

Barclays Global Financial Services Conference 2020

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September 15, 2020



Forward-looking Statements and Additional Information

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

Today's 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, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements involve inherent risks and uncertainties, and important factors could cause actual results to differ materially from those anticipated. The COVID-19 pandemic is adversely affecting U.S. Bancorp, its customers, counterparties, employees, and third-party service providers, and the ultimate extent of the impacts on its business, financial position, results of operations, liquidity, and prospects is uncertain. Continued deterioration in general business and economic conditions or turbulence in domestic or global financial markets 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. In addition, changes to statutes, regulations, or regulatory policies or practices could affect U.S. Bancorp in substantial and unpredictable ways. U.S. Bancorp's results could also be adversely affected by changes in interest rates; further increases in unemployment rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; changes in the level of tariffs and other trade policies of the United States and its global trading partners; changes in customer behavior and preferences; breaches in data security; failures to safeguard personal information; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputation risk.

For discussion of these and other risks that may cause actual results to differ from expectations, refer to U.S. Bancorp's Annual Report on Form 10-K for the year ended December 31, 2019, on file with the Securities and Exchange Commission, including the sections entitled "Risk Factors" and "Corporate Risk Profile" contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, including the section entitled "Risk Factors" in the Quarterly Report on Form 10-Q for the quarter ended June 30, 2020. 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. 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.

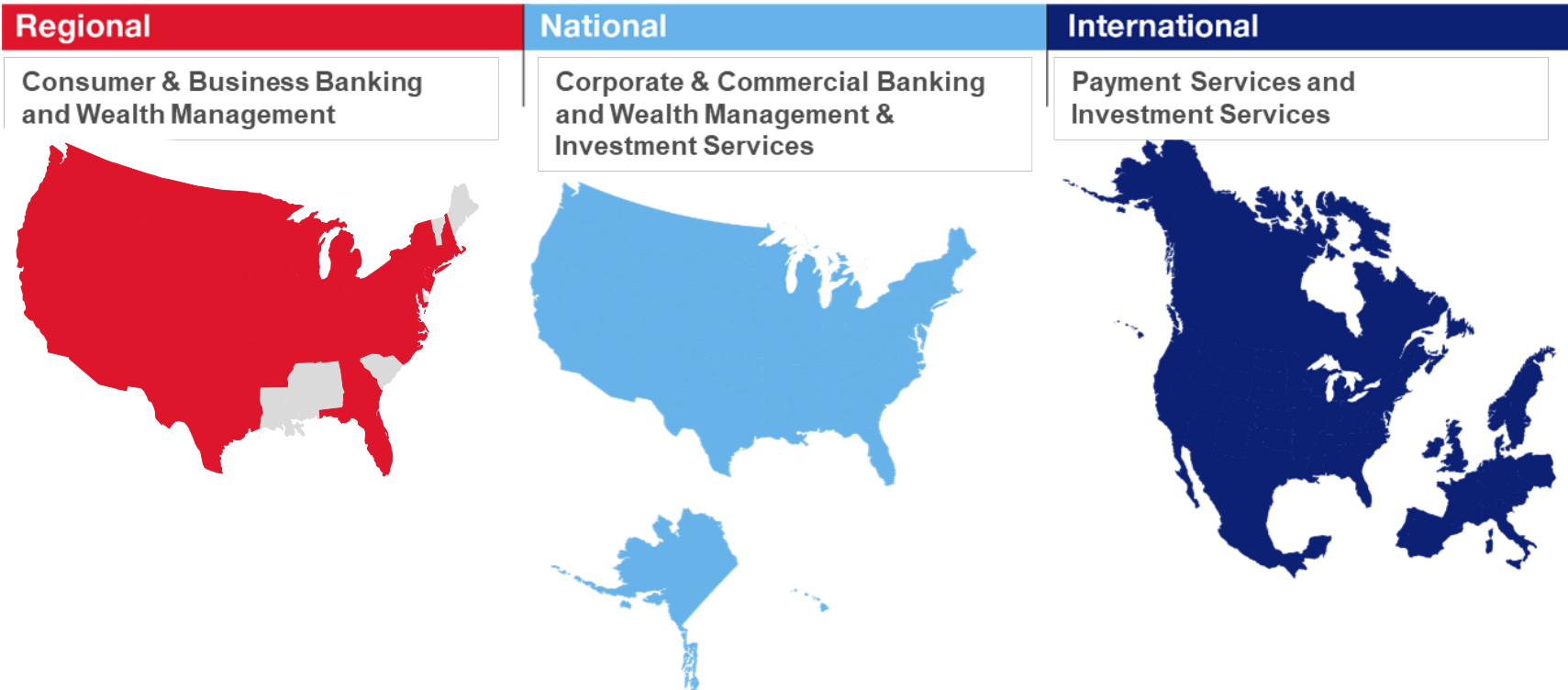


U.S. Bancorp Overview

NYSE Traded USB
Founded 1863
Market Value \$55B

Branches 2,729
ATMs 4,333

Assets \$547B
Deposits \$413B
Loans \$310B



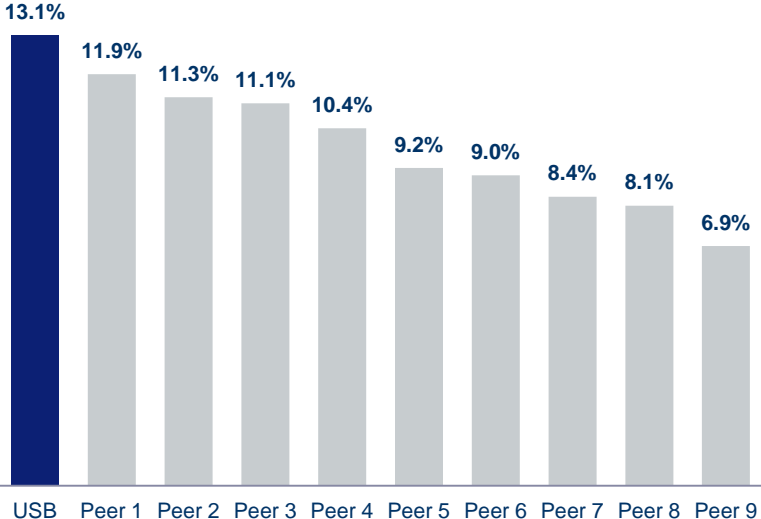
Our Position In the Industry

Assets			Deposits			Market Value		
Rank	Company	\$ in billions	Rank	Company	\$ in billions	Rank	Company	\$ in billions
1	J.P. Morgan	\$3,213	1	J.P. Morgan	\$1,931	1	J.P. Morgan	\$307
2	Bank of America	2,742	2	Bank of America	1,719	2	Bank of America	221
3	Citigroup	2,233	3	Wells Fargo	1,411	3	Citigroup	107
4	Wells Fargo	1,969	4	Citigroup	1,234	4	Wells Fargo	98
5	U.S. Bancorp	547	5	U.S. Bancorp	413	5	U.S. Bancorp	55
6	Truist Financial	504	6	Truist Financial	376	6	Truist Financial	51
7	PNC	459	7	PNC	346	7	PNC	47
8	Fifth Third	203	8	Fifth Third	157	8	Fifth Third	15
9	Citizens Financial	180	9	Citizens Financial	144	9	KeyCorp	12
10	KeyCorp	171	10	KeyCorp	136	10	Citizens Financial	12

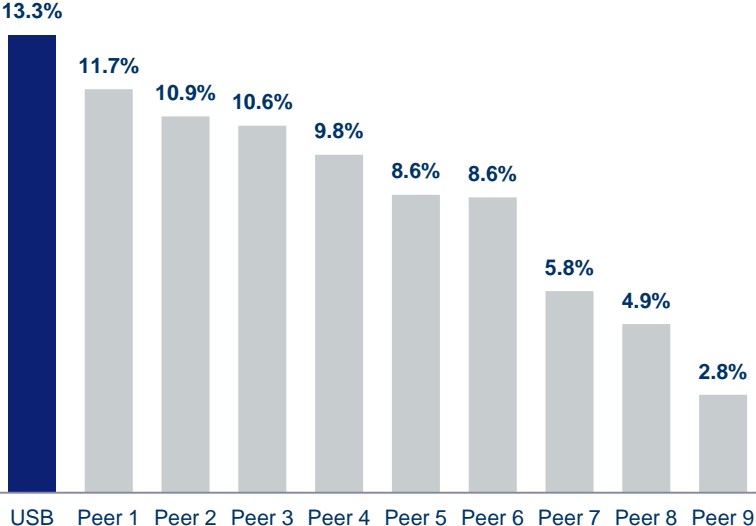


Long History of Industry-leading Returns on Equity...

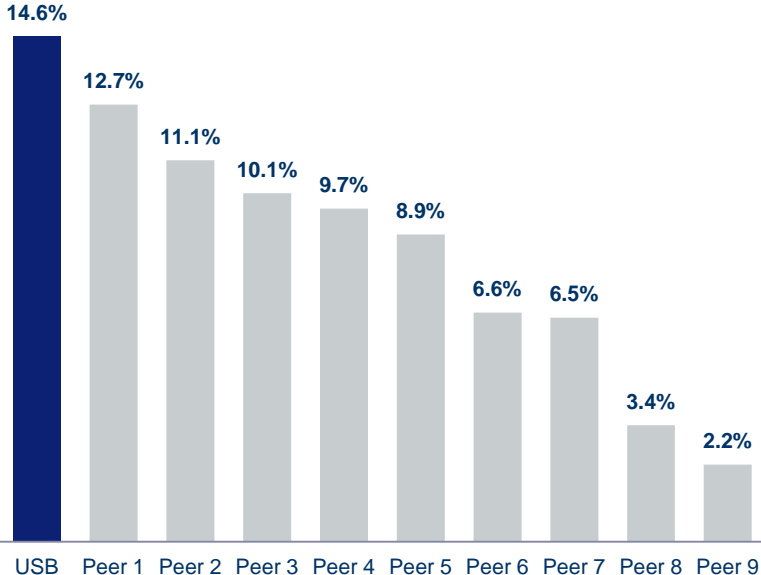
Return on Average Equity
(5-Year Average)*



Return on Average Equity
(10-Year Average)*



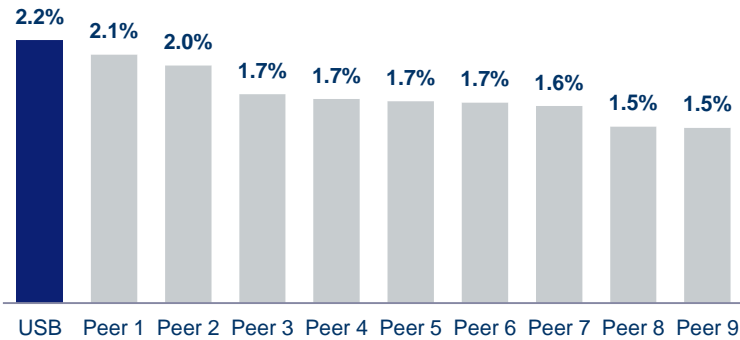
Return on Average Equity
(15-Year Average)*



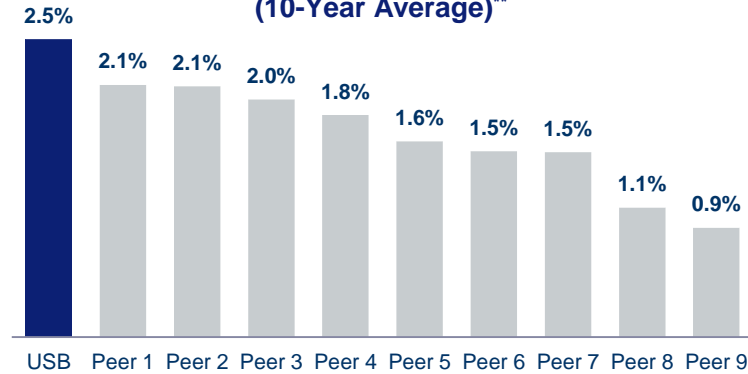
Source: S&P Global Market Intelligence; Peer banks include: BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC and WFC
* 5-Year average ranges from 2015-2019, 10-Year average ranges from 2010-2019, 15-Year average ranges from 2005-2019

... driven by superior PPNR* and credit quality performance

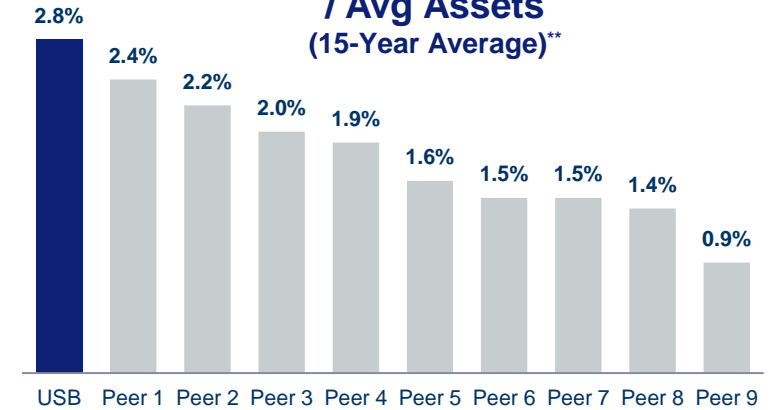
**Pre-Provision Net Revenue*
/ Avg Assets
(5-Year Average)****



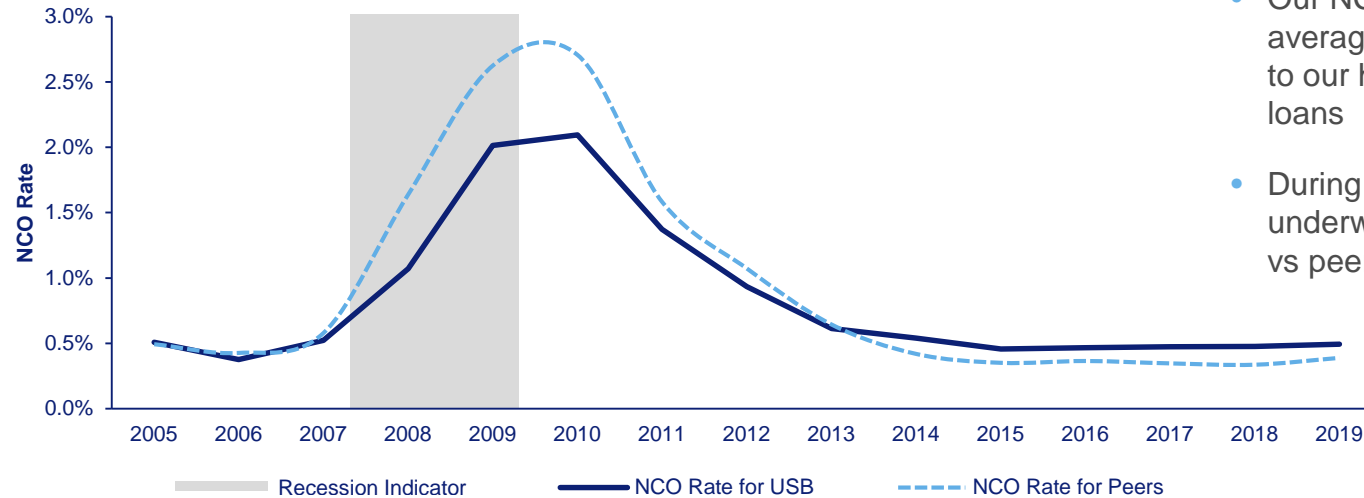
**Pre-Provision Net Revenue*
/ Avg Assets
(10-Year Average)****



**Pre-Provision Net Revenue*
/ Avg Assets
(15-Year Average)****



Net Charge-off Rates



- Our NCO ratios tend to run higher than peer average in periods of economic strength due to our higher than average mix of credit card loans
- During periods of stress, our disciplined underwriting is validated by lower NCO ratios vs peers

Source: S&P Global Market Intelligence; Peer banks include: BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC and WFC

* PPNR defined by S&P Global Market Intelligence as: Net interest income, on a fully tax-equivalent basis, plus fees and other noninterest income minus non-credit-related expenses. Nonrecurring revenue and nonrecurring expense and securities gains and losses are excluded.

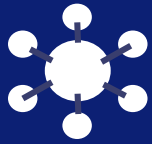
** 5-Year average ranges from 2015-2019, 10-Year average ranges from 2010-2019, 15-Year average ranges from 2005-2019

Underpinning our best-in-class financial results:

- A **differentiated business mix**
- Through-the-cycle **underwriting** discipline
- A strong and nimble **culture**

What differentiates U.S. Bank?

Business mix



- Traditional banking combined with differentiated high-return fee businesses
- Regional, national and international scope

Underwriting



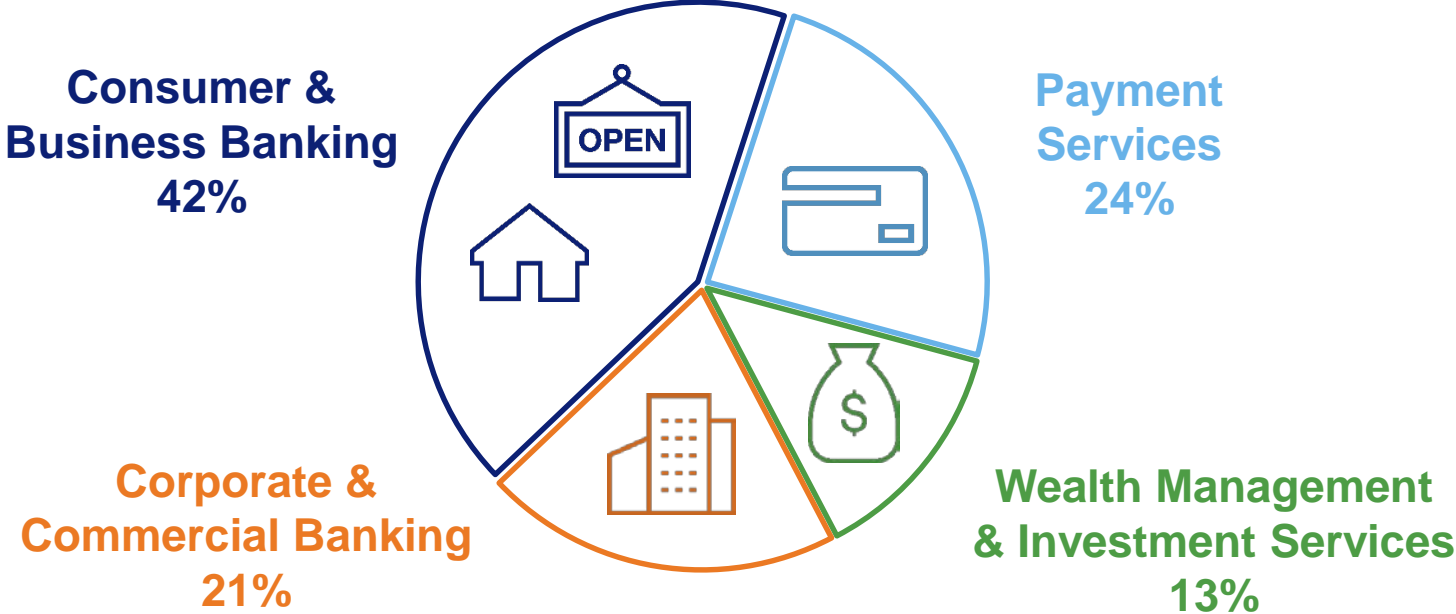
- Through-the-cycle approach
- Proactive portfolio management
- Relationship-based, cash flow lender

Culture



- Culture of innovation
- Culture of optimization
- Culture of 'doing the right thing' for all our stakeholders

Our differentiated business mix supports consistent growth



Consumer & Business Banking

Branch banking, small business banking, consumer lending, **mortgage banking** and omnichannel delivery



Corporate & Commercial Banking

Corporate Banking, Commercial Banking and Commercial Real Estate



Payment Services

Retail Payment Solutions, Global Merchant Acquiring and Corporate Payment Systems



Wealth Management & Investment Services

Wealth Management, Asset Management, **Corporate Trust, Fund Services** and Custody

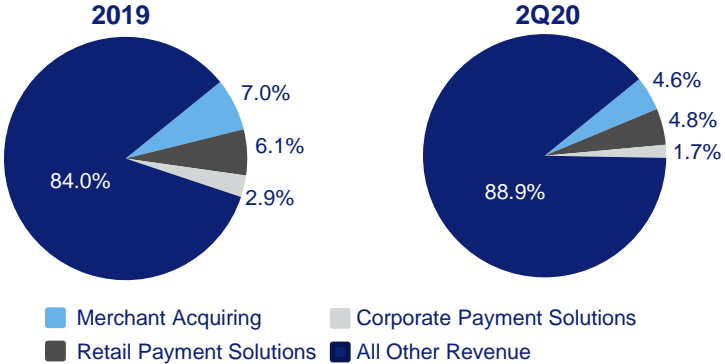
2Q 2020 YTD taxable-equivalent basis
 Business line revenue percentages exclude Treasury and Corporate Support; see slide 24 for reconciliation



Payment Services: industry spend pressures are abating

Spend activity is down YoY but volume trends have improved as some economies have started to re-open

Payment Fees as a % of Net Revenue



• Total payments revenue, which includes net interest income and fee revenue, accounted for 27.0% of FY19 net revenue and 21.6% of 2Q20 net revenue

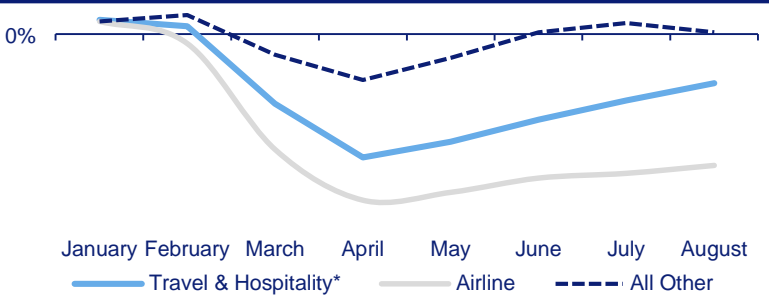
Merchant Acquiring	% of Merchant Acquiring Volume	
	2019	2Q20
Travel & Hospitality*	21.6%	12.7%
Airline	14.9%	0.4%
All Other	63.5%	86.9%

CPS	% of CPS Volume	
	2019	2Q20
Travel & Entertainment	18.5%	3.5%
All Other	81.5%	96.5%

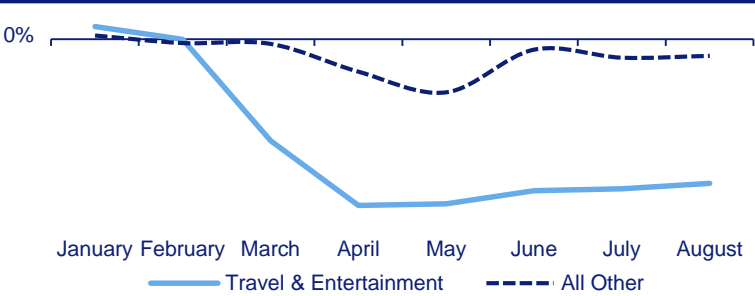
RPS**	% of RPS Volume	
	2019	2Q20
Travel*** (Credit & Debit)	6.6%	1.1%
All Other	93.4%	98.9%

- Payments sales volumes have rebounded since bottoming in April 2020
- Travel & hospitality, airline, and travel & entertainment may take longer to recover, but the revenue impact is mitigated by our broad product set

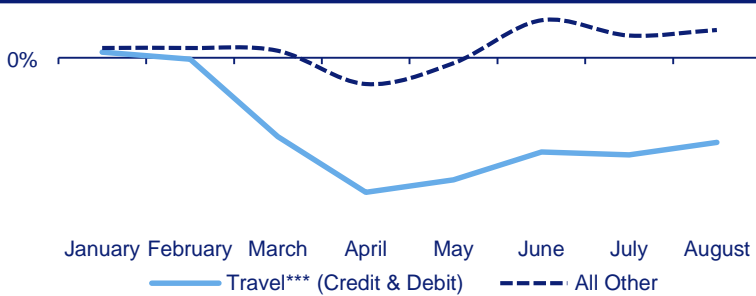
Merchant Sales Volume Growth YoY****



CPS Sales Volume Growth YoY****



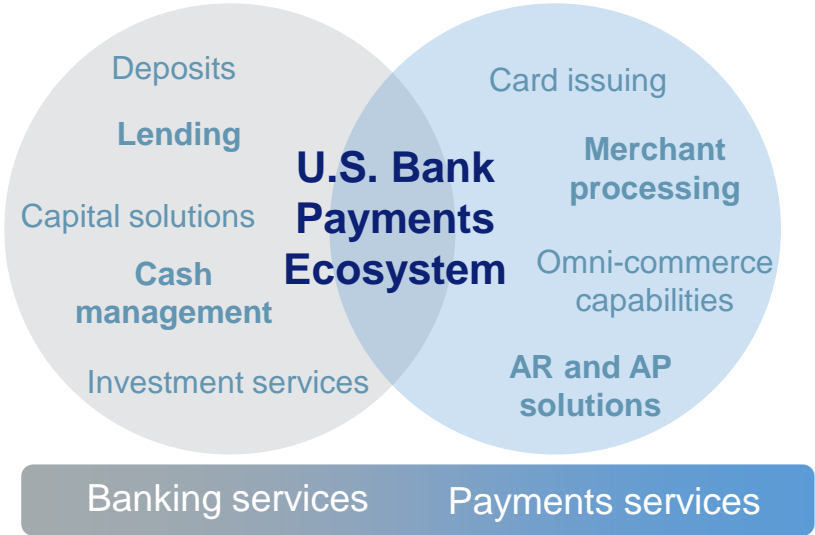
RPS** Sales Volume Growth YoY****



* Travel and Hospitality includes hotels, restaurants, entertainment & travel
 ** RPS includes credit, debit, and prepaid
 *** Travel includes airlines, auto rental, hotel/motel, other transportation, travel agencies
 **** Data ranging from January 2020 – August 2020

Unlocking the potential of our complete Payments Ecosystem

As the lines between traditional banking and payments capabilities blur, the opportunity is for us to provide **integrated banking and payments solutions** to our extensive customer base



- **Extensive** network of **distribution** points, innovative products and capabilities
- Uniquely positioned in the banking industry with **proprietary platforms** at scale
- With the estimated size of the U.S. **B2B market at \$23T*** we are focusing on creating use cases through our Agile Studios to bring digital solutions to corporate America

Investing in our business:

- To enhance e-commerce capabilities and European reach:



- Opayo, formerly Sage Pay, expands our customer base in the UK and Ireland, particularly for small and medium-sized enterprises

- To enhance our integrated solutions to small business customers:



- talech provides software that allows businesses to manage multiple operational tasks including order management, inventory, staff reporting, and payment processing in a single POS solution

- To enhance integrated payment software solutions to large enterprises in targeted verticals:



- CenPos focuses on three industry verticals: automotive, travel & entertainment and general B2B transactions

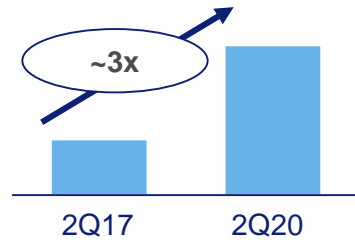
* Source: Deloitte

We are playing the long game in Mortgage Banking

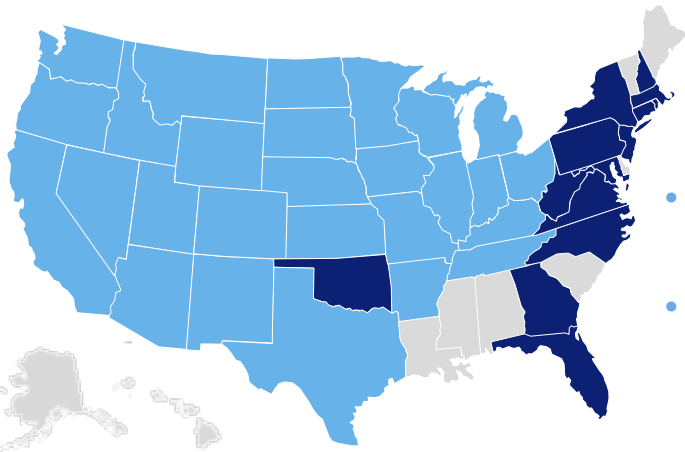
Our investments in **technology and people** – including a re-imagined digital application experience...



% Applications through portal



- Over 90% of mortgage applications now move through the **Blend platform**

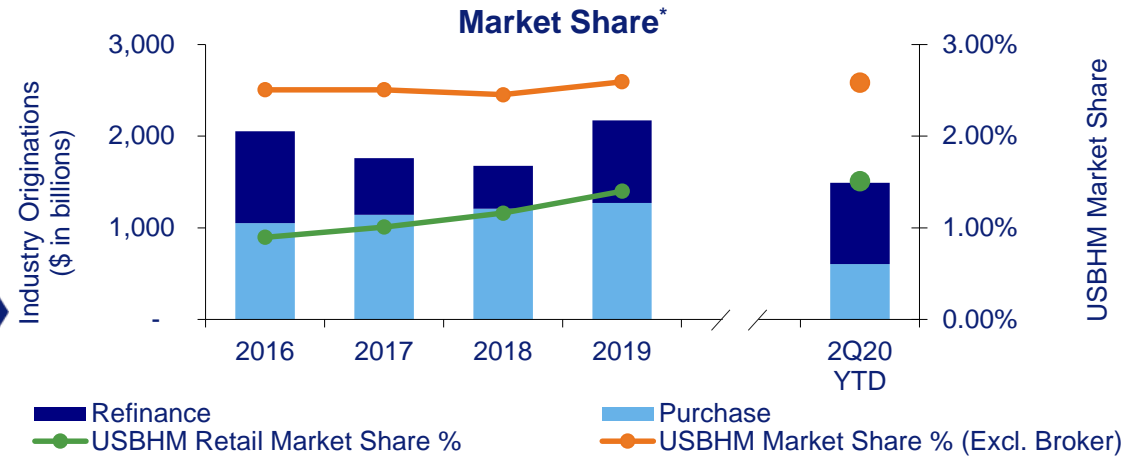


- Today, we have Mortgage Loan Officers in **41 states**
- The number of loan officers have increased **33%** since 2Q17

■ States with USB MLOs in 2016 ■ States USB added MLOs ■ No current USB MLO

...are driving **market share gains** and **cost savings**

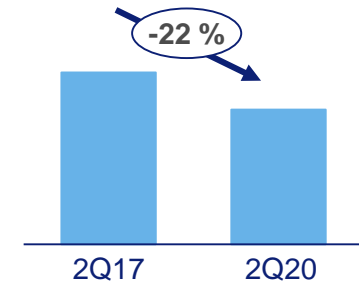
- Increased **retail market share 61 bps** since 2016 while maintaining a healthy balance of refinance and purchase activity



■ Refinance ■ Purchase ● USBHM Retail Market Share % ● USBHM Market Share % (Excl. Broker)



Operations Cost Per Loan



- As we leverage the digital platform, we continue to see **improved productivity and efficiency**

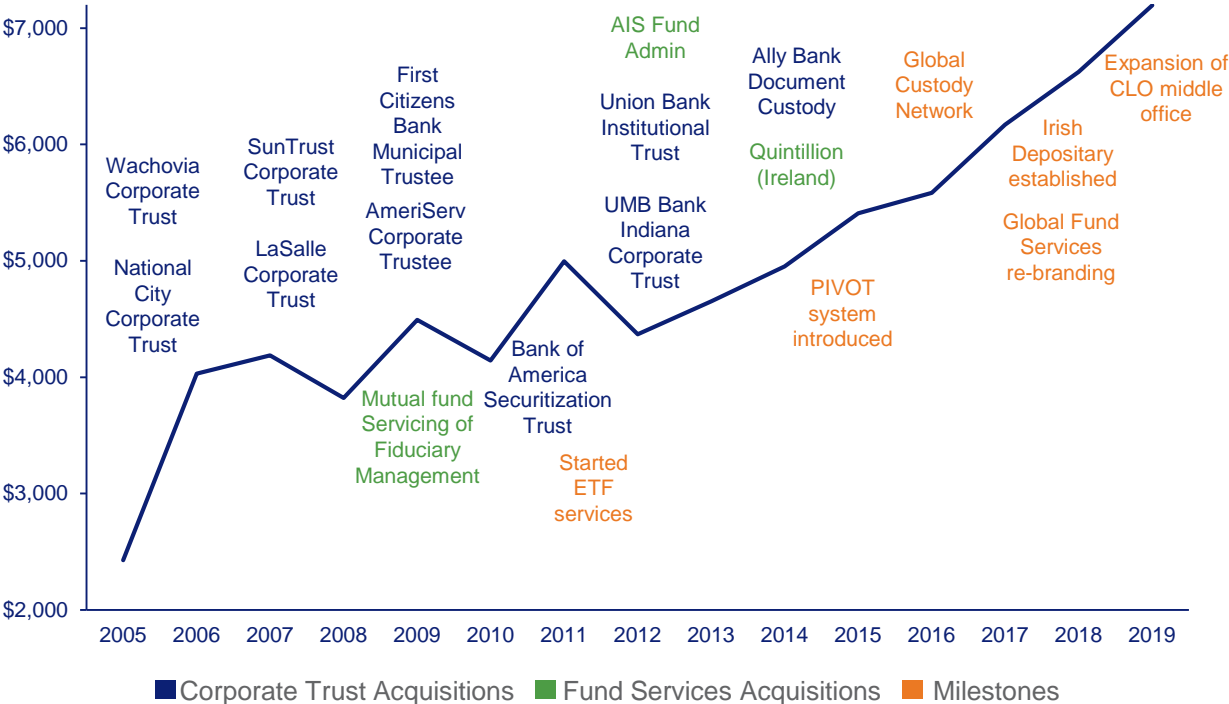
* Source: Mortgage Bankers Association

We are a leader in Corporate Trust and Fund Services

These capital efficient businesses are a good source of deposits and fees

Assets Under Custody and Administration (\$bn)

2005-2019 CAGR: 8.1%



Corporate Trust

corporations, municipalities, credit managers

> World-class products and technology; dominant market share; global footprint

Fund Services

asset managers and registered investment advisors

> Focused on complex funds; emerging global capability

#1 structured trustee*

#2 corporate trustee**

#1 municipal trustee**

#8 custody administrator***

* Source: Asset-Backed Alert

** Source: SDC Platinum

*** Source: Company filings

What differentiates U.S. Bank?

Business mix



- Traditional banking combined with differentiated high-return fee businesses
- Regional, national and international scope

Underwriting



- Through-the-cycle approach
- Proactive portfolio management
- Relationship-based, cash flow lender

Culture

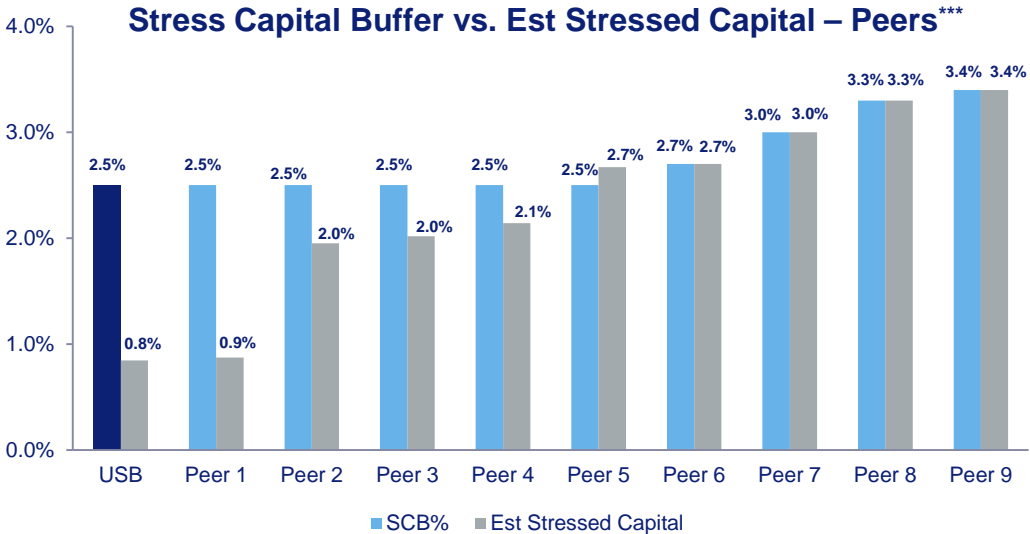
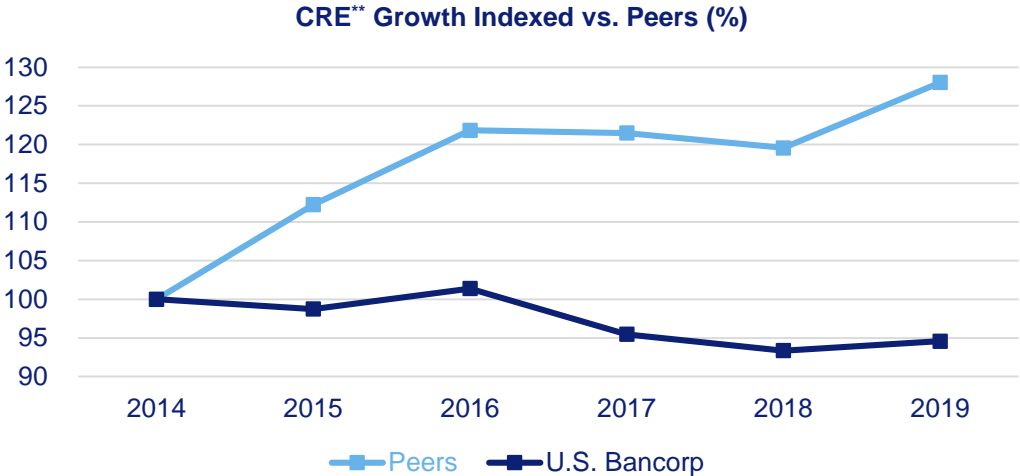


- Culture of innovation
- Culture of optimization
- Culture of 'doing the right thing' for all our stakeholders

Underwriting discipline through the cycle is foundational

Portfolio	2Q20 Wtd Avg FICO/Bond rating equivalent *	2Q20 Avg LTV *
Residential mortgage	768	68%
Home equity	791	65%
Auto loan	792	98%
Auto lease	783	91%
Credit card	773	N/A
Commercial	Baa3/BBB-	N/A
Commercial real estate	Ba1/BB+	59%

- **Prime-based lender** for retail portfolios
- **Investment grade equivalent** in commercial portfolios with limited leveraged lending
- Relationship-based commercial real estate lending; **over 80% of CRE commitments are in-footprint**
- During the 2020 Fed Stress Test, **USB performed best in class** versus our peer group



* FICO and LTV at origination

** Data sourced from FRY-9C's provided by S&P Global Market Intelligence

*** Source: Dodd-Frank Act Stress Test 2020: Supervisory Stress Test Results; Peer banks include: BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC and WFC

*** Note: Estimated Stressed Capital is calculated as estimated losses from DFAST plus current quarterly dividend annualized as a percentage of risk weighted assets

Near-term credit quality headwinds are expected to be manageable

Commercial Exposures by Impacted Industries*, 2Q20

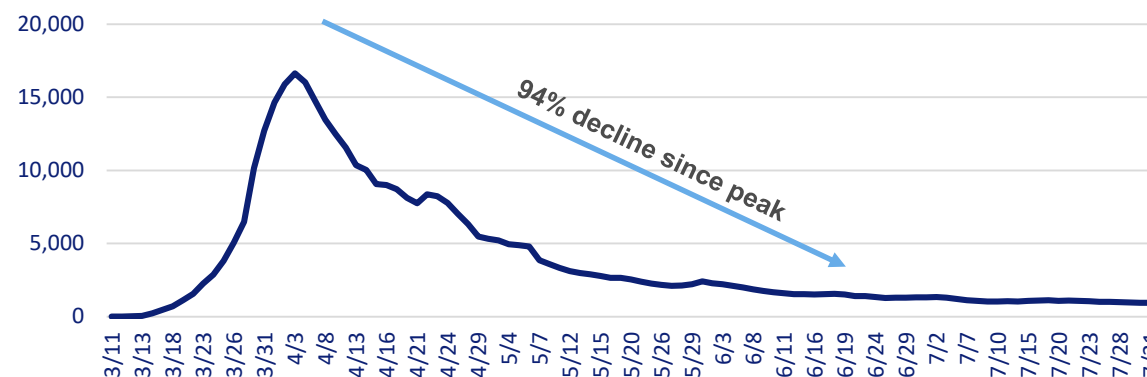
Segment	Commitments	Loans
Retail	5.4%	4.6%
<i>Malls (Secured & REITs)</i>	<i>0.5%</i>	<i>0.6%</i>
Energy	2.3%	1.1%
Media & Entertainment	2.2%	2.2%
Lodging	1.1%	1.4%
Airline	0.6%	0.6%

- The loan portfolio remains well diversified, with the Retail sector representing the largest segment of commercial exposure to impacted industries at 4.6% of total loans
- Volume of new payment relief has reached a steady state since peaking in April 2020
- 35% to 40% of consumer accounts have **made at least one payment while in payment relief**: Credit Cards (41%), Residential Mortgages (39%) and Other Retail (36%)

Payment Relief**, 2Q20

Segment	Payment Relief (\$B)	% of Segment Loans
Commercial	\$4.0	3.3%
Commercial Real Estate	\$5.5	13.4%
Residential Mortgages***	\$6.6	9.2%
Credit Cards	\$0.4	2.0%
Other Retail	\$3.3	5.8%

Loss Mitigation Daily Volumes; 5-Day Moving Avg.



* Excludes operating leases and unfunded unconditionally cancellable

** Statistics above are cumulative payment relief since March 2020. Payment relief generally includes payment deferrals, forbearances, extensions and re-ages.

***Residential mortgages exclude GNMA Buybacks, which are government guaranteed

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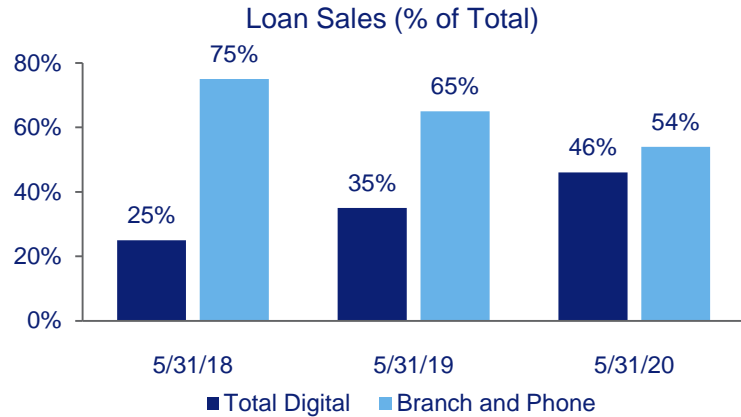
Culture



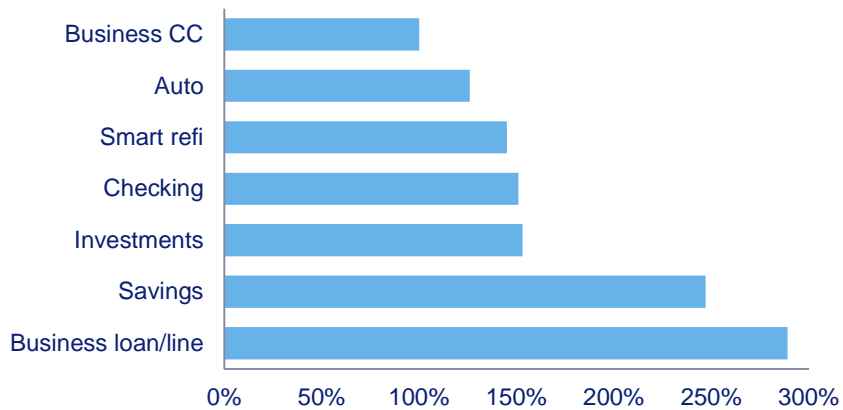
- Culture of innovation
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Culture of Innovation

Over 75% of transactions take place digitally; increasing digital sales is still a big opportunity



Digital Sales Share Growth in % pts YoY**



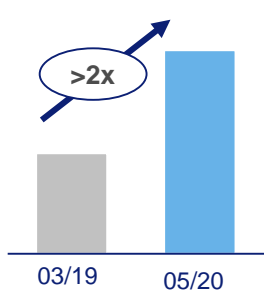
The digital door is always open...

Increasing interactions and Improving process



- We are increasing our mobile app DIY capabilities, recognizing the importance of being able to also serve our customers through 'shared glass' or 'do-it-together' experiences

Growth in mobile interactions*



Using data analytics for the benefit of our customers



- We can leverage our treasure trove of data to create **smart 'value-added' interactions** for our customers



Savings Below the Glass:

- Migration to digital will drive cost savings and efficiencies through scaled optimization and developing 're-usable' technology

* Represents core Consumer Banking customers average daily mobile app interactions from March 2019 – May 2020
 Total Digital includes both online and mobile platforms
 ** Data ranging from July 2019 – July 2020

Culture of Optimization

The transformation of our distribution network is aimed at creating a seamless customer experience that integrates the best of our physical and digital assets



Closing branches where appropriate and optimizing square footage

Relocating and redesigning branches in our existing markets

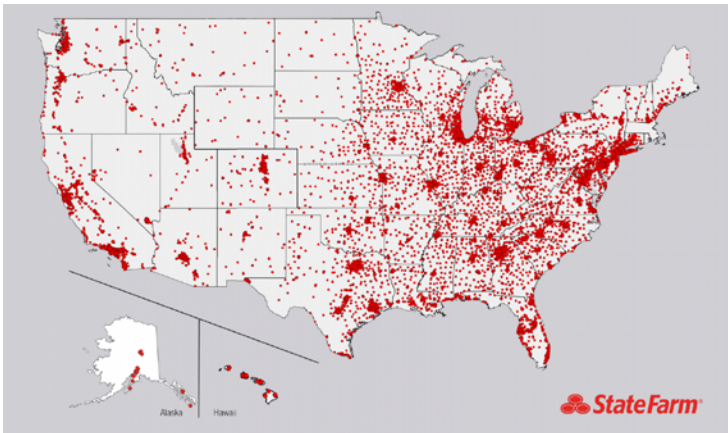
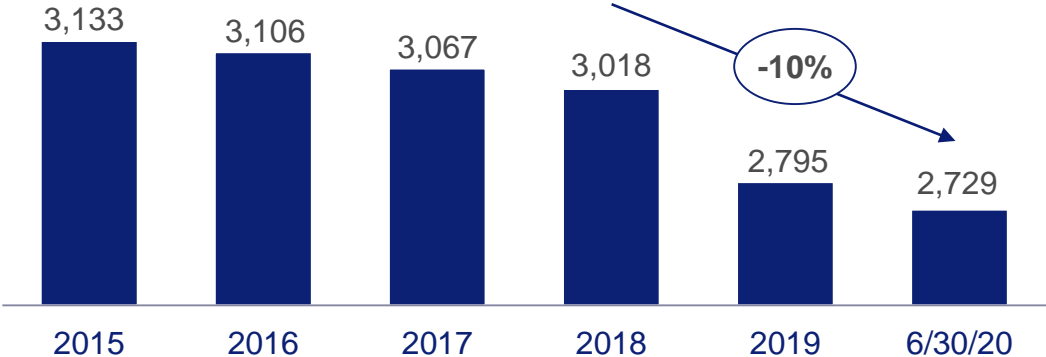


Selectively entering new markets with a branch-lite physical presence

Building alliances with those that share our values to serve customers and communities at greater scale

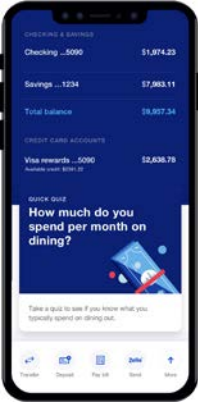


Branch count



Over 19,000 State Farm agents

U.S. Bank Digital and Product capabilities



Our culture is rooted in ‘doing the right thing’

We put our employees, customers and communities at the center of everything we do

Supporting financial inclusion



- We serve the **underbanked market** through products such as Safe Debit Account and Simple Loan
- In 2019 we doubled our American Dream loans, which serves **lower/middle income (LMI) borrowers**, in both applications and volume
- In June 2020 we announced several initiatives to address social and economic inequities including:
 - Will provide **\$100 million annually** in additional capital to African-American owned and led businesses
 - Committed to **doubling partnerships** with African-American suppliers

Investing in our communities



- Through our Community Possible program we invest **billions of dollars** each year in economic and community development initiatives nationwide
- \$2B in **small business administration** loans at 12/31/19
- In 2019 we made \$1.1B in community development loans and \$3B in investments to organizations connecting families with **affordable housing opportunities***
- Since 2009 we have invested more than \$110M in the Pullman neighborhood in Chicago which has catalyzed \$133M in additional investments

Creating an inclusive workplace



- One of the 2020 **top 50 companies for Diversity**, DiversityInc.
- Ranked No. 3 best employer for **veterans** in the U.S. Military Times, August 2020
- One of the 2020 Best Employers for **Women**, Forbes
- Top score (100%) on the 2020 **Disability Equality** Index, AAPD
- One of the 2020 Best Companies for **Multicultural Women**, Working Mothers
- 2020 Best Place to Work for **LGBTQ Equality**, Human Rights Campaign
- One of the 2020 **World’s Most Ethical Companies**, Ethisphere Institute

* Through U.S. Bancorp Community Development Corporation

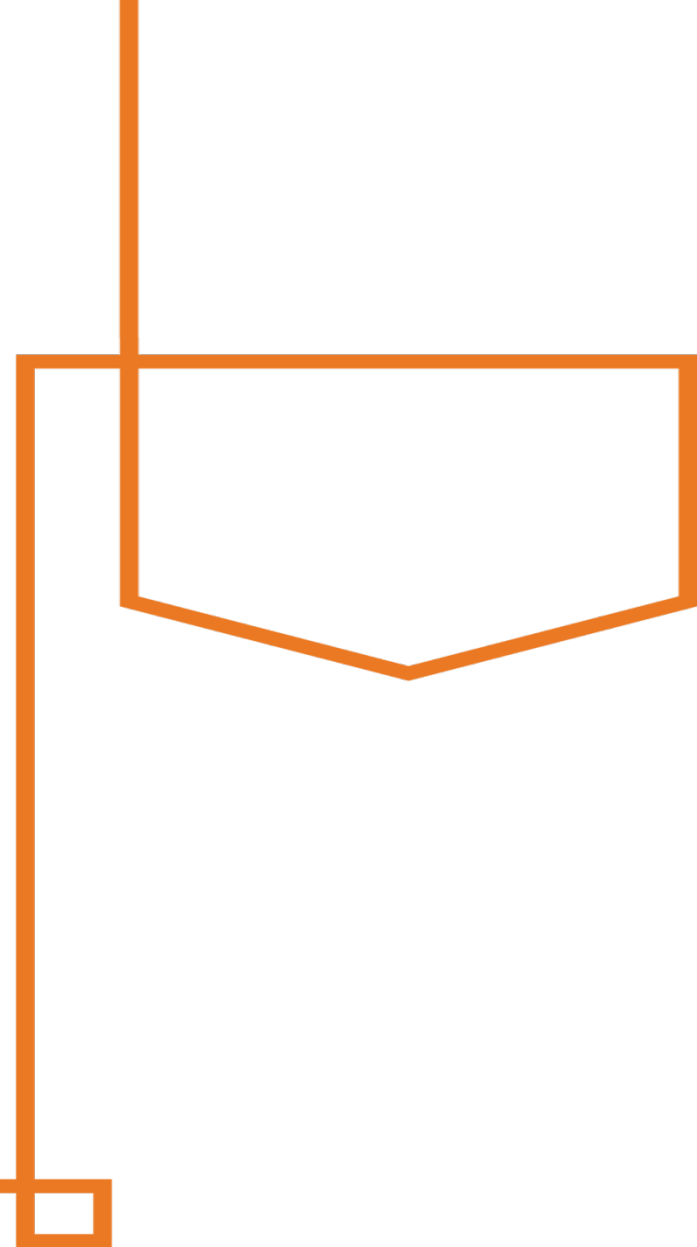
We are managing for the long-term while delivering near-term results that support a pathway to the future.

3Q20 Guidance Update

- Net interest income
- Noninterest income
- Expenses
- Credit quality
- Tax rate



Appendix



Non-GAAP Financial Measures

(\$ in millions)	Net Revenue
Line of Business Financial Performance	2QYTD
Corporate and Commercial Banking	\$ 2,301
Consumer and Business Banking	4,707
Wealth Management and Investment Services	1,466
Payment Services	2,705
Treasury and Corporate Support	431
Total Company	11,610
Less Treasury and Corporate Support	431
Total Company excl. Treasury and Corporate Support	\$ 11,179

Percent of Total Company

Corporate and Commercial Banking	20%
Consumer and Business Banking	40%
Wealth Management and Investment Services	13%
Payment Services	23%
Treasury and Corporate Support	4%
Total	100%

Percent of Total Company excl. Treasury and Corporate Support

Corporate and Commercial Banking	21%
Consumer and Business Banking	42%
Wealth Management and Investment Services	13%
Payment Services	24%
Total Company excl. Treasury and Corporate Support	100%

