

RBC Capital Markets Financial Institutions Conference 2021

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March 10, 2021



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; civil unrest; 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, 2020, 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. 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

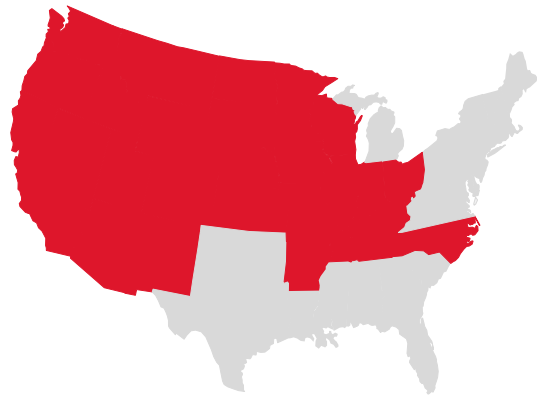
NYSE Traded USB
Founded 1863
Market Value \$79B

Branches 2,434
ATMs 4,232

Assets \$554B
Deposits \$430B
Loans \$298B

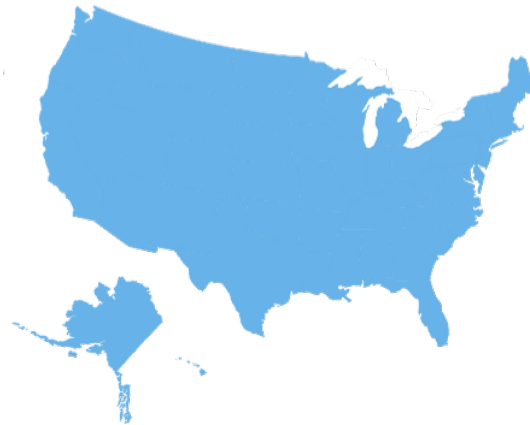
Regional

Consumer & Business Banking
and Wealth Management



National

Corporate & Commercial Banking
and Wealth Management &
Investment Services



International

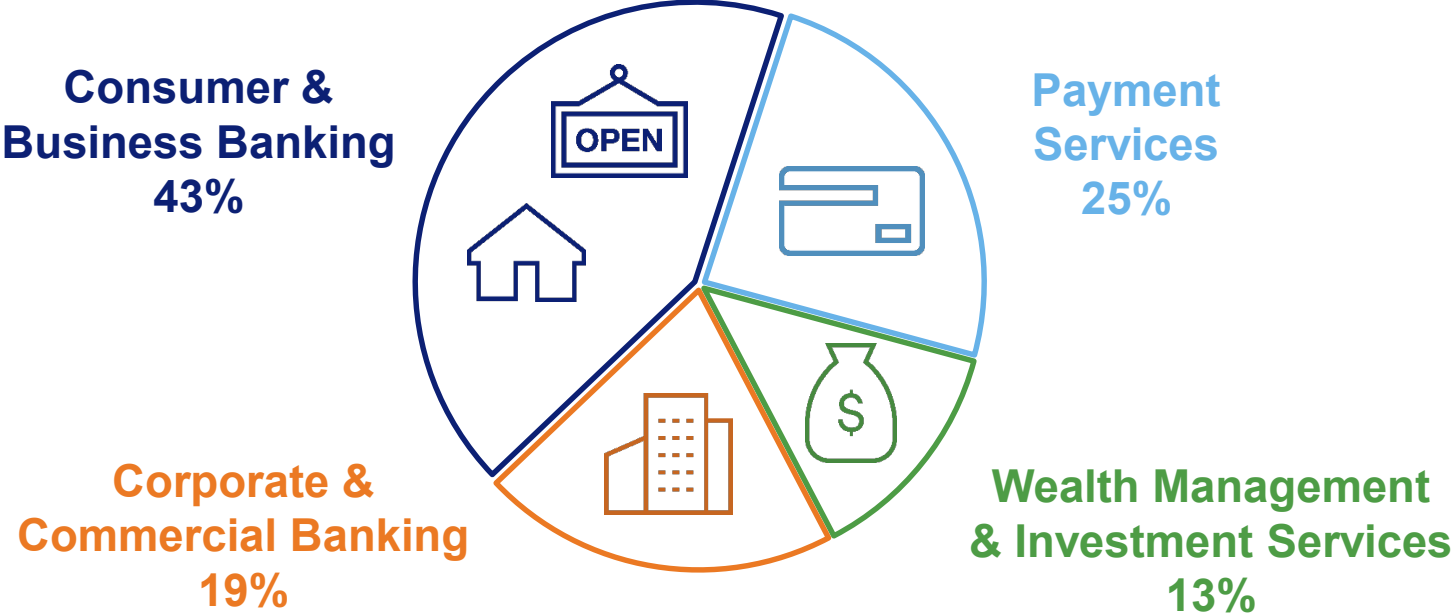
Payment Services and
Investment Services



Our position in the industry

Assets			Deposits			Market Value		
1	J.P. Morgan	\$3,386	1	J.P. Morgan	\$2,144	1	J.P. Morgan	\$461
2	Bank of America	2,820	2	Bank of America	1,795	2	Bank of America	319
3	Citigroup	2,260	3	Wells Fargo	1,404	3	Wells Fargo	155
4	Wells Fargo	1,955	4	Citigroup	1,281	4	Citigroup	147
5	U.S. Bancorp	554	5	U.S. Bancorp	430	5	U.S. Bancorp	79
6	Truist Financial	509	6	Truist Financial	381	6	Truist Financial	79
7	PNC	467	7	PNC	365	7	PNC	75
8	Fifth Third	205	8	Fifth Third	159	8	Fifth Third	26
9	Citizens Financial	183	9	Citizens Financial	147	9	KeyCorp	20
10	KeyCorp	170	10	KeyCorp	135	10	Citizens Financial	19

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



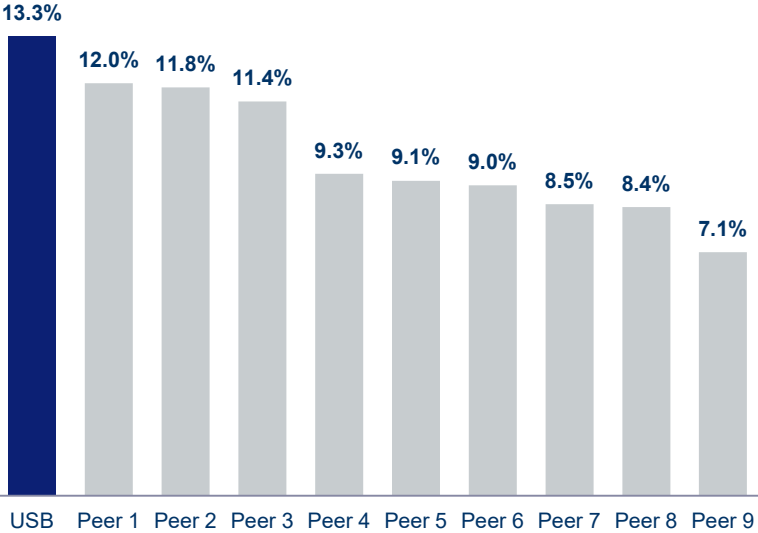
Wealth Management & Investment Services

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

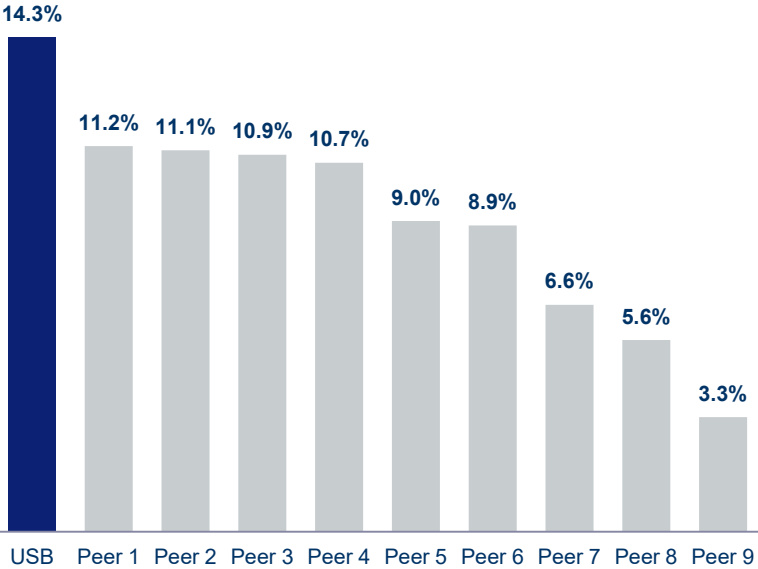
Full Year 2020 taxable-equivalent basis
 Business line revenue percentages exclude Treasury and Corporate Support; see slide 16 for reconciliation

Long history of industry-leading returns...

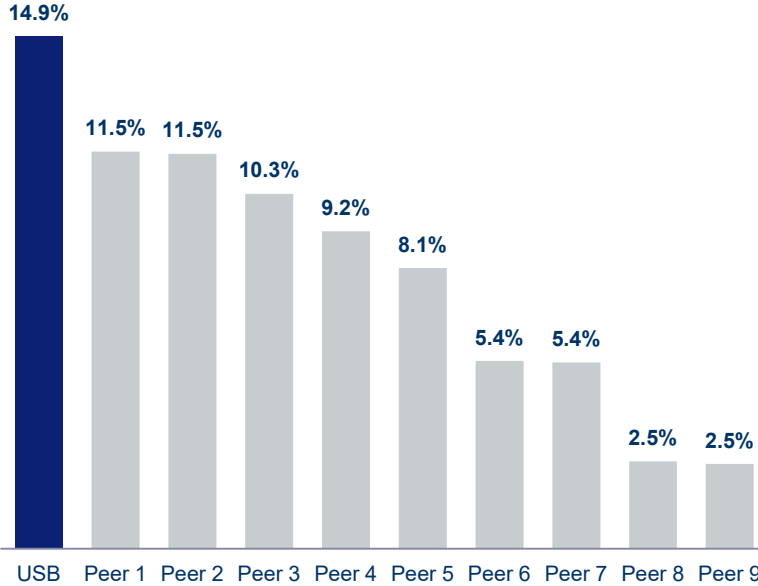
**Return on Average Common Equity
(5-Year Average)***



**Return on Average Common Equity
(10-Year Average)***



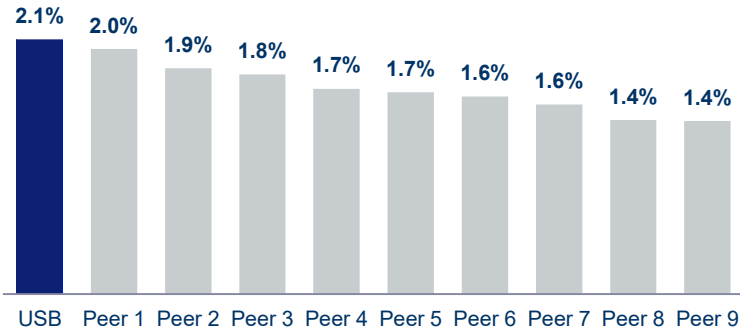
**Return on Average Common Equity
(15-Year Average)***



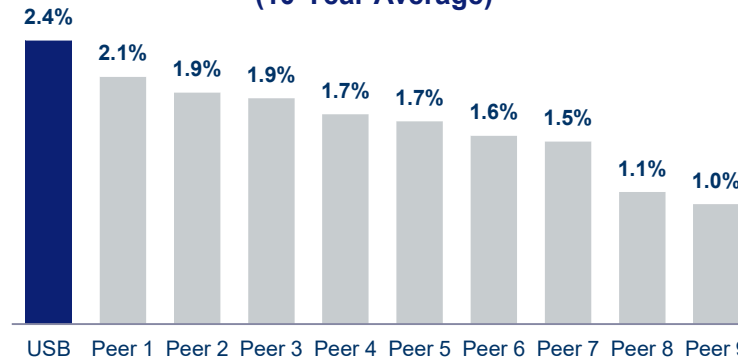
Source: S&P Global Market Intelligence; Peer banks include: BAC, CFG, FITB, JPM, KEY, PNC, RF, TFC and WFC
 * 5-Year average ranges from 2016-2020, 10-Year average ranges from 2011-2020, 15-Year average ranges from 2006-2020

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

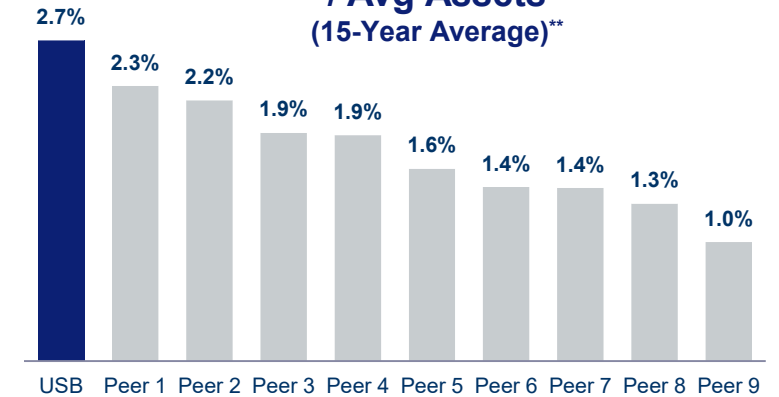
**Pre-Provision Net Revenue*
/ Avg Assets
(5-Year Average)****



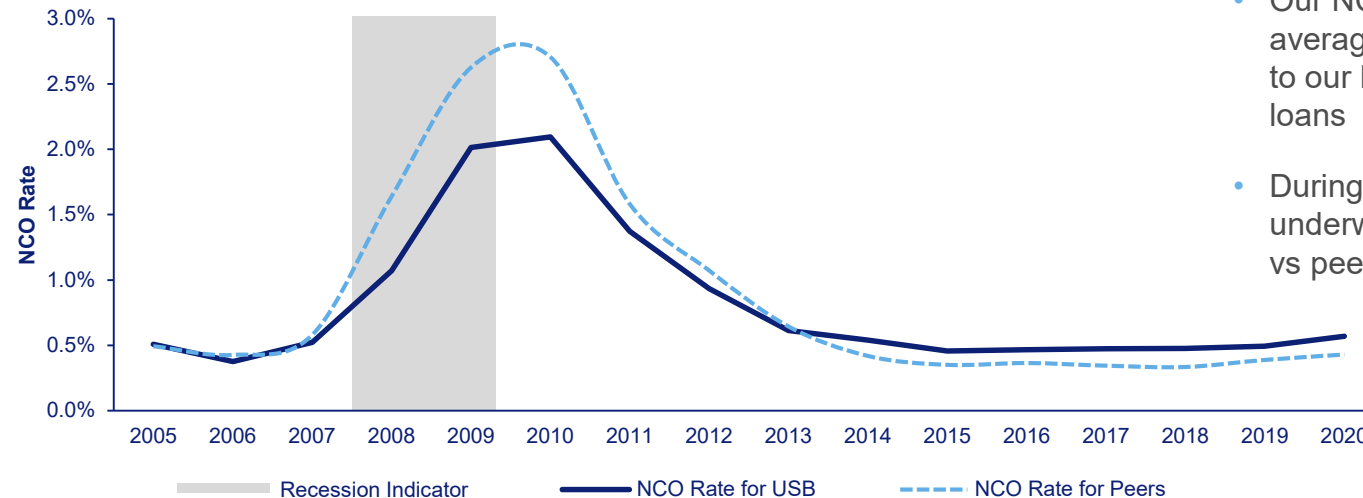
**Pre-Provision Net Revenue*
/ Avg Assets
(10-Year Average)****



**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 2016-2020, 10-Year average ranges from 2011-2020, 15-Year average ranges from 2006-2020

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

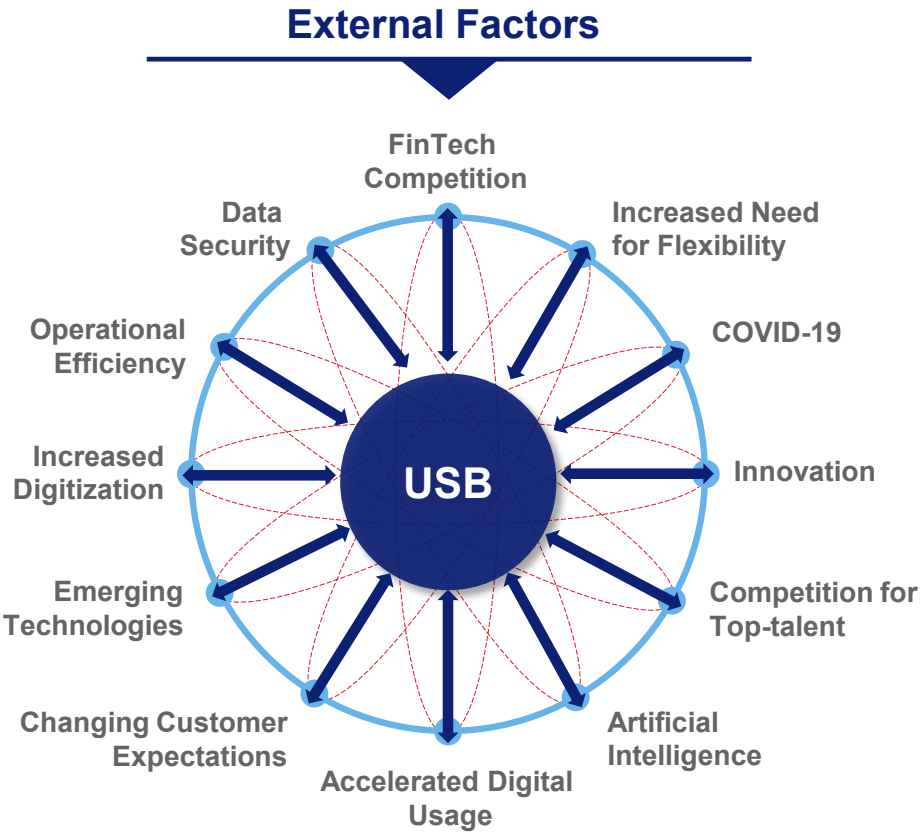


Superior Returns



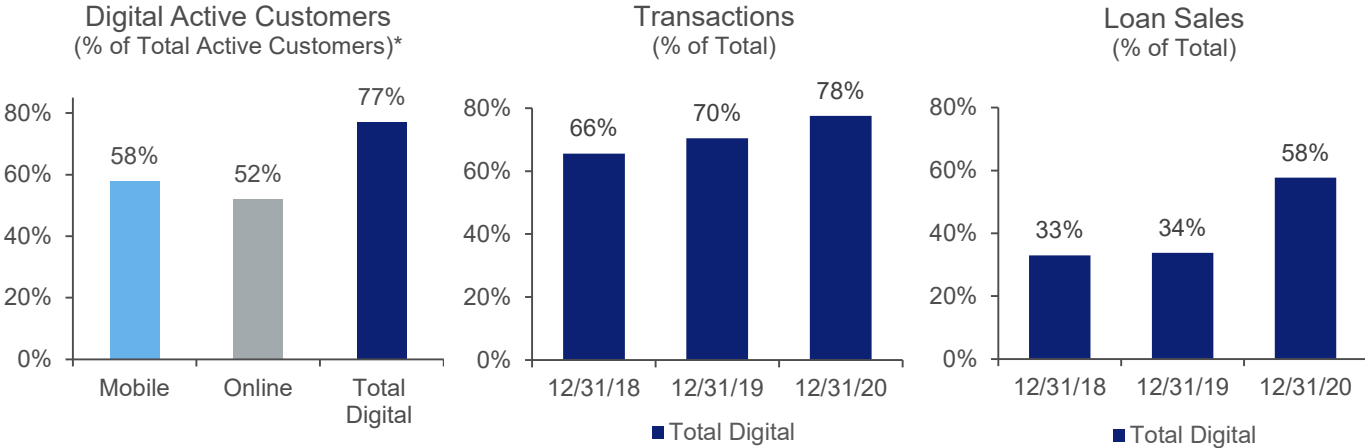
Modernization at U.S. Bank has accelerated

As the world has been rapidly transforming, we have been **investing for the future**



Our investments have **proven to be dependable**

- COVID-19 has accelerated the shift to **digital banking**
- This shift has allowed us to **capitalize on efficiencies** which have led to **increased returns**
- Our **technology strategy**, paired with our **current capabilities**, will allow us to **grow our digital banking** even further



Data as of 12/31/20
 * Represents core Consumer Banking customers active in at least one channel in the previous 90 days
 Total Digital includes both online and mobile platforms

Technology will continue to power us forward

Our current technology spend of \$2.5 billion includes both offensive and defensive investments

Current Capabilities

Best In Class Application



➤ Mobile App rated 5 out of 5 stars by more than 1 million users

#1

Mobile Check Deposit
Cornerstone Advisors

Named Best in Industry

Digital Mortgage Tools
Kiplinger

#1

Customer Service Features
Business Insider Intelligence

Ample DIY & DIT services



DIY

➤ Smart Assistant has answered more than 1 million questions since launched in summer 2020

#1

Overall Superregional Bank

11th consecutive year in Fortune magazine



DIT

Current Cloud Infrastructure



➤ Migrating applications into the public cloud

Full Technology Consolidation of Acquisitions



➤ All acquisitions are brought to our technology platform

Technology Modernization Strategy



Cloud Acceleration

Modernize our technology stack to enable flexibility and agility



Single Source of Data

Create a unified data platform & APIs for scalability and analytics



Engrain Security

Place security within the technology fabric of everything we do



Engineering Culture & Up-skilling

Streamline how we work to improve time to market and cost

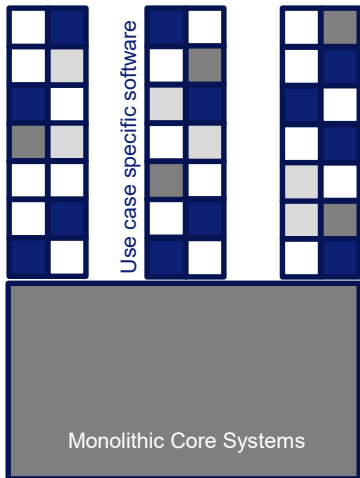
Business Targets:

- ~20% lower incremental costs for new features
- 60% of digital consumer touchpoints serviced by the cloud
- Mainframe usage reduced by 20%

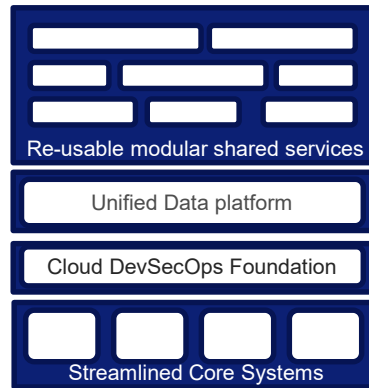
Creating a “reusable” tech stack will enhance modernization

A New Tech Stack...

Legacy tech stack



Targeted tech stack



- Create a unified data platform and APIs, for scalability and analytics
- Modernize our technology stack to enable flexibility and agility
- Enhance how we work, to improve time to market and cost
- Simplify our systems in a secure and reliable infrastructure

...Will Impact All Business Lines

Consumer & Business Banking

- Significantly improve reliability and performance for branch and call center systems
- Reduce fixed costs per customer account
- Simplify customer touchpoints

Corporate & Commercial Banking

- Accelerate trading platform capabilities for capital markets
- Simplify vendor integration complexity, costs, and risks

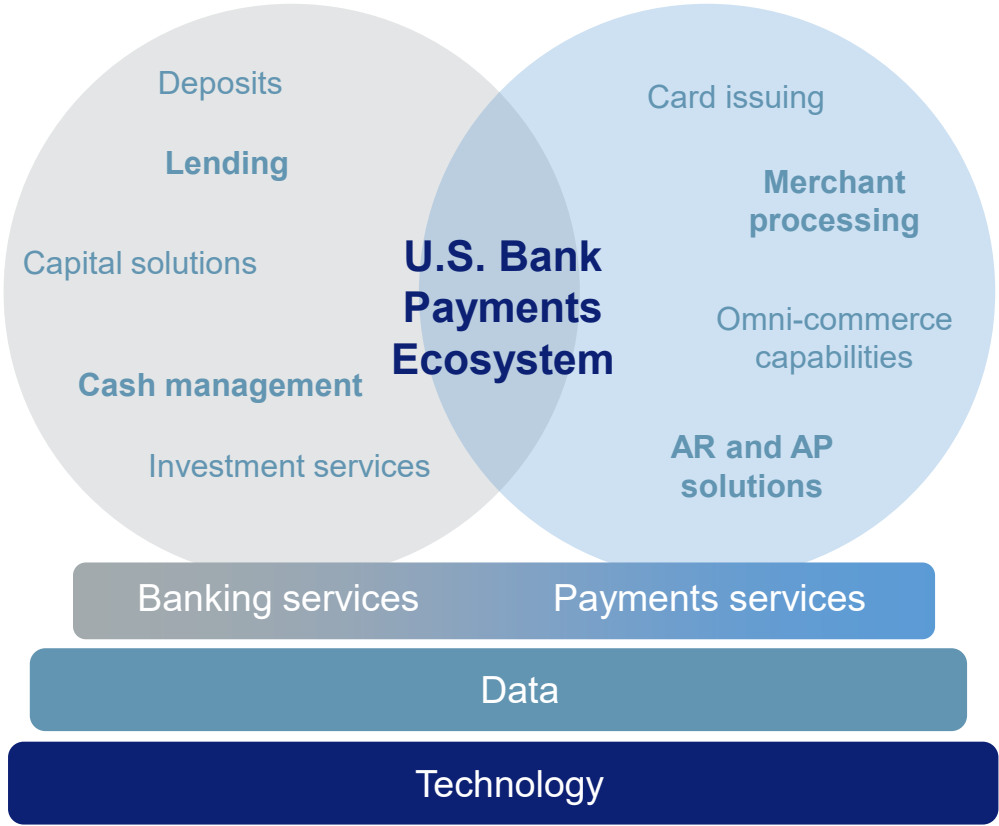
Wealth Management & Investor Services

- “Crush the paper” faster
- Quicker and cheaper testing of acquisition strategies

Payments

- Reduce data warehouse infrastructure and costs
- Improve time to market for new capabilities
- Assist in bridging the gap of business banking and payment capabilities

Bridging the gap between banking and payments services



- As the lines between traditional banking and payments capabilities blur, the opportunity is here for us to provide **integrated banking and payments solutions** through a complete payments ecosystem

- Leveraging data** to drive One U.S. Bank, removing complexity, creating value and differentiation
 - Creating an easy and frictionless experience** for customers
 - Investing in the digital evolution** in payments
-
- Over the last few years, we've **focused our investment on the tech-led segment** within merchant services. Tech-led includes digital, omni-commerce and e-commerce as well as investments in integrated software providers
 - These investments are paying off as **“tech-led” is our fastest growing segment**



Over 100% growth in **new tech-led partnerships***

* Increase in new tech-led partnerships ranges from 12/31/2018-12/31/2020

Modernization use case: talech

Helping us lead the banking and fintech evolution



talech provides **cloud-based software** that allows businesses to manage multiple operational tasks **in a single POS solution**

When acquired in 2019, talech **serviced \$2.3 billion in processing volume**

Over **\$18 trillion of consumer payments** are still done through **traditional methods**, and **only 14% of global retail spend is done digitally***

The Right Fit for Small Businesses



Restaurants

- Menu and order management
- Table and position management
- Split checks



Retail

- Inventory management
- Employee management
- Customer management tools



Services

- Appointment scheduling
- Billing
- Online payment portal

Bridging the Banking & Payments Gap



A new integrated dashboard, to be completed in 2021, will help small businesses **manage both their payment and business banking activities in one place**



The dashboard will enable customers to spend **more time on growing their business**



We expect to see an **increase in both digitally acquired customers and in digital product usage** by current banking customers

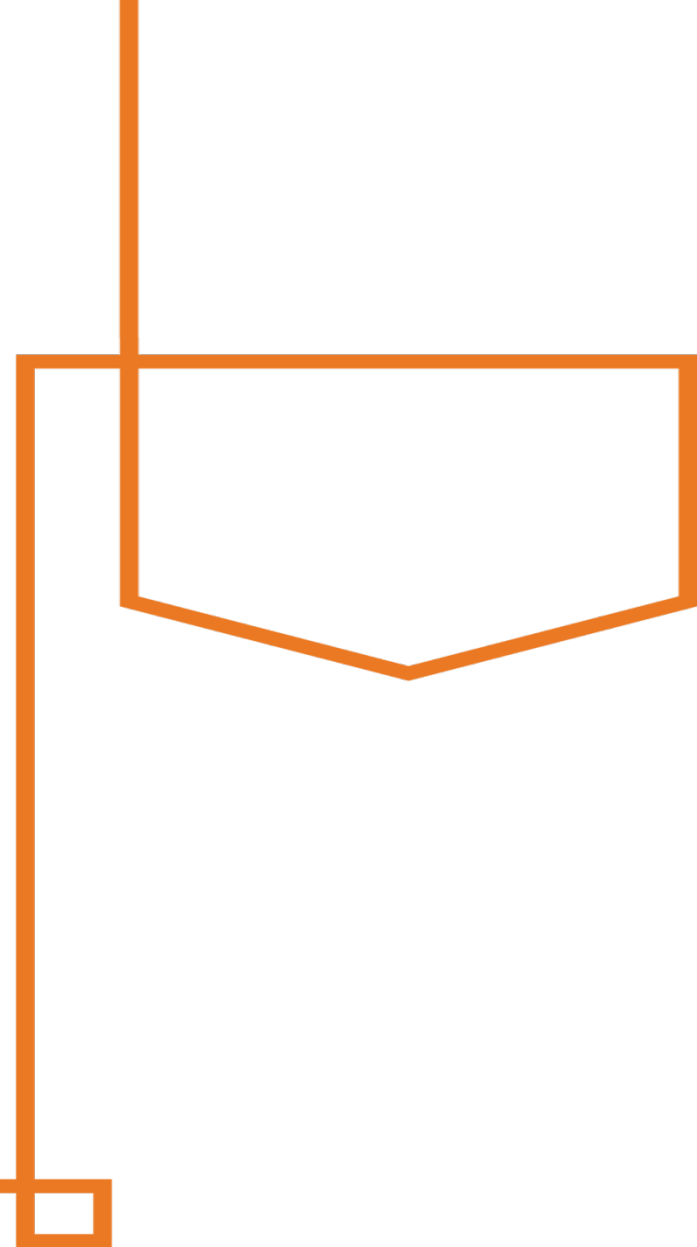
* Per Visa's 2020 investor day; global retail spend excludes travel and event ticket sales.

1Q21 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	FY20
Corporate and Commercial Banking	\$ 4,337
Consumer and Business Banking	9,623
Wealth Management and Investment Services	2,873
Payment Services	5,654
Treasury and Corporate Support	838
Total Company	23,325
Less Treasury and Corporate Support	838
Total Company excl. Treasury and Corporate Support	\$ 22,487
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	19%
Consumer and Business Banking	43%
Wealth Management and Investment Services	13%
Payment Services	25%
Total Company excl. Treasury and Corporate Support	100%