



COMMITTEE FOR BETTER BANKS

BRINGING CHANGE TO OUR INDUSTRY

June 26, 2020

PNC Bank
Chairman and President William S. Demchak
300 Fifth Ave
Pittsburg, Pennsylvania 15222

Dear Mr. Demchak,

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 **F**.

PNC Bank Final Score Calculation		
Category	Eligible	Awarded
Mainstreet Lending and Protections	30	17
Worker Protections	40	16
Consumer Protections	40	20
Other Factors	5	5
Total	115	58
Final Grade		50%

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

PNC Bank Mainstreet Lending and Protections		Eligible Points	Awarded Points
Stock buybacks			
Full points for cancelling buybacks during pandemic.	PNC Suspended Share Repurchase Program During Coronavirus Pandemic	10	10
US Banking Crisis Committee			
Full points for participation.	No policy or response to letter found.	10	0
Paycheck Protection Program			
Points deducted for concierge loan services under PPP program; administrative failures; prioritizing classes of customers.	PNC Processed More Than 70,000 Loan Applications Through Paycheck Protection Program; 85 Percent Of Loans PNC Originated Were From Business Banking Segment, 79 Percent Were For \$150,000 Or Less;	10	7
Total		30	17

PNC Bank Worker Protections		Eligible Points	Awarded Points
<p>Telwork Policy</p> <p>Points awarded for including call center workers in remote plans; not requiring office presence for non-site dependent roles.</p>	<p>PNC Announced "Implementation Of A Work-From-Home Strategy" For Employees On April 2; Allowed Some Employees In Pittsburg To Work From Home Permanently.</p>	10	6
<p>Paid Leave and Hazard Pay</p> <p>Points awarded for extended paid leave benefit and hazard pay for duration of pandemic.</p>	<p>PNC Offered Two-Weeks Paid Leave For Child Or Elder Care; PNC Implemented Two-Week, Split-Team Rotation For Front Line Employees With Pay For Employees Who Were Off-Rotation.</p>	10	5
<p>Protections for Returning Workers</p> <p>Points awarded for stating social distancing and enhanced cleaning in branches</p>	<p>NA</p>	10	0
<p>Workforce issues</p> <p>Points awarded for announcing no layoffs in 2020</p>	<p>PNC Did Not Plan Layoffs During Pandemic, Then Applied To Close 29 Branches In August 2020, Claimed No Connection To Coronavirus</p>	10	5
		40	21

PNC Bank Consumer Protections		Eligible Points	Awarded Points
<p>Mortgage Policy</p> <p>Points awarded for following federal stating each forbearance time period set by CARES Act, clearly suspending foreclosure, eviction, and repossession.</p>	<p>PNC Offered Mortgage Payment Postponement; Department of Housing and Development Analysis Incorrectly Said CARES Act Forbearance Period Was 90 Days.</p>	10	3
<p>Relief from Bank Fees</p> <p>Points awarded for automatically suppressing fees for all consumer products.</p>	<p>PNC Offered To Waive Or Refund Fees On Deposit Accounts Including Monthly Service Charges And Overdraft Fees.</p>	10	7
<p>Relief for Automobile Loans</p> <p>Full points for applying federal mortgage forbearance timelines.</p>	<p>PNC Offered Auto Loan Payment Postponement;</p>	10	5
<p>Relief for Student Loans</p> <p>Full points for following federal forbearance timelines.)</p>	<p>PNC Offered Student Loan Postponement For Qualified Customers.</p>	10	5
Total		40	20

PNC Bank Other Factors Considered		Eligible Points	Awarded Points
Charitable Donations		5	5
Five bonus points for making charitable donation.	PNC Pledged \$30 Million For Covid-19 Relief Efforts; Full year net income \$5.4 billion Donation equaled 0.6% of net income.		
Total		5	5