



2024  
**INVESTOR  
DAY**

# Welcome

George Andersen

*Senior Vice President, Director of Investor Relations*

# Forward-looking statements

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This presentation contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, future economic conditions and the anticipated future revenue, expenses, financial condition, asset quality, capital and liquidity levels, plans, prospects and operations of U.S. Bancorp. Forward-looking statements often use words such as “anticipates,” “targets,” “expects,” “hopes,” “estimates,” “projects,” “forecasts,” “intends,” “plans,” “goals,” “believes,” “continue” and other similar expressions or future or conditional verbs such as “will,” “may,” “might,” “should,” “would” and “could.”

Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those set forth in forward-looking statements, including the following risks and uncertainties: deterioration in general business and economic conditions or turbulence in domestic or global financial markets, which could adversely affect U.S. Bancorp’s revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility; turmoil and volatility in the financial services industry, including failures or rumors of failures of other depository institutions, which could affect the ability of depository institutions, including U.S. Bank National Association, to attract and retain depositors, and could affect the ability of financial services providers, including U.S. Bancorp, to borrow or raise capital; increases in Federal Deposit Insurance Corporation (FDIC) assessments due to bank failures; actions taken by governmental agencies to stabilize the financial system and the effectiveness of such actions; uncertainty regarding the content, timing, and impact of changes to regulatory capital, liquidity and resolution-related requirements applicable to large banking organizations in response to adverse developments affecting the banking sector; changes to statutes, regulations, or regulatory policies or practices, including capital and liquidity requirements, and the enforcement and interpretation of such laws and regulations, and U.S. Bancorp’s ability to address or satisfy those requirements and other requirements or conditions imposed by regulatory entities; changes in interest rates; increases in unemployment rates; deterioration in the credit quality of U.S. Bancorp’s loan portfolios or in the value of the collateral securing those loans; changes in commercial real estate occupancy rates; risks related to originating and selling mortgages, including repurchase and indemnity demands, and related to U.S. Bancorp’s role as a loan servicer; impacts of current, pending or future litigation and governmental proceedings; increased competition from both banks and non-banks; effects of climate change and related physical and transition risks; changes in customer behavior and preferences and the ability to implement technological changes to respond to customer needs and meet competitive demands; breaches in data security; failures or disruptions in or breaches of U.S. Bancorp’s operational, technology or security systems or infrastructure, or those of third parties, including as a result of cybersecurity incidents; failures to safeguard personal information; impacts of pandemics, natural disasters, terrorist activities, civil unrest, international hostilities and geopolitical events; impacts of supply chain disruptions, rising inflation, slower growth or a recession; failure to execute on strategic or operational plans; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; effects of changes in or interpretations of tax laws and regulations; management’s ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputation risk; and the risks and uncertainties more fully discussed in the section entitled “Risk Factors” of U.S. Bancorp’s Form 10-K for the year ended December 31, 2023, and subsequent filings with the Securities and Exchange Commission.

In addition, factors other than these risks also could adversely affect U.S. Bancorp’s results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

This presentation includes non-GAAP financial measures to describe U.S. Bancorp’s performance. The calculations of these measures are provided in the Appendix. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.



# AGENDA

Thursday, September 12

---

8:00 a.m.

**Welcome**

George Andersen, Senior Vice President, Director of Investor Relations

**Strategic overview**

Andy Cecere, Chairman and Chief Executive Officer

**Building on our strong foundation**

Gunjan Kedia, President

**Interconnectedness drives our growth**

Arijit Roy, Executive Vice President, Consumer and Business Banking

Shailesh Kotwal, Vice Chair, Payment Services

Stephen Philipson, Senior Executive Vice President, Wealth, Corporate, Commercial and Institutional Banking

---

9:45 a.m.

**Q&A**

Gunjan Kedia, Arijit Roy, Shailesh Kotwal, Stephen Philipson

Moderated by Andy Cecere

---

10:10 a.m.

**Break**



# AGENDA

Thursday, September 12

---

10:25 a.m.

**Investing in our future: A panel discussion**

Terry Dolan, Vice Chair, Chief Administration Officer

Dominic Venturo, Senior Executive Vice President, Chief Digital Officer

Dilip Venkatachari, Senior Executive Vice President, Chief Information and Technology Officer

**Risk management**

Jodi Richard, Vice Chair, Chief Risk Officer

**Financial management**

John Stern, Senior Executive Vice President, Chief Financial Officer

---

11:25 a.m.

**Q&A**

Jodi Richard, John Stern, Terry Dolan

Moderated by Andy Cecere

---

11:55 a.m.

**Closing remarks**

Andy Cecere

---

12:00 – 12:45 p.m.

**Networking reception**





2024  
**INVESTOR  
DAY**

# Strategic Overview

Andy Cecere  
*Chairman and CEO*

# We have weathered five years of market volatility and uncertainty



Economy and interest rates



Regulatory intensity



Technology spend



Importance of scale



Competitive landscape



Potential for M&A

# Evolving with the times

Established in 1863; 2nd oldest banking charter

## We are committed to our strengths ...

- Unique and balanced business mix
- Commitment to risk and financial discipline
- Efficient acquirer of scale and capabilities
- Culture of engagement and client centricity
- Deep management bench strength

## ... as we evolve with the market

- Increased scale via strategic acquisitions
- Continued business investment and optimization
- Expanded reach through digital and partnerships
- Delivered returns and accelerated capital build
- Activated succession planning





UnionBank



UnionBank



# Investments positioned us well for long-term growth and greater efficiency

### Digital capabilities



#1 rated mobile app

Invested in client and employee technology to enhance the U.S. Bank digital experience

### Tech modernization



Initiated cloud migration and multi-year effort to modernize core platforms and data management

### Scale and partnerships



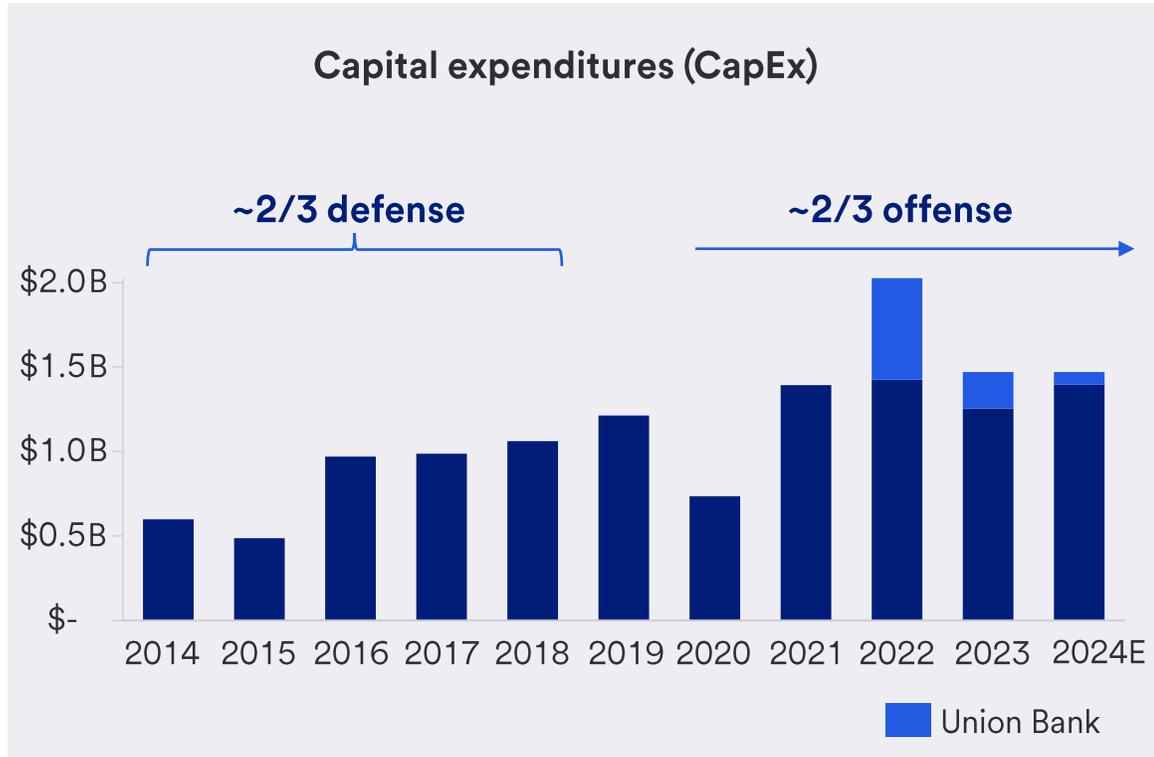
Acquired scale, optimized distribution, grew and developed our strategic partnerships

### Products and services



Expanded product set through innovation and interconnectedness to address client needs

# These strategic investments came at a cost

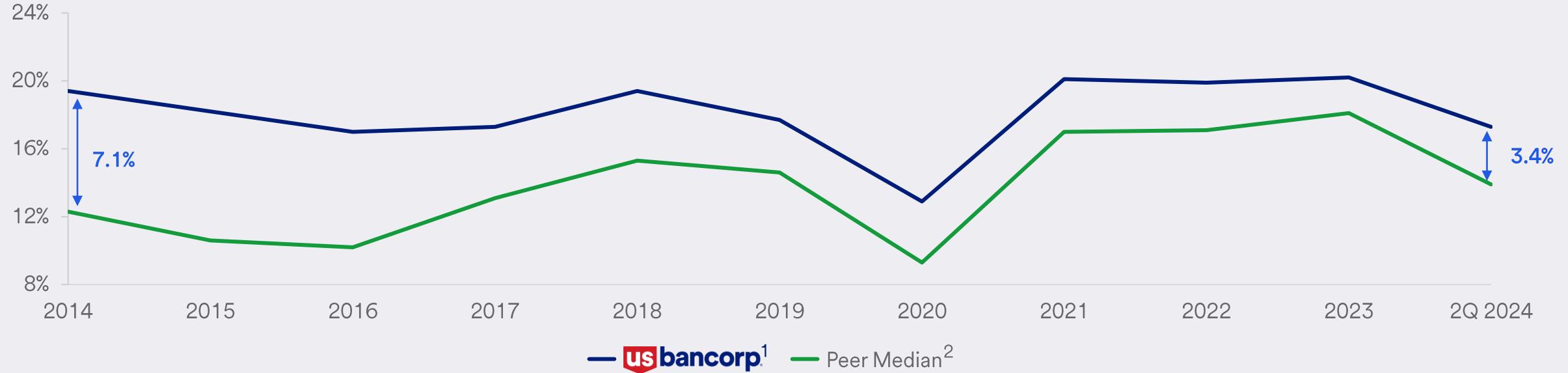


- Our ramp up in overall CapEx spend recognized the importance of enhancing our digital and technological capabilities to drive growth objectives
- During the last five years, we shifted our CapEx spend from mostly defense to mostly offense

Defense	Offense
<ul style="list-style-type: none"> <li>• Enterprise risk management</li> <li>• Technology modernization</li> <li>• Physical asset optimization (e.g., branch network)</li> </ul>	<ul style="list-style-type: none"> <li>• M&amp;A, bolt-on acquisitions</li> <li>• Unique fee-based businesses</li> <li>• Payments and money movement</li> <li>• Digital capabilities</li> </ul>

# Peers have narrowed the gap on returns and efficiency

## Return on tangible common equity (ROTCE)



# Our recent optimization efforts have focused on simplicity and efficiency



## Branch network

---

- Optimized the branch network, moving from ~3.1K locations in 2019 to ~2.2K in 2024
- Closed more than 60% of in-store branches; Acquired branches from Union Bank and traditional build



## Technology and operations

---

- Centralized technology functions across the organization to drive synergies
- Aligned operational functions into one team, including the restructure of call centers



## Organizational structure

---

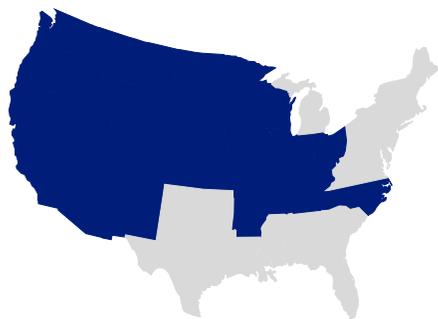
- Created a simplified structure for Wealth, Corporate, Commercial and Institutional Banking
- Consolidated revenue lines under one leader to further drive our interconnectedness

# Today, we are a highly trusted partner with a strong foundation

NYSE traded	USB	Assets	\$666B	Assets under management <sup>1</sup>	\$480B
Fortune rank	107	Deposits	\$514B	Assets under custody and administration <sup>1</sup>	\$11T
		Loans	\$375B		

## Regional

Branch footprint



## National

Commercial Products, Commercial Real Estate, Corporate Payment and Treasury Solutions, Retail Payment Solutions, Institutional Client Group, Consumer Credit



## International

Merchant Payment Services, Investment Services



# We are at an inflection point



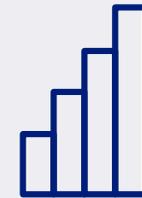
## Revenue growth

We expect revenue to grow more rapidly as investments mature and headwinds become tailwinds



## Expense management

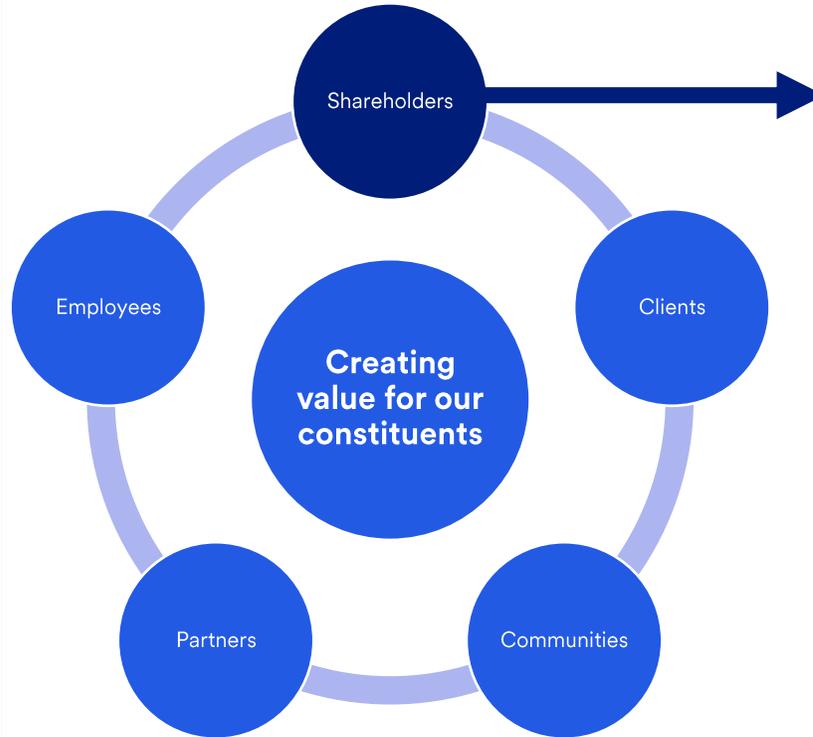
Annual CapEx spend is now in the run rate as we realize the return on our investments and optimize our business



## Positive operating leverage

We are committed to delivering meaningful positive operating leverage, which will lead to earnings growth and higher shareholder returns

A true inflection  
requires reflection  
on where we were,  
where we are,  
and where we're headed



**We are committed to the following for our shareholders:**

- Industry-leading returns
- Leveraging our scale advantage
- Positive operating leverage
- Increased capital levels and distribution
- Continued investment in our growth

# Today's agenda

## Building on our strong foundation: interconnectedness drives our growth

- Deepen client relationships
- Enhance product innovation
- Broaden reach

### Today's presenters

Gunjan Kedia  
Shailesh Kotwal  
Stephen Philipson  
Arijit Roy

## Investing in our future

- Advance technology initiatives
- Enhance digital capabilities
- Optimize operations

### Today's presenters

Terry Dolan  
Dilip Venkatachari  
Dominic Venturo

## Risk and financial management

- Fortify our balance sheet
- Create industry-leading returns
- Focus on risk and credit discipline

### Today's presenters

Jodi Richard  
John Stern





2024  
**INVESTOR  
DAY**

# Building on Our Strong Foundation

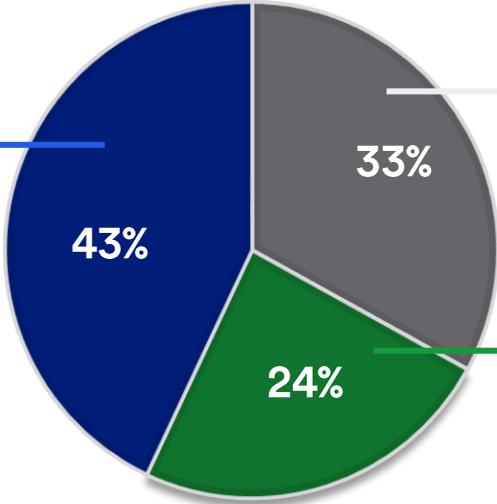
Gunjan Kedia  
*President*

# Diversification and interconnectedness bring the best to our clients

Percentage of total net revenue by business line<sup>1</sup>

## Wealth, Corporate, Commercial and Institutional Banking (WCIB)

- Corporate and Commercial Banking<sup>2</sup>
- Commercial Real Estate
- Wealth and Asset Management
- Capital Markets
- Investment Services (Global Corporate Trust and Fund Services)



## Consumer and Business Banking (CBB)

- Consumer Banking
- Business Banking
- Mortgage and Auto

## Payment Services (PS)

- Retail Payment Solutions
- Global Merchant Acquiring
- Corporate Payment Systems

## Our clients<sup>3</sup>

**~13M**  
*Consumers*

**~1.4M**  
*Businesses*

**~500K**  
*Wealth clients*

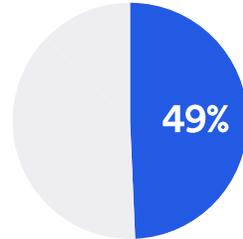
**~45K**  
*Corporate and institutional*

# The strength of our resilient, diversified business mix

## Traditional Loans and Deposits

- Consumer Banking
- Business Banking
- Mortgage and Auto
- Corporate and Commercial Banking
- Commercial Real Estate

% of revenue<sup>1</sup>



Efficient, prudent balance sheet

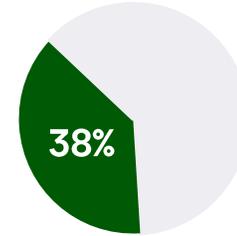
~11% fees

Focused on **capital-efficient growth** and deepening client relationships

## Transaction Services

- Retail Payment Solutions
- Global Merchant Acquiring
- Corporate Payment Systems and Treasury Solutions
- Investment Services

% of revenue<sup>1</sup>



Fee revenue acceleration

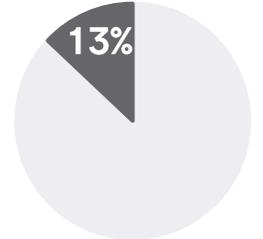
~61% fees

Focused on **money movement** with innovation, convenience, and global reach

## Wealth and Capital Markets

- Wealth and Asset Management
- Capital Markets

% of revenue<sup>1</sup>



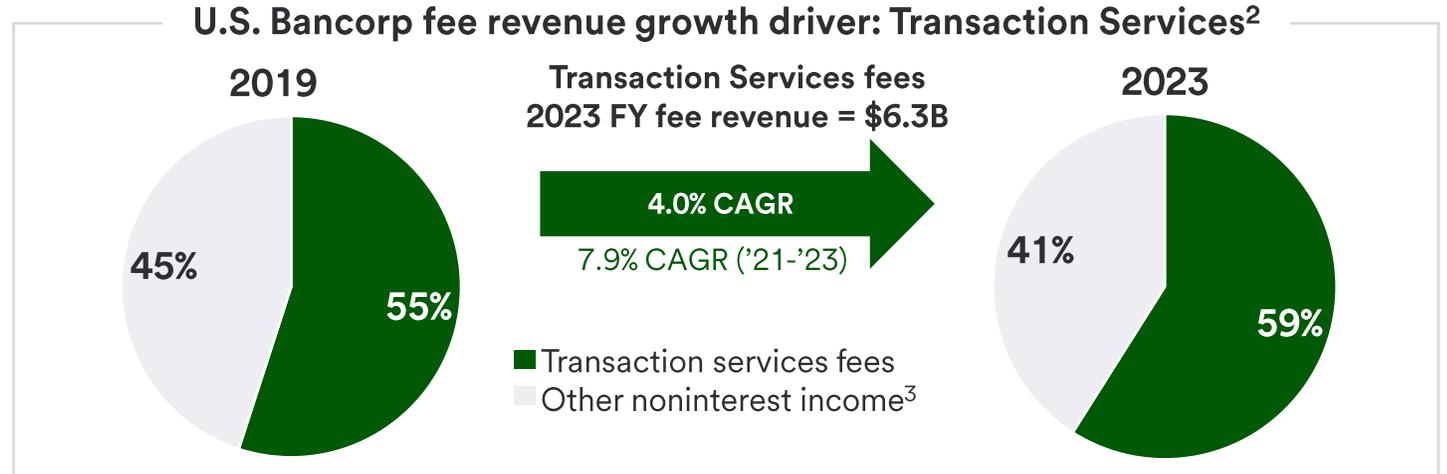
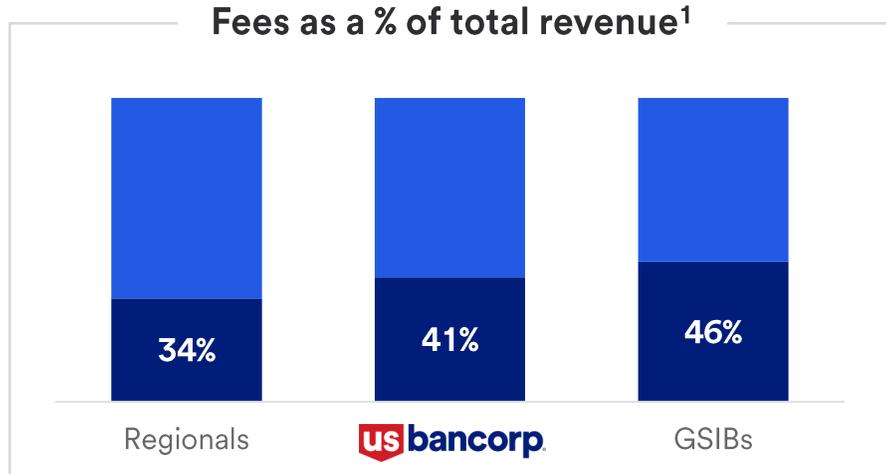
Trusted advice

~62% fees

Focused on exceptional **advice**, high-touch service, and trusted relationships

# Accelerating fee growth with transaction-processing solutions

## Our investments in money movement capability creates meaningful scale



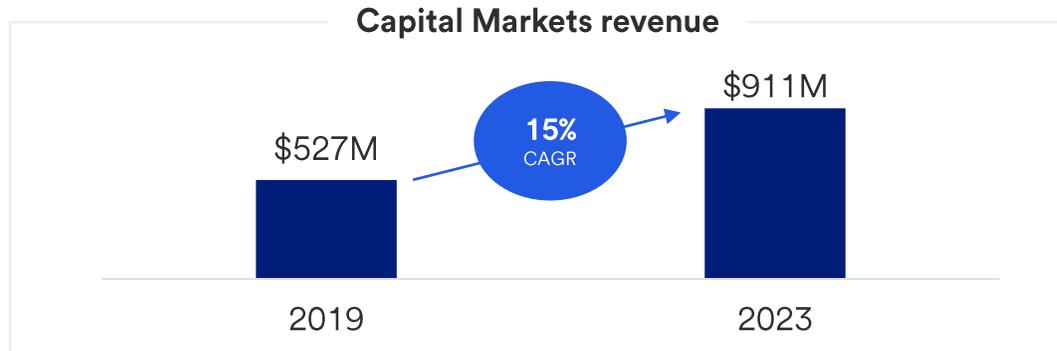
Core strategies to accelerate future growth:

1. Embed capabilities in unique, client-focused solutions (e.g., Tech led, Business Essentials, private capital)
2. Strengthen product capabilities – organically and through acquisitions (e.g., Salucro, Travel Bank)
3. Expand European footprint (e.g., Opayo, Luxembourg)



# Wealth and Capital Markets strategy

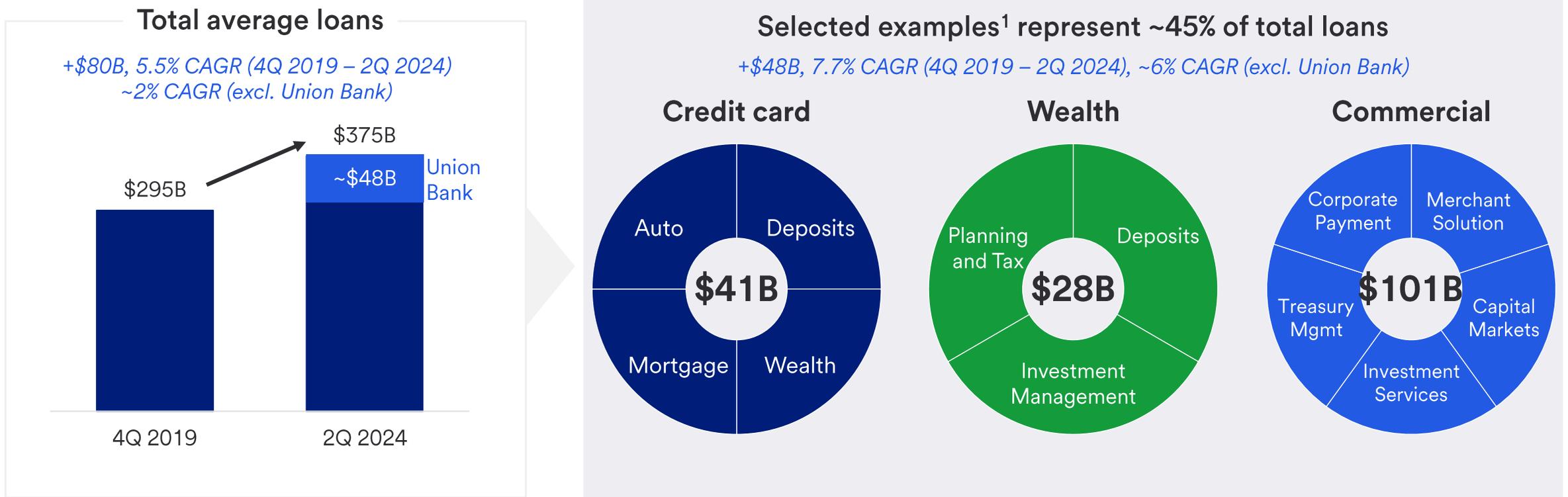
## Sufficient scale to drive organic growth in our advice-based businesses



- **Advice-based businesses are relatively new (~15 years)**
- **Opportunities to deepen client relationships:**
  - Wealth penetration of consumer franchise
  - Primary lead relationships for syndicated clients
  - Asset management in our government practice
- **Core strategies to accelerate future growth:**
  - New products and product interconnectivity
  - Disciplined client introductions
  - Partnerships and expansion markets

# Fee growth is supported by our balance sheet

Compelling client solutions are driving growth in attractive loan portfolios



©U.S. Bancorp <sup>1</sup> Examples show average line of business loan balances for 2Q 2024. Credit Card includes Payments Services. Commercial includes WCIB global markets & specialized finance, middle market, and corporate banking and other

# Our opportunity with clients

Go-To-Market revitalization has sharpened execution and accelerated results

	Client satisfaction 2019-present <sup>1</sup>	Multiservice core clients <sup>2</sup>	We have opportunity in ...
<b>Consumer</b>	<p>2019      2024</p> <p>+7%</p>	~40%	<ul style="list-style-type: none"> <li>• Young affluent</li> </ul>
<b>Business</b>	<p>2019      2024</p> <p>+9%</p>	~30%	<ul style="list-style-type: none"> <li>• Larger end of small businesses</li> </ul>
<b>Commercial</b>	<p>2019      2023</p> <p>Sustained high satisfaction</p>	~55%	<ul style="list-style-type: none"> <li>• Selected verticals: private capital, healthcare, travel/hospitality</li> </ul>

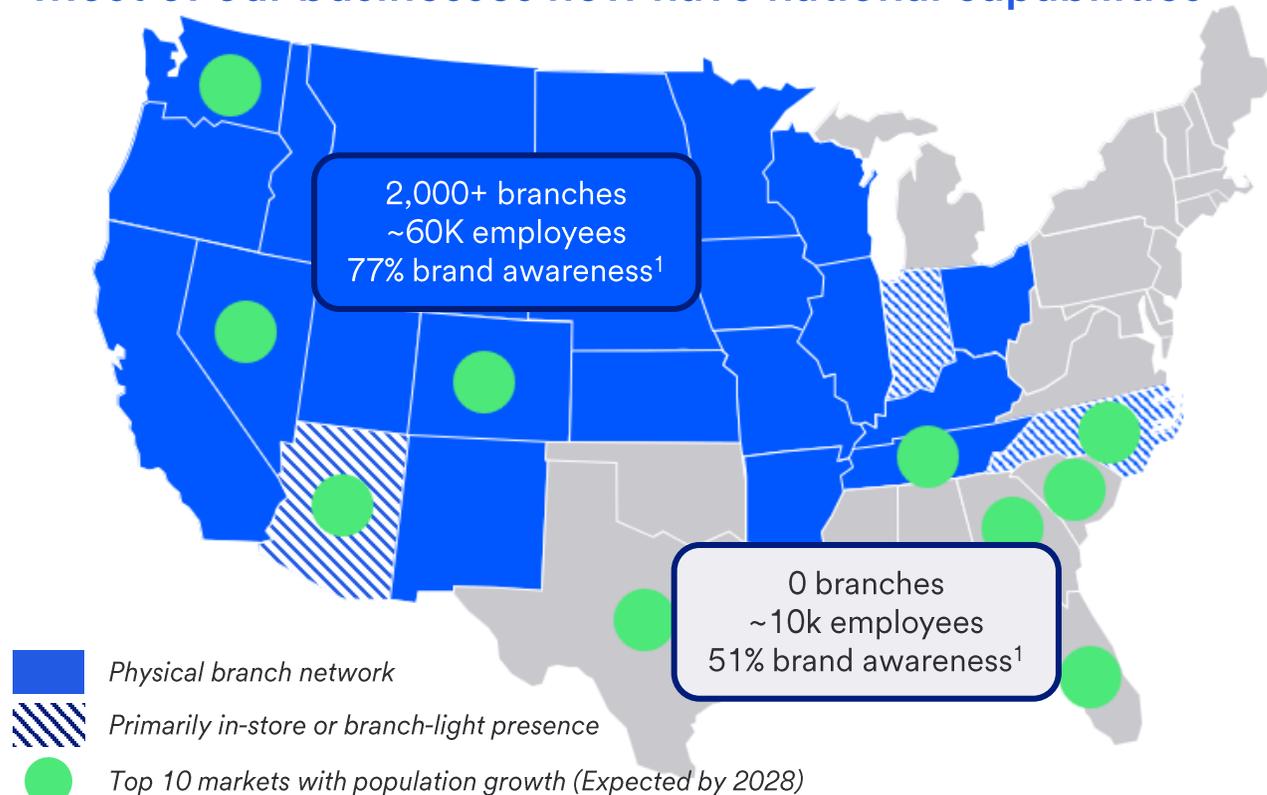


**Contributes ~3x more revenue than a single-service client**



# Our digital journey expanded our reach

Most of our businesses now have national capabilities



## Core strategies for establishing a national franchise:

- Digital banking and client centers
- Partnerships
- Acquisitions

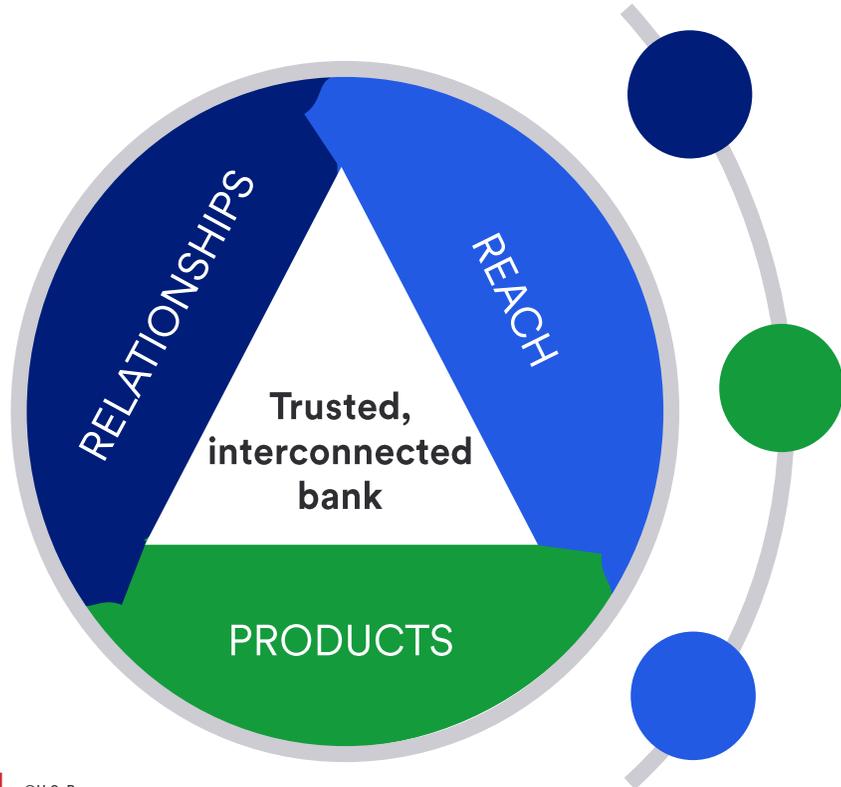


©U.S. Bancorp Data as of June 30, 2024 unless otherwise noted

<sup>1</sup>Source: Ipsos Brand Health Tracking. General Market Consumers. Data collected from April 1, 2024 to June 30, 2024

# Building a trusted, interconnected bank

Strategy builds enduring, unique solutions to drive value for clients



## DEEPEN CLIENT RELATIONSHIPS

From client experience to client depth

*Focused on multiservice client penetration*

## ENHANCE PRODUCT CONNECTIVITY

From digital excellence to embedded interconnectivity

*Focused on fee growth*

## BROADEN REACH

From physical footprint to multi-channel distribution

*Focused on client growth*



2024  
INVESTOR  
DAY

# Interconnectedness Drives Our Growth

Arijit Roy

*Executive Vice President, Consumer and Business Banking*

# Consumer and Business Banking

Relevant, everyday banking for all clients

Clients <sup>1</sup>			Products		Reach
Consumer Banking	Consumer Lending	Business Banking	<ul style="list-style-type: none"> <li>Deposits</li> <li>Mortgage</li> <li>Auto/RV/Leasing</li> </ul>	<ul style="list-style-type: none"> <li>Consumer Lending</li> <li>Business Lending</li> </ul>	<ul style="list-style-type: none"> <li>2.2K branches<sup>2</sup></li> <li>Award-winning mobile app, 84% digitally active</li> <li>Nationwide partnerships</li> </ul>
~8M	~4M	~1.4M			

## Contribution to total U.S. Bancorp<sup>3</sup>

Average deposits  
**45%**

Average loans  
**42%**

Fee revenue  
**16%**

## Demonstrated results

**#4**  
Deposit share within footprint<sup>4</sup>

**#2**  
Bank retail mortgage lender<sup>5</sup>

**#4**  
SBA lender ranked by volume<sup>6</sup>

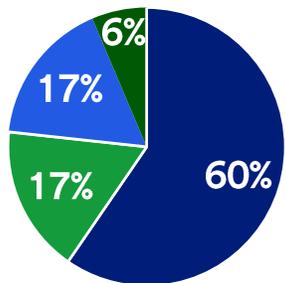
**#1**  
Mobile and online banking<sup>7</sup>



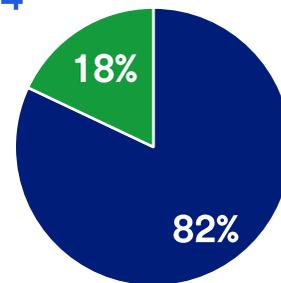
# Financial highlights

## Net revenue breakdown

\$4.6B revenue in 1H 2024



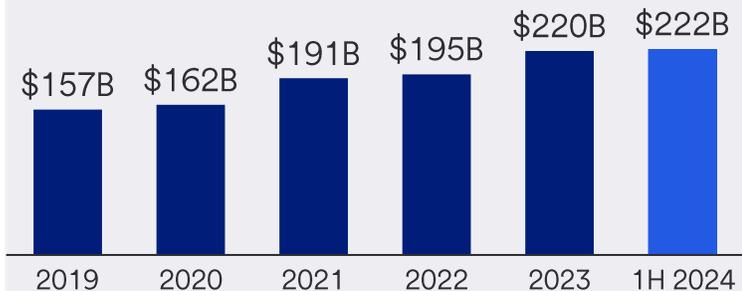
Consumer Banking **60%**  
 Business Banking **17%**  
 Mortgage **17%**  
 Consumer Dealer Services **6%**



Net interest income **82%**  
 Fee income **18%**

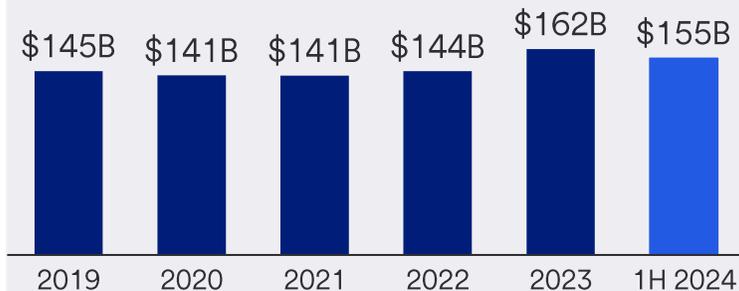
## Average deposits<sup>1</sup>

2019 - 2023 CAGR: 8.8%



## Average loans<sup>1</sup>

2019 - 2023 CAGR: 2.8%



## Net revenue<sup>1</sup>

2019 - 2023 CAGR: 3.4%



# Our consumer journey

## Looking back...

- Evolved physical network into a **national** franchise
- Established digital-first mindset to achieve **#1 rated**<sup>1</sup> mobile app and online banking
- **Digitally transformed** mortgage business; Expansion into 44 states
- Launched business banking and payments **ecosystem strategy**



## Going forward...

Client  
depth

- Analytics-driven growth
- California strategy

Product  
excellence

- Creative product connections
- Digital excellence, innovation

Reach

- Leading partnerships
- Branch excellence

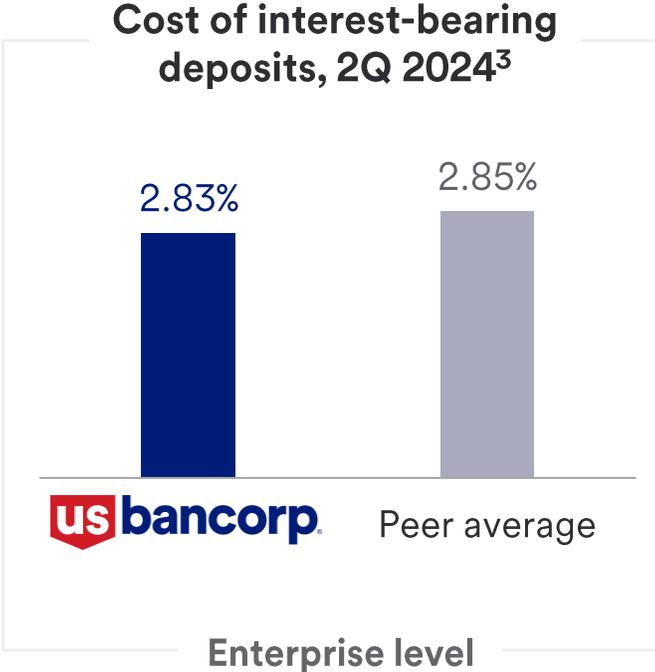
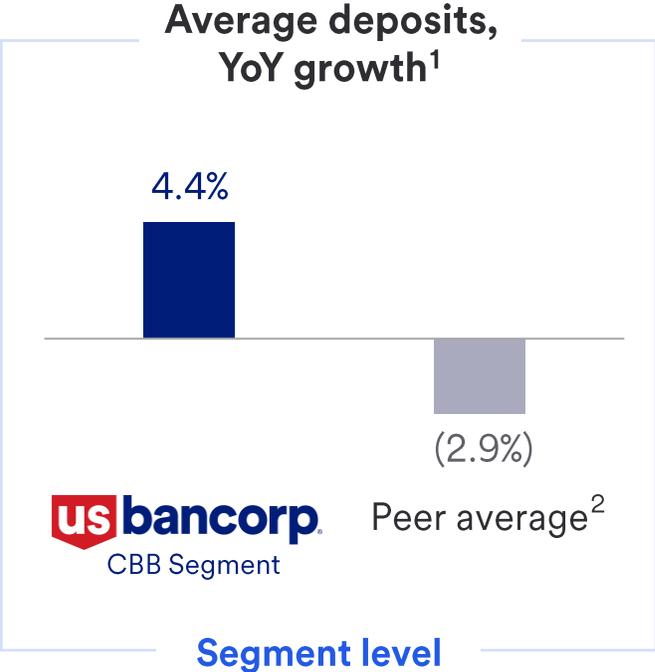


# Deposits growth with predictive marketing and disciplined pricing

## Scaling repeatable approach beyond Consumer to Wealth and Business Banking

***Highly analytical, focused execution***

- **Granular** prices and cash offers
- Deposit origination across **50 states**
- **Higher** retention of core deposits
- **Lower** through-the-cycle deposit beta



# Our California strategy is driving growth

## Focused approach to cross-business collaboration and deepening strategies



### California opportunity

#### California at a glance

- ~**3 million** consumer, business, wealth, and commercial clients
- ~**600** branches
- Successfully acquired and integrated Union Bank

#### Strategic approach to growth

- Proactive campaigns welcoming Union Bank clients to franchise
- Data-driven collaboration across client segment sales teams
- Coordinated product, marketing, and sales excellence

### California results to date

#### MARKET SHARE<sup>1</sup>

- **#4** rank by deposits, from #10 prior to Union Bank acquisition

#### CLIENT GROWTH<sup>2</sup>

- **+7%** net new clients

#### DEEPENING RELATIONSHIPS

- **+102%** consumer credit cards<sup>3</sup>
- **+68%** business credit card relationships<sup>3</sup>
- **+3.1%** wealth, commercial revenue<sup>2</sup>

#### CLIENT SATISFACTION<sup>4</sup>

- **#1** in retail banking, fourth year in a row



# Compelling client solutions through product connections

## Driving sustainable growth through interconnected offerings



### **Deposits** and **mortgage**

MASS CONSUMER

- Intentional **deposit + mortgage** offering
- Mortgage clients invited to open checking account for relationship discount
- Total deposit balances from strategy would equate to ~40 new U.S. branches<sup>1</sup>

**Cross-product solutions**



### **Merchant** and **checking**

BUSINESS | **Business Essentials**

- Innovative **merchant + checking** product bundle for businesses
- Single application, approval, onboarding, and servicing experience
- Significant reduction in friction to apply

**Compelling product bundles**



### **Card** and **deposit**

AFFLUENT CONSUMER | **Bank Smartly Visa**

- New **card + bank** offering
- Benefits increase with deposit balances and card spend
- Market leading, everyday banking combined solution for young affluent consumers

**Innovative benefits**



# Branch transformation is improving our distribution

Delivering full breadth of products and quality client experiences

## Our People

Client-focused and needs-based expertise



Evolved model from transactional to **consultative** and **solution-oriented**

## Our Products

Comprehensive in-branch offerings



Expanded **breadth of solutions** across banking, payments, business, and wealth

## Our Spaces

Continuous innovation and improvement

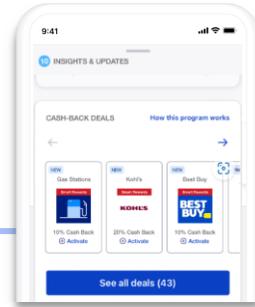
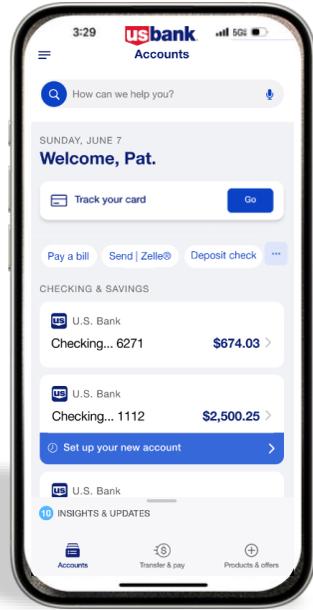
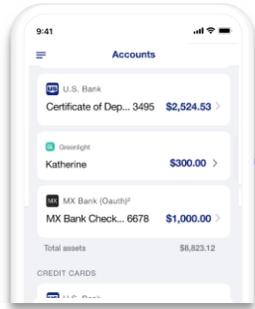


Modernized branches; Continue to invest **\$200M** annually across network

# Everyday banking, anywhere

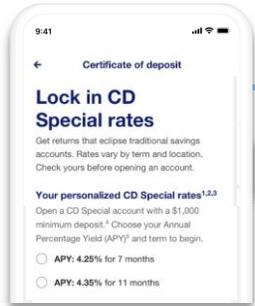
Our award-winning digital tools extend our reach

All-in-one view of finances

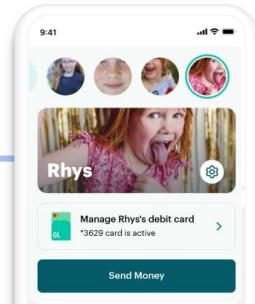


Cash back on card purchases

Custom rates and pricing



Parental controls and financial education



Powered by **GREENLIGHT**

## DIGITAL TRENDS SINCE 2019<sup>1</sup>



2024 Best in Class

Mobile Banking and Online Banking<sup>2</sup>

Digital Adoption<sup>3</sup>

+15% growth

Digital Consumer Sales Share<sup>4</sup>

~2x growth

Digital Business Sales Share<sup>4</sup>

~4x growth



# Leading partnerships are expanding our reach

Driving new client growth in out-of-footprint markets



- **19.4K** State Farm agents in **48** states<sup>1</sup>
- **~850K** trusted relationships with **~120K** accounts generated in 2023
- Significant opportunity to grow in **out-of-footprint** states
- Expansion of consumer, card, and business offering into **personal lending** expected in 2025

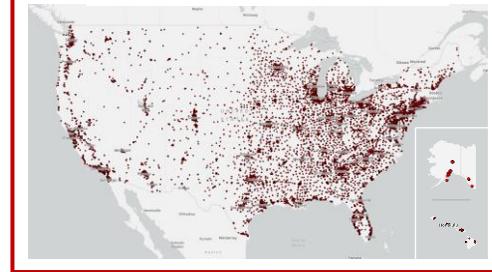


- **19.5K** Edward Jones advisors in **50** states<sup>2</sup>
- Largest advisor network of **~15K** offices<sup>2</sup>
- **~8M** Edward Jones clients<sup>2</sup>
- Offer our everyday banking products to Edward Jones clients
- Target launch in **2025**

## U.S. Bancorp Branches



## State Farm Offices



## Edward Jones Offices



# In closing, we deliver for our clients, every day

Propelling the delivery of a trusted, interconnected bank with relevant solutions for our clients

## Key differentiators ...

- 1 **Product connections**
- 2 **Digital excellence**
- 3 **National reach**



## ... propelling growth going forward

- Deepening client relationships with analytics-driven approaches
- Improving value proposition with interconnected products
- Expanding capital-light reach through strategic partnerships





2024  
INVESTOR  
DAY

# Interconnectedness Drives Our Growth

Shailesh Kotwal

*Vice Chair, Payment Services*

# Payment Services

## Interconnectedness, scale, and breadth

Clients <sup>1</sup>			Products		Reach
Total clients	Multi-product eligible clients	Partner clients	<ul style="list-style-type: none"> <li>Issuing credit, debit, prepaid, commercial, fleet, virtual cards</li> <li>Merchant solutions</li> </ul>	<ul style="list-style-type: none"> <li>Treasury management solutions</li> <li>Freight, supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Direct: 2K+ branches; digital distribution</li> <li>RMs: Business / Commercial / Corporate</li> <li>Partners: ~50K distribution points</li> <li>Elan: 1.2K+ financial institution clients</li> <li>International: 36 countries / 100+ currencies</li> </ul>
~14.6M	~6.3M	~8.4M			

### Contribution to total U.S. Bancorp<sup>2</sup>

Net revenue

**24%**

Fee revenue

**40%**

Average loans

**11%**

### Demonstrated results

**#3**

U.S. commercial card issuer ranked by spend volume<sup>3</sup>

**#5**

U.S. credit issuer ranked by volume<sup>4</sup>

**#1**

Freight payments provider ranked by volume<sup>5</sup>

**Top 3**

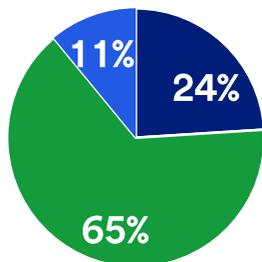
Bank-owned U.S. merchant acquirer ranked by volume<sup>6</sup>



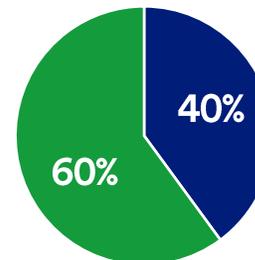
# Financial highlights

## Net revenue breakdown

**\$3.4B revenue in 1H 2024**



**Global Merchant Acquiring 24%**  
**Retail Payment Solutions 65%**  
**Corporate Payment Systems 11%**



**Net interest income 40%**  
**Fee income 60%**

## Average loans<sup>1</sup>

**2019 - 2023 CAGR: 3.5%**



## Total Payment Services fee revenue<sup>1</sup>

**2019 - 2023 CAGR: 2.2%**



## Post-Covid growth rates<sup>1</sup>

	2021-2023 CAGR
Credit only fee revenue <sup>2</sup>	9.2%
Merchant processing services fee revenue	7.0%
Corporate payment products fee revenue	14.9%



# Our payments journey

## Looking back...

- Significantly invested in **tech-led** and **digital**
- Established banking-payments **ecosystem**
- Extended core and adjacent **money movement capabilities**
- Expanded our **reach**
- Formed **stronger risk capabilities** (e.g., fraud, cybersecurity)



## Going forward...

Client  
depth

- Interconnected solutions
- Differentiated onboarding and servicing

Product  
excellence

- Holistic A/P and A/R solutions
- Integrated capabilities

Reach

- Differentiated distribution
- Disciplined acquisition engine
- Industry verticals



# Our strategy for growth

## Industry trends

Highly competitive
Digitizing payment activities
<b>Financial discipline emerging</b>
Evolving fraud and payments security threats
Regulatory and legislative pressure

## Interconnected Banking + Payments Strategy

Embed seamless money movement capabilities and value-added services with clients and partners

## Disciplined growth

<b>Seamless, embedded</b> client experiences
Growth creation through <b>value-added services</b>
A <b>holistic offering</b> using our <b>collective strength</b>
<b>Trust</b> through <b>prudent risk management</b>
Strong <b>financial discipline</b>

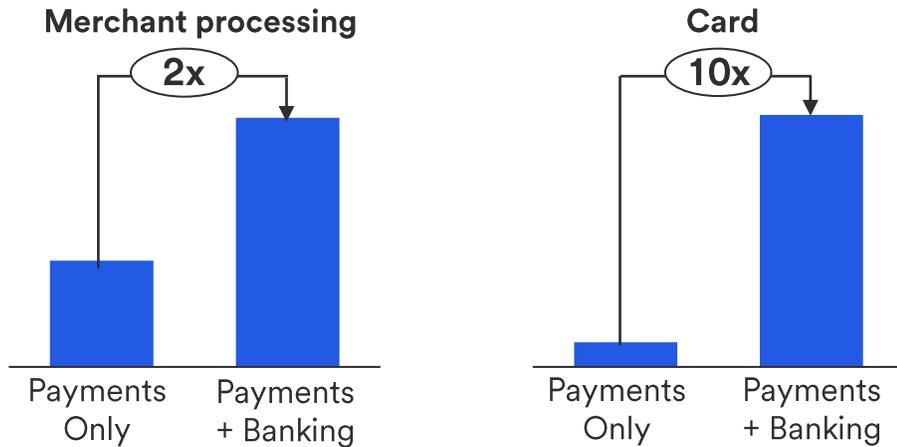


# An interconnected bank unlocks significant value creation and growth

## Deeper relationships and Union Bank opportunity driving growth

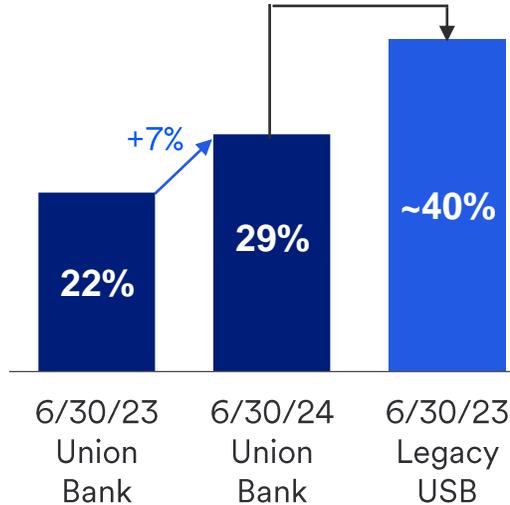
Relationship value multiplies when clients have banking and payments products

2023 average business banking revenue / client

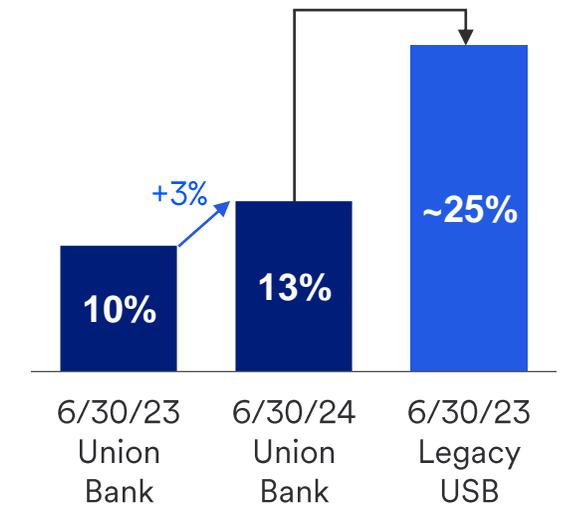


We are capturing revenue growth opportunities across the Union Bank portfolio

% of consumer households with a Credit Card

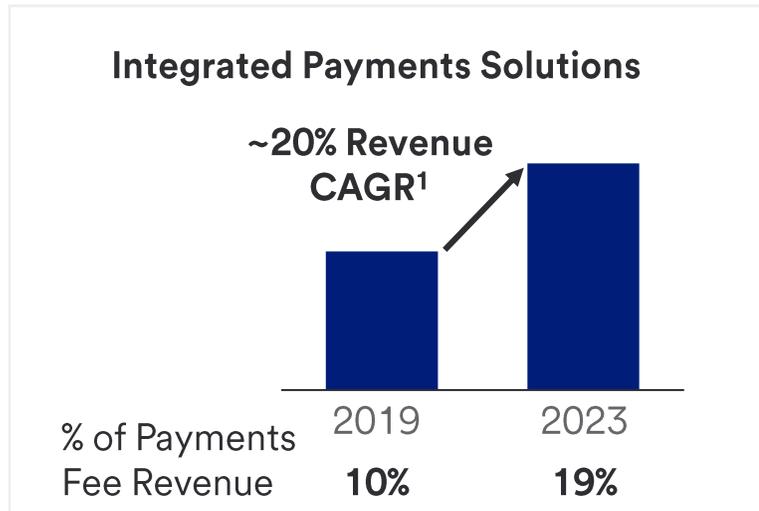


% of business clients with a Credit Card



# Our tech-led strategy paved a path for Integrated Payments Solutions

Integrating our full suite of payments solutions into our partner technology multiplies value



**Client Engagement**  
~22% CAGR<sup>1</sup>  
transactions facilitated through integrated payments solutions

**TravelBank + Commercial Rewards**  
~8x more spend in first half 2024 vs full year 2023

**Salucro (Healthcare)**  
100+ Salucro clients won since 2021

Leveraging our acquired capabilities to deliver integrated solutions and results



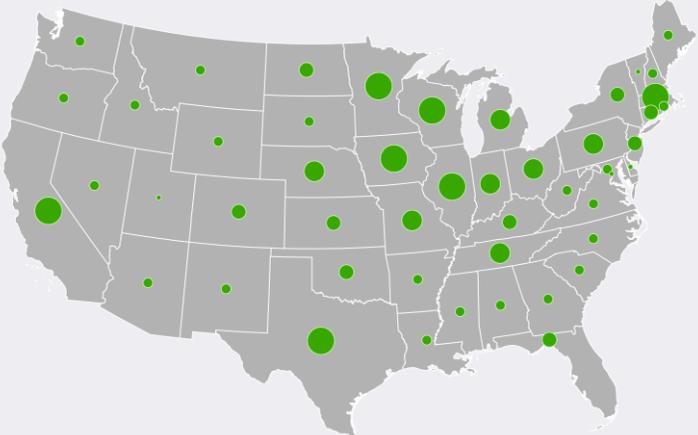
# Expanded reach through Elan and partnerships

## Partner business provides meaningful distribution capability and drives revenue growth



1200+ Financial Institution Partners

- Dominant industry leader in agent banking
- Provides partner-branded, full-service credit card issuing, marketing, and servicing
- Opportunity extends beyond agent bank card issuing
- Increasing multi-service clients



● # of Elan channel partner banks

15.5K Branches<sup>1</sup>  
~27M Households<sup>2</sup>  
98% Customer renewal rate<sup>3</sup>

## Partnerships

- Nationally leading brands in a diverse set of industries
- ~109M Households<sup>2</sup>
- ~50K Distribution points<sup>4</sup>



# In closing, Payments is an integrated business

Positioned to win... both short- and long-term

## Key differentiators ...

- 1 **Deeply interconnected**
- 2 **Broad product set**
- 3 **Unique partnerships**



## ... propelling growth going forward

- Broad-based payment capabilities
- Strategic, tech-led investments paved the path to holistic Integrated Payments Solutions
- Industry-leading partner model expands our reach across multiple distribution channels



2024  
INVESTOR  
DAY

# Interconnectedness Drives Our Growth

Stephen Philipson

*Senior Executive Vice President, Wealth, Corporate, Commercial, and Institutional Banking*

# Wealth, Corporate, Commercial, and Institutional Banking

## Scale, service, and product depth and breadth for institutional and wealth clients

Clients <sup>1</sup>			Products		Reach	
Wealthy individuals	Companies	Government and institutions	<ul style="list-style-type: none"> <li>Institutional banking</li> <li>Capital markets</li> <li>Treasury management</li> <li>Wealth management</li> </ul>	<ul style="list-style-type: none"> <li>Asset management</li> <li>Fund servicing</li> <li>Corporate trust</li> <li>Custody</li> </ul>	<ul style="list-style-type: none"> <li>~3K wealth advisors and relationship managers</li> <li>National footprint</li> </ul>	<ul style="list-style-type: none"> <li>International hubs in Dublin, London, and Luxembourg</li> <li>50 client centers</li> </ul>
~500K	~15K	~30K				

### Contribution to total U.S. Bancorp<sup>2</sup>

Average deposits

**54%**

Average loans

**47%**

Fee revenue

**44%**

### Demonstrated results

**~90%**

Of Fortune 1000 companies bank with us<sup>3</sup>

**#1**

In corporate trust markets we serve<sup>4</sup>

**#5**

Investment grade bond underwriting<sup>5</sup>

**#6**

U.S. custodian<sup>6</sup>

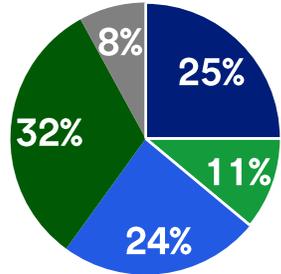


<sup>1</sup> Client data as of March 31, 2024; <sup>2</sup> Contribution to total U.S. Bancorp is calculated based on 1H 2024 financial results. Excludes Treasury and Corporate Support. Non-GAAP. See appendix for calculation; <sup>3</sup> Fortune and Fortune Media IP Limited are not affiliated with, and do not endorse products or services of, U.S. Bancorp; <sup>4</sup> US and Europe market share data sourced from Greenstreet ABAAlert for the ABS/MBS and CLO rankings and Refinitiv for the Corporate and Municipal rankings. Rankings based upon number of deals and volume in dollars. Data as of March 2024; <sup>5</sup> LSEG/LPC as of June 30, 2024, based on number of deals; <sup>6</sup> March 2024 per FDIC. Rankings exclude non-bank custodians, foreign banks, and non-FDIC banks; <sup>7</sup> J.D. Power 2024 U.S. full-service investor satisfaction study released on March 21, 2024 based on investors surveyed from January 2023 – January 2024, who may be working with a financial advisor from U.S. Bank or its affiliate, U.S. Bancorp Investments

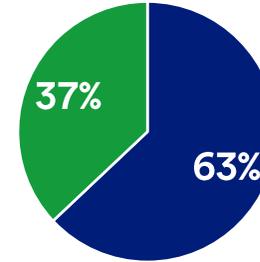
# Financial highlights

## Net revenue breakdown

**\$6.1B revenue in 1H 2024**



**Wealth and Asset Management 25%**  
**Capital Markets and other 11%**  
**Investment Services 24%**  
**Corporate and Commercial Banking 32%**  
**Commercial Real Estate 8%**

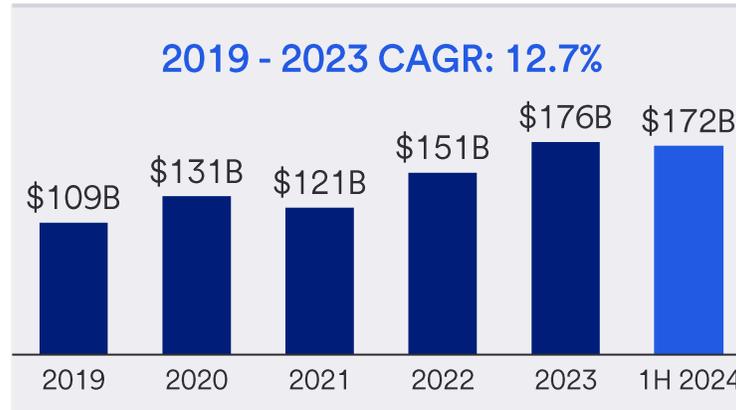


**Net interest income 63%**  
**Fee income 37%**

### Average deposits<sup>1</sup>



### Average loans<sup>1</sup>



### Fees<sup>1</sup>



# Our institutional journey

## Looking back...

- Made **digital and technology** investments
- Pivoted towards **capital efficient growth**
- **Expanded products** across capital markets
- Positioned to leverage **Union Bank**
- Drove **cohesive go-to-market approach**



## Going forward...

Client  
depth

- Up-tier relationships
- Wealth connectivity with consumer bank

Product  
excellence

- Fixed income product expansion
- Corporate trust

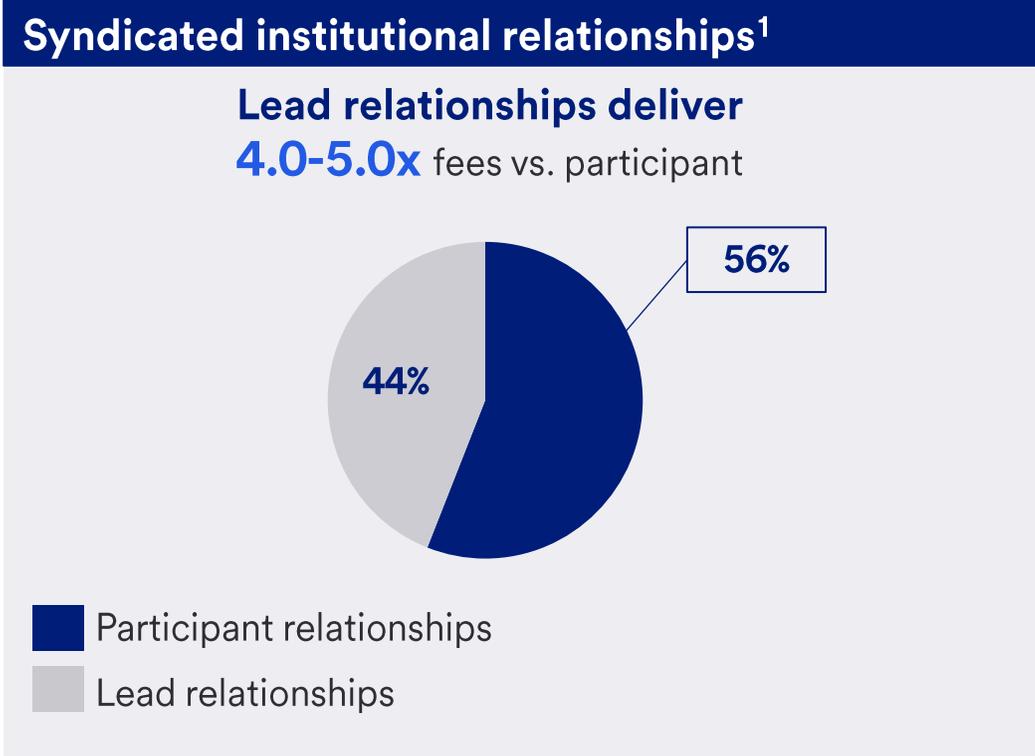
Reach

- Industry verticals
- Expansion markets

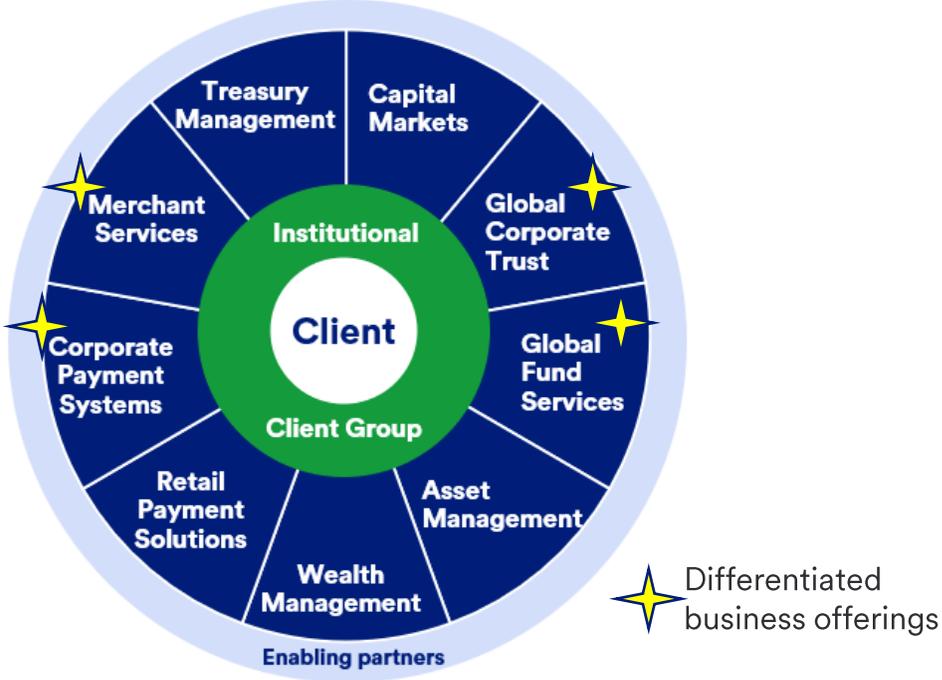


# Delivering on a holistic, interconnected approach

## Opportunity to up-tier and deepen institutional relationships



### Holistic, interconnected approach

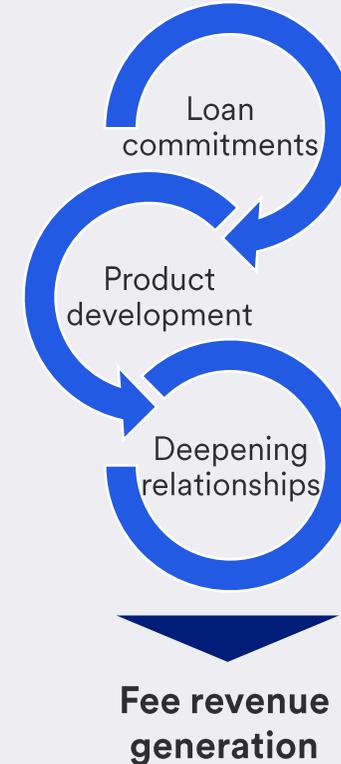
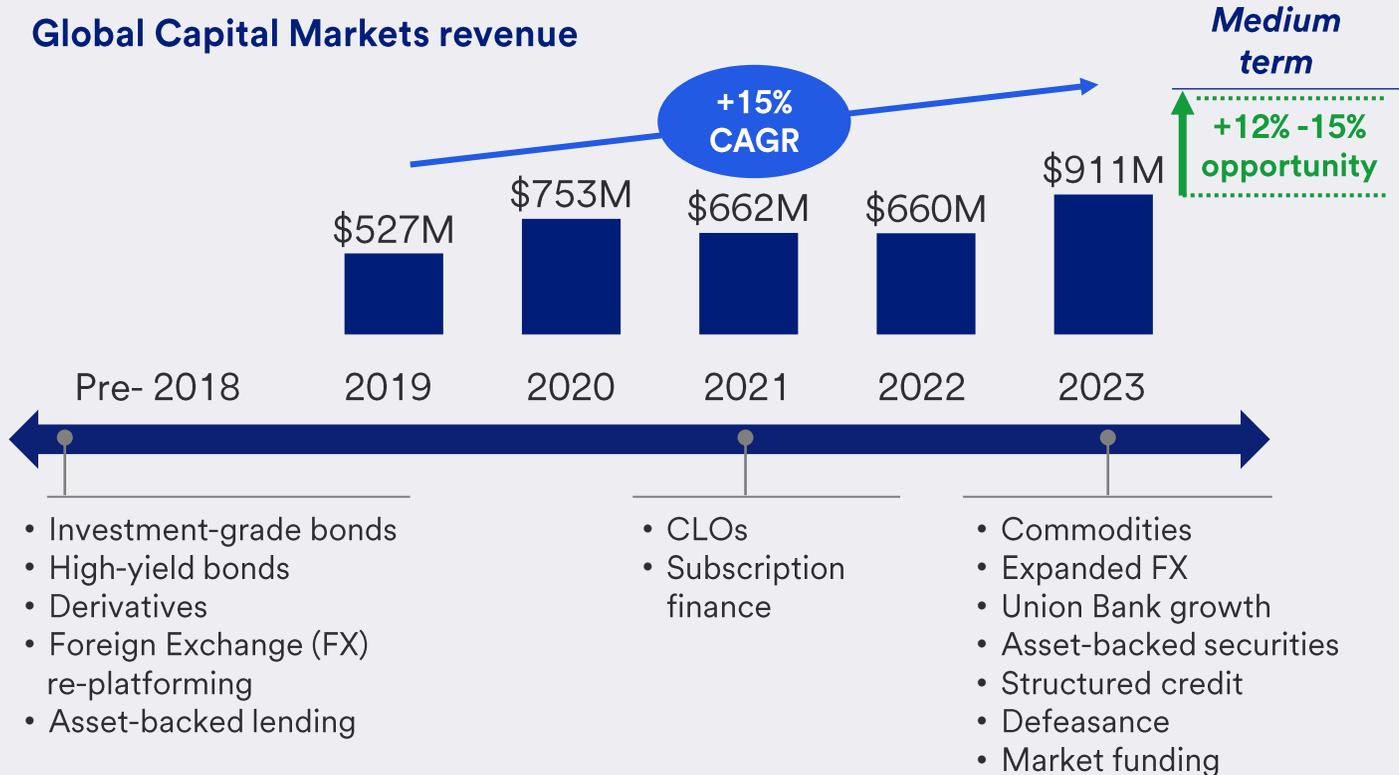


<sup>1</sup> Based on ~2,500 relationships. Relationships include all syndicated institutional relationships and does not represent total institutional client base. As of May 2024

# Broadening our Global Capital Markets capabilities

Relationship deepening and product expansion driving consistently strong growth

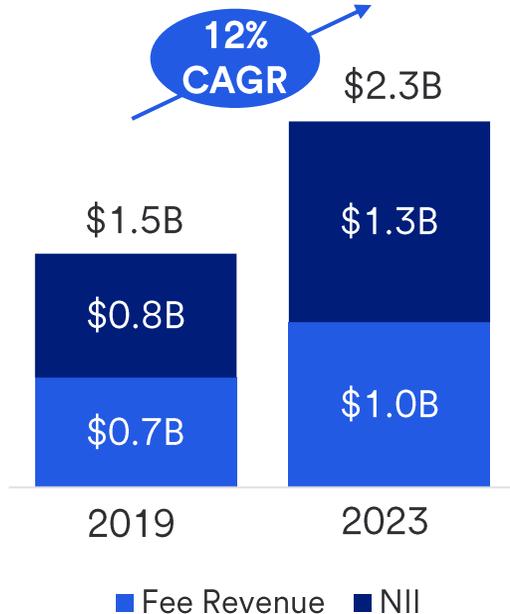
## Global Capital Markets revenue



# Dominant position with Global Corporate Trust

A gateway to our core fee businesses and diversified deposit base

Global Corporate Trust revenue



**Global Corporate Trust**

**#1**

In the markets we serve<sup>1</sup>

**What we do**

Conventional Debt   CLOs   Structured Finance   Escrow

Serving ~20K Global Corporate Trust clients

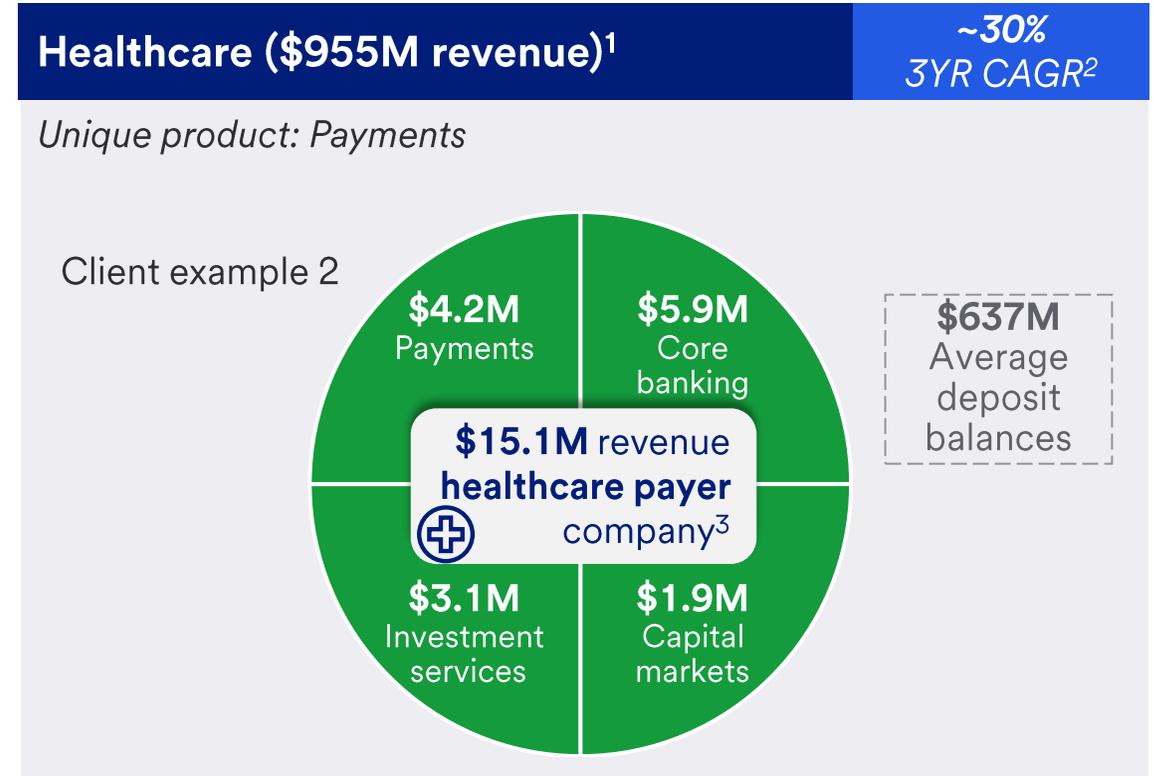
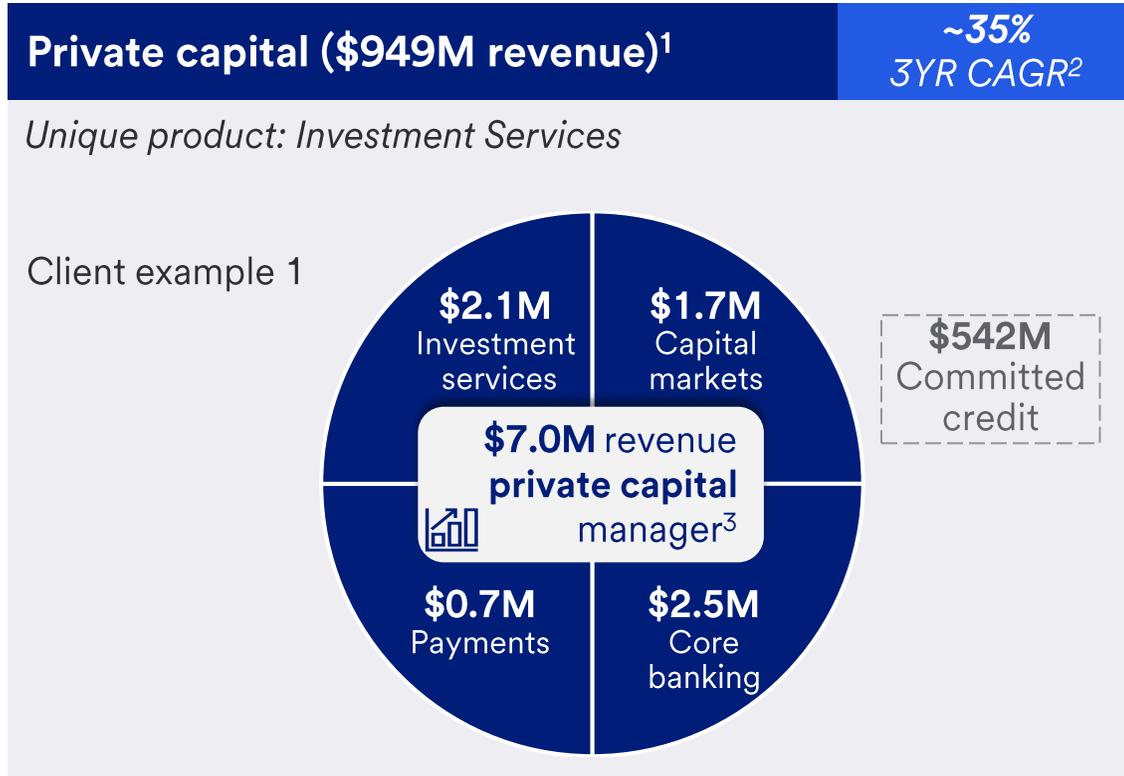
## Go-forward growth drivers:

- Fixed income market volumes
- Expanding market share
- European expansion
- Growth of Private Capital



# Verticalization in high growth segments of the economy

Leveraging best-in-class products provides differentiation in high growth sectors



# Increasing wealth penetration within the consumer franchise

Investments create a cohesive experience for wealth management and consumer clients

## Continuing to increase our consumer penetration and reach

Wealth revenue<sup>1</sup>



Growth through:

Acquisitions

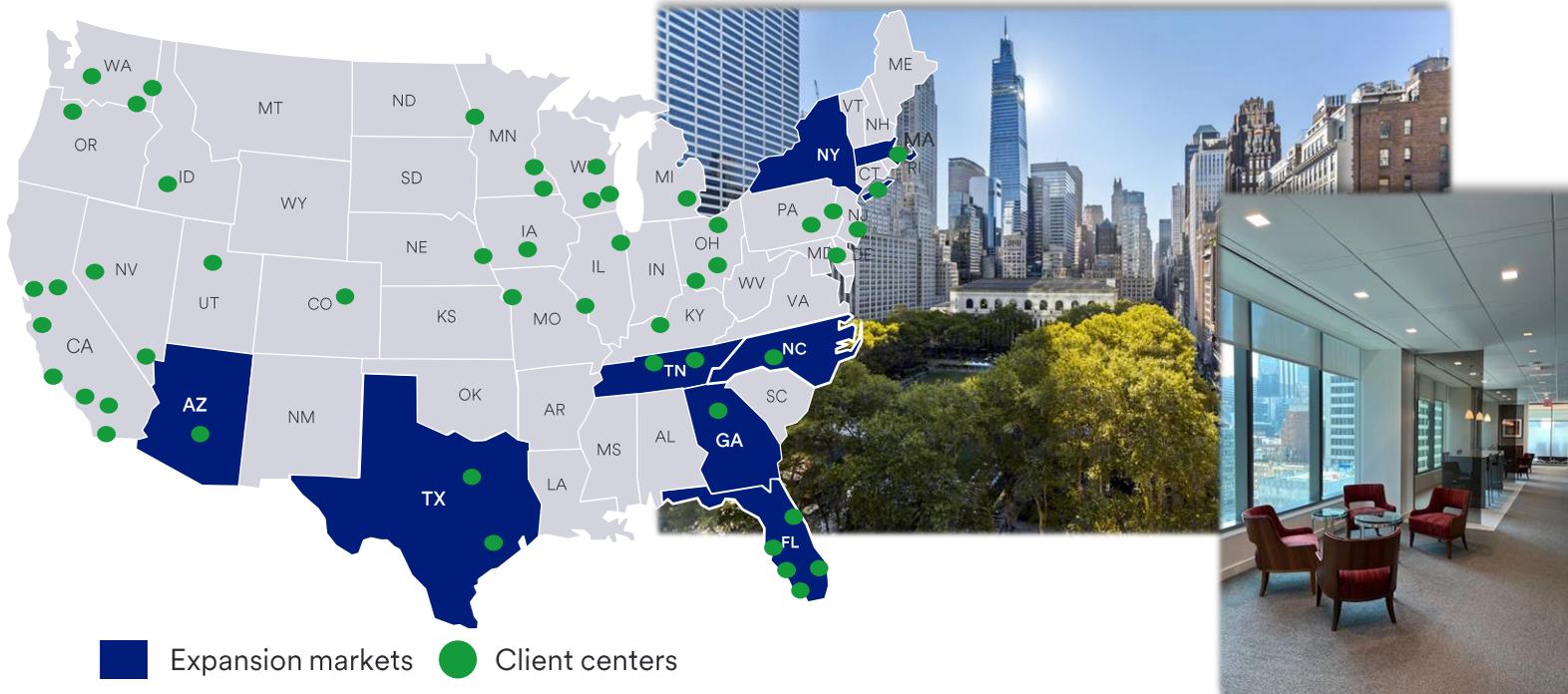
Digital tools / integration

Expansion markets

# Integrated client centers in expansion and hub markets

Leveraging our brand, products, and digital investments to grow beyond our branch network

View from New York City client center



**We are growing our talent base<sup>1</sup>**

**536**  
WM advisors hired

**140**  
Institutional RMs hired

# In closing, we are proving out our growth strategy

We have leveraged our strength to build and grow a comprehensive wealth and institutional business

## Key differentiators ...

- 1 Unique product mix
- 2 Relationship focus
- 3 Scale



## ... propelling growth going forward

- Relationship depth
- Product expansion
- Market share growth



2024  
INVESTOR  
DAY

# Interconnectedness Drives Our Growth

Gunjan Kedia  
*President*

# In closing

## Building a Trusted, Interconnected Bank

- Our investments have created strong points of **differentiation** in fee products, partnerships, and scale
- These differentiators drive future **growth** through deeper client relationships, interconnected products, and national reach
- We have focus and momentum on **execution**

Scale

| National reach

| Fee growth

| Client depth





2024  
INVESTOR  
DAY

# Investing in Our Future: A Panel Discussion

Terry Dolan (Moderator)

*Vice Chair, Chief Administration Officer*

Dominic Venturo

*Senior Executive Vice President, Chief Digital Officer*

Dilip Venkatachari

*Senior Executive Vice President, Chief Information and Technology Officer*

# Our digital approach

Driving growth, engagement, and loyalty across the businesses through products and services

Strategic prioritization while delivering...



## Across the Segments

Consumer, Small Business,  
and Corporate



## Customer Servicing

Do-It-Yourself, Do-It-  
Together



## Digital Maturity

Available, Autonomous,  
Smart and Personalized



## Customer Acquisition

Employee Tools,  
Champion / Challenger

**Reusability is a core competitive advantage  
supporting ~80% of new experiences with off-the-shelf components**



# Digitalization efforts continue to set us apart and drive growth

Industry leadership across applications, tools, and customer satisfaction... ..driving meaningful growth since 2019



Best-in-class smart assistant<sup>1</sup>



Ranked #1 Mobile and Online banking<sup>2</sup>



Top-ranked digital mortgage tools<sup>3</sup>



#1 Mobile<sup>4</sup>, #2 Online banking<sup>5</sup>



#1 Mobile check deposit<sup>6</sup>



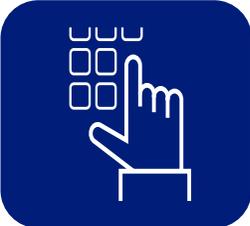
Digital adoption<sup>7</sup>  
**+ 15%**  
Consumer and Small Business

Digital sales share<sup>8</sup>  
**~2x** Consumer | **~4x** Small Business

<sup>1</sup>Corporate Insight Mobile Monitor Competitive Research Report: Mobile Virtual Assistants, 1Q 2024 <sup>2</sup>Javelin Strategy & Research, 2024; <sup>3</sup> Kiplinger Personal Finance Best Firms for Customer Service: Mortgage Lenders, October 2020; <sup>4</sup> Keynova Group semi-annual Mobile Banker Scorecard, March 2024; <sup>5</sup> Keynova Group 2Q 2024 Online Banker Scorecard, May 2024; <sup>6</sup> Cornerstone Advisors Mobile Deposit Benchmark Report, 2023; <sup>7</sup> Growth rate represents December 2019 through June 2024 in percent of active channel core Consumer Banking customers in at least one channel in the previous 90 days (U.S. Bank mobile app, online banking, and mobile web); <sup>8</sup> Growth rate represents December 2019 through June 2024 multiple of total sales where the account booked is a result of a customer submitting an application through a digital channel (U.S. Bank mobile app, online banking, and mobile web)

# Modernizing our technology

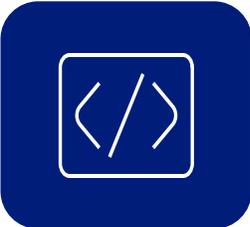
Enhancing the client experience as we deliver compelling products, services, and partnerships faster



Enhance customer applications and interfaces



Modernize our core systems



Migrate to a unified data platform



Leverage cloud

**Supporting industry leading experiences; Increasing efficiency and interconnectedness**

# Tech modernization enables business growth and increased financial efficiency

- Simpler API-based architecture with increased re-use
- Increased release frequency
- Reduced mainframe usage and reliance
- Accelerated skill adoption



**Improved performance  
and reliability**



**Faster time to market**



**Increased efficiency and  
interconnectedness**



# Artificial Intelligence is focused on the highest-impact areas

## Solid foundational capabilities in Innovation R&D and Enterprise Analytics

### Operations / Service



#### Reduced call center time

- Call center assistance
- Process automation

### Technology



#### Increased developer productivity

- Faster code development, testing, and documentation

### Product



#### Better marketing performance

- Personalization at scale
- Real-time marketing testing

### Risk



#### Reduced fraud

- Better fraud identification
- Skilled expert assistants

# Driving business priorities via digital and technology

Digital-first excellence supports a better client experience, improved product quality, and footprint expansion

## Scalability

- Build on Consumer strengths
- Leverage capabilities across Wealth, Small Business, and Corporate
- Multi-faceted, capital-light approaches

## National Reach

- Award-winning digital tools and products facilitating growth beyond our footprint
- Strategic partnerships

## Fee Growth

- Excellence in money movement capabilities and product connectivity
- Verticals in high-growth sectors

## Client Depth

- Multiservice client relationships
- Product interconnectivity





2024  
**INVESTOR  
DAY**

# Risk Management

Jodi Richard

Vice Chair, Chief Risk Officer

# Credit risk management is a core competency

A strong credit culture is key to our through-the-cycle performance

Proven track record of credit performance during economic downturns

Consistent approach to underwriting:

- Portfolio diversification and proactive credit risk management
- No meaningful expansions, or contractions, through business cycles
- Comprehensive risk appetite limit structure (~150 credit risk limits)



**A track record of prudent risk management...**

Historical outperformance during periods of stress

Robust identification and mitigation of emerging risks

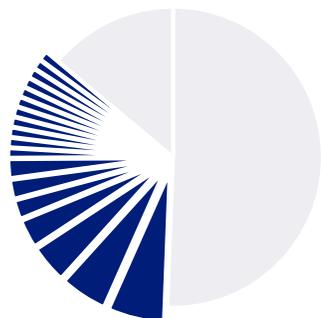
Proactive increase in reserve levels to capture risk



# Our loan portfolio is well-diversified

## Balanced across industry, property type, and product

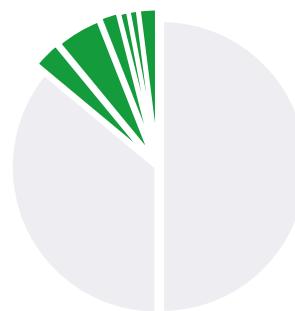
### C&I Loans by Industry



- 19 C&I Industries
- No single concentration > 6% of total loan portfolio

Reserves	Reserves to Loans		% of Total Reserves
	USB	Peer Median <sup>1</sup>	
\$2,180	1.6%	1.3%	28%

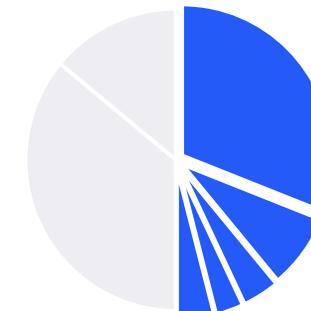
### CRE Loans by Property Type



- 8 CRE Property Types
- No single concentration > 5% of total loan portfolio

	Reserves	Reserves to Loans		% of Total Reserves
		USB	Peer Median <sup>1</sup>	
CRE	\$1,596	3.1%	2.6%	20%
Office <sup>2</sup>	\$676	10.4%	8.9%	9%

### Consumer Loans by Product



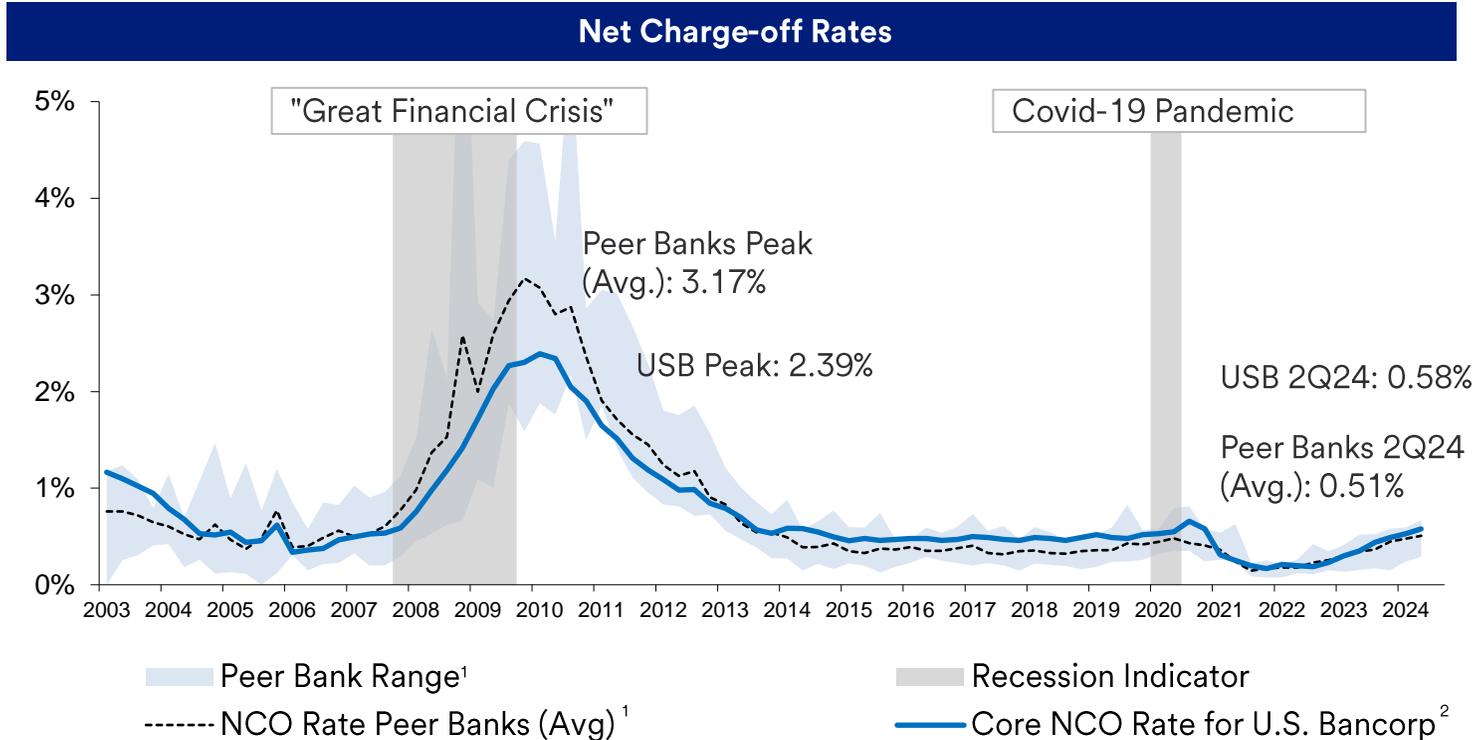
- 5 Consumer Product Types
- 31% of total loan portfolio in secured residential mortgage

Reserves	Reserves to Loans		% of Total Reserves
	USB	Peer Median <sup>1</sup>	
\$4,158	2.2%	1.9%	52%



# Proven “through-the-cycle” performance

Only bank in our peer group<sup>1</sup> without a quarterly earnings loss during the “Great Financial Crisis”



### Through the Cycle Expected Loss Rates<sup>3</sup>

Loan Portfolio	2019 NCO%	2024 NCO%
Commercial	0.40%	0.40%
CRE	0.65%	0.65%
Small Business	2.35%	1.95%
Residential Mortgages	0.35%	0.25%
Credit Cards	4.65%	4.60%
Other Retail	0.90%	0.75%
<b>Total</b>	<b>0.95%</b>	<b>0.80%</b>



# Credit Quality

Asset quality trends reflect our through-the-cycle view

Credit Card Net Charge-Offs



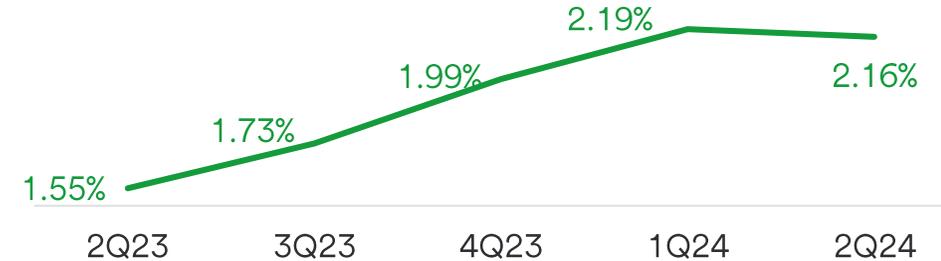
Credit Card 30 Day+ Delinquencies



Total Net Charge-Offs



Total Criticized Commitments



# Enterprise risk management is a foundational strength

Equipped to meet increasing regulatory expectations

## Enable business growth



- Speed to market within risk reviews
- Align strategic priorities with risk appetite limits

## Advance risk management



- Automate, simplify and integrate
- Ongoing investment in processes and controls

## Navigate regulatory environment



- Strong risk culture and regulatory relations
- Thorough and timely issue remediation (e.g., Union Bank consent order resolution)

## Focus on key and emerging risks



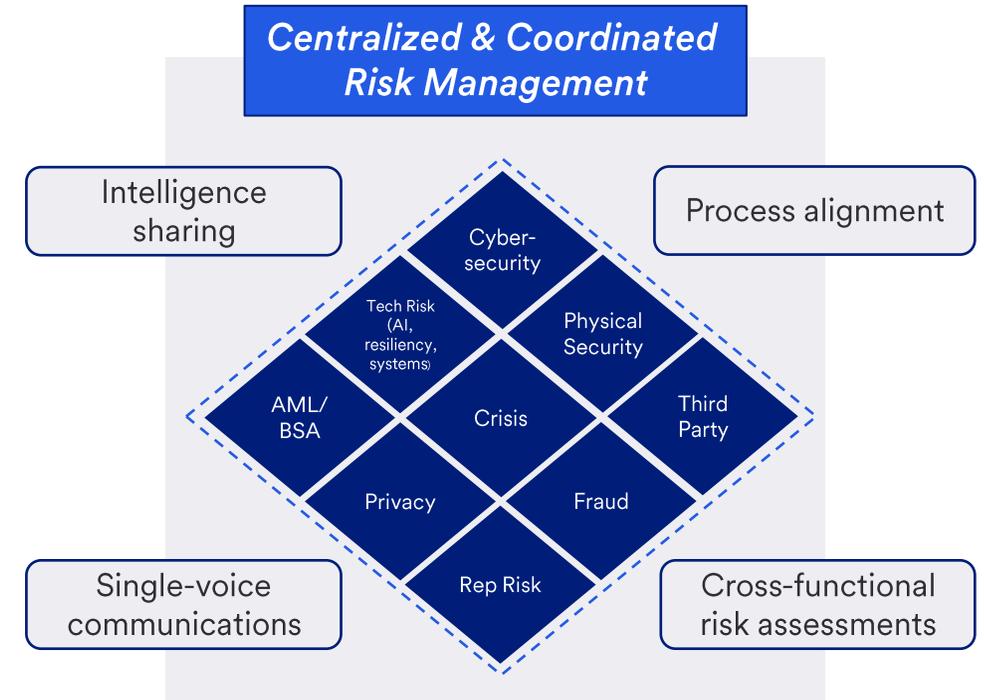
- Economic uncertainty and impact on interest rate risk, liquidity, and capital
- Credit trends (e.g., CRE office, multifamily)
- Cyber and fraud
- Environmental, social, and governance priorities
- Data (e.g., quality, access, privacy, AI)

*Our integrated approach to risk appetite brings alignment between strategy, capital, and risk*

# Strengthened resiliency around external threats

Centralized functions and capabilities enhance our ability to navigate existing and emerging risks

- **Investment in technology and data** improve customer experience through targeted detection
- **Artificial intelligence detection** capabilities detect more fraud while flagging fewer false alarms
- **Internally developed and patented data science methods** improve fraud detection
- **Coordinated testing** and **back-up capabilities** enhance operational resiliency



# Sustained investment in cybersecurity

## Remain vigilant in an environment of heightened cyber threats



Continued investment in technology and personnel



Meet or exceed financial sector standards including designation as an advanced security program by BitSight<sup>1</sup>



Strong relationships with industry and federal partners; Timely threat intelligence and coordinated incident response



Strong governance (i.e., Board Cybersecurity and Technology Committee)

# Effective risk management is foundational to U.S. Bancorp

- Proven track record through economic cycles
- Strong governance and risk culture
- Proactive identification and mitigation of emerging threats

Comprehensive

Proactive

Consistent





2024  
**INVESTOR  
DAY**

# Financial Management

John Stern

*Senior Executive Vice President, Chief Financial Officer*

# The last five years have been extremely volatile

## Major shifts since 2019



**COVID-19**



**Inflation and interest rate dynamics**



**Union Bank acquisition**

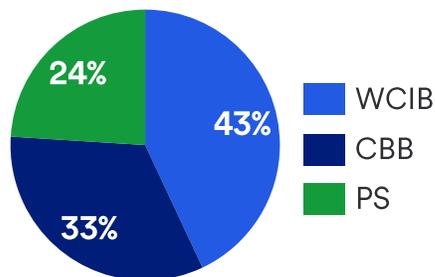


**Regulatory environment**

# We have managed effectively through the cycle

## Diversified and Interconnected Business Mix

1H 2024 Revenue Mix by Business Line<sup>1</sup>

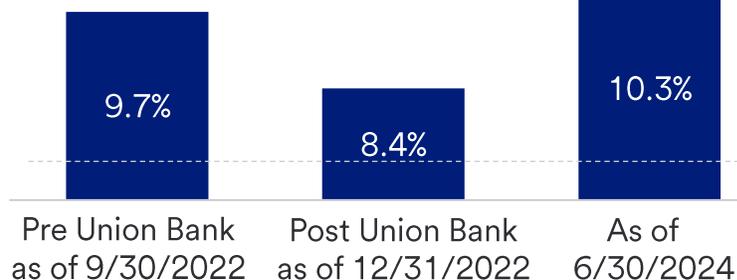


## Adjusted ROTCE<sup>2</sup>



## Capital Management

CET1



270bps above our 7.6% CET1<sup>3</sup> regulatory capital minimum

## Navigating Uncertainty and Promoting Future Growth

- Strong focus on financial and risk discipline
- Industry-leading returns on tangible common equity
- Investment spend is now in the run rate
- Execution of our capital management strategy

<sup>1</sup> 1H 2024 taxable-equivalent basis. Business line revenue percentages exclude Treasury and Corporate Support. Non-GAAP. See appendix for reconciliation

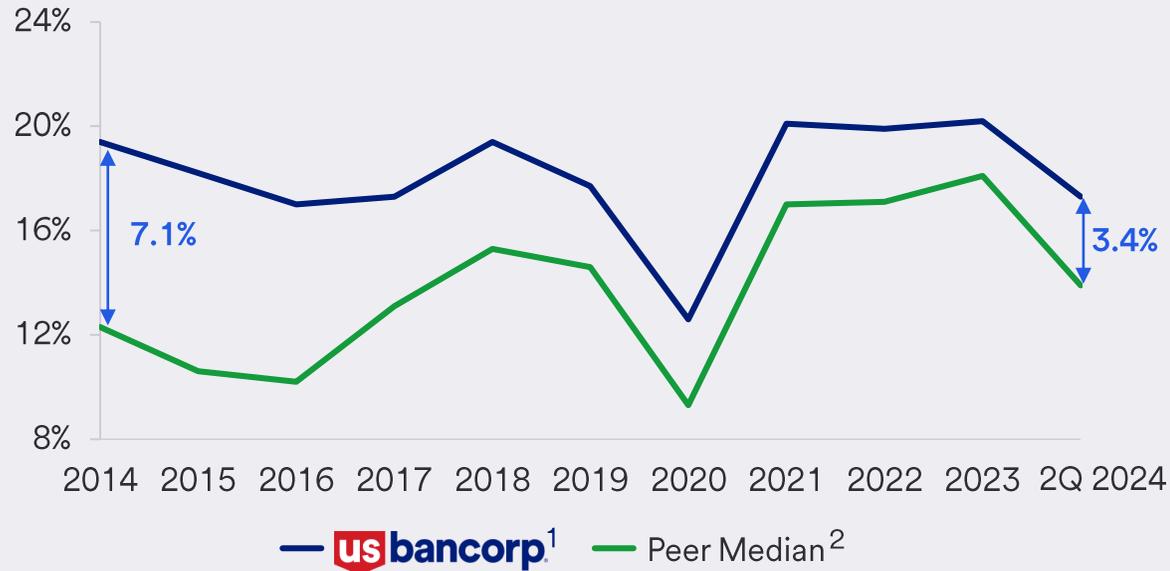
<sup>2</sup> ROTCE: Return on Tangible Common Equity. Non-GAAP. Adjusted for notable items and intangibles amortization. See appendix for calculation and description of notable items

<sup>3</sup> Common-equity tier 1 capital to risk-weighted assets, reflecting Basel III standardized with 5 year current expected credit losses (CECL) transition

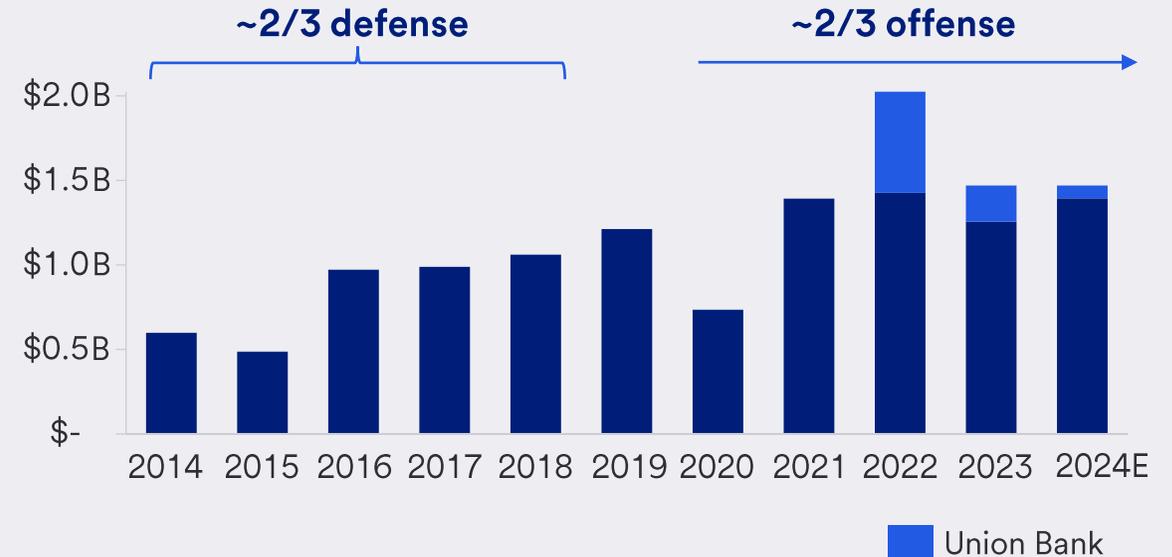
# Our ROTCE advantage to peers has narrowed

Step up in CapEx spend since 2014; Shifted from defense to offense

Return on tangible common equity (ROTCE)



Capital expenditures (CapEx)



<sup>1</sup> Non-GAAP. Adjusted for notable items. See appendix for calculation and description of notable items

<sup>2</sup> Source: Visible Alpha, adjusted for certain non-GAAP items. See "Notes" slide in the appendix for information about the peer set

# We are at an inflection point

As headwinds become tailwinds, we're focused on building on our strong foundation

## Key Headwinds...

- Rising interest rates / inverted yield curve
- Proposed rule making (e.g., Basel III End Game)
- Step up in CapEx investment spend
- Accelerated capital build (post-Union Bank acquisition)



## Are Now Tailwinds...

- Normalizing rate environment / yield curve
- More clarity on proposed rule changes
- Annual CapEx spend in the run rate
- **Balance of capital build and distribution**

Focusing on the future



**Strong risk  
discipline**



**Growth through  
interconnectedness**



**Prudent expense  
management**



# Financial management overview

## Executing on our growth strategy while maintaining our strong risk discipline

### Balance sheet strength

- **Capital-efficient loan growth**; Focus on relationship-based deposit and loan growth
- **Improved** on- and off-balance sheet **liquidity**

### Disciplined risk management

- Agility to **manage interest rate risk** under multiple rate scenarios
- Maintaining our **risk discipline** across the enterprise

### Business performance

- Supporting **fee growth** (relationship-based, enhancing returns)
- Focus on prudent **expense management** to capitalize on growth investments

### Capital management

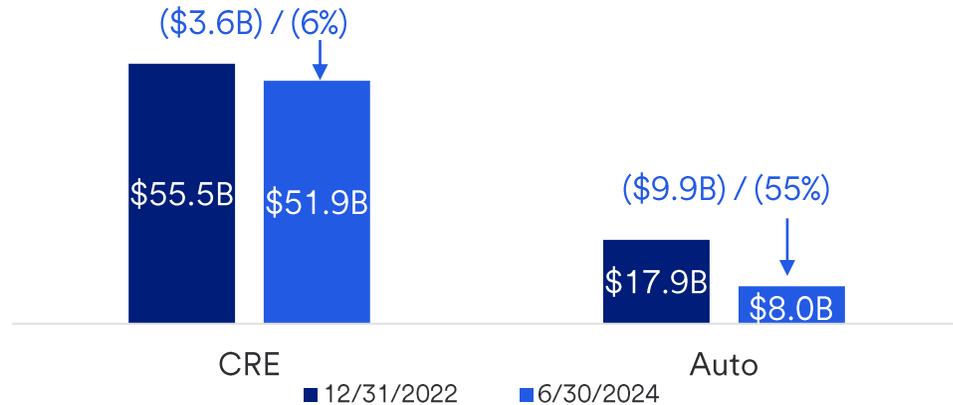
- Revising our **capital targets** to meet our objectives
- Balancing **capital build with distribution**



# Capital-efficient growth

## Prioritizing profitability while also executing on balance sheet optimization strategies

Selectively reducing loan portfolios<sup>1</sup>



Effective balance sheet optimization<sup>2</sup>

December 31, 2019 – June 30, 2024 CAGR



- Strategically reduced our exposure to single-service auto loans; Reduced our commercial real estate concentration
- Focused on high margin / high growth business that exceeds our ROE hurdle rates; Deepening our most profitable client relationships

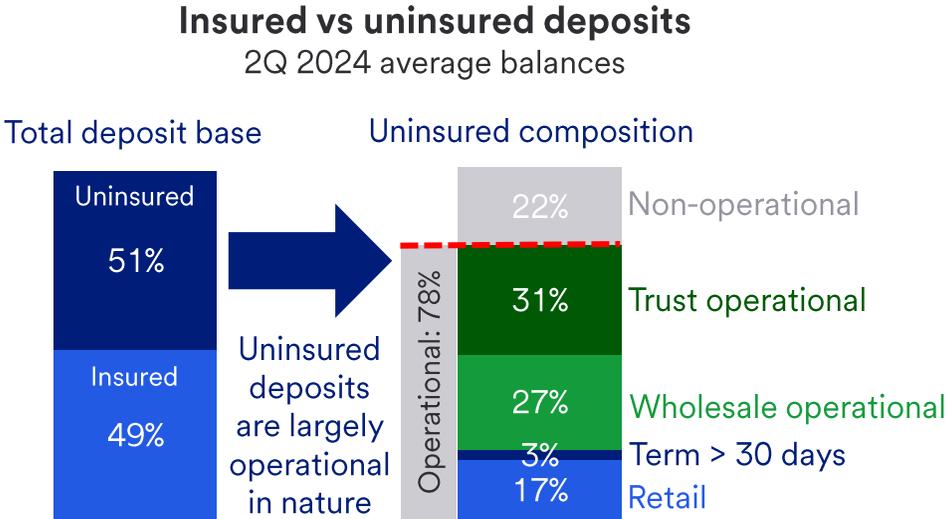
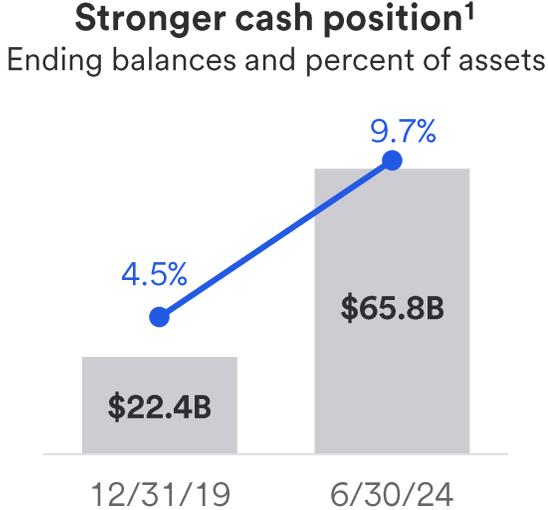
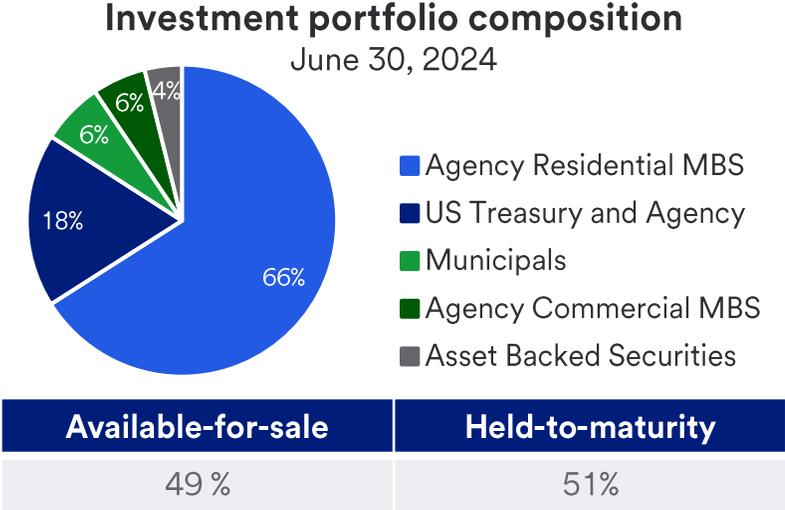


<sup>1</sup> Ending balances

<sup>2</sup> Source: S&P Global, Ending Balances, RWA is Standardized Risk Weighted Assets. See "Notes" slide in the appendix for information about the peer set

# Balance sheet strength

We maintain a robust liquidity profile with prudent cash levels and a well-diversified investment portfolio



- Strengthened liquidity through increased cash positioning, investment portfolio diversification, and deep monetization capabilities
- Investment portfolio rebalancing has improved our average yield, NII trajectory, capital, and liquidity positioning

# Interest rate risk management philosophy

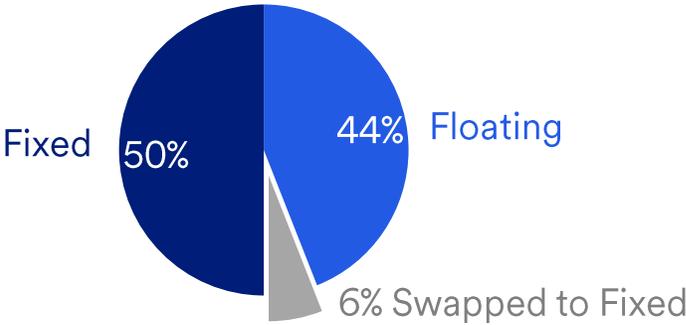
## Effective balance sheet positioning and disciplined deposit pricing performance

### IRR management objectives



- Measured risk-taking
- Holistic approach to balance sheet management
- Flexibility under multiple scenarios dictated by key assumptions

Loan composition<sup>1</sup>



Deposit beta performance<sup>2</sup>

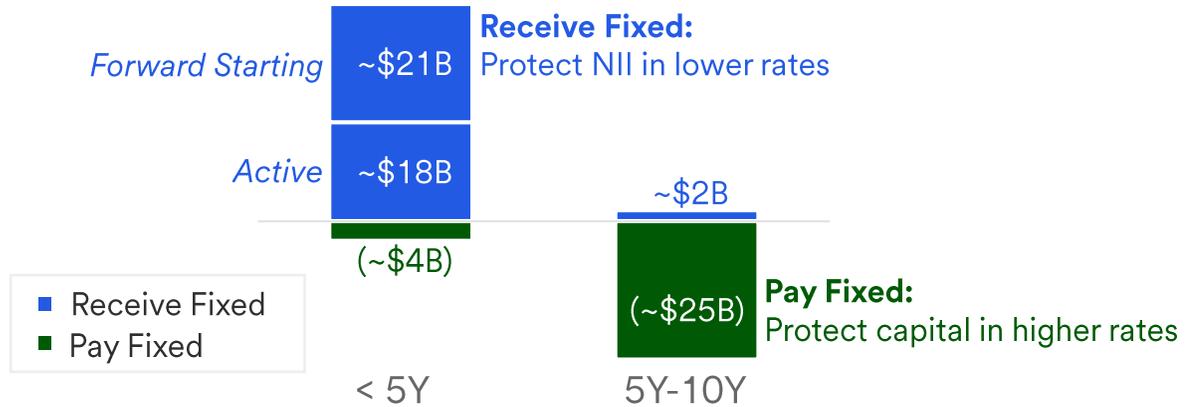
Quarters After First Rate Change		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	...	9 <sup>th</sup>
2021 – 2024 Rising Cycle	<b>us bancorp</b>	10%	17%	25%	30%	...	51%
	Peer Median	4%	9%	19%	27%	...	52%
2019 – 2021 Falling Cycle	<b>us bancorp</b>	26%	27%	34%	37%	...	44%
	Peer Median	14%	22%	28%	33%	...	42%

IRR = Interest rate risk  
<sup>1</sup> Loans as of June 30, 2024 including both active and forward starting hedges  
<sup>2</sup> Source: Visible Alpha. See "Notes" slide in the appendix for information about the peer set

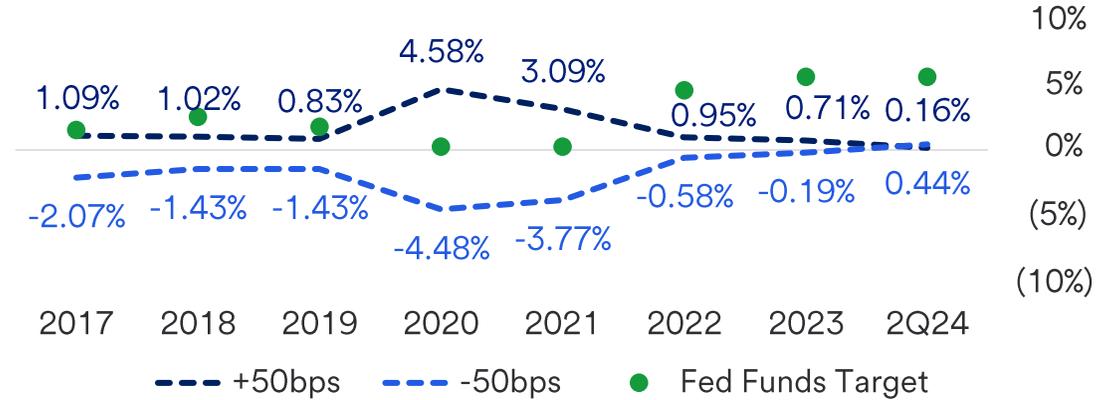
# A strategic and active hedging program

## Flexibility to manage capital and interest rate risk under multiple rate scenarios

Hedge programs well positioned across yield curve<sup>1</sup>



Year-end NII sensitivity positioning (%)



- Effective management of interest rate, capital, and liquidity risks
  - **Pay fixed swaps** reduce capital volatility and shorten the duration of the AFS portfolio
  - **Receive fixed swaps** on floating commercial loans and fixed-rate debt reduce short-end asset sensitivity and provide NII protection

# Multiple levers drive net interest income growth

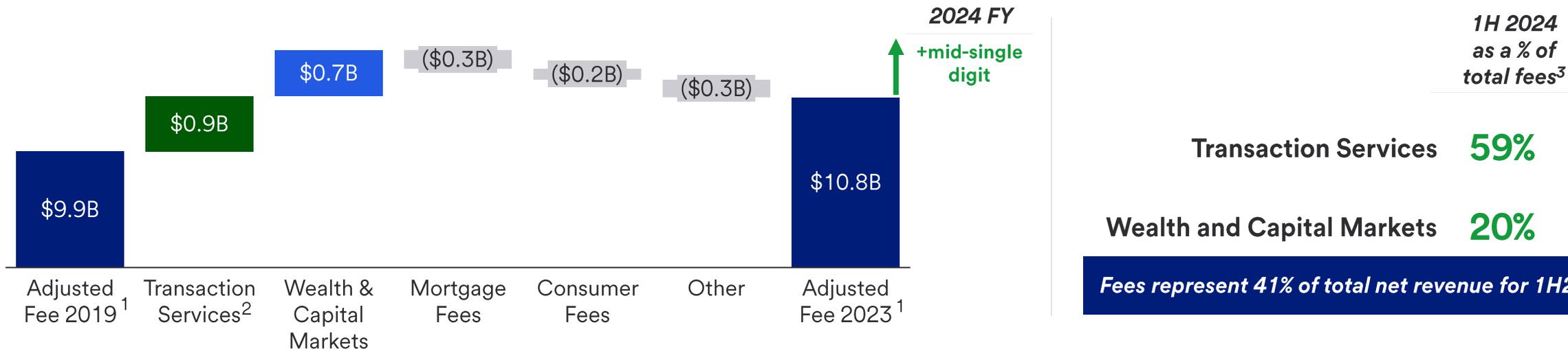
Our guiding principles cut across various components of the balance sheet

<b>Asset Optimization</b>	<ul style="list-style-type: none"><li>• Continue to <b>opportunistically reposition</b> lower yielding earning assets into higher yielding</li><li>• Disciplined approach to loan mix; Prioritizing growth that <b>enhances overall profitability</b> and capital generation</li></ul>
<b>Fixed Asset Repricing</b>	<ul style="list-style-type: none"><li>• Continue to <b>reinvest</b> in existing fixed-rate loans and securities</li><li>• Allocating run-off into <b>higher yielding assets</b></li></ul>
<b>Liability Management</b>	<ul style="list-style-type: none"><li>• Leverage <b>disciplined beta management</b> approach as rates decline</li><li>• Improve deposit mix and product offerings; <b>Balanced approach</b> to market-based funding</li></ul>
<b>IRR Management</b>	<ul style="list-style-type: none"><li>• <b>Neutral interest rate risk positioning</b> and ample hedge capacity provides flexibility under multiple scenarios</li><li>• Active hedging program provides <b>NII and capital protection</b> in varying rate cycles</li></ul>



# Accelerating our fee growth

## Diversified business mix supports a sustainable return profile

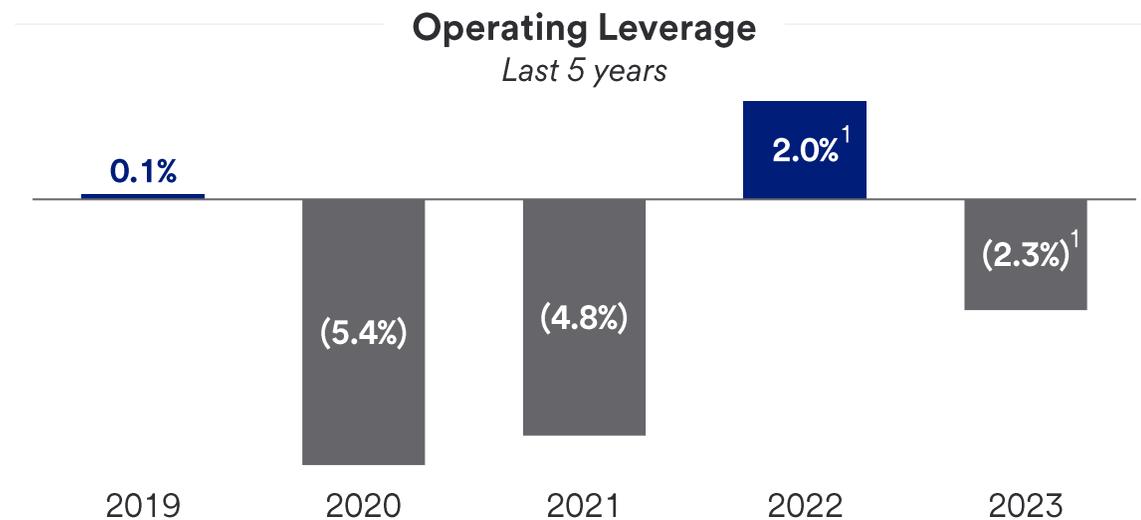


- Transaction Services grew at a 4% CAGR (2019 to 2023)
- Wealth and Capital Markets grew at a 12% CAGR (2019 to 2023)
- Growth offset by declines in mortgage fees across the industry and lower consumer checking fees from proactive pricing activity



# Noninterest expense

Prudently managing expenses to achieve positive operating leverage



## Pivoting to positive operating leverage

- Increase in past investment spend created long-term opportunities for growth
- Centralized operations and captured synergies with Union Bank
- Opportunity to pull additional expense levers:
  - Workforce
  - 3<sup>rd</sup> party spend
  - Operational efficiency
- Will continue to invest at current levels to support our future business growth

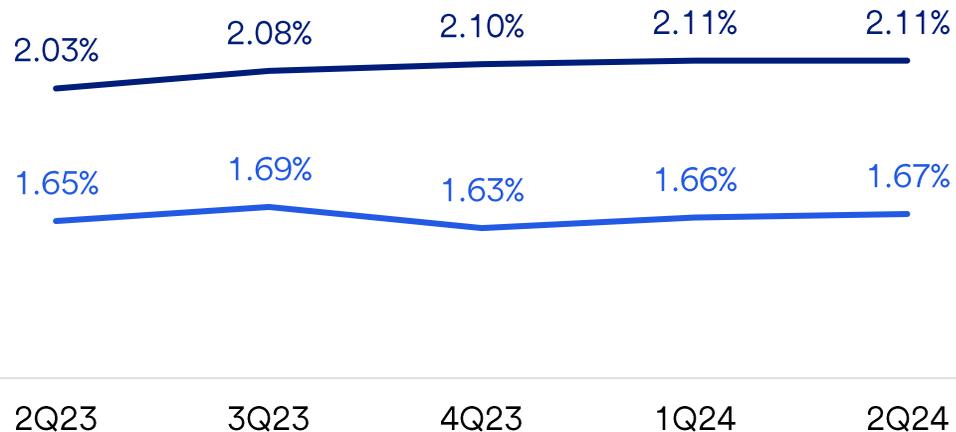
We are committed to delivering positive operating leverage



# Credit quality

Appropriately reserved with a history of disciplined credit risk management through-the-cycle

Allowance for credit losses as a % of period-end loans



— **us bancorp** — **Peer Median<sup>1</sup>**

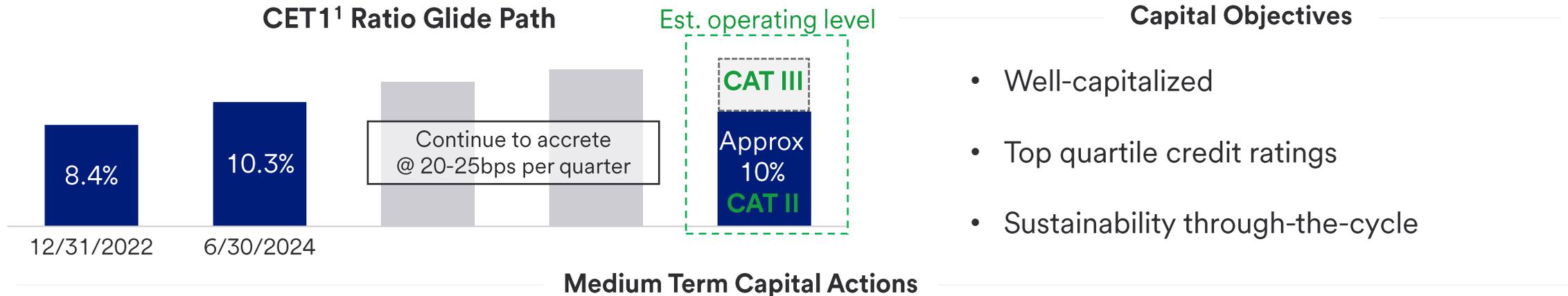
## Prudent credit risk management

- Strong credit quality and the ability to generate sustainable earnings during economic stress
- Reserves appropriate given loan mix, credit trends, and economic outlook
- **Near-term guidance:**
  - Credit Card Net Charge-Offs in 2H24 expected to approximate 1Q24 level, with quarterly variances in line with normal seasonality
  - Total Net Charge-Offs approaching 60bps in 2H24



# Capital management

Balance of capital build and distribution; Capital generation expected to continue at a meaningful pace



- Anticipate migrating to Category II *by no earlier than 2027*
- Continue to generate capital at a meaningful pace
- Build post-Category II CET1 over glidepath to target approximately 10%, subject to Basel III Endgame final rule
- **Commence \$5 billion share repurchase program; Modest repurchases to start by early 2025**



# Capital distributions and targets

Payout Ratio



Earnings Distribution Targets

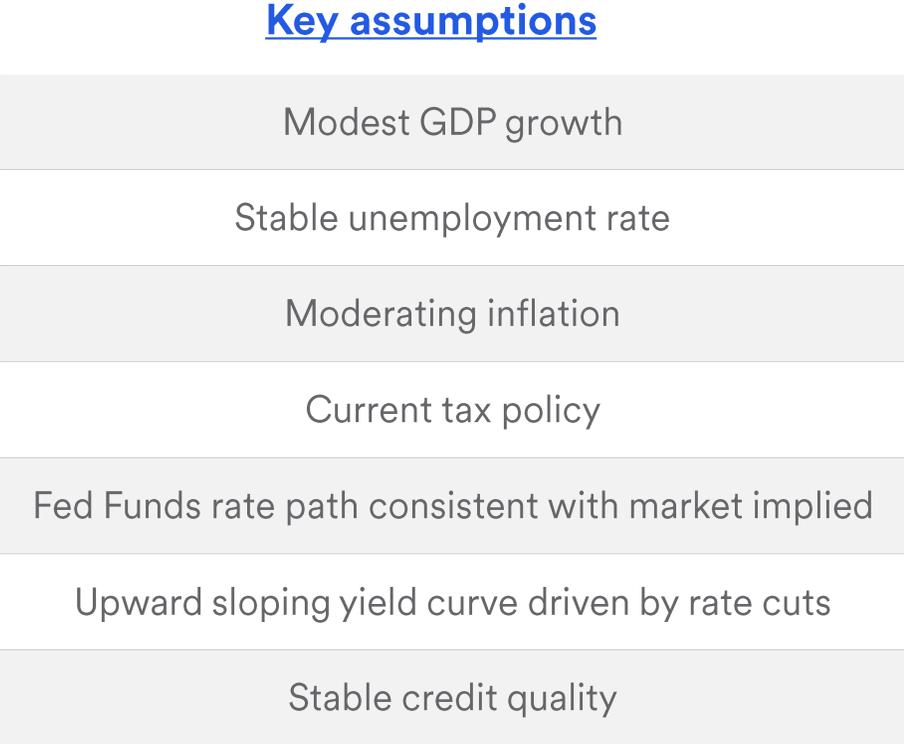
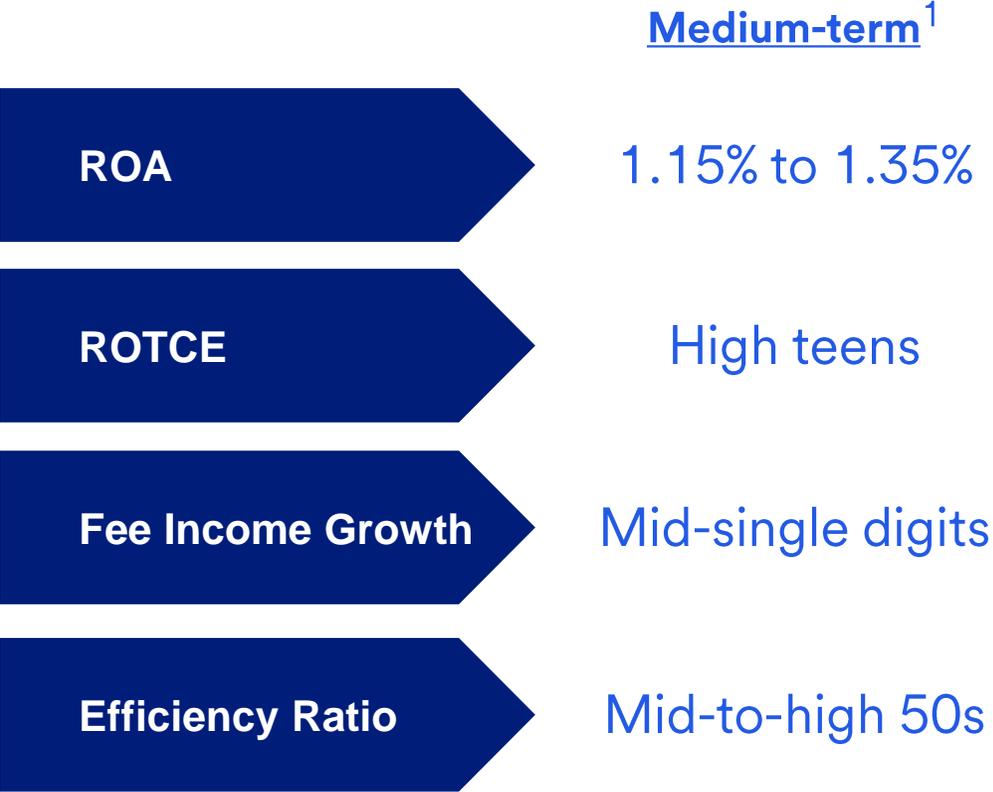


## Hypothetical Earnings Distribution Example

Dividend	40%
Share repurchase	35%
Discretionary distributions	75%

Reinvestment	25%
Assumed ROTCE	High teens
Balance sheet growth	Low-to-mid single digits

# Financial targets



## Guidance – 3Q and FY 2024

### 3Q 2024 Guidance

Net interest income<sup>1</sup>

**Relatively stable**  
*vs. Q2 2024 of \$4,052M*

### FY 2024 Guidance

Net interest income<sup>1</sup>

**\$16.1B to \$16.4B**

Total noninterest income, as adjusted<sup>2</sup>

**Mid-single digit growth**  
*vs. FY 2023 of ~\$10.8B*

Total noninterest expense, as adjusted

**\$16.8B or less**



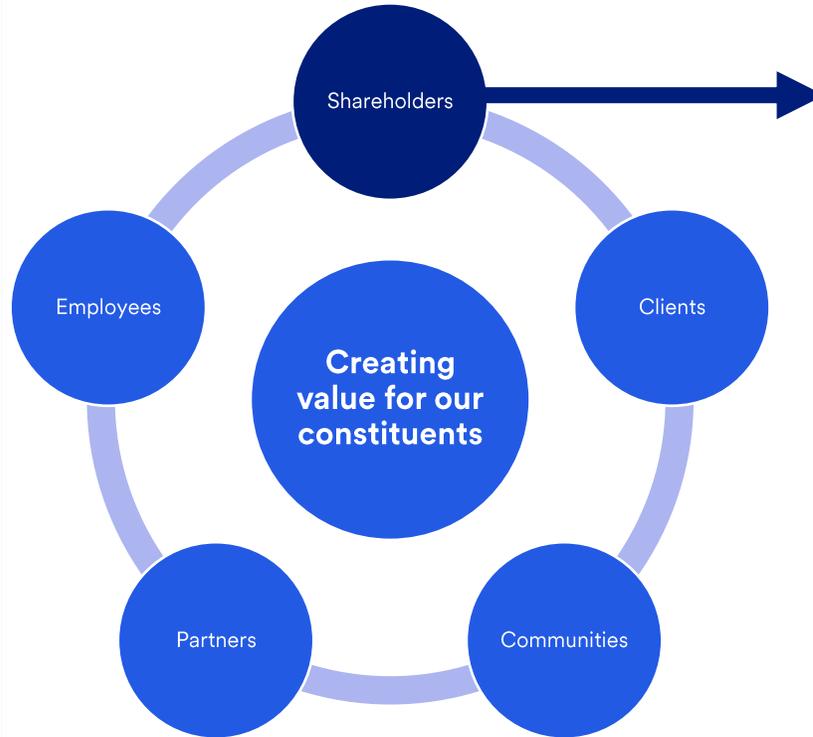


2024  
**INVESTOR  
DAY**

# Closing Remarks

Andy Cecere  
*Chairman and CEO*

A true inflection  
requires reflection  
on where we were,  
where we are,  
and where we're headed



**We are committed to the following for our shareholders:**

- Industry-leading returns
- Leveraging our scale advantage
- Positive operating leverage
- Increased capital levels and distribution
- Continued investment in our growth



## Three final thoughts



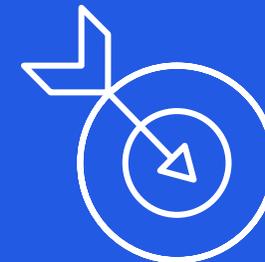
### **Interconnected, growth-oriented**

We are operating as an interconnected, proactive and strategic organization



### **Capitalizing on inflection point**

We will do the right things to capitalize on this moment to drive returns



### **Confident, outcome-focused**

We are confident in our ability to deliver on the goals we've laid out

# Appendix



# Non-GAAP Financial Measures

(Dollar in Millions, Unaudited)	Three Months Ended				Year Ended							
	June 2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	
Net income applicable to U.S. Bancorp common shareholders	\$ 1,518	\$ 5,051	\$ 5,501	\$ 7,605	\$ 4,621	\$ 6,583	\$ 6,784	\$ 5,913	\$ 5,589	\$ 5,608	\$ 5,583	
Less: Notable items (1)	(19)	(1,597)	(1,134)	-	-	-	-	-	-	-	-	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items (a)	1,537	6,648	6,635	7,605	4,621	6,583	6,784	5,913	5,589	5,608	5,583	
Intangibles amortization (net-of-tax) (2)	113	502	170	126	139	133	127	114	116	113	129	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items and intangibles amortization (b)	1,650	7,150	6,805	7,731	4,760	6,716	6,911	6,027	5,705	5,721	5,712	
Average total equity	56,492	54,125	50,882	54,442	52,876	53,252	50,391	49,097	47,988	45,502	43,524	
Less: Average preferred stock	6,808	6,808	6,761	6,255	6,042	5,984	5,636	5,490	5,501	4,836	4,756	
Less: Average noncontrolling interest	463	465	466	632	630	629	628	631	649	689	687	
Less: Average goodwill (net of deferred tax liability)	11,457	11,485	9,240	9,037	8,941	8,742	8,606	8,160	8,242	8,347	8,435	
Less: Average intangible assets, other than MSRs	2,087	2,480	991	650	694	681	595	637	783	764	848	
Average U.S. Bancorp common shareholders' equity, excluding intangible assets (c)	\$ 35,677	\$ 32,887	\$ 33,424	\$ 37,868	\$ 36,569	\$ 37,216	\$ 34,926	\$ 34,179	\$ 32,813	\$ 30,866	\$ 28,798	
Return on Tangible Common Equity, excluding notable items (a) / (c)	17.3%	20.2%	19.9%	20.1%	12.6%	17.7%	19.4%	17.3%	17.0%	18.2%	19.4%	
Return on Tangible Common Equity, excluding notable items and intangibles amortization (b) / (c)	18.6%	21.7%	20.4%	20.4%	13.0%	18.0%	19.8%	17.6%	17.4%	18.5%	19.8%	

# Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Six Months Ended			
	June 30, 2024	June 30, 2024	June 30, 2024	June 30, 2024
<b>Line of Business Financial Performance</b>	Net Revenue	Noninterest Income	Average Loans	Average Deposits
Wealth, Corporate, Commercial and Institutional Banking	\$ 6,054	\$ 2,244	\$ 172,381	\$ 270,007
Consumer and Business Banking	4,637	836	154,845	222,268
Payment Services	3,448	2,073	40,318	2,846
Treasury and Corporate Support	(557)	362	5,334	13,364
Total Company	13,582	5,515	372,878	508,485
Less: Treasury and Corporate Support	(557)	362	5,334	13,364
Total Company excluding Treasury and Corporate Support	\$ 14,139	\$ 5,153	\$ 367,544	\$ 495,121

## Percent of Total Company

Wealth, Corporate, Commercial and Institutional Banking	45 %	41 %	46 %	53 %
Consumer and Business Banking	34 %	15 %	42 %	43 %
Payment Services	25 %	38 %	11 %	1 %
Treasury and Corporate Support	(4) %	6 %	1 %	3 %
Total Company	100 %	100 %	100 %	100 %

## Percent of Total Company excluding Treasury and Corporate Support

Wealth, Corporate, Commercial and Institutional Banking	43 %	44 %	47 %	54 %
Consumer and Business Banking	33 %	16 %	42 %	45 %
Payment Services	24 %	40 %	11 %	1 %
Total Company	100 %	100 %	100 %	100 %



# Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Six Months Ended June 30, 2024
<b>Line of Business Product Mix Performance</b>	<b>Net Revenue</b>
Traditional loans and deposits	\$ 6,971
Transaction services	5,374
Wealth and capital markets	1,794
Treasury and Corporate Support	(557)
Total Company	<u>13,582</u>
Less: Treasury and Corporate Support	(557)
Total Company excluding Treasury and Corporate Support	<u>\$ 14,139</u>
<b>Percent of Total Company</b>	
Traditional loans and deposits	51 %
Transaction services	40 %
Wealth and capital markets	13 %
Treasury and Corporate Support	(4) %
Total Company	<u>100 %</u>
<b>Percent of Total Company excluding Treasury and Corporate Support</b>	
Traditional loans and deposits	49 %
Transaction services	38 %
Wealth and capital markets	13 %
Total Company	<u>100 %</u>



# Non-GAAP Financial Measures

<b>(Dollars in Millions, Unaudited)</b>	Year Ended			
	2019	2021	2023	1H 2024
Noninterest income	\$ 9,831	\$ 10,227	\$ 10,617	\$ 5,515
Less: Notable Items (1)	(140)	-	(140)	-
Less: Securities (gains) losses, net	73	103	(27)	(34)
Noninterest income, excluding notable items and net securities gains (losses)	\$ 9,898	\$ 10,124	\$ 10,784	\$ 5,549
<b>Line of Business Product Mix Performance</b>				
Transaction services	5,423	5,437	6,332	3,284
Wealth and capital markets	1,278	1,516	2,027	1,116
All other noninterest income	3,197	3,171	2,425	1,149
Noninterest income, excluding notable items and net securities gains (losses)	\$ 9,898	\$ 10,124	\$ 10,784	\$ 5,549
<b>Percentage of Noninterest income excluding notable items and net securities gains (losses)</b>				
Transaction services	55%	54%	59%	59%
Wealth and capital markets	13%	15%	19%	20%
All other noninterest income	32%	31%	22%	21%
Noninterest income, excluding notable items and net securities gains (losses)	100%	100%	100%	100%



# Non-GAAP Financial Measures

Dollar in Millions, Unaudited	Three Months Ended		
	June 30, 2023	March 31, 2023	December 31, 2022
Net charge-offs	\$ 649	\$ 373	\$ 578
Less: Notable items (1)	309	91	368
Net charge-offs excluding notable items	340	282	210
Annualized net charge-offs, excluding notable items (a)	1,364	1,444	833
Average loan balances (b)	388,817	386,750	359,811
Net charge-off ratio, excluding notable items (a)/(b)	0.35%	0.30%	0.23%
Credit card loan net charge-offs			\$ 175
Less: Notable items (1)			36
Net charge-offs, excluding notable items			139
Annualized net charge-offs, excluding notable items (g)			551
Credit Card average loan balances (h)			25,173
Credit Card loan net charge-off ratio, excluding notable items (g)/(h)			2.19%



# Non-GAAP Financial Measures

(Dollars in Millions, Unaudited)	Three Months Ended	Year Ended	
	June 30, 2024	December 31, 2023	December 31, 2022
Net interest income	\$ 4,023	\$ 17,396	\$ 14,728
Taxable-equivalent adjustment (2)	29	131	118
Net interest income, on a taxable-equivalent adjustment basis	4,052	17,527	14,846
Noninterest income		10,617	9,456
Less: Notable items (1)		(140)	(399)
Total noninterest income, as adjusted		10,757	9,855
Total net revenue, excluding notable items		28,284	24,701
Percent change (a)		14.5%	8.2%
Noninterest expense		18,873	14,906
Less: Notable items (1)		1,853	329
Total net revenue, excluding notable items		17,020	14,577
Percentage change (b)		16.8%	6.2%
Operating leverage, excluding notable items (a) - (b)		(2.3%)	2.0%



# Notes

1. Notable items for the year-ended December 31, 2023 of \$2.2 billion (\$1.6 billion net-of-tax, including a \$70 million discrete tax benefit) included \$(140) million of noninterest income related to investment securities balance sheet repositioning and capital management actions, \$1.0 billion of merger and integration-related charges, \$734 million of FDIC special assessment charges, a \$110 million charitable contribution and \$243 million of provision for credit losses related to balance sheet repositioning and capital management actions.

Notable items for the year-ended December 31, 2022 of \$1.5 billion (\$1.1 billion net-of-tax) included \$(399) million of noninterest income related to balance sheet repositioning and capital management actions, \$329 million of merger and integration-related charges and \$791 million of provision for credit losses related to the acquisition of Union Bank and balance sheet optimization activities.

Notable items for the year-ended December 31, 2019 included \$(140) million derivative liabilities charge related to previously sold Visa shares.

Notable items for the three months ended June 30, 2024 included \$26 million (\$19 million net-of-tax) charge for the increase in FDIC special assessment.

Notable items for the three months ended June 30, 2023 included \$309 million of net charge-offs related to balance sheet repositioning and capital management actions.

Notable items for the three months ended March 31, 2023 included \$91 million of net charge-offs related to uncollectible acquired loans, considered purchase credit deteriorated as of the date of the acquisition.

Notable items for the three months ended December 31, 2022 of \$368 million in net charge-offs included \$179 million of net charge-offs related to uncollectible Union Bank acquired loans (\$36 million in credit card net charge-offs) and \$189 million of net charge-offs related to balance sheet repositioning and capital management actions.

2. Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent for years 2018 to 2024 and 35 percent for years 2014 to 2017.
3. References to “GSIBs” peers mean: BAC, JPM, WFC. References to “Regional” peers mean: CFG, FITB, KEY, PNC, RF, TFC. References to “Peers” mean BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC, WFC.



**us** bancorp<sup>®</sup>