

Goldman Sachs U.S. Financial Services Conference 2020

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Chairman, President and Chief Executive Officer

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December 9, 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 September 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

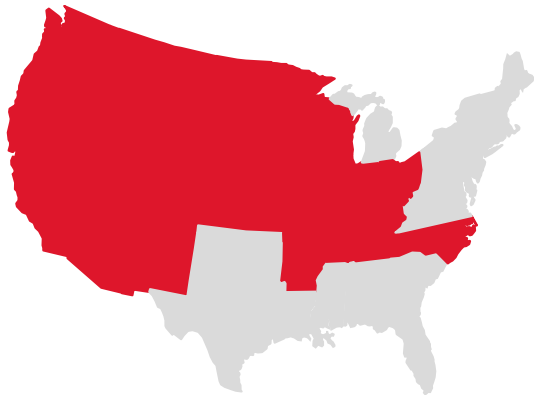
NYSE Traded USB
Founded 1863
Market Value \$68B

Branches 2,730
ATMs 4,406

Assets \$540B
Deposits \$413B
Loans \$307B

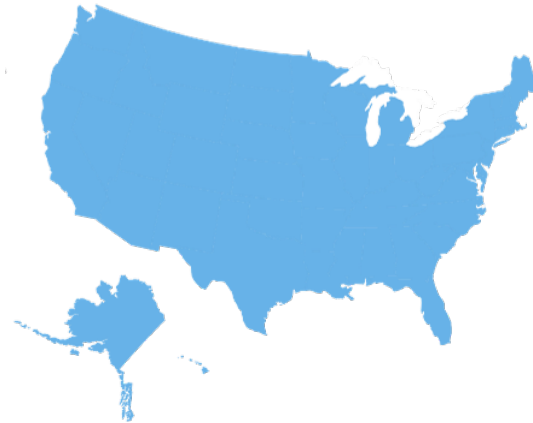
Regional

Consumer & Business Banking
and Wealth Management



National

Corporate & Commercial Banking
and Wealth Management &
Investment Services



International

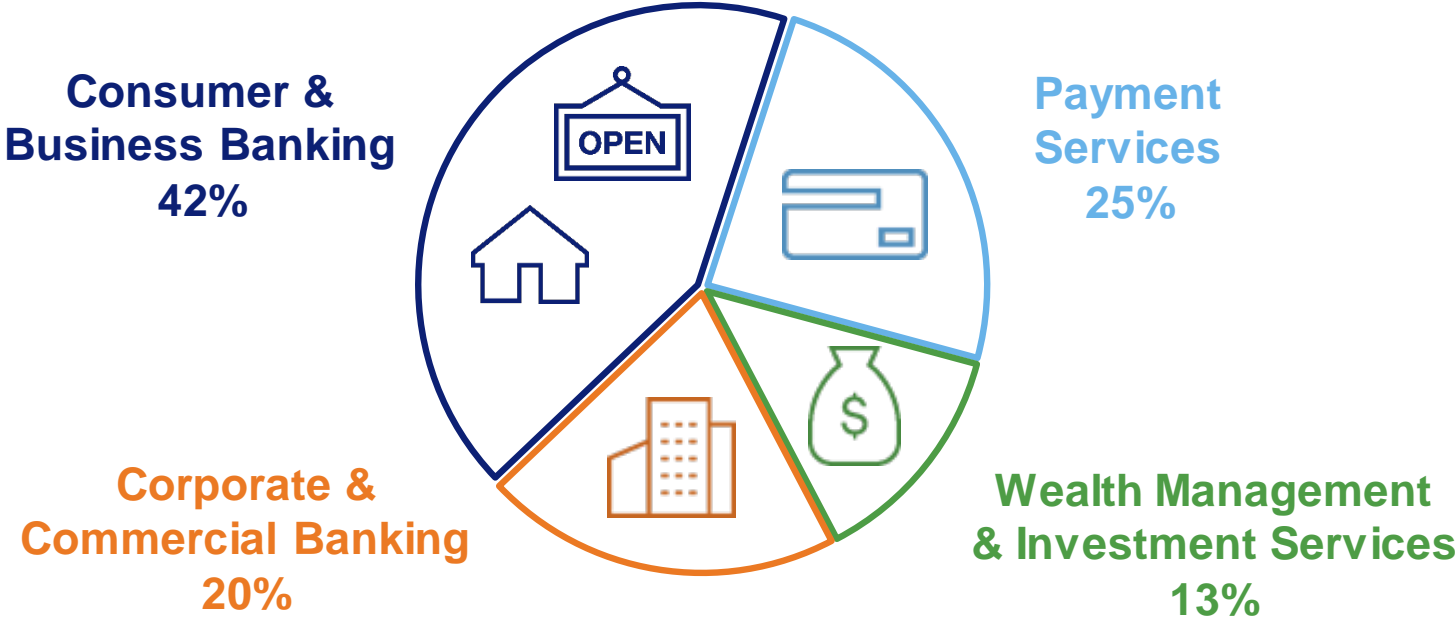
Payment Services and
Investment Services



Our Position In the Industry

Assets			Deposits			Market Value		
1	J.P. Morgan	\$3,246	1	J.P. Morgan	\$2,001	1	J.P. Morgan	\$373
2	Bank of America	2,738	2	Bank of America	1,703	2	Bank of America	253
3	Citigroup	2,234	3	Wells Fargo	1,383	3	Wells Fargo	122
4	Wells Fargo	1,922	4	Citigroup	1,263	4	Citigroup	122
5	U.S. Bancorp	540	5	U.S. Bancorp	413	5	U.S. Bancorp	68
6	Truist Financial	499	6	Truist Financial	371	6	Truist Financial	65
7	PNC	462	7	PNC	355	7	PNC	60
8	Fifth Third	202	8	Fifth Third	157	8	Fifth Third	20
9	Citizens Financial	179	9	Citizens Financial	143	9	KeyCorp	16
10	KeyCorp	171	10	KeyCorp	137	10	Citizens Financial	15

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



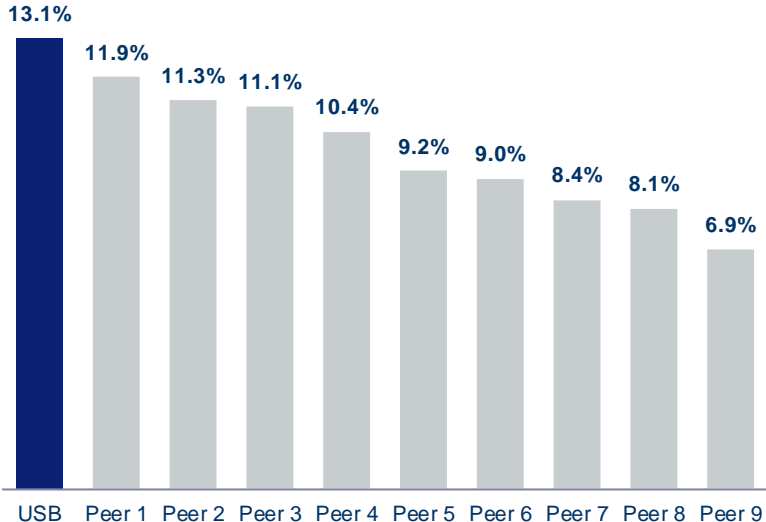
Wealth Management & Investment Services

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

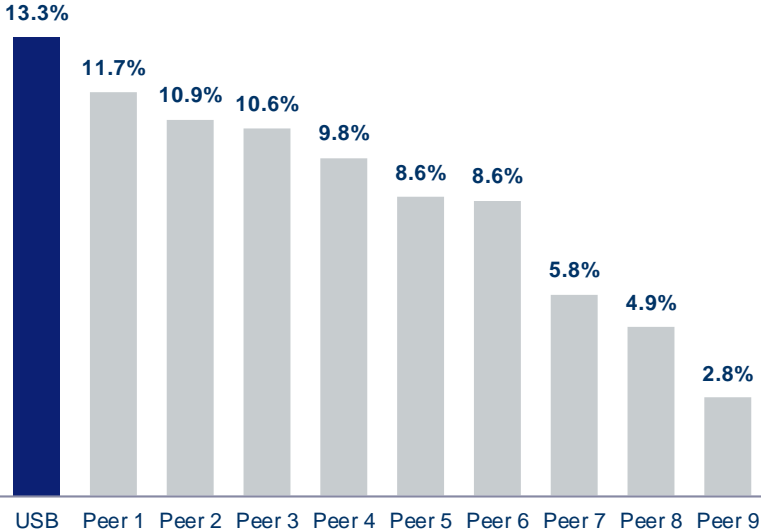
3Q 2020 YTD taxable-equivalent basis
 Business line revenue percentages exclude Treasury and Corporate Support; see slide 16 for reconciliation

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

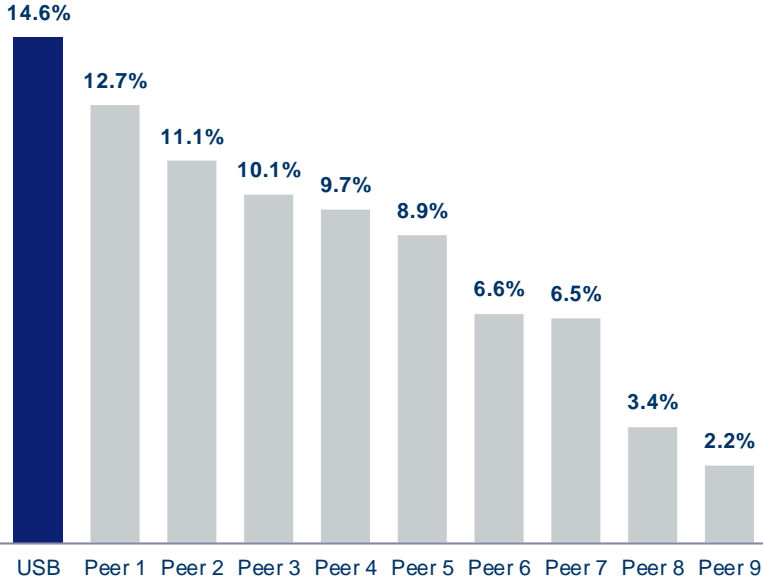
Return on Average Equity
(5-Year Average)*



Return on Average Equity
(10-Year Average)*



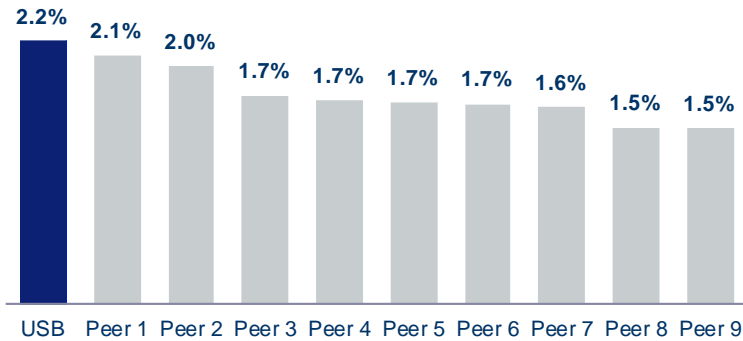
Return on Average Equity
(15-Year Average)*



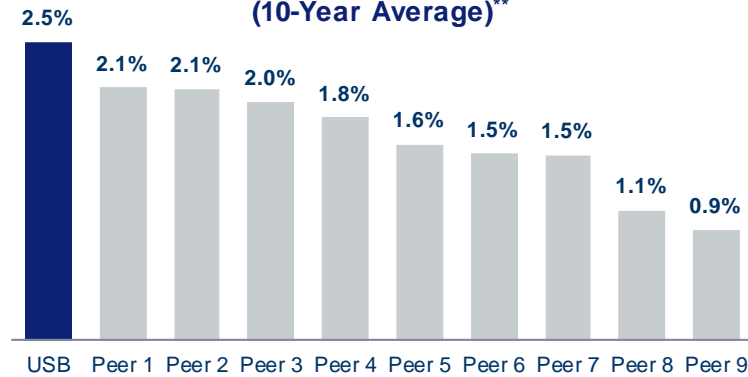
Source: S&P Global Market Intelligence; Peer banks include: BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC and WFC
* 5-Year average ranges from 2015-2019, 10-Year average ranges from 2010-2019, 15-Year average ranges from 2005-2019

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

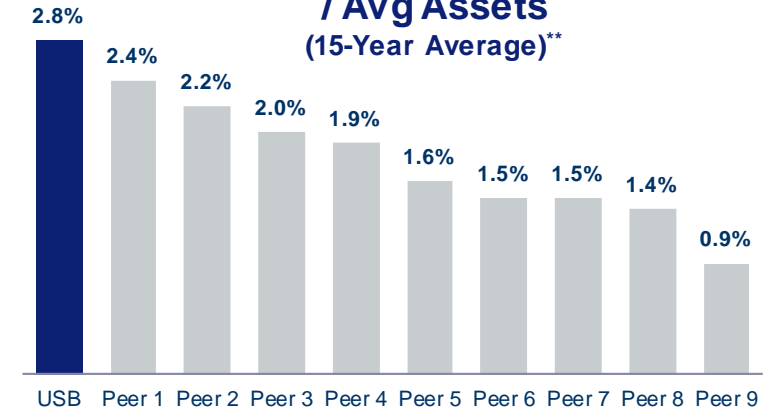
**Pre-Provision Net Revenue*
/ Avg Assets
(5-Year Average)****



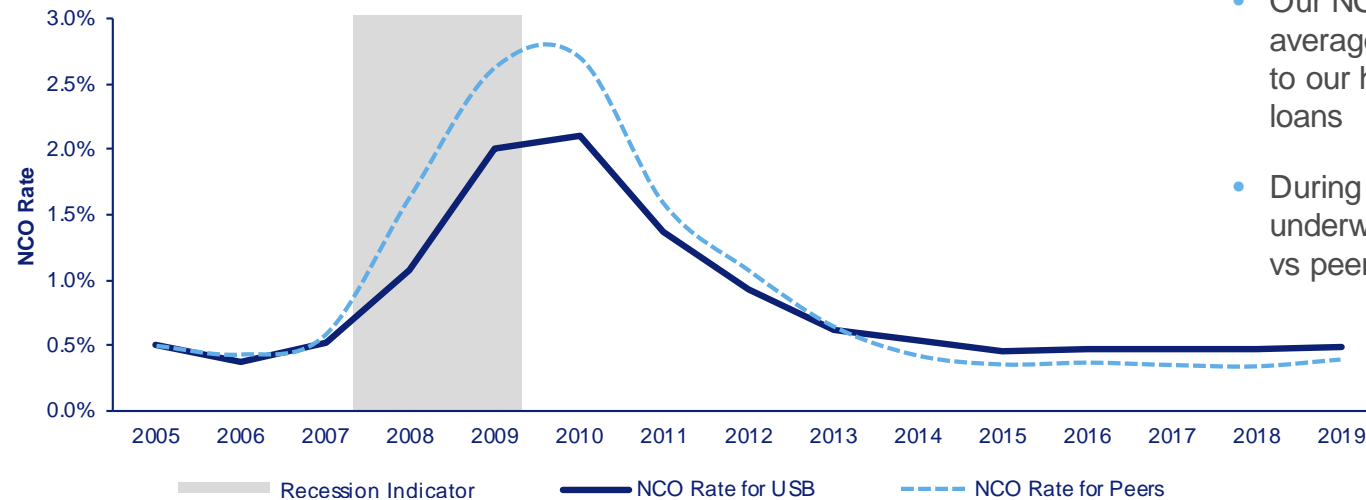
**Pre-Provision Net Revenue*
/ Avg Assets
(10-Year Average)****



**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

Investing for the Future

We are **investing in people** and **technology** with the goal of improving **growth** and **efficiency**



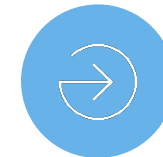
Innovation

is providing opportunities for



Optimization

and driving

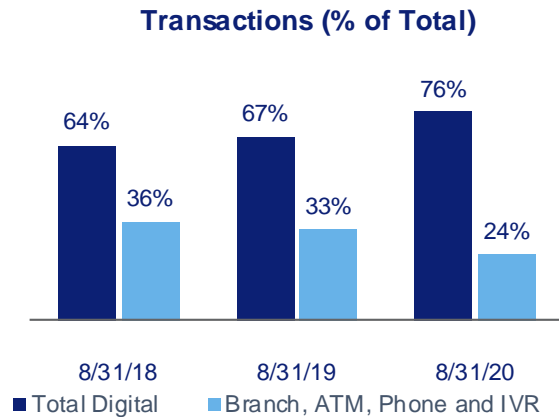


Superior Returns

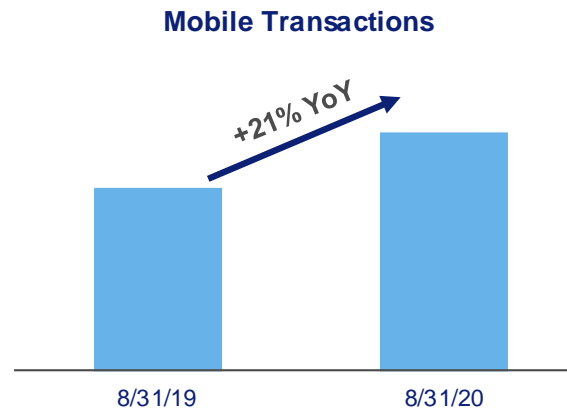


The shift towards digital is driving engagement and efficiency

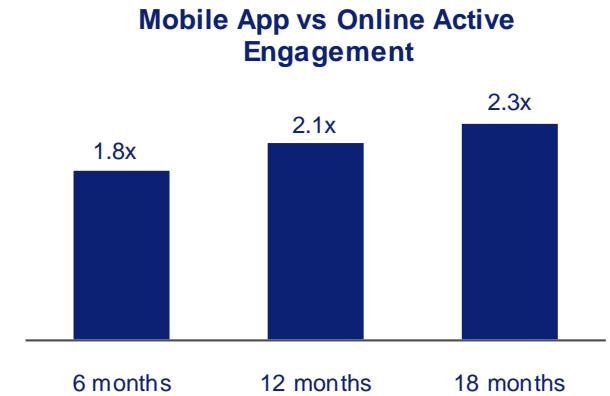
Most consumer **transactions** now occur digitally



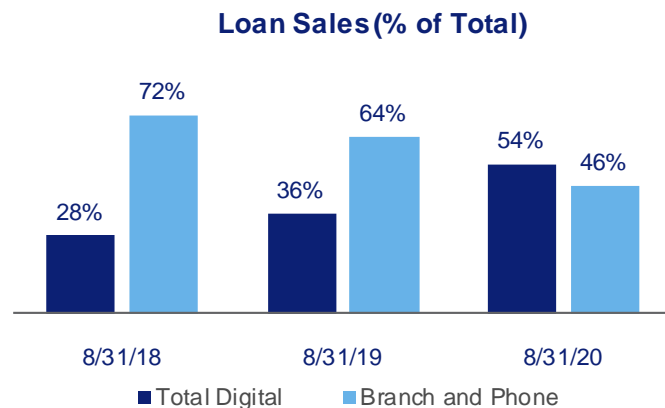
Customer preference is increasingly migrating to our **mobile** platform



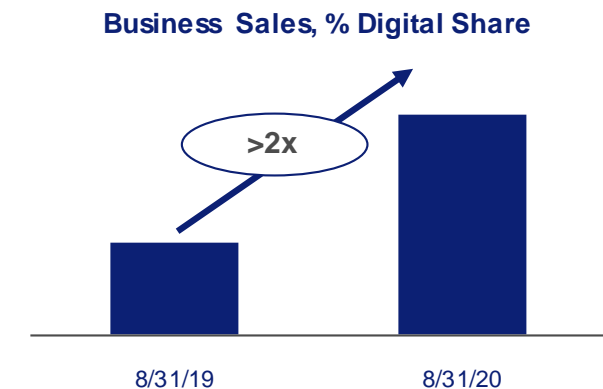
Engagement improves with mobile app uptake



Digital Lending



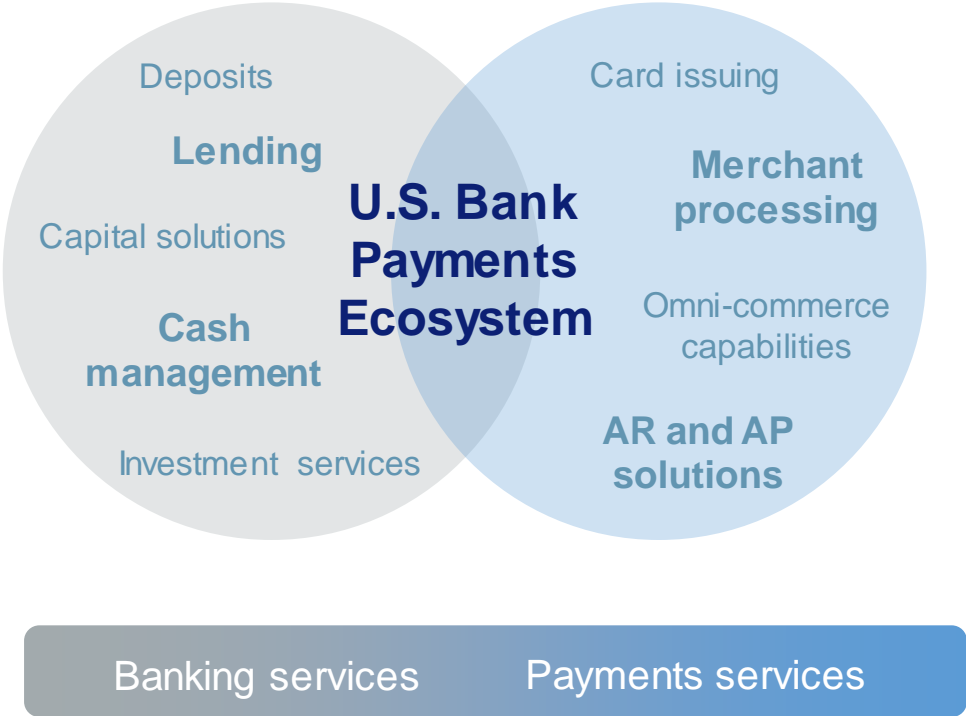
Small Business



Total Digital includes both online and mobile platforms

Leveraging the U.S. Bank Payments Ecosystem

We facilitate money movement and deliver technologies to power commerce seamlessly for our customers



Empower real-time decision making, funding, and payments

- Embed real-time payment capabilities across payment flows to enhance working capital and cash management application
- Leverage data to drive One U.S. Bank, like improved credit decisioning

Create seamless customer experiences

- Create frictionless, smart, and unified experiences focused on DIY and DIT
- Create disbursement solutions that provide choice of payment method and instant payment capabilities

Drive customer acquisition, usage, and distribution

- Leverage distribution channels and data driven prospecting across U.S. Bank to increase sales efficiency and product penetration
- Expand value-added services to retain customers and expand into new market segments

Use Cases: Business Payments Solutions

Leveraging Real-Time Payments

The Opportunity: There is lag time from when consumers make card purchases and when funds hit our business customers' bank accounts

- Funding timing significantly impacts our small business customers' cash flow
- Traditionally, funding takes one to three workdays, does not occur on weekends or holidays, and could be subject to a limit on the amount

 Our solution: **Merchant Everyday Funding**

- Merchants are funded at the end of each day through their U.S. Bank Business DDA
- No daily funding limits
- Seven days a week, including holidays

 The impact: Allows our business customers to optimize their cash flow

- Pay invoices quicker
- Cover business expenses faster

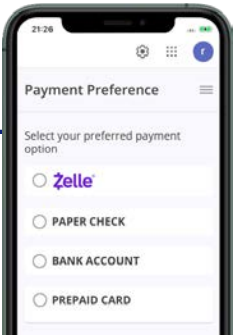
Providing Digital Solutions in B2C

The Opportunity: Customer preference has shifted to digital but most B2C payments still occur by physical check

- Few companies provide instant B2C payments
- Sufficient IT resources are often a barrier to companies providing electronic payments to their customers

 Our solution: **Payee Choice**

- Payee Choice enables our business customers to empower *their* customers to choose how they want to be paid
 - Zelle, direct deposit, prepaid card or check
- Easy plug-n-play technology frees up their IT resources



 The impact: Allows our business customers to optimize their resources and serve their clients better

- Increasing usage in higher education, healthcare, and insurance
- Reduces reliance on physical checks

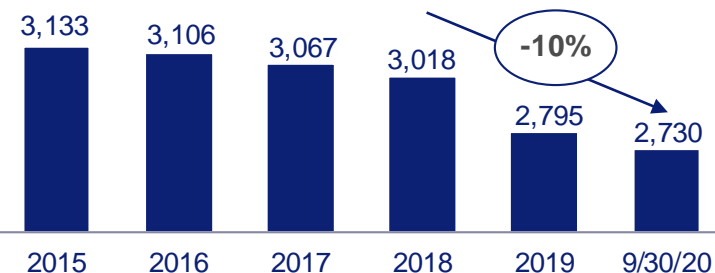
Innovation is allowing us to optimize our distribution network

Our digital banking offerings are driving the **transformation of our distribution network**

Our existing branch network

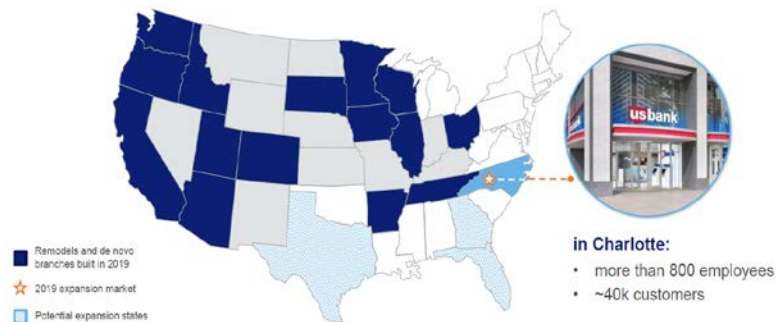


Branch count



- > We target an **additional 15 percent** net branch closures completed by early 2021*

Digital first - branch lite expansion



- > We are selectively expanding into new high-growth markets
- > Focus on markets where we have a critical mass of existing customers, employees and brand identity
- > Charlotte, NC is our first out-of-footprint expansion

Branch-equivalent distribution



- > We have formed an alliance with State Farm to serve customers at greater scale
- > This alliance is a relationship-based model that leverages the strengths of two like-minded cultures

* Announced on 10/14/20

Note: State Farm and logo are trademarks of State Farm Mutual Automobile Company

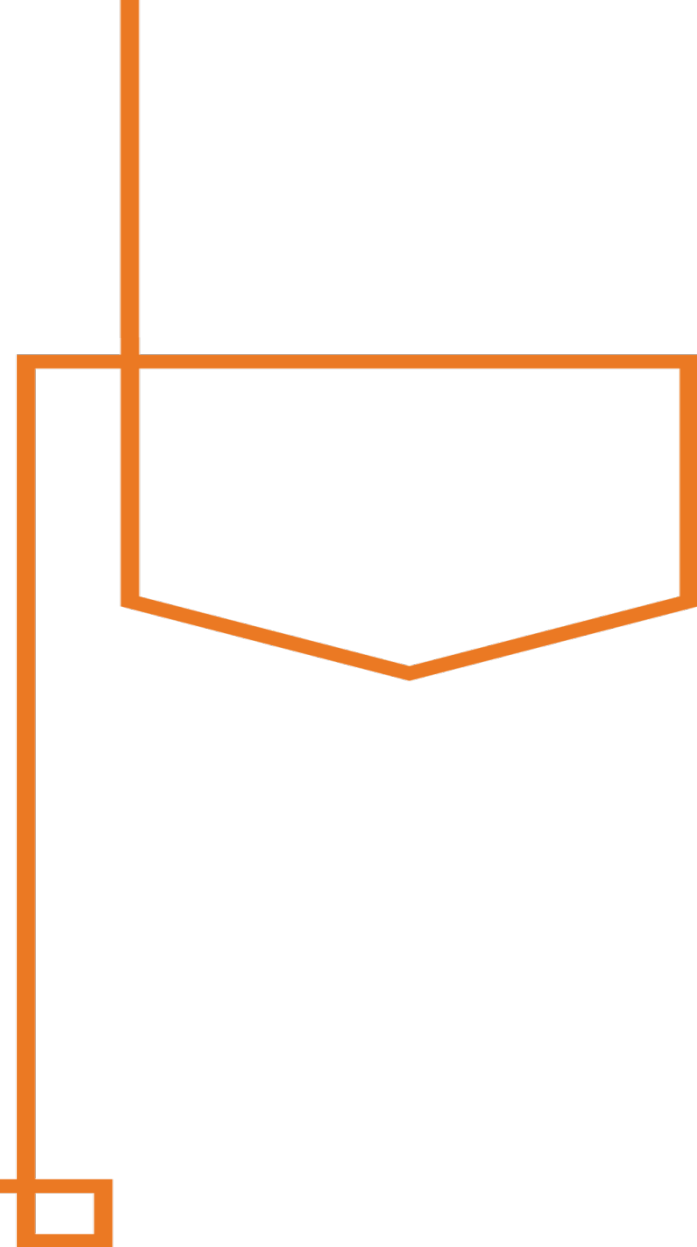
We are managing for the long-term while delivering near-term results that support a pathway to the future.

4Q20 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		3Q20 YTD
Corporate and Commercial Banking	\$	3,368
Consumer and Business Banking		7,198
Wealth Management and Investment Services		2,178
Payment Services		4,207
Treasury and Corporate Support		623
Total Company		17,574
Less Treasury and Corporate Support		623
Total Company excl. Treasury and Corporate Support	\$	16,951

Percent of Total Company

Corporate and Commercial Banking	19%
Consumer and Business Banking	41%
Wealth Management and Investment Services	12%
Payment Services	24%
Treasury and Corporate Support	4%
Total	100%

Percent of Total Company excl. Treasury and Corporate Support

Corporate and Commercial Banking	20%
Consumer and Business Banking	42%
Wealth Management and Investment Services	13%
Payment Services	25%
Total Company excl. Treasury and Corporate Support	100%

