to climate change. Examples of climate-related decisions made by the CEO include approving the recommendation from the internal team that proposed to join the Partnership for Carbon Accounting Financials (PCAF) to measure and disclose the emissions impact of the Bank's loans and investments, and to join Ceres, an industry-leading organization focused on climate-related issues an opportunities.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our bank lending activities The impact of our own operations on the climate	The agendas for Board and Risk and Compliance Committee (RCC) meetings are determined, in part, by the results of key meetings of executive leadership, including the Enterprise Risk Management Committee (ERMC). As a result, Board agendas adapt to reflect the highest priority issues. As an emerging risk to the Bank, climate change is within the scope of these committees (as described in C1.1a). In addition, Board committees receive minutes from management committee meetings, including the ERMC, providing insight into key risks. Two examples of board responsibilities from our publicly available documentation include: 1) As described in the Board's Corporate Governance Guidelines, the Board is responsible for considering and approving fundamental business strategies and major corporate actions as well as advising and overseeing the CEO in aspects of the selection, evaluation, and compensation of senior executives. 2) The Board RCC charter requires this committee to oversee management's development and implementation of the global risk management framework, as well as review reporting inclusive of top risk issues, forward-looking opportunities and risk, and key initiatives. Both of these examples require that the board be aware of the diverse risks facing the bank, so regular updates provide the board with the information needed to review and guide strategy, actions, risk management, performance objectives, etc.

C1.2

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Risk committee	Reports to the board directly	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our own operations	Quarterly
Sustainability committee	Reports to the board directly	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our own operations	Quarterly
President	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our own operations	As important matters arise
Chief Financial Officer (CFO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our own operations	Quarterly
Chief Risks Officer (CRO)	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our own operations	Quarterly
Please select	Please select	<Not Applicable>	Please select	<Not Applicable>
Please select	Please select	<Not Applicable>	Please select	<Not Applicable>

C1.2a

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

1) Management-level Committees. The company's management-level risk governance framework includes a hierarchy of risk management committees to assess, monitor, and manage all major risk types that affect the company. Risk related issues are communicated to risk management committees that are dedicated to specific risk types based on materiality and the most significant risks are communicated up to the Enterprise Risk Management Committee (ERMC) and Board Risk and Compliance Committee (RCC). The Corporate Responsibility and Reputation Committee (CRRC) is one of these risk management committees in the company's governance framework, and reputational and other corporate risks relating to climate matters are reviewed and managed in this committee. The CRRC is chaired by the Chief Reputation Risk Officer (CRRO). Among other topics, the CRRC is responsible for (a) providing oversight and review of policies, programs, practices, strategies, and approaches that reflect the company's core values and impact our reputation, (b) overseeing the identification and mitigation of top reputation risk issues and negative public perceptions, and (c) climate change and other environmental considerations.

The CRRC is supported by the Environmental, Social and Governance (ESG) Committee which provides guidance and feedback with respect to the assessment of environmental risks facing Fifth Third. The ESG Committee was established by the Nominating and Corporate Governance Committee (NCGC) in 2020 and monitors emerging ESG risks and trends through communications with stakeholders and recommendations from independent organizations (e.g. Task Force on Climate-related Financial Disclosures). The Committee is chaired by the Director of ESG Reporting & Analytics and includes the Chief Financial Officer, Chief Human Resources Officer, Chief Risk Officer, Chief Inclusion and Diversity Officer, Chief Compliance Officer and Senior Director of Investor Relations, as well as representatives from each line of business, legal and the community development and social responsibility group.

2) President, Fifth Third Bank. This position is the individual with the highest direct responsibility for climate-related issues. The position reports directly to the CEO and is responsible for Community Development & Social Responsibility, Consumer Banking, Commercial Banking, Business Banking, Wealth & Asset Management, Corporate Strategy, and the company's activities in the regions where we operate.

3) Chief Financial Officer, Fifth Third Bank. This position reports directly to the CEO. This position contributes to climate-related efforts through direct ownership of managing the Bank's ESG reporting and analytics as well as overseeing the PCAF commitment the Bank announced in 2021 to measure and disclose GHG emissions in some of our lending portfolios within 3 years.

4) Chief Risk Officer. This position reports directly to the CEO and contributes to climate-related efforts and risk management responsibilities. Climate is a transverse risk and is considered in the identification and assessment of risk across all eight risk types. Day to day activities are overseen by the Director of Enterprise Risk Governance and the Chief Reputation Risk Officer with support from various risk, finance, and line of business representatives. The Chief Risk Officer's supervision also includes the Enterprise Workplace Services (EWS) organization, which builds and maintains all company workplaces, and therefore has direct responsibility for many of the company's operational impacts. The Director of EWS is supported on environmental sustainability issues by the Director of Process, Innovation & Efficiency who is supported by the Environmental Sustainability Leader.

C1.3

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

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

C1.3a

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

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Company performance against a climate-related sustainability index Other (please specify) (Renewable Energy Target)	The Director of Environmental, Social and Governance Reporting & Analytics (i.e. Chief Sustainability Officer) performance standards include corporate and individual performance goals and targets. Company performance against climate-related indices (e.g. Dow Jones Sustainability Index) are included in goals and targets. The achievement of these performance standards influences the amount of annual or long-term incentives an eligible plan participant may realize. Annual and long-term incentives may include, among other awards, equity and cash awards.
Environment/Sustainability manager	Monetary reward	Emissions reduction target	Enterprise Workplace Service's Environmental Sustainability Leader's 2020 performance standards included corporate and individual performance goals and targets. These included setting and pursuing five bold sustainability goals, including a 25% reduction in GHG emissions, 25% reduction in energy use, and purchasing of 100% renewable power by 2022. The achievement of these performance standards influences the amount of annual or long-term incentives an eligible plan participant may realize. Annual and long-term incentives may include, among other awards, equity and cash awards.

C-FS1.4

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

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

C2. Risks and opportunities

C2.1

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

Yes

C2.1a

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

	From (years)	To (years)	Comment
Short-term	0	2	The company doesn't have a company-wide definition for these terms. They were defined for purposes of our CDP disclosure.
Medium-term	2	5	The company doesn't have a company-wide definition for these terms. They were defined for purposes of our CDP disclosure.
Long-term	5	30	The company doesn't have a company-wide definition for these terms. They were defined for purposes of our CDP disclosure.

C2.1b

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

For CDP reporting, Fifth Third defines substantive financial or strategic impact as an impact that an individual line of business or business function identifies as important to identify, assess, and potentially manage in the short-, medium-, or long-term. A quantifiable indicator to be considered when measuring "substantive financial impacts" may be a stated threshold such as 5% of revenue (see SEC Staff Accounting Bulletin: No 99), however, it's important to note other "substantive strategic impacts" that may not be easily quantifiable (e.g. reputational risk impact).

C2.2

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

Value chain stage(s) covered
Direct operations
Upstream
Downstream

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

Frequency of assessment
More than once a year

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

Description of process
Risk Identification and Assessment At the corporate level, Fifth Third's enterprise risk management approach includes a framework and processes for identifying, assessing, managing, monitoring and reporting risks. The framework uses quantitative and qualitative processes to assess the potential size and scope of risks. The framework is based on inherent risk, controls, initial residual risk, key risk indicators, performance considerations, residual risk, risk tolerances, action plans for residual risks that are above tolerance, and reporting. The methodology also assesses both the severity and probability of risks after controls and ensures top and emerging risks are discussed in applicable management, council, and/or committee meetings. The risks addressed include, but are not limited to, credit, price, liquidity, operational, legal & regulatory compliance, reputation, interest rate and strategic. For emerging risks, risks and appropriate controls are assessed quarterly or more frequently as needed. The Enterprise Risk Management division ensures the consistency and adequacy of the risk management approach. The Enterprise Risk Management Committee (ERMC) reviews and approves risk management frameworks and policies and oversees the management of all risk types to ensure that risks are understood and within the Bancorp's risk appetite. The ERMC reviews information on risk levels, trends, and emerging risks during each regularly scheduled quarterly meeting and it helps raise awareness and build capability to address emerging risks such as climate change as well as other risks and or opportunities that could have a substantive financial or strategic impact over the short-, medium-, and long-term. The ERMC is supported by multiple committees, including the Corporate Responsibility & Reputation Committee (CRRC), Corporate Credit Committee, Operational Risk Committee, Management Compliance Committee, and Asset/Liability Committee. The CRRC is responsible for providing oversight and review of policies, programs, practices, and strategies that reflect the company's core values and impact our reputation. It is also responsible for overseeing the identification and mitigation of top reputation risk issues and negative public perceptions. The CRRC charter explicitly includes environmental matters, including climate change. The CRRC includes the following roles: the Chief Communications Officer, the Chief Reputation Risk Officer, the Chief Enterprise Responsibility Officer, the Environmental Sustainability Director, Chief Ethics Officer, the Deputy General Counsel, and many others. Additional corporate policies and processes help identify, assess, and manage risk, including a new products and services risk assessment, a self-identified issues management program, reputation risk councils, vendor due diligence, and credit risk review. The corporate processes described above are supplemented by a broader risk management framework that uses three lines of defense to clarify the roles and responsibilities for effective risk management. The lines of business, regions, and risk-taking functions comprise the first line of defense. Since these groups create risk through business-as-usual activities, they must understand the risks being taken and implement controls to mitigate those risks. The second line of defense is provided by the Risk Management, Legal, and Compliance divisions since they are responsible for providing oversight and governance of activities performed by the first line. The Audit division provides the third line of defense. Additional governance is provided by Human Resources and Finance. In addition, at the facility-level, Fifth Third has an enterprise Business Continuity Management (BCM) program supported by a Board-approved policy and a framework that provides processes and procedures to identify and mitigate risks, develop mitigation strategies and plans, and respond to and manage business interruptions to ensure the company meets the needs of our customers. Fifth Third also monitors and implements strategies to reduce our exposure to certain climate-related risks by improving the energy and water-use efficiency at our facilities. Risk Management The company's comprehensive processes for managing risks includes the development of internal controls; the assessment of initial residual risk, key risk indicators, performance considerations, and residual risk; determination of whether the residual risk is within risk tolerances; development of action plans for residual risks that are above tolerance; and reporting. These processes also occur within the context of multiple reporting and governance functions including the Enterprise Risk Management Committee (ERMC) and the Corporate Responsibility & Reputation Committee (CRRC). 1. Physical Risks. Fifth Third is committed to providing its customers with critical services and to minimizing disruptions. To achieve these goals, and consistent with the processes described above, the company's Operational Risk, BCM, and other experts consider a range of scenarios to anticipate risk, prepare for them, and coordinates responses during disruptions. These efforts include having back-up/redundant systems and a plans to deal with disruptions. Situation: 2017 was a record hurricane season with Harvey, Irma, and Maria impacting Fifth Third's operations. Task: Build organizational resilience with the capability of an effective response enabling the company to maintain operations and serve customers. Action: Fifth Third has built a BCM program by identifying core services and the processes and technologies that underpin them allowing the business to continue operations and effectively recover from any type of event. Result: Following Hurricane Irma, the BCM program helped get 87% of Florida branches back to normal operations within 5 business days and 100% back within 10 business days. 2. Transition Risks. Consistent with the groups and processes listed above, we use qualitative and quantitative scenario analysis to understand transition risks related to climate change. Additionally, we monitor economic sectors that Moody's has determined are at the greatest threat of downgrade from potential changes in regulation or transition risk. Fifth Third tracks our exposure to these sectors and we run these sectors through stress models to better understand the potential risks over the next 3 years. Situation: As risks of climate change are better recognized, the bank wants to mature our ability to manage these risks. Task: Mature risk management capabilities, including applying scenario analysis to climate risks. Action: 3 year scenario analyses were run to look at sectors Moody's determined face the greatest transition risks. Result: Results were provided to the Commercial Credit Risk team so they could consider revisions to credit policies or concentration limits.

C2.2a

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations especially relevant to assessing current regulation risks are the Compliance and Legal departments as well as Enterprise Workplace Services (EWS). Company-specific example. EWS identifies and assesses current regulations (e.g., building energy codes or energy performance requirements) that affect energy and water use. EWS uses that information to inform decision-making about capital investment, operations, and maintenance. For example, if current regulations are expected to lead to higher energy prices at one or more of our 1,100 locations in the future, EWS would consider whether to increase energy efficiency investments compared to baseline conditions.
Emerging regulation	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations especially relevant to assessing emerging regulation risks are the Compliance and Legal departments, Corporate Strategy, and Enterprise Workplace Services (EWS). Company-specific example. EWS identifies and assesses emerging regulations (e.g., more stringent building energy codes or energy performance requirements than are currently in place) that could require increased energy or water efficiency in the future. EWS uses that information to inform decision-making about capital investment, operations, and maintenance at more than 1,100 locations. For example, while Fifth Third expects to realize multiple benefits from purchasing 100% renewable power (using a virtual power purchase agreement signed on December 1, 2017). Since the project came online in June 2019, one benefit of the contract is having partially hedged its exposure to electricity prices by locking in a competitive, carbon-free electricity price. A second example is that if emerging regulations (for example, carbon pricing) are expected to lead to higher energy prices at one or more of our 1,100 locations, EWS would consider whether to increase energy efficiency investments compared to baseline conditions.
Technology	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations especially relevant to assessing technology risks are Operations, Strategy, and Enterprise Workplace Services (EWS). Company-specific example #1. EWS monitors the costs, benefits, and risks inherent in both our existing energy consuming equipment as well as new technology that is typically more efficient. For example, EWS monitors not just the efficiency of our existing HVAC and lighting technology, but they also monitor the costs, benefits, and risks of state-of-the-art building controls technology so that we can determine when and how to integrate this technology into our complex, secure IT/networking environment. If we didn't monitor technology developments and technology risk, the bank could have a higher exposure to rising energy prices than economic analysis or other analytical approaches might suggest. Similarly, if we didn't prepare to integrate building controls technology into our complex, secure IT/Networking environment, we would not be able to reduce energy usage and GHG emissions using this technology. Company-specific example #2. As Fifth Third negotiates wholesale power contracts across the deregulated/competitive portions of our footprint, we also monitor the risks associated with obtaining power from existing technology (e.g., power sources which often combust coal and natural gas leading to GHG emissions). This exposure to more GHG-intensive power sources could lead Fifth Third to experience higher power prices if new regulations are imposed on fossil fuel generation. However, Fifth Third also monitors the declining costs for renewable power technologies which can help reduce or hedge the risks of being exposed to fossil fuel power sources. Monitoring these technological risks, costs, and benefits led Fifth Third to assess if the bank could benefit by signing a virtual power purchase agreement (VPPA) with a renewable energy project developer. Based on this assessment, Fifth Third signed a VPPA on December 1, 2017 which facilitated the construction of the 80 MWdc solar facility that was completed in June 2019. This is an example of Fifth Third's ability to assess and manage technology risks and opportunities.
Legal	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Fifth Third's Legal department is especially focused on assessing legal risks. Company-specific example. Fifth Third's Legal department monitors the legal aspects of complex risks, non-traditional banking risks, new activities/initiatives, activities in geographies outside our footprint, areas of significant regulatory or legal uncertainty, or that require establishing reserves over certain thresholds. Climate-related risks would be assessed if they crossed into any of these categories or could affect any of our 1,100 locations. For example, if a new law or regulation was passed in the U.S. that severely reduced the value of an asset used to secure a loan (for example, a loan for equipment used to produce a speciality gas that might be banned or quickly phased out, or for a commercial real estate property that is moved to a higher-risk flood zone), this could negatively impact our customers and Fifth Third.
Market	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. In the context of banking, market risks are those that can affect financial results, capital adequacy, and capital planning. Organizations especially relevant to assessing market risks are the Lines of Business and the Finance and Market Risk functions. Company-specific example. The bank engages in many different lines of business, including mortgage, automotive, credit, and business loans across many different geographic areas. Each line of business is responsible for assessing and managing risks to their portfolio. For example, Fifth Third operates and provides mortgage loans in Florida and other hurricane-prone markets. If there were significant hurricanes and related damages in these markets, this could lead to property damage and mortgage defaults, harming customers and the bank. To manage these risks, the line of business and other corporate functions monitor exposures to mortgages in hurricane-prone areas to ensure that adequate controls are in place, functioning, and that exposure is within our risk tolerance.
Reputation	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations and individuals especially relevant to assessing reputation risks are the Lines of Business, Corporate Responsibility and Reputation Committee (CRRC), Chief Reputation Risk Officer, Director of Enterprise Risk Governance, and the Chief Communications Officer and Board Secretary. Company-specific example. The bank conducts regular assessments of our reputation and we benchmark our performance along many dimensions with other organizations. These assessments help us understand the risks that could result from negative stakeholder perceptions of the bank's direct and indirect environmental impacts. Negative perceptions could lead to outcomes including a loss of market share with retail or commercial customers who seek environmentally sustainable business partners, reduced employee engagement, and reduced stock price. Furthermore, investors have begun to consider how corporations are addressing environmental, social and governance matters, commonly known as "ESG matters," when making investment decisions. For example, certain investors are beginning to incorporate the business risks of climate change and the adequacy of companies' responses to climate change and other ESG matters as part of their investment theses. These shifts in investing priorities may result in adverse effects on the trading price of our common stock if investors determine that we have not made sufficient progress on ESG matters. To manage these risks, Fifth Third expanded its ESG disclosures in the 2019 and 2020 ESG Reports.
Acute physical	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations and individuals especially relevant to assessing acute physical risks, including those related to extreme weather, hurricanes, and flooding, include Information Technology/Operations, Operational Risk, and Enterprise Workplace Services (EWS). Company-specific example. Fifth Third operates approximately 1,100 full-service banking centers in our eleven-state retail footprint in eleven states spanning the Midwest to the southeastern United States (OH, KY, IN, MI, IL, FL, TN, WV, GA, NC and SC). Fifth Third also has out-of-footprint corporate office locations in CA, CO, MA, MO, NY, PA, TX VA, and Washington D.C. This footprint includes states which are exposed to hurricanes, flooding, and other forms of acute extreme weather. If these types of events affect our facilities, they could lead to short-term or longer interruptions of services to our customers, communities, and employees.
Chronic physical	Relevant, always included	As described in 2.2, all three lines of defense are responsible for identifying, assessing, and managing risks. Organizations and individuals especially relevant to assessing chronic physical risks, including increased precipitation, flooding, and rising temperatures include Information Technology/Operations, Strategy, Operational Risk, Credit Risk, and Enterprise Workplace Services (EWS). Company-specific example. Fifth Third operates approximately 1,100 full-service banking centers in our eleven state retail footprint in eleven states spanning the Midwest to the southeastern United States (OH, KY, IN, MI, IL, FL, TN, WV, GA, NC and SC). Fifth Third also has out-of-footprint corporate office locations in CA, CO, MA, MO, NY, PA, TX VA, and Washington D.C. Across our footprint chronic physical risks such as increased precipitation, flooding, and rising mean temperatures are expected to affect all areas to varying degrees. For example, Florida could experience larger and more intense hurricanes with heavier precipitation and higher storm surges. In addition, mean temperatures may increase leading to higher cooling demands leading a strain on power supplies. These risks may affect the company's own facilities as well as the customers to whom we lend and provide services. As chronic physical risks materialize, some locations may require additional investments to increase their resilience to worsening chronic physical risks or the facilities may need to be relocated.

C-FS2.2b

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

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	Yes	We use qualitative and quantitative scenario analysis to understand both physical and transition risks related to climate change. We run internally developed scenarios covering physical risks. Additionally, we monitor economic sectors that Moody's has determined (in their December 2020 Heat Map) are at the greatest threat of downgrade from potential changes in regulation or transition risk. Fifth Third tracks our exposure to these sectors to better understand the potential risks.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	

C-FS2.2c

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

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	All of the portfolio	Qualitative and quantitative	We use qualitative and quantitative scenario analysis to understand both physical and transition risks related to climate change across all portfolios. We run internally developed scenarios covering physical risks , including commercial and consumer. Additionally, for commercial portfolios, we monitor economic sectors that Moody's has determined (in their December 2020 Heat Map) are at the greatest threat of downgrade from potential changes in regulation or transition risk. Fifth Third tracks our exposure to these sectors to better understand the potential risks.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other products and services, please specify	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-FS2.2d

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

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	Yes	Minority of the portfolio	During the client selection process, the first line conducts due diligence to identify and seek approval to onboard any high-risk clients, including clients in E&S sensitive sectors. First and second line senior leadership approval is required for all identified high-risk clients. After the client selection process, high-risk clients continue to be subject to ongoing due diligence and periodic reviews that are coordinated by the first and second lines. Clients in sectors with elevated environmental and social risks require enhanced due diligence. Sector-specific due diligence assessment criteria are integrated into general policies and applicable industry-specific policies. This enhanced due diligence review is conducted by the first and second lines prior to account opening, as the review may result in additional conditions or requirements. Environmental risks to be evaluated may include, but are not limited to land and water use impacts. Sectors requiring enhanced due diligence includes biodiversity & ecosystems (including forestry, palm oil and large dams) and energy (including coal-related mining and generation, nuclear power, and oil/gas). Clients involved in the construction of dams for hydroelectric power projects with more than 20MW of installed capacity or dams for other purposes where the dam wall is greater than 10 meters high shall be assessed using the International Hydropower Association Sustainability Assessment Protocol. For additional information on enhanced due diligence, refer to Fifth Third’s Environmental and Social Policy available at ir.53.com/esg/environmental.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	<Not Applicable>	

C-FS2.2e

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

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	Yes	Minority of the portfolio	During the client selection process, the first line conducts due diligence to identify and seek approval to onboard any high-risk clients, including clients in E&S sensitive sectors. First and second line senior leadership approval is required for all identified high-risk clients. After the client selection process, high-risk clients continue to be subject to ongoing due diligence and periodic reviews that are coordinated by the first and second lines. Clients in sectors with elevated environmental and social risks require enhanced due diligence. Sector-specific due diligence assessment criteria are integrated into general policies and applicable industry-specific policies. This enhanced due diligence review is conducted by the first and second lines prior to account opening, as the review may result in additional conditions or requirements. Environmental risks to be evaluated may include, but are not limited to land and water use impacts. Sectors requiring enhanced due diligence includes biodiversity & ecosystems (including forestry, palm oil and large dams) and energy (including coal-related mining and generation, nuclear power, and oil/gas). For forestry clients, Fifth Third’s prefers for Forest Stewardship Council (FSC) certification when financing forestry clients that impact high conservation value forests unless a comparable assessment process underpins a conservation plan. For additional information on enhanced due diligence, refer to Fifth Third’s Environmental and Social Policy available at ir.53.com/esg/environmental.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	<Not Applicable>	

C-FS2.2f

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

	We request climate-related information	Please explain
Bank lending (Bank)	Yes, for some	During the client selection process, the first line conducts due diligence to identify and seek approval to onboard any high-risk clients, including clients in E&S sensitive sectors. First and second line senior leadership approval is required for all identified high-risk clients. After the client selection process, high-risk clients continue to be subject to ongoing due diligence and periodic reviews that are coordinated by the first and second lines. Clients in sectors with elevated E&S risks require enhanced due diligence. Sector-specific due diligence assessment criteria are integrated into general policies and applicable industry-specific policies. This enhanced due diligence review is conducted by the first and second lines prior to account opening, as the review may result in additional conditions or requirements. While each client opportunity is unique and therefore requires a customized process, examples of the types of due diligence conducted include: 1. Review the client's internal governance and external E&S / ESG disclosures, and, 2. Compare the client's disclosures and efforts relative to competitors and industry best practices. Environmental risks to be evaluated may include, but are not limited to, land and water use impacts, climate risk reporting, community and stakeholder engagement, and overall transparency. Social risks and issues may include engagement with local communities (including indigenous peoples), impact on adjacent residences or local infrastructure and systems in place for dealing with complaints.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

If new laws are passed that lead to higher energy costs, Fifth Third could experience an increase in energy prices. This potential increase would affect all of our facilities, but it could have the largest impacts in states like Florida where we had 196 facilities in 2020. The impact would be more pronounced at these locations due to the higher temperatures year-round which create the need for year-round air conditioning which is powered by electricity. To illustrate this impact, a policy that leads to a 0 to 10% increase in Fifth Third's energy expenses is considered.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

1439881

Explanation of financial impact figure
In 2020, Fifth Third spent $14.39 million on electricity and natural gas. We estimate the potential financial impact of such a policy, depending on how it is implemented, could increase Fifth Third's utility expenses 0 to 10%. This corresponds to an increase between 0 and $1,439,881 per year.

Cost of response to risk
1000000

Description of response and explanation of cost calculation
The bank is managing the risks of rising energy expenses by: (1) Signed a Virtual Power Purchase Agreement (VPPA) providing 100% renewable power (i.e., Fifth Third has contracted to buy the power from a new solar project; this project generates more power than we use in a year). In 2020, Fifth Third's total electricity consumption was 153,164 MWh and the solar project generated over 180,000 MWhs. See case study below. (2) We set a goal to reduce energy consumption 25% between 2014 and 2022. We are investing more than $1M per year in energy efficiency efforts, including by replacing end-of-life equipment with efficient replacements. Explanation of cost of response to risk: For the 2nd strategy listed above that is focused on energy efficiency, we estimate the bank invests more than $1 million per year in energy efficiency. This estimate is based on past investments in LED retrofits, HVAC replacements, and building management systems. The costs included in these estimates are the equipment itself, the labor, and program management. Case Study: Virtual Power Purchase Agreement Situation: In 2012, Fifth Third began making annual purchases of 30% green power in the form of renewable energy certificates (RECs) from existing renewable projects. Fifth Third wanted to transition to a long-term contract for electricity and RECs that would allow us to achieve 100% green power through a new renewable project. Task: Assess the business case for signing a Virtual Power Purchase Agreement (VPPA). Action: On December 1, 2017, Fifth Third signed a VPPA for a new 80 MW solar project in North Carolina. Fifth Third's guaranteed fixed price for the power and RECs enabled the project's financing and construction. The power is re-sold in North Carolina and Fifth Third will accept the difference between the guaranteed fixed price and floating regional price of electricity while retaining the RECs. Result: The project began commercial operations in June 2019, making Fifth Third the first Fortune 500 company to purchase 100% solar power on a forward-looking basis. The VPPA provides a partial hedge against the possibility of higher electricity prices if new laws are passed that raise the price of carbon-intensive electricity sources within our footprint. As Fifth Third continues to reduce its energy consumption, RECs associated with the "excess" production (above Fifth Third's total consumption) can be sold to help offset the cost of rising energy prices.

Comment

Identifier
Risk 2

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

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures

Primary potential financial impact
Increased indirect (operating) costs

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

Company-specific description
Fifth Third operates approximately 1,100 full-service banking centers in our eleven-state retail footprint in eleven states spanning the midwest to the southeast United States (OH, KY, IN, MI, IL, FL, TN, WV, GA, NC and SC). Fifth Third also has out-of-footprint corporate office locations in CA, CO, MA, MO, NY, PA, TX VA, and Washington D.C. All of these facilities are likely to experience higher cooling demand as mean temperatures rise globally due to climate change. This will increase electricity use as these facilities run HVAC equipment at higher levels and for longer hours. Higher mean temperatures are also likely to increase the demand for irrigation for landscaping at these facilities. These increases are likely to be largest at our facilities in the south where the demands for cooling and irrigation may experience the largest increases.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

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

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
1439881

Explanation of financial impact figure
In 2020, Fifth Third spent $14.39 million on electricity and natural gas. We estimate the potential financial impact of such a policy, depending on how it is implemented, could increase Fifth Third's utility expenses 0 to 10%. The corresponds to an increase between 0 and $1,439,881 per year.

Cost of response to risk
1000000

Description of response and explanation of cost calculation
The bank is managing the risks of rising energy expenses by: (1) Signed a Virtual Power Purchase Agreement (VPPA) providing 100% renewable power (i.e., Fifth Third has contracted to buy the power from a new solar project; this project generates more power than we use in a year). In 2020, Fifth Third's total electricity consumption was 153,164 MWh and the solar project generated over 180,000 MWhs. (2) We set a goal to reduce energy consumption 25% between 2014 and 2022. We are investing more than $1M per year in energy efficiency efforts, including by replacing end-of-life equipment with efficient replacements. See case study below. Explanation of cost of response to risk: For the 2nd strategy listed above that is focused on energy efficiency, we estimate the bank invests more than $1 million per year in energy efficiency. This

estimate is based on past investments in LED retrofits, HVAC replacements, and building management systems. The costs included in these estimates include the equipment itself, the labor, and program management. Case Study: Replacing end-of-life energy-using equipment Situation: With approximately 1,100 locations, Fifth Third is constantly focused on operating and maintaining our facilities. As HVAC and other energy-intensive equipment reaches its end of life, it must be replaced. Task: Ensure that end-of-life equipment is replaced with highly energy efficient equipment, rather than equipment that meets minimum code requirements. Action: Fifth Third created a standard for replacing end-of-life equipment that requires installing equipment that is more efficient than required by code. Result: Fifth Third is reducing its energy consumption, and also reducing its exposure to future price increases. In 2020, we completed our phase one rollout of advanced building management controls to more than 230 locations across our portfolio. These new system controls help monitor and manage energy usage from our largest source (building heating and cooling) of energy. We will continue to assess this technology across our portfolio to better manage energy needs for our buildings.

Comment

Identifier
Risk 3

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

Risk type & Primary climate-related risk driver

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

Primary potential financial impact
Increased credit risk

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

Company-specific description
As noted in Fifth Third's 2020 10-K (pg 42): Weather-related events, other natural disasters, or health emergencies may have an affect on the performance of Fifth Third's loan portfolios, thereby adversely impacting its results of operations. Fifth Third's footprint stretches from the upper midwest to lower southeast regions of the United States and it has offices in many other areas of the country. Some of these regions have experienced weather events including hurricanes, tornadoes, fires and other natural disasters. The nature and level of these events and the impact of global climate change upon their frequency and severity cannot be predicted. If large scale events occur, they may significantly impact our loan portfolios by damaging properties pledged as collateral as well as impairing our borrowers' ability to repay their loans.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

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

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
10000000

Explanation of financial impact figure
Increased severity and frequency of extreme weather events such as hurricanes and floods can increase credit risk. To understand and manage our credit risk, the bank estimates the potential cost of losses. These losses are estimated based on loan exposures in high-risk areas. A single-year's storm-related expenses may provide an indication of the magnitude of the financial impact that increased propensity of storms could lead to. If one uses 2017's hurricane season as such an indication, the "Allowance for Credit Losses" section of our 2017 10-K (page 78) provides the following illustration: "During the third quarter of 2017, the United States incurred two major hurricanes impacting the states of Texas and Florida. The Bancorp provided assistance to customers that were negatively impacted. The Bancorp's ALLL included $10 million for the estimated impact of the hurricane related losses at December 31, 2017." (ALLL is an acronym for Allowance for Loan and Lease Losses.)

Cost of response to risk
0

Description of response and explanation of cost calculation
The Bank analyzes its loan exposure in hurricane-prone areas to ensure that its risk exposure is within the company's risk appetite. As noted in Fifth Third's 2020 10-K (page 111), Fifth Third continues to consider qualitative factors in determining the ALLL to capture characteristics in the portfolio that impact expected credit losses which are not fully captured within the Bancorp's expected credit loss models. The qualitative adjustment framework can be utilized to address specific idiosyncratic risks such as geopolitical events, natural disasters or changes in current economic conditions that are not reflected in the quantitative credit loss models, and their effects on regional borrowers and changes in product structures. Credit risk is monitored by our Lines of Business, Business Controls, the Credit Risk function, and the broader Enterprise Risk management framework, among other mechanisms. It is not possible to isolate the costs of managing climate-related risks relative to the costs of the broader system. Case Study: Mortgage Portfolio Flood Risk Situation: Although mortgages located in a flood zone designated by FEMA are required to have flood insurance, there are known limitations with the models used by FEMA in assessing flood risks, such as a focus on coastal and fluvial (river) risk and not flooding due to pluvial (rainfall) risk. Task: Research tools and methods to better understand exposure to flood risk, including flood risk from rainfall. Action: Concentrating first on North Carolina mortgage exposures. Fifth Third partnered with First Street Foundation, a leading, non-profit research and technology company, who models the risks of flooding including pluvial, storm surge and tidal flooding, both now and in the future. Unlike the FEMA models that are not asset specific, the models used in the analysis considers factors such as the building footprint elevation, home value, height of the first finished floor, building materials and more. Result: The project resulted in identifying new properties that may be subject to flood risk that are not located in designated FEMA flood zones. The results were shared with the Mortgage line of business, as well as the credit risk teams. Fifth Third is considering expanding the analysis beyond the original project scope in the future.

Comment

Identifier

Risk 4

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

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Increased credit risk

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

Company-specific description
As noted in Fifth Third's 2020 10-K (pg 42): Societal responses to climate change could adversely affect Fifth Third's business and performance, including indirectly through impacts on Fifth Third's customers. Concerns over the long-term impacts of climate change have led and may continue to lead to governmental efforts around the world to mitigate those impacts. Consumers and businesses also may change their behavior on their own as a result of these concerns. Fifth Third and its customers will need to respond to new laws and regulations, as well as consumer and business preferences resulting from climate change concerns. Fifth Third and its customers may face cost increases, asset value reductions, operating process changes, and the like. The impact on Fifth Third's customers will likely vary depending on their specific attributes, including reliance on or role in carbon intensive activities. Fifth Third could experience a drop in demand for Fifth Third's products and services, particularly in certain sectors. In addition, Fifth Third could face reductions in creditworthiness on the part of some customers or in the value of assets securing loans. Fifth Third's efforts to take these risks into account in making lending and other decisions, including by increasing business relationships with climate-friendly companies, may not be effective in protecting Fifth Third from the negative impact of new laws and regulations or changes in consumer or business behavior.

Time horizon
Medium-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

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

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
Fifth Third is maturing its enterprise risk management capabilities, including using scenario analysis and other tools to quantify the potential financial impact of transition risks.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our Risk Management process ensures a consistent and comprehensive approach to how we identify, measure and assess, manage, monitor, and report risks. We also have established processes and programs to manage and report concentration risks; to ensure robust talent, compensation, and performance management; and to aggregate risks across the enterprise. These risks are included in the eight risk categories monitored by our Lines of Business, Business Controls, the Regulatory Risk function, and the broader Enterprise Risk Management framework. Because these processes already exist and are similar to other risk-management responsibilities, the incremental cost is $0.

Comment

C2.4

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

C2.4a

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

Identifier
Opp1

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

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

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

Company-specific description
In June 2017, Fifth Third set five bold sustainability goals, including to purchase as much renewable power as we use in a year by 2022 (i.e., purchase 100% renewable power). This goal was set based on ongoing efforts to assess whether it would be beneficial for Fifth Third to sign a Virtual Power Purchase Agreement (VPPA) with a renewable energy project developer to help achieve our 100% renewable power goal. Working with a buyer's advisor, we issued an RFP in January 2017. Due to the efforts of a diverse set of internal and external partners, Fifth Third signed a VPPA in December 2017. The 80 MWac/120 MWdc Aulander Holloman Solar project began commercial operations in June 2019 and Fifth Third announced it is now purchasing 100% solar on a forward-looking basis, achieving our goal to purchase 100% renewable power three years early. In 2020, the solar generation from the project was more than 180,000 MWh, enough to power over 21,000 homes or equivalent to reducing emissions from over 27,000 passenger vehicles. And as a result, Fifth Third became the first bank and first Fortune 500 company to purchase 100% renewable power through a single, solar project. Fifth Third is sharing our journey to 100% renewable, solar power at conferences and with video, interviews, and press releases to inspire other companies and communities to follow our lead. In so doing, we also hope to demonstrate bold environmental leadership which will strengthen our reputation and lead to increased demand for our products and services.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

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

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
1000000

Explanation of financial impact figure
Our 2020 10-K noted that negative public opinion could adversely affect Fifth Third's ability to attract and keep customers (2020 10-K, p. 42). In addition, Fifth Third faces intense competition for qualified talent (2020 10-K, p.33). If Fifth Third can improve its reputation through its sustainability strategies, it may be able to attract and retain new customers and employees. The financial value of these benefits could be between $0 and $1 million or more.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Fifth Third began working with a renewable energy buyer's advisor in 2016 to issue an RFP to renewable energy project developers, select a partner, and negotiate and sign a Virtual Power Purchase Agreement (PPA) in 2017. The project began commercial operations in June 2019. Assessing and supporting the Virtual Power Purchase Agreement leveraged existing people and processes which were already fulfilling similar functions. For example, the Risk, Legal, Operations, and Sustainability professionals supporting this assessment did so as part of their regular duties. As such, the incremental cost was $0. Case Study: Virtual Power Purchase Agreement Situation: In 2012, Fifth Third began making annual purchases of 30% green power in the form of renewable energy certificates (RECs) from existing renewable projects. Fifth Third wanted to transition to a long-term contract for electricity and RECs that would allow us to achieve 100% green power through a new renewable project. Task: Assess the business case for signing a Virtual Power Purchase Agreement (VPPA). Action: On December 1, 2017, Fifth Third signed a VPPA for a new 80 MW(ac) solar project in North Carolina. Fifth Third's guaranteed fixed price for the power and RECs enabled the project's financing and construction. The power is re-sold in North Carolina and Fifth Third will accept the difference between the guaranteed fixed price and floating regional price of electricity while retaining the RECs. Result: The project began commercial operations in 2019 demonstrating that companies can use their purchasing power to boldly and quickly address climate change. The company has shared our journey to 100% renewable power at conferences, with our communities, and with our employees to raise awareness of this opportunity, demonstrate our leadership, and strengthen our reputation.

Comment

Identifier
Opp2

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

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Primary potential financial impact
Reduced direct costs

Company-specific description
In June 2017, Fifth Third set five bold sustainability goals, including to reduce energy and GHG emissions 25% between 2014 and 2022. To achieve these goals, Fifth Third has been and will continue to invest in a broad range of energy efficiency projects. These projects will lead to a reduction in energy expenses. As of December 2020, Fifth Third has reduced the energy KPI used to track this goal by 41%, surpassing our original goal of 25%.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
650000

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

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

Explanation of financial impact figure
Large energy efficiency projects can take several years to plan, implement, and begin realizing the savings. A representative example is that Fifth Third initiated a large LED lighting retrofit program at roughly 150 locations in 2016 and completed the project in 2017. The project was estimated to save the bank roughly $650,000 per year in lighting-related energy costs. (The estimated energy savings were calculated based on comparing the lighting-related energy consumption before and after the retrofit and multiplying the savings by the cost of electricity.)

Cost to realize opportunity
4000000

Strategy to realize opportunity and explanation of cost calculation
A representative example of an energy efficiency project is that Fifth Third initiated an LED lighting retrofit program at roughly 150 locations in 2016 and completed the project in 2017. Case Study: Large-scale LED Lighting Upgrade Situation: Having recently completed a pilot project of LED lighting upgrades in the state of Florida, Fifth Third learned in early 2016 that one of our largest utility providers had introduced harmonized LED lighting incentives across multiple states in our footprint. Task: While the incentives were still available, we assessed whether to conduct a large LED lighting upgrade project that would include several of our largest headquarters buildings in Ohio and more than 100 smaller buildings. Action: Working with multiple partners, Fifth Third assessed, approved, and quickly implemented a lighting retrofit program at 150 locations in 2016 and 2017. Result: The project was estimated to save the bank roughly $650,000 per year in lighting-related energy costs. (The estimated energy savings were calculated based on comparing the lighting-related energy consumption before and after the retrofit and multiplying the savings by the cost of electricity.) This major LED lighting retrofit project had an estimated pre-incentive cost of $4 million. Explanation of cost calculation: The cost to realize this opportunity was based on contracting with an energy contractor to purchase the LED lighting equipment; hire electricians and other professionals to do the installations; coordinate with facility management, security, and banking staff to minimize disruptions; manage the project's completion and submit rebate/incentive applications/documentation according to utility-required timelines for roughly 150 locations in multiple states. The total expense for this project --before utility energy efficiency incentives/rebates -- was $4 million.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

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

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

Company-specific description
Fifth Third began financing renewable energy in 2012 when the Bank financed the construction and operations of numerous solar projects in North Carolina. In 2018, a national renewable energy finance center of excellence was established which drastically expanded our sustainability practice. We currently provide services to over 100 borrowers for 587 projects across 28 states. The Bank's renewable energy finance practice leverages resources from our energy vertical, who have a deep understanding of clients' needs to help them reach their business goals. We expect to expand the practice and maintain our leadership position in the renewable energy marketplace. Fifth Third has provided $5.4 billion in lending and capital raising services since 2012. These services have helped lead to the completion of more than 3.5 GW of renewable energy projects across 50+ clients. In addition, we have provided $1.5 billion in merger and acquisition advisory services.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
10000000

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

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

Explanation of financial impact figure
To quantify the financial impact (incremental interest income) if Fifth Third were to originate $1 billion of new loans, using an illustrative interest rate (1%) and simple interest, the incremental interest income could be $10 million/year. Note, this does not take into account the interest expense or other costs associated with new production (e.g. compensation).

Cost to realize opportunity

1000000

Strategy to realize opportunity and explanation of cost calculation
To increase lending, the company would need to add employees within the line of business. Assuming it would take about 8 FTEs to support this expansion and using Fifth Third's median 2020 salary, wage, incentive, and benefit per FTE (as reported in Fifth Third's 2021 proxy, page 67), that corresponds to less than $1 million/yr. Case Study Situation: Fifth Third has provided financing and capital raising services to solar projects and solar project developers since 2012. During that time, more than $2.5 billion in loans have been extended. For comparison, in the U.S., $8.6 billion in utility-scale solar was financed in 2017 alone.* Between 2017 and 2021, the U.S. Energy Information Administration projects US utility-scale solar will nearly double in four years.** Task: Given the growth potential, consider whether to expand capabilities and serve more customers. Action: In 2019, Fifth Third expanded its renewable energy lending team and added a new renewable energy investment banking team. See https://www.businesswire.com/news/home/20190814005531/en/Bancorp-Introduces-New-Investment-Banking-Capabilities-Renewable and https://www.53.com/content/fifth-third/en/commercial-banking/industries/energy-financing-solutions.html. Result: Fifth Third is able to serve more customers, provide more loans and access to capital, and accelerate the deployment of renewable energy * Bloomberg New Energy Finance and Business Council for Sustainable Energy, 2018 Sustainable Energy in America Factbook, 2018, p. 58. ** U.S. Energy Information Administration, Annual Energy Outlook 2018, "Renewable Energy Generating Capacity and Generation" February 2018.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

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

Company-specific description
Fifth Third's Investment Management Group recognizes there is an increasing interest in and focus on investing in companies that promote and achieve sustainability, encourage and measure corporate responsibility, and lead through their positive impact on employees, clients and communities. This is often referred to as ESG investing. We take these factors into consideration and, as a fiduciary, incorporate them into client portfolios as appropriate. ESG investing seeks to identify risks inherent in all businesses and invest in those companies who are best suited to handle those risks. We believe in providing our clients with options to invest in strategies across asset classes, countries, sectors and market cap. We provide both active and passive ESG and socially responsible investment strategies and continue to research and provide new options as the market evolves. Industry ESG-related money market funds total $53.3 billion as of the end of Q1 2021. This represents roughly 1.2% of overall MM Fund balances. However, strong growth is expected in the future (Source Crane Data).

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

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

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
750000

Explanation of financial impact figure
As of December 31, 2020, Fifth Third had $1.5 billion in assets under management (AUM) in various ESG and other socially responsible investments. For illustrative purposes, if you assume a 5% growth in AUM and a 1% fee on AUM, the additional AUM growth would result in $750,000 in management fees.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Introduce ESG funds to menu of available investment options. In 2021, Fifth Third introduced a money market fund with ESG criteria that invests in securities which meet specific environmental criteria to separate environmental leaders from laggards. Specifically, it will not invest in securities issued or guaranteed by entities that derive more than 5% of their revenues from: 1) Fossil fuels mining, exploration or refinement, or 2) Thermal coal or nuclear energy-based power generation

Comment
The Wealth & Asset Management team offers a broad array of investment options to our customers. Because processes already exist to screen and offer new funds to our customers, there were zero incremental costs ($0) required to introduce ESG funds to the portfolio of available options.

C3. Business Strategy

C3.1

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

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify (Internally developed scenarios)	We use qualitative and quantitative scenario analysis to understand both physical and transition risks related to climate change. We run internally developed scenarios covering physical risks. Additionally, we monitor economic sectors that Moody's has determined (in their December 2020 Heat Map) are at the greatest threat of downgrade from potential changes in regulation or transition risk. Fifth Third tracks our exposure to these sectors and we run these sectors through stress models to better understand the potential risks over the next 3 years (over the short- and medium-term as defined in question C2.1a). These results are then shared with the Commercial Credit Risk team so they can consider whether credit policies and concentration limits should be updated to keep the bank's risk exposure within risk tolerance. Case Study: Mortgage Portfolio Flood Risk Situation: Although mortgages located in a flood zone designated by FEMA are required to have flood insurance, there are known limitations with the models used by FEMA in assessing flood risks, such as a focus on coastal and fluvial (river) risk and not flooding due to pluvial (rainfall) risk. Task: Conduct scenario analysis to better understand exposure to flood risk, including flood risk from rainfall. Action: Concentrating first on North Carolina mortgage exposures. Fifth Third partnered with First Street Foundation, a leading, non-profit research and technology company, who models the risks of flooding including pluvial, storm surge and tidal flooding, both now and in the future. Unlike the FEMA models that are not asset specific, the models used in the analysis considers factors such as the building footprint elevation, home value, height of the first finished floor, building materials and more. Result: In a 1:100 flood event scenario we identified new properties that may be subject to flood risk that are not located in designated FEMA flood zones. The results were shared with the Mortgage line of business as well as the credit risk teams. Fifth Third is considering expanding the analysis beyond the original project scope in the future.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate change has influenced the strategies we use to manage the risks of our products and services and informed the expansion of our products and services. Example and a case study follow. Managing Risk of Products and Services. We use qualitative and quantitative scenario analysis to understand both physical and transition risks related to climate change. We run internally developed scenarios covering physical risks. Additionally, we monitor economic sectors that Moody's has determined (in their December 2020 Heat Map) are at the greatest threat of downgrade from potential changes in regulation or transition risk. Fifth Third tracks our exposure to these sectors and we run these sectors through stress models to better understand the potential risks over the short- and medium-term. These results are then shared with the Commercial Credit Risk team so they can consider whether credit policies and concentration limits should be updated to keep the bank's risk exposure within risk tolerance. Expanding Products and Services. We see opportunities to grow aspects of our business, including related to renewable power such as our $8 billion sustainable financing goal by 2025 that we set in September 2018. Additionally, see our 2020 ESG Report (pg 122) for other sustainable finance initiatives, including electric forklifts in our leasing portfolio (see the case study below for details), "green" pricing for loans, and underwriting sustainability bonds for clients. Case Study: Electric Forklifts in Leasing Portfolio Situation: Fifth Third leasing business include forklifts which historically were internal combustion-powered, emitting ~120,000 pounds of carbon emissions per year. Task: Assess cleaner alternatives to internal combustion powered forklifts. Action: Fifth Third researched alternative power solutions, such as electric forklifts, and engaged with clients to provide forklifts with zero local emissions. Result: As of December 31, 2020, Fifth Third leases over 1,500 electric assets to more than 18 clients across 38 states.
Supply chain and/or value chain	Yes	In April 2021, Fifth Third joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions worldwide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client GHG emissions associated with loans and investments. By joining, Fifth Third is committed to measuring and reporting certain client portfolio emissions by the end of 2024. Case Study: Situation: Scope 3, or indirect emissions, are becoming more important for companies to understand and measure. Task: Review 15 scope 3 GHG emission categories and determine strategy to measure and report most relevant categories. Action: Fifth Third engaged with stakeholders and determined the "Investments" emission category was most impactful for the banking industry. Result: Fifth Third joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions worldwide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client GHG emissions associated with loans and investments. By joining, Fifth Third is committed to measuring and reporting certain client portfolio emissions by the end of 2024.
Investment in R&D	No	Research & Development is not relevant for the financial services industry and does not appear as a line item on our financial statements.
Operations	Yes	Reduce Our Direct Environmental Impact. In June 2017, we set five public sustainability goals: to reduce energy use and location-based GHG emissions 25% , reduce water consumption and waste generation 20%, and to purchase 100% renewable power, all by 2022. We launched efforts to achieve the first four goals by investing in LED lighting, building and HVAC controls; improving space utilization; and improving the sustainability of our new construction, renovations, and operations and maintenance practices. In December 2017, we signed a Virtual Power Purchase Agreement with SunEnergy1 that committed the company to purchase 100% of the power generated by a proposed new 80 MW (ac) solar project. As of 2020, Fifth Third has achieved its 25% greenhouse gas reduction goal, 20% water reduction goal and 100% renewable power goal. Understand and Manage the Climate-related Risks Facing Our Company. Recognizing the heightened environmental risks inherent in the energy sector, we implemented in environmental risk assessment component for new lending opportunities in 2013. In addition to environmental risks such as the client's management of water and air emissions, we also evaluate social risks such as worker safety and community engagement. In 2020, we published a new Environmental and Social Policy that identifies sectors that pose heightened environmental and social risks. The policy provides guidance on clients in sectors and activities that are prohibited or that are subject to enhanced customer due diligence and may require escalated review and approval from senior leaders. Fifth Third DOES NOT: • Knowingly engage with businesses directly involved in bribery, child labor, illegal logging, and other prohibited activities listed in our Environmental and Social Policy. • Do business with debt collectors, high interest rate lenders, or manufacturers and distributors of military-style firearms for nonlaw enforcement, non-military use without performing enhanced due diligence to ensure they are not in conflict with our Core Values and Code of Conduct. • Do business with clients in sectors with elevated environmental and social risks without enhanced due diligence, including forestry, palm oil, coal mining, nuclear power, and Arctic drilling.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Provisions or general reserves	Climate-related risks and opportunities have affected Fifth Third's financial planning in several ways. A case study and three short examples follow. Case Study: Capital Expenditures. Enterprise Workplace Services (EWS) manages our owned and leased facilities. As part of our efforts to achieve our 2022 climate-related sustainability goals, we make multi-year (3+ year) capital expenditure plans to invest in energy efficiency, reduce greenhouse gas emissions, and meet our renewable energy goals. These plans focus on the next 3 years, but also look beyond due to the long-lived nature of our facility and capital investments. Examples of action steps include investing in LED lighting retrofits, HVAC equipment, building management systems, and smart irrigation controls. Three other examples include: * Indirect Costs. Planning for utility expense. * Revenues. The company provides loans and financial services for renewable energy companies and projects. These services are part of our revenue and business planning projections. * Provisions or General Reserves. As described in 2.2, following the 2017 hurricane season, the "Allowance for Credit Losses" section of our 2017 10-K (page 78) included the following: "During the third quarter of 2017, the United States incurred two major hurricanes impacting the states of Texas and Florida. The Bancorp provided assistance to customers that were negatively impacted. The Bancorp's ALLL included $10 million for the estimated impact of the hurricane related losses at December 31, 2017." (ALLL is an acronym for Allowance for Loan and Lease Losses.)

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Refer to our 2020 Environmental, Social and Governance Report (available on ir.53.com/esg) for additional information.

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

Yes, both of the above

C-FS3.6a

(C-FS3.6a) In which policies are climate-related issues integrated?

	Type of policy	Portfolio coverage of policy	Description
Bank lending (Bank)	Credit policy Risk policy	All of the portfolio	Fifth Third uses integrated, multi-disciplinary, company-wide processes to identify, assess, and manage all risk types, including climate-related risks. The bank's enterprise risk management policy and risk management framework apply to the entire company. Other policies may apply to loans to specific sectors or commercial lending more generally. Identification and assessment are discussed first, followed by management, and finally examples. Risk Identification and Assessment At the corporate level, Fifth Third's enterprise risk management approach includes a framework and processes for identifying, assessing, managing, monitoring and reporting risks. The framework uses quantitative and qualitative processes to assess the potential size and scope of risks. The framework is based on inherent risk, controls, initial residual risk, key risk indicators, performance considerations, residual risk, risk tolerances, action plans for residual risks that are above tolerance, and reporting. The methodology also assesses both the severity and probability of risks after controls and ensures top and emerging risks are discussed in applicable management, council, and/or committee meetings. The risks addressed include, but are not limited to, credit, price, liquidity, operational, legal & regulatory compliance, reputation, interest rate and strategic. Each of these risks—and the factors that contribute to them, including climate change—are identified and managed through a series of functions and committees. (For example, assessing credit risk requires understanding how climate change could affect the ability of a customer to repay a loan). For emerging risks, risks and appropriate controls are assessed quarterly or more frequently as needed. The Enterprise Risk Management division ensures the consistency and adequacy of the risk management approach. The Enterprise Risk Management Committee (ERMC) reviews and approves risk management frameworks and policies and oversees the management of all risk types to ensure that risks are understood and within the Bancorp's risk appetite. The ERMC reviews information on risk levels, trends, and emerging risks during each regularly scheduled quarterly meeting and it helps raise awareness and build capability to address emerging risks such as climate change. The ERMC is supported by multiple committees, including the Corporate Responsibility & Reputation Committee (CRRC), Corporate Credit Committee, Operational Risk Committee, Management Compliance Committee, and Asset/Liability Committee. Additional corporate policies and processes help identify, assess, and manage risk, including a new products and services risk assessment, a self-identified issues management program, reputation risk councils, vendor due diligence, and credit risk review. The corporate processes described above are supplemented by a broader risk management framework that uses three lines of defense to clarify the roles and responsibilities for effective risk management. The lines of business, regions, and risk-taking functions comprise the first line of defense. Since these groups create risk through business-as-usual activities, they must understand the risks being taken and implement controls to mitigate those risks. The second line of defense is provided by the Risk Management, Legal, and Compliance divisions since they are responsible for providing oversight and governance of activities performed by the first line. The Audit division provides the third line of defense. Additional governance is provided by Human Resources and Finance. Risk Management The company's comprehensive processes for managing risks includes the development of internal controls; the assessment of initial residual risk, key risk indicators, performance considerations, and residual risk; determination of whether the residual risk is within risk tolerances; development of action plans for residual risks that are above tolerance; and reporting. These processes also occur within the context of multiple reporting and governance functions including the Enterprise Risk Management Committee (ERMC) and the Corporate Responsibility & Reputation Committee (CRRC).
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Please select	Please select	

C-FS3.6b

(C-FS3.6b) Describe your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Type of exclusion policy	Portfolio	Application	Description
All fossil fuels	Bank lending	New business/investment for new projects	During the client selection process, the first line conducts due diligence to identify and seek approval to onboard any high-risk clients, including clients in E&S sensitive sectors. First and second line senior leadership approval is required for all identified high-risk clients. After the client selection process, high-risk clients continue to be subject to ongoing due diligence and periodic reviews that are coordinated by the first and second lines. Clients in sectors with elevated E&S risks require enhanced due diligence. Sector-specific due diligence assessment criteria are integrated into general policies and applicable industry-specific policies. This enhanced due diligence review is conducted by the first and second lines prior to account opening, as the review may result in additional conditions or requirements. While each client opportunity is unique and therefore requires a customized process, examples of the types of due diligence conducted include: 1. Review the client's internal governance and external E&S / ESG disclosures, and, 2. Compare the client's disclosures and efforts relative to competitors and industry best practices. Environmental risks to be evaluated may include, but are not limited to, land and water use impacts, climate risk reporting, community and stakeholder engagement, and overall transparency. In addition to the high-risk business relationships requiring enhanced due diligence listed above, certain clients in sectors with heightened E&S risks also require enhanced due diligence to ensure a comprehensive understanding. E&S sensitive sectors include, but are not limited to Energy, including coal, nuclear, and oil & gas.
Coal	Bank lending	New business/investment for new projects	Coal mining: Fifth Third applies enhanced due diligence to clients with diversified mining and industrial companies where proceeds will primarily be used to finance new coal mining capacity. Coal-fired power generation: Fifth Third applies enhanced due diligence to clients involved in coal-fired power generation and considers the type of technology, regulatory drivers and the company's commitment, capacity and track record in managing E&S risks. Fifth Third anticipates that the proportion of coal-fired technology contained in power generation portfolios will continue to decline.
Oil & gas	Bank lending	New business/investment for new projects	Arctic Drilling: Clients involved in new greenfield development within the broader Arctic region, including the Arctic National Wildlife Refuge, are subject to enhanced due diligence focused on stakeholder engagement, including indigenous peoples of Alaska, ecosystems and biodiversity as well as region-specific water risks. Fracking/Shale Oil & Gas: Clients engaged in the exploration and/or extraction of shale oil or natural gas using hydraulic fracturing is subject to enhanced due diligence focused on the client's management of water (including access, recycling and disposal), air emissions (including fugitive methane), well integrity and community impacts. Midstream: Clients involved in midstream operations are subject to enhanced due diligence focused on an assessment on risks of leaks or spills and other ecological impacts, including the engagement of affected communities and other stakeholders in areas of operations. Oil Sands Development: Clients involved in oil sands development are subject to enhanced due diligence focused on the client's management of water discharge, use of fresh water, impacts to biodiversity, interactions with First Nations communities, the type of technology deployed (and its environmental footprint) and the client's compliance with Canadian permitting requirements.
Other, please specify (Nuclear Power)	Bank lending	New business/investment for new projects	Fifth Third recognizes there are sensitivities regarding the use of nuclear energy, including the safety and handling of nuclear fuel and waste. Clients involved in the development of nuclear projects are subject to enhanced due diligence, which includes a requirement that clients adhere to industry best practices, as well as a review of the client's track record on environmental compliance, safety and training.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2017

Target coverage
Company-wide

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

Base year
2014

Covered emissions in base year (metric tons CO2e)
106103

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

Target year
2022

Targeted reduction from base year (%)
25

Covered emissions in target year (metric tons CO2e) [auto-calculated]
79577.25

Covered emissions in reporting year (metric tons CO2e)
62633

% of target achieved [auto-calculated]
163.878495424258

Target status in reporting year
Achieved

Is this a science-based target?
No, and we do not anticipate setting one in the next 2 years

Target ambition
<Not Applicable>

Please explain (including target coverage)
In 2020, we achieved and exceeded our goal to reduce our greenhouse gas emissions 25% by 2022. Specifically, we reduced our emissions 41% in between 2014 and 2020. (We initially achieved our goal in 2018 -- 4 years ahead of schedule -- and we continue to reduce our emissions further.) These reductions were the result of investments in energy efficiency, improved operations and maintenance, increased space utilization, the ongoing decarbonization of the electric power grid, and moderate temperatures within our footprint for parts of the year.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Other climate-related target(s)

C4.2a

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

Target reference number
Low 1

Year target was set
2017

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: energy carrier
Electricity

Target type: activity
Consumption

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

Metric (target numerator if reporting an intensity target)
Percentage

Target denominator (intensity targets only)
<Not Applicable>

Base year
2014

Figure or percentage in base year
31.7

Target year
2022

Figure or percentage in target year
100

Figure or percentage in reporting year
100

% of target achieved [auto-calculated]
100

Target status in reporting year
Achieved

Is this target part of an emissions target?
Fifth Third's current GHG reduction goal uses a location-based methodology, so our renewable energy certificates (REC)s are not included in this calculation. But we also calculate our Scope 2 market-based GHG emissions so that analysts can calculate the combined impact.

Is this target part of an overarching initiative?
RE100

Please explain (including target coverage)
Fifth Third joined the RE100 in March 2018 when we announced our Virtual PPA to purchase 100% solar power. The 80 MWac/120 MWdc Aulander Holloman Solar project began commercial operations in June 2019. In August 2019, Fifth Third announced it had achieved its 100% renewable power goal on a forward-looking basis. For calendar year 2020, the company achieved 100% renewable power.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2017

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	million Btu

Target denominator (intensity targets only)
square foot

Base year
2014

Figure or percentage in base year
0.09827

Target year
2022

Figure or percentage in target year
0.0737025

Figure or percentage in reporting year
0.074805843

% of target achieved [auto-calculated]
95.5089325328178

Target status in reporting year
Underway

Is this target part of an emissions target?
Energy efficiency improvements help us achieve our Abs1 GHG reduction goal, but the two goals are not formally linked.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
This KPI is not directly comparable to the company's total energy use. This is because the KPI includes all owned and ground-leased locations for which Fifth Third receives a utility energy (electric or natural gas) bill; locations where Fifth Third is a tenant and ATM locations are not included. In addition, recently acquired MB Financial locations are not included, since there was less than one year of data. This KPI was independently assured. The assurance statement is available at ir.53.com/esg in the "Additional Disclosures" section.

C4.3

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

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	6	381
Implementation commenced*	147	1118.66
Implemented*	364	1778.2
Not to be implemented		

C4.3b

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

Initiative category & Initiative type

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

Estimated annual CO2e savings (metric tonnes CO2e)
361

Scope(s)
Scope 1
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
91426

Investment required (unit currency – as specified in C0.4)
1828519

Payback period
16-20 years

Estimated lifetime of the initiative
16-20 years

Comment
Projects primarily include upgrading HVAC equipment to more efficient HVAC equipment.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
1058

Scope(s)
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
267932

Investment required (unit currency – as specified in C0.4)
1071728

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
Projects primarily include upgrading incandescent and fluorescent lighting to more efficient LED lighting fixtures.

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
360

Scope(s)
Scope 1
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
78541

Investment required (unit currency – as specified in C0.4)
499138

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment
Projects include installation of new building management system (i.e., energy management system) to monitor and control building energy infrastructure, including heating and cooling equipment.

C4.3c

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

Method	Comment
Internal finance mechanisms	Some energy efficiency-related investments were prioritized based on their ability to provide a financial return to the company.
Other (End-of-Life plus increase energy efficiency)	Some investments replaced equipment that had reached the end of its useful life, but the degree of incremental efficiency improvement to pursue was informed by an investment's ability to provide a financial return to the company.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Renewable Energy Finance. Fifth Third Bank provides construction and term financing for renewable energy projects. By helping to bring these projects to market, a portion of the traditional non-baseload power supply (which is often CO2-intensive) is offset by carbon-free, renewable power generation. In addition to traditional lending, Fifth Third also provides corporate loans, loan syndication, capital raising (equity and debt), and M&A advisory services for renewable energy companies and projects.

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

Low-carbon product and avoided emissions

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

Climate Bonds Taxonomy

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

% of total portfolio value

2.53

Asset classes/ product types

Bank lending	Commercial Loans

Comment

Fifth Third began financing renewable energy in 2012 when the Bank financed the construction and operations of numerous solar projects in North Carolina. In 2018, a national renewable energy finance center of excellence was established which drastically expanded our sustainability practice. We currently provide services to over 100 borrowers for 587 projects across 28 states. The Bank's renewable energy finance practice leverages resources from our energy vertical, who have a deep understanding of clients' needs to help them reach their business goals. We expect to expand the practice and maintain our leadership position in the renewable energy marketplace. Fifth Third has provided $5.4 billion in lending and capital raising services since 2012. These services have helped lead to the completion of more than 3.5 GW of renewable energy projects across 50+ clients. In addition, we have provided $1.5 billion in merger and acquisition advisory services. At the end of June 2021, Fifth Third's exposure to renewable power as identified by NAICS code analysis was 2.53% of the total portfolio value. By helping to bring these projects to market, a portion of the traditional non-baseload power supply (which is often CO2-intensive) is offset by carbon-free, renewable power generation. In addition to traditional lending, Fifth Third also provides corporate loans, loan syndication, capital raising (equity and debt), and M&A advisory services for renewable energy companies and projects.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2014

Base year end
December 31 2014

Base year emissions (metric tons CO2e)
18671

Comment

Scope 2 (location-based)

Base year start
January 1 2014

Base year end
December 31 2014

Base year emissions (metric tons CO2e)
134176

Comment

Scope 2 (market-based)

Base year start
January 1 2014

Base year end
December 31 2014

Base year emissions (metric tons CO2e)
90052

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
12995

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

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

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

Comment

C6.3

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

Reporting year

Scope 2, location-based
72695

Scope 2, market-based (if applicable)
0

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
Market based total in reporting year is zero, as a result of company's purchased Renewable Energy Certificates (RECs). Verification of Scope 2 emissions and RECs are in attached verification statement and on company website.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Two small overseas offices (rented) which total 3,952 square feet.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
Fifth Third has small offices outside of the United States of America in Canada and the United Kingdom. The combined square footage of these offices was 3,952 square feet as of December 31, 2020. This represents 0.04% of the company's real estate portfolio.

C6.5

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

Purchased goods and services

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

Capital goods

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

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

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

Upstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

Waste generated in operations

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
3952

Emissions calculation methodology
WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3). Our primary air travel vendor provided passenger-miles by type of travel. These were multiplied by relevant factors in EPA, Emissions Factors for GHG Inventories, 04/01/2021. Our primary car rental vendor provided a GHG report. For personal vehicle mileage, we use total reimbursed miles and the IRS mileage rates to determine total miles travelled. This amount was multiplied by appropriate emissions factors. Our Sourcing team estimated the portion of travel booked through the primary vendors and bookings outside of the primary vendors were then estimated.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
86

Please explain
Our Sourcing team regularly tracks the portion of travel booked not using the primary vendors and bookings. These total numbers are estimated in each category based on information provided by Sourcing team. The actual and estimated calculations were independently verified as noted in the verification letter.

Employee commuting

Evaluation status
Relevant, not yet calculated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Fifth Third understands that Scope 3 emissions are important and are monitoring efforts to quantify and report these emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Given our use of an operational control boundary for our GHG inventory, emissions from all upstream leased assets are included in our Scope 1 and Scope 2 emissions.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
As a financial services company, we do not have emissions from downstream transportation and distribution.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
As a financial . company, we do not have emissions from processing sold products

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
As a financial services company, we do not have emissions from the use of sold products.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
As a financial services company, we do not have emissions from end-of-life treatment of sold products.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
Given our use of an operational control boundary for our GHG inventory, emissions from all downstream leased assets are included in our Scope 1 and Scope 2 emissions.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain
We do not have franchises.

Other (upstream)

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain

Other (downstream)

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

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

Please explain

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.000011238

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
85690

Metric denominator
unit total revenue

Metric denominator: Unit total
7625000000

Scope 2 figure used
Location-based

% change from previous year
0.94

Direction of change
Increased

Reason for change
Although greenhouse gas emissions declined by ~7.5% since 2019 (due to emissions reduction activities, continued decarbonization of electric power grid, change in operations from pandemic, and other factors), revenues declined by ~8.5%, resulting in a slight increase to the metric.

Intensity figure
4.312097

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
85690

Metric denominator
full time equivalent (FTE) employee

Metric denominator: Unit total
19872

Scope 2 figure used
Location-based

% change from previous year
5.8

Direction of change
Decreased

Reason for change
The drivers for the 5.80% reduction were emissions reduction activities, an increase in employees, continued decarbonization of the electric power grid, change in operations from pandemic, and unidentified factors.

Intensity figure
0.009030959

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
85690

Metric denominator
square foot

Metric denominator: Unit total
9488471

Scope 2 figure used
Location-based

% change from previous year
0.73

Direction of change
Decreased

Reason for change
The drivers for the 0.73% reduction were emissions reduction activities, a 6% reduction in square footage, continued decarbonization of the electric power grid, change in operations from pandemic, and unidentified factors.

C7. Emissions breakdowns

C7.9

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

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Fifth Third's GHG reduction goal is a location-based goal. While we have a renewable energy goal and used an offsite Virtual PPA and unbundled RECs to acquire 100% green power in 2020, these do not contribute to our location-based goal. As such, renewable energy consumption had no impact on our location-based GHG emissions.
Other emissions reduction activities	1778	Decreased	1.92	1,778 MT reduction is estimated to come from a series of energy efficiency building projects (as reported in question 4.3). Dividing 1,778 by 92,650 (our 2019 scope 1+2 emissions) yields -1.92%. We believe this is an under-estimate of our emissions reductions because the company also implemented other low-cost solutions (e.g., small lighting replacements, reprogramming thermostats, enhanced training) for which we do not calculate emissions savings.
Divestment	0	No change	0	Not applicable.
Acquisitions	13100	Increased	14.14	In 2019, Fifth Third acquired MB Financial. Consistent with the GHG Protocol and advice from CDP and our third party verification firm, we excluded energy and emissions from MB Financial from our 2019 calculations because it would be a partial year of data which would make year-on-year comparisons difficult. Our 2020 CDP submission includes emissions from legacy MB locations, which have added 13,100MT to our 2020 emissions total. Dividing 13,100 by 92,650 (our 2019 scope 1+2 emissions) yields 14.14%.
Mergers	0	No change	0	Not applicable.
Change in output	0	No change	0	Not applicable.
Change in methodology	4831	Decreased	5.21	4,831 reduction is attributed to two sources. First, 4,040 MT from electric power grid CO2 intensity reduction (estimated based on change in US average emissions factors for CO2). Second, 949 MT reduction from electric emission calculation errors (double counting) corrected this year. Dividing 4,831 by 92,650 MT (our 2019 scope 1+2 emissions) yields 5.21%.
Change in boundary	4989	Decreased	5.38	4,989 MT reduction is attributed to the net reduction of emissions associated with properties added to or removed from our portfolio. Dividing 4,989 by 92,650 (our 2019 scope 1+2 emissions) yields 5.38%.
Change in physical operating conditions	0	No change	0	Not applicable.
Unidentified	8462	Decreased	9.13	8,462 MT of reduction is attributed to unidentified. Dividing 8,462 MT by 92,650 MT (our 2019 scope 1+2 emissions) yields 9.13%.
Other	0	No change	0	Not applicable.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

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

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	63146	63146
Consumption of purchased or acquired electricity	<Not Applicable>	153163	0	153163
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	153163	63146	216309

C9. Additional metrics

C9.1

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

C10. Verification

C10.1

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

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

C10.1a

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

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020 GHG Verification Statement_2021.05.05.pdf

Page/ section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

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

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020 GHG Verification Statement_2021.05.05.pdf

Page/ section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020 GHG Verification Statement_2021.05.05.pdf

Page/ section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

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

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
2020 GHG Verification Statement_2021.05.05.pdf

Page/section reference
Page 1

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ±5-percent was set for the assurance process.	For calendar year 2020, Fifth Third sought independent assurance of the KPIs used for our five sustainability goals, including our goal to purchase 100% Renewable Power by 2022. We chose to assure this data so that it would be universally viewed as credible, especially as we begin to transition from annual renewable energy credit (REC) purchases to obtaining RECs, facilitated by the opening of the Aulander Holloman Solar Project which began commercial operations in June 2019. The assurance is focused on the company's total electric consumption, total RECs, and % green power. We will complete this assurance annually. This assurance covers 100% of our operations. Our green power usage of 100% for calendar year 2020 is reported in C4.2a. As of June 2019 when commercial operations began at the Aulander Holloman Solar project, the company is using 100% green power on a forward-looking basis. 2020 KPI Assurance Statement.pdf

C11. Carbon pricing

C11.2

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

Yes

C11.2a

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

Credit origination or credit purchase
Credit purchase

Project type
Biomass energy

Project identification
Carbon offsets were purchased from the Recast Energy biomass project, a thermal energy generation conversion project in Louisville, Kentucky. The project converted a coal-fired system to a biomass system using locally available forestry and agricultural cellulosic residues.

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
16947

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

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

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

Yes

C11.3a

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

Objective for implementing an internal carbon price
Drive energy efficiency

GHG Scope
Scope 1
Scope 2

Application
An internal price of carbon is used by the Bank's Enterprise Workplace Services team to evaluate energy efficiency capital project investment opportunities. The price impacts the financial return on energy efficiency projects and thus makes projects more likely to be selected for investment.

Actual price(s) used (Currency /metric ton)
25

Variance of price(s) used
Carbon pricing was set based on peer benchmarking and is expected to change over time.

Type of internal carbon price
Shadow price

Impact & implication
Incorporating a price of carbon into our internal evaluation of various energy efficiency capital investments enhances the projected payback of proposed projects, helps prioritize energy efficiency efforts (in comparison to other opportunities), and allows Fifth Third to understand the potential future implications of mandatory carbon pricing mechanisms. Overall, the inclusion of a cost of carbon makes energy efficiency initiatives more likely to be funded.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

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

Type of engagement
Compliance & onboarding

Details of engagement
Code of conduct featuring climate change KPIs

% of suppliers by number
100

% total procurement spend (direct and indirect)

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

Rationale for the coverage of your engagement
As part of supplier onboarding, Fifth Third requires suppliers to acknowledge receipt and understanding of Fifth Third's Supplier Code of Conduct. Our Supplier Code of Conduct sets forth our expectations for ethical, human rights, labor, and environmental standards throughout our supplier network. The following is an excerpt from our October 2020 Supplier Code of Conduct: "At Fifth Third, our Core Value of Taking Accountability requires that we recognize and hold ourselves accountable for the potential impact that our operations, lending, and investment decisions have on communities and the environment. Environmental sustainability is essential to the success of our business and to the health of the communities where we live and serve. We expect our suppliers to operate with this principle in mind, and to make every effort to measure, reduce and mitigate the environmental impacts of their operations, especially in the areas of energy, water, and paper usage, greenhouse gas emissions and waste generation. Suppliers should conduct their operations and business in a way that protects the environment."

Impact of engagement, including measures of success
Fifth Third may conduct annual compliance surveys or ad hoc requests to confirm compliance with the Supplier Code of Conduct. However, Fifth Third expects that suppliers will actively audit and monitor their day-to-day management processes concerning the Code of Conduct and provide evidence upon request. Suppliers should conduct their operations and business in a way that protects the environment. We expect suppliers to understand their environmental impact and pursue actions that will allow Fifth Third and our communities to thrive in the future. Suppliers should support continued innovation in our strategy, products, and services by finding new ways to deliver services that meet customers' and communities' long-term sustainability goals. Suppliers must also comply with all applicable environmental laws and regulations.

Comment

C12.1b

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

Type of engagement
Education/information sharing

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

% of customers by number

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

Portfolio coverage (total or outstanding)
Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement
Each year, Fifth Third publishes an annual Environmental, Social and Governance (ESG) Report which addresses our company's bold operational sustainability goals, our progress toward achieving those goals, our efforts to engage our employees and the community, and our efforts to improve our climate-related strategies and disclosure. This report is available in both HTML and PDF versions on our website so that all customers and potential customers can access the report. Reaching customers is important because we want our customers to understand that Fifth Third is an environmental leader. We want them to know of our leadership because it is a powerful demonstration/proof point of our vision to "Be the One Bank people most Value and Trust." If we can realize this vision, we are confident our customers and potential customers will increase their business with our company. We also have a dedicated ESG sub-site on our investor relations website (ir.53.com/esg) which features our Environmental & Social Policy, our bold operational sustainability goals, and how the Aulander Holloman Solar Project helped us achieve our 100% renewable power goal.

Impact of engagement, including measures of success
Making the ESG report available in HTML and PDF has helped us share our successes with customers nation-wide. This is important because we expect that learning about our environmental leadership will demonstrate our commitment to serving our communities and customers, and that this will lead to increased business and trust with our company. A measure of the success of the report is that it was recognized with three 2020 MARCOM Platinum Awards in the categories of Reports, Report Design, and Design Interior, as well as a Gold award in Writing and an Honorable Mention for Cover Design.

C12.1d

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

Fifth Third engages with other partners in our value chain, including key sustainability initiatives, community organizations, and our employees.

Key sustainability initiatives - Fifth Third is committed to environmental leadership in the financial services sector and to leading the transition to a sustainable future. Fifth Third is a member of the following sustainability initiatives:

- Partnership for Carbon Accounting in Financials (PCAF),
- Ceres Company Network, RE100,
- TCFD Support,
- Sustainability Accounting Standards Board Alliance Member, and
- Global Reporting Initiatives Community Member.

Community organizations - In our headquarters city of Cincinnati, Fifth Third supports the Green Umbrella regional sustainability alliance through membership, conference sponsorship, volunteerism and board service. In 2020, Fifth Third sponsored the Midwest Regional Sustainability Summit featuring Majora Carter, an award-winning urban revitalization strategist and consultant. Fifth Third also is a founding member of the Greater Cincinnati Green Business Council and the Cincinnati 2030 District. Another case study is Fifth Third was proud to be the primary sponsor of Chicago's "Bike the Drive" in both 2019 and 2020. This event encourages the community to use active transportation modes and serves as a fundraiser for the Active Transportation Alliance which works to advance these transportation modes year-round.

Employees - Fifth Third seeks to engage its employees on sustainability because we know it is a priority for many of them and we want to ensure they are aware of, support, and take pride in our sustainability initiatives. This helps to increase employee engagement, retention, and helps with recruiting new prospective employees. Examples of our efforts to raise awareness include that each year, every employee must acknowledge that they have read and reviewed our Code of Business Conduct & Ethics. This code includes an Environmental Sustainability section which states that we hold ourselves accountable for the potential impact of our operations, on communities, and the environment. The code reminds employees that when they are working with suppliers, customers, and clients, we should let them know that Fifth Third is working to be as sustainable as possible and that we encourage others to do the same. To ensure all employees are familiar with the code, all employees must complete an annual training on the code. In 2020, we hosted employee-focused electronic waste take-back events at our Madisonville and Grand Rapids campuses which collected more than 17,269 pounds of obsolete electronics. These events kept these materials out of the landfill and ensured they were recycled. In June 2020, we hosted a citywide compost bin sale in Cincinnati to help citizens purchase the supplies needed to compost at home.

C12.3

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

C12.3b

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

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
American Bankers Association

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
They support a pragmatic approach to transitioning to a more sustainable, and inclusive, low-carbon economy

How have you influenced, or are you attempting to influence their position?
A member of their applicable working group(s).

Trade association
Bank Policy Institute

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
They support a pragmatic approach to transitioning to a more sustainable, and inclusive, low-carbon economy

How have you influenced, or are you attempting to influence their position?
A member of their applicable working group(s).

C12.3e

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

In March 2018, as we announced our Virtual Power Purchase Agreement to buy 100% solar power, we joined the RE100. The RE100 is a global corporate leadership initiative that brings together influential businesses committed to 100% renewable electricity. The initiative works to increase corporate demand for – and in turn supply of – renewable energy, by bringing together major companies committed to sourcing 100% renewable electricity; setting the bar for corporate leadership on renewable electricity, holding members to account, and celebrating their achievements to encourage others to follow; communicating the compelling business case for renewables to companies, utilities, market operators, policymakers and other key influencers; highlighting barriers to realizing the business and economic benefits of renewable electricity; and working with RE100 members to highlight and address policy and market barriers to corporate sourcing of renewable electricity. We continued our membership in the RE100 in 2020.

In March 2019 we joined with 65 other businesses to encourage the South Carolina Senate to pass the Energy Freedom Act (H. 3659). Having unanimously passed the South Carolina House, this bill had bipartisan support in the Senate as well. Among other changes, the bill called for changes to make it easier for energy users to competitively procure power and to negotiate with renewable energy suppliers. A similar version of the bill passed both the House and Senate and was signed into law by the Governor.

In April 2021, Fifth Third announced that it joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions world-wide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client greenhouse gas (GHG) emissions associated with loans and investments.

In May 2021, Fifth Third announced that it joined the Ceres Company Network. By joining, Fifth Third has become part of a network of 60 companies who commit to achieving robust sustainability goals, improving resiliency in their operations and supply chains, and advancing market-based and equitable solutions to the world's biggest sustainability challenges.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

To ensure that Fifth Third's direct and indirect activities are consistent with our overall environmental sustainability and climate change strategy, the leaders of Fifth Third's Environmental Sustainability, Legal/Government Affairs, Reputation, and other functions confer on policy engagement, trade association interactions, or written correspondence related to climate change or climate policy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
2020 ESG Report.pdf

Page/Section reference
Environmental section (pages 109-126)

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

C-FS12.5

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

	Industry collaboration	Comment
Reporting framework	Partnership for Carbon Accounting Financials (PCAF) Task Force on Climate-related Financial Disclosures (TCFD) Other, please specify (Sustainability Accounting Standards Board)	Fifth Third is a SASB Alliance Organization Member. Fifth Third was the first US commercial bank to join the SASB Alliance.
Industry initiative	Partnership for Carbon Accounting Financials (PCAF) Ceres	In April 2021, Fifth Third announced that it joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions world-wide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client greenhouse gas (GHG) emissions associated with loans and investments. In May 2021, Fifth Third announced that it joined the Ceres Company Network. By joining, Fifth Third has become part of a network of 60 companies who commit to achieving robust sustainability goals, improving resiliency in their operations and supply chains, and advancing market-based and equitable solutions to the world's biggest sustainability challenges.
Commitment	Other, please specify (RE100)	Fifth Third joined RE100 in March 2018

C14. Portfolio Impact

C-FS14.1

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

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Comment
Bank lending (Bank)	Yes	Alternative carbon footprinting and/or exposure metrics (as defined by TCFD	
Investing (Asset manager)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	<Not Applicable>	

C-FS14.1a

(C-FS14.1a) What are your organization’s Scope 3 portfolio emissions? (Category 15 “Investments” total emissions)

Category 15 (Investments)

Evaluation status
Relevant, not yet calculated

Scope 3 portfolio emissions (metric tons CO2e)
<Not Applicable>

Portfolio coverage
<Not Applicable>

Percentage calculated using data obtained from client/investees
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Please explain
We continue to evaluate methodologies to quantify other Scope 3 emissions, including for Category 15 (Investments), which are relevant for financial institutions. In April 2021, Fifth Third announced that it joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions world-wide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client greenhouse gas (GHG) emissions associated with loans and investments.

C-FS14.1b

(C-FS14.1b) What is your organization’s Scope 3 portfolio impact? (Category 15 “Investments” alternative carbon footprinting and/or exposure metrics)

Metric type
Exposure to carbon-related assets

Metric unit
Percentage portfolio value

Scope 3 portfolio metric
2.5

Portfolio coverage
More than 90% but less than or equal to 100%

Percentage calculated using data obtained from clients/investees

Calculation methodology
Starting with the TCFD's definition of carbon-related assets, we mapped the specified GICS categories to NAICS codes. We then identified exposures and balances associated with those NAICS codes. As of June 30, 2021 Fifth Third's carbon-related asset balances represented less than ~2.5% of total loans and leases.

Please explain
Starting with the TCFD's definition of carbon-related assets, we mapped the specified GICS categories to NAICS codes. We then identified exposures and balances associated with those NAICS codes. We monitor the metric on a monthly basis relative to the renewable energy balances for internal reporting purposes.

C-FS14.2

(C-FS14.2) Are you able to provide a breakdown of your organization's Scope 3 portfolio impact?

	Scope 3 breakdown	Comment
Row 1	None of the above, but we plan to do this in the next 2 years	We continue to evaluate methodologies to quantify other Scope 3 emissions, including for Category 15 (Investments), which are relevant for financial institutions. In April 2021, Fifth Third announced that it joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions world-wide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client greenhouse gas (GHG) emissions associated with loans and investments.

C-FS14.3

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

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	No, but we plan to do so in the next two years	We continue to evaluate methodologies to quantify other Scope 3 emissions, including for Category 15 (Investments), which are relevant for financial institutions. In April 2021, Fifth Third announced that it joined the Partnership for Carbon Accounting Financials (PCAF), an industry-led partnership of over 110 financial institutions world-wide that work together to develop and implement a consistent and transparent standard for financial institutions to assess and disclose client greenhouse gas (GHG) emissions associated with loans and investments. Once measured, Fifth Third will evaluate potential actions to take to align our portfolio to a well below 2-degree world.
Investing (Asset manager)	<Not Applicable>	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	<Not Applicable>	<Not Applicable>
Other products and services, please specify	Not applicable	

C15. Signoff

C-FI

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

C15.1

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

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms