



COMMITTEE FOR BETTER BANKS

BRINGING CHANGE TO OUR INDUSTRY

July 10, 2020

Capital One Financial Corporation
President and CEO Richard Fairbank
1680 Capital One Drive, Suite 1400
McLean, Virginia

Dear Mr. Fairbank,

As our nation continues to be roiled by crises, from a global pandemic causing economic devastation to systemic racism weaponized in everyday encounters and manifest in horrific police brutality, the actions taken by our leading financial institutions will have an enormous impact on our ability to struggle through these crises and come out a stronger and more unified people. Within financial institutions, frontline bank employees have a unique perspective to offer, which is why we regret your refusing our offer to form a **USA Banking Crisis Committee**. The urgency for establishing this committee has only grown over the past weeks.

In the absence of this committee, the **Committee for Better Banks** is launching the **Better Banks Accountability Project**. Our first report will be **Bank Scorecard #1: COVID-19 Response**. Attached is a draft of your bank's report for your review. Here is a brief explanation of our methodology and findings.

In May and June 2020, the Committee for Better Banks Accountability Project reviewed publicly available information related to corporate responses to the Covid-19 pandemic in three constituent groups: small businesses, workers, and consumers. We reviewed bank websites, media reports, corporate financial disclosures, and internet based sources to evaluate how each bank performed during the first three months of the novel coronavirus pandemic (March – May). Banks received a letter grade based on a percentage score of a total of 115 points. A bank would not be graded for performance under any metric if it did not have a related business line.

This is the grading rubric we used to calculate your final score and grade of **C**. This grade reflects additional information received in response to our original letter.

Capital One Final Score Calculation		
Category	Eligible	Awarded
Mainstreet Lending and Protections	30	15
Worker Protections	30	27
Consumer Protections	20	16
Other Factors	5	5
Total	85	63
Final Grade	74%	

This grade is fully explained in the tables copied below. Please contact us by Thursday, July 2, 2020 if you have any questions or comments regarding the scorecard. You can contact us at staff@betterbanks.org.

Sincerely,

Nick Weiner
 Co-Director
 Committee for Better Banks

Erin Mahoney
 Co-Director
 Committee for Better Banks

Capital One Mainstreet Lending and Protections		Eligible Points	Awarded Points
Stock buybacks Full points for cancelling buybacks during pandemic.	CapitalOne Suspended Stock Buyback On Program In Response To Covid-19 Pandemic.	10	10
US Banking Crisis Committee Full points for participation.	No policy or response to the letter found.	10	0
Paycheck Protection Program Points deducted for concierge loan services under PPP program; administrative failures; prioritizing classes of customers.	CapitalOne Was Outlier Not Accepting Paycheck Protection Program Applications One Week After Rollout; Capital One Obtained 13,000 Loan Approvals worth \$1.3 Billion Under Paycheck Protection Program For Customers As Of February 15, 2020.	10	5
Total		30	15

Capital One Worker Protections		Eligible Points	Awarded Points
<p>Telework Policy</p> <p>Points awarded for including call center workers in remote plans; not requiring office presence for non-site dependent roles.</p>	<p>CapitalOne Financial Directed Employees To Work From Home Until September 7. Capital One moved 40,000 out of 50,000 total employees to working from home in early March. 90% of Capital One call center workers are currently working from home.</p>	10	10
<p>Paid Leave and Hazard Pay</p> <p>Points awarded for extended paid leave benefit and hazard pay for duration of pandemic.</p>	<p>Capital One Planned Increased Paid Leave, Flexible Attendance Policies As Initial Response To Coronavirus Threat; Capital One Increased Pay By \$5-\$10 Per Hour For Some Branch And Call Center Employees.</p>	10	7
<p>Protections for Returning Workers</p> <p>Points awarded for stating social distancing and enhanced cleaning in branches</p>	<p>Capital One implemented social distancing and enhanced cleaning measures in its branches.</p>	10	10
<p>Workforce issues</p> <p>Points awarded for announcing no layoffs in 2020</p>	<p>No statement found.</p>	NA	NA

Capital One Consumer Protections		Eligible Points	Awarded Points
Mortgage Policy Points awarded for following federal stating each forbearance time period set by CARES Act, clearly suspending foreclosure, eviction, and repossession.	Capital One Discontinued Home Loans Business In 2018	NA	NA
Relief from Bank Fees Points awarded for automatically suppressing fees for all consumer products.	Capital One Offred Fee Suppression And Minimum Payment Assistance During Pandemic.	10	8
Relief for Automobile Loans Full points for applying federal mortgage forbearance timelines.	Capital One Offered 30-day loan payment deferrals, loan extensions to eligible customers, and reduced monthly payment for customers experiencing long-term hardship.	10	8
Relief for Student Loans Full points for following federal forbearance timelines.	Capital One Does Not Offer Student Loans.	NA	NA

Capital One Other Factors Considered		Eligible Points	Awarded Points
Charitable Donations Five bonus points for making charitable donation.	<u>Capital One Pledged \$50 Million To Support Community Needs During Covid Pandemic; Net revenue \$28.6 billion.</u> 0.2% donated of net revenue	5	5

Total	5	5
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