Fourth Quarter 2021

Financial Review





ZIONS BANCORPORATION

January 24, 2022

Forward-Looking Statements; Use of Non-GAAP Financial Measures

Forward Looking Information

This earnings presentation includes "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements, often accompanied by words such as "may," "might," "could," "anticipate," "expect," and similar terms, are based on management's current expectations and assumptions regarding future events or determinations, all of which are subject to known and unknown risks and uncertainties. Forward-looking statements are not guarantees, nor should they be relied upon as representing management's views as of any subsequent date. Factors that could cause our actual results, performance or achievements, industry trends, and results or regulatory outcomes to differ materially from those expressed or implied in the forward-looking statements are discussed in our 2020 Form 10-K and subsequent filings with the Securities and Exchange Commission (SEC) and are available on our website (www.zionsbancorporation.com) and from the SEC (www.sec.gov). Except to the extent required by law, we specifically disclaim any obligation to update any factors or to publicly announce the revisions to any forward-looking statements to reflect future events or developments.

Use of Non-GAAP Financial Measures:

This document contains several references to non-GAAP measures, including pre-provision net revenue and the "efficiency ratio," which are common industry terms used by investors and financial services analysts. Certain of these non-GAAP measures are key inputs into Zions' management compensation and are used in Zions' strategic goals that have been and may continue to be articulated to investors. Therefore, the use of such non-GAAP measures are believed by management to be of substantial interest to the consumers of these financial disclosures and are used prominently throughout the disclosures. A full reconciliation of the difference between such measures and GAAP financials is provided within the document, and users of this document are encouraged to carefully review this reconciliation.

Select Themes

Key near-term objectives designed to position the bank for superior revenue growth and positive operating leverage

- **Our loan growth strengthened; outlook favorable**
  - Strong growth in multiple categories
  - Strategic use of liquidity by running promotional lending campaigns
- **Our deposit growth remains strong**
  - We are investing the cash generated from deposits in loans and modest duration securities
  - Simultaneously, we are maintaining a strong liquidity profile
- **We are well prepared for rising interest rates**
  - We have positioned the bank for future interest rates by carefully managing balance sheet liquidity
  - Investment in securities have been limited to medium duration securities with limited duration extension risk
- **We are investing significantly in technology to position the company for**
  - Improved long-term resiliency
  - Improved customer acquisition
  - Above-average operating leverage

Fourth Quarter 2021 Financial Highlights

Vs. 3Q21, continued strong increases in deposits and a strong increase in non-PPP loans

✓ Earnings and Profitability:

- **$1.34** diluted earnings/share compared to $1.45
- **$304 million** Pre-Provision Net Revenue
  - $288 million Adjusted PPNR(1)
- **$25 million** provision for credit loss compared to $(46) million
- **$207 million** Net Income Applicable to Common, down from $234 million due to provision for credit loss and securities gains/(losses)
- **0.9%** Return on Assets (annualized)
- **13.4%** Return on Average Tangible Common Equity (annualized)

✓ Credit quality (excluding PPP Loans):

- **0.55%** Nonperforming Assets + loans 90+ days past due / non-PPP loans and leases and other real estate owned
- **0.01%** net loan charge offs, percent of loans, annualized. Both 2Q and 3Q 2021 experienced net recoveries
- **Increase in the allowance for credit loss** ("ACL"), to $553 million or 1.13% of non-PPP loans from 1.11%, due in part to linked-quarter loan growth and qualitative adjustments for Omicron

✓ Loans and Deposits: *Vs. 3Q21, growth rates not annualized*

- **0.3%** increase in period-end loan balances
- **2.9%** increase in period-end loan balances (excluding PPP loans)
- **6.3%** increase in period-end deposits
- **4.9%** increase in period-end noninterest-bearing deposits
- **61%** period-end loan-to-deposit ratio
- **0.03%** cost of average total deposits

✓ Capital Strength:

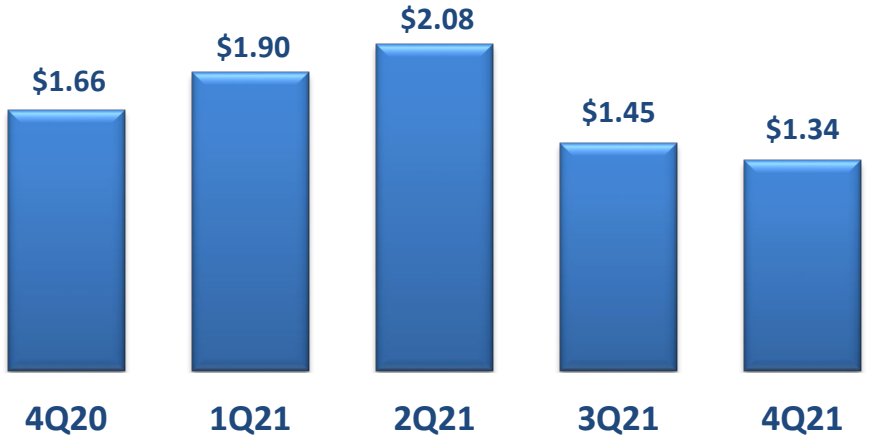
- **10.2%** Common Equity Tier 1 Ratio (CET1), down from 10.9%
- **7.2%** Tier 1 Leverage Ratio
- **11.1%** (CET1+Allowance for Credit Losses) / Risk-Weighted Assets
- **$325 million** of common stock repurchased during 4Q21

Note: For the purposes of comparison in this presentation, we generally use linked-quarter ("LQ"), due to that being the preferred comparison for professional investors and analysts. (1) Adjusted for items such as severance costs, restructuring costs, other real estate expense, pension termination-related expense, securities gains and losses, and accruals for investment and advisory expenses related to the unrealized gain on SBIC investments. See Appendix for GAAP to non-GAAP reconciliation tables.

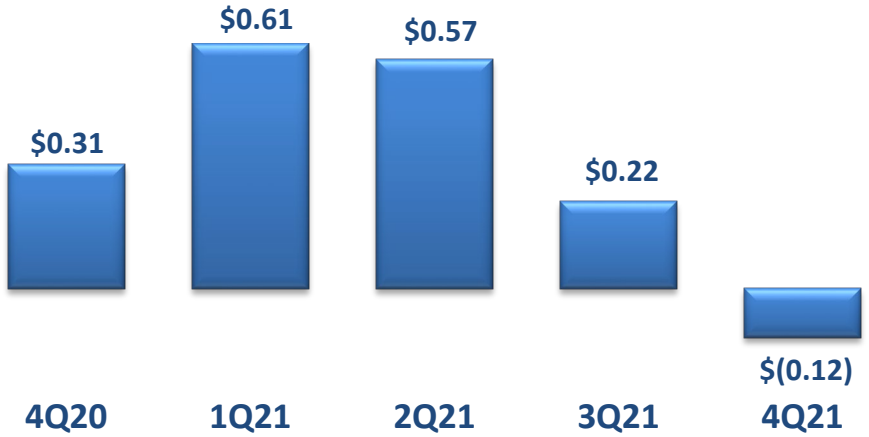
Diluted Earnings Per Share

Strong underlying performance in EPS growth, with most variance to prior periods attributable to provision for credit losses

Diluted Earnings per Share



EPS Impact of Provision for Credit Losses



Notable Items:

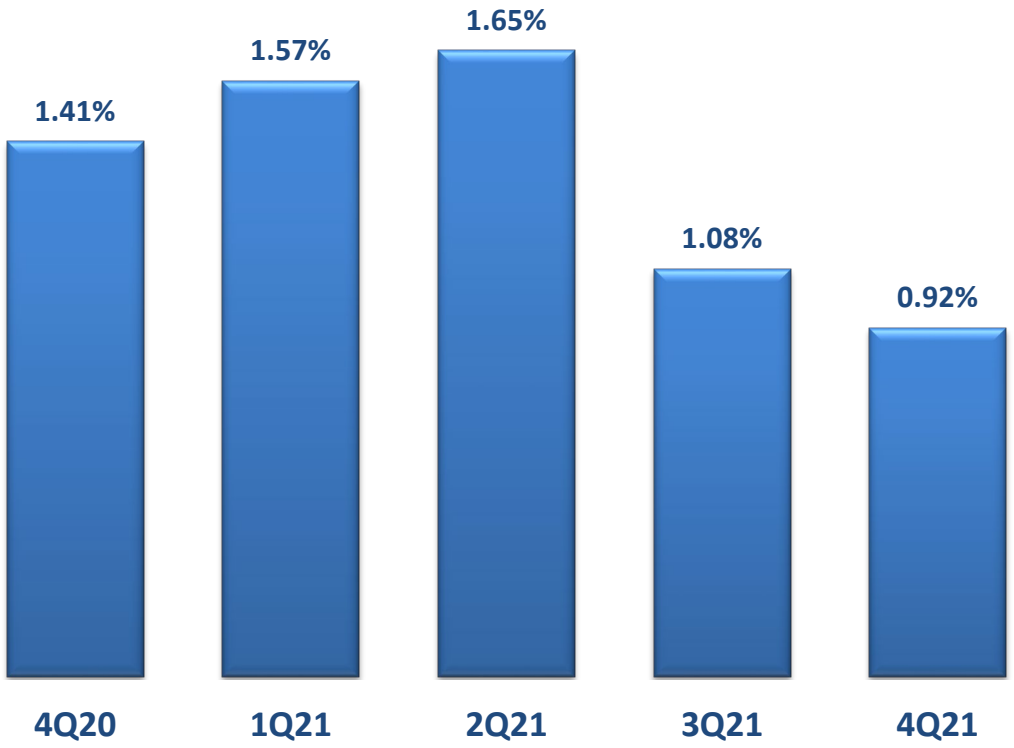
- 4Q21:
  - $0.06 per share favorable impact from the sale of corporate real estate (in "Dividends and other income")
  - $0.08 per share net gain including Recursion Pharma (RXRX) (net of success fees paid)
  - $0.05 per share charitable contribution (in "Other" noninterest expense)
- 3Q21:
  - $(0.12) per share adverse mark-to-market impact from an SBIC investment (Recursion Pharma, RXRX)
  - $0.01 per share benefit from a credit valuation adjustment on client-related interest rate swaps ("CVA")
- 2Q21:
  - $0.25 per share benefit from mark-to-market of an SBIC investment (Recursion Pharma, RXRX)
  - $(0.02) per share adverse effect from CVA
- 1Q21: $0.13 per share benefit from securities gains and CVA
- 4Q20: $0.09 per share benefit from securities gains and CVA

Note: EPS calculations assume a 24.5% statutory tax rate

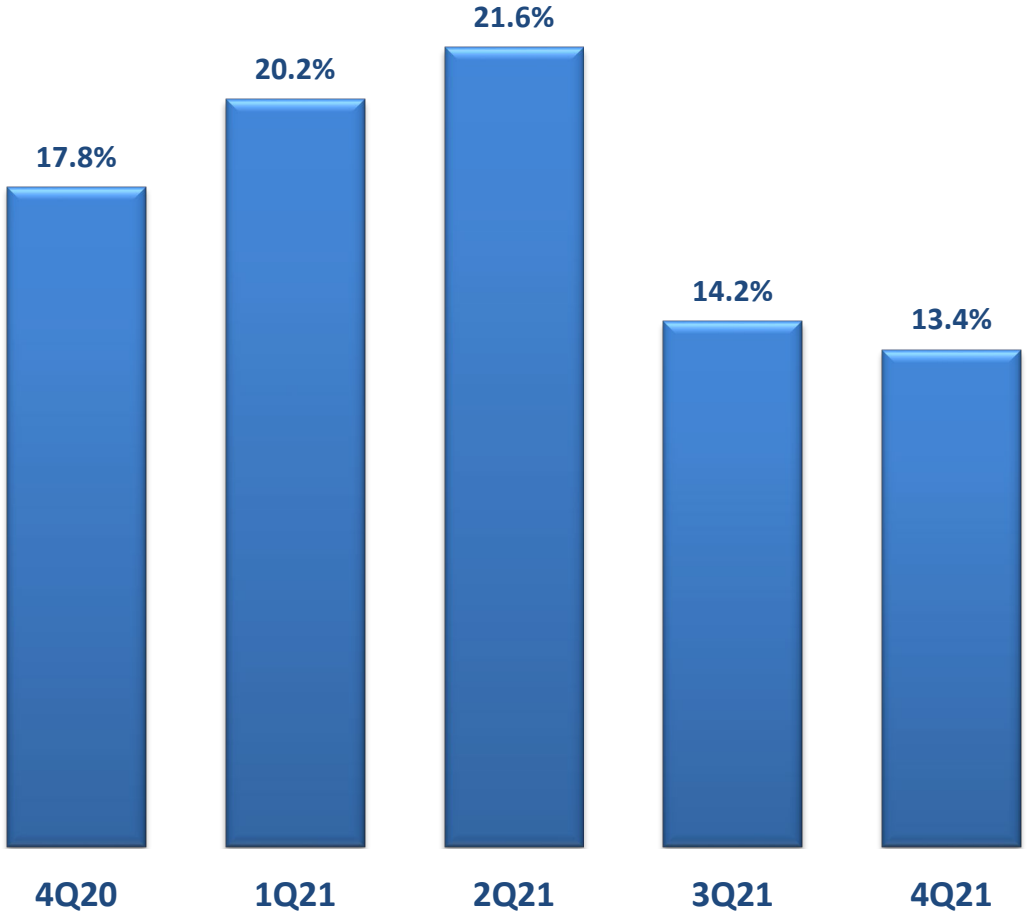
Balance Sheet Profitability

Profitability remains healthy; volatility of the results primarily due to variability in the provision for credit losses

Return on Assets



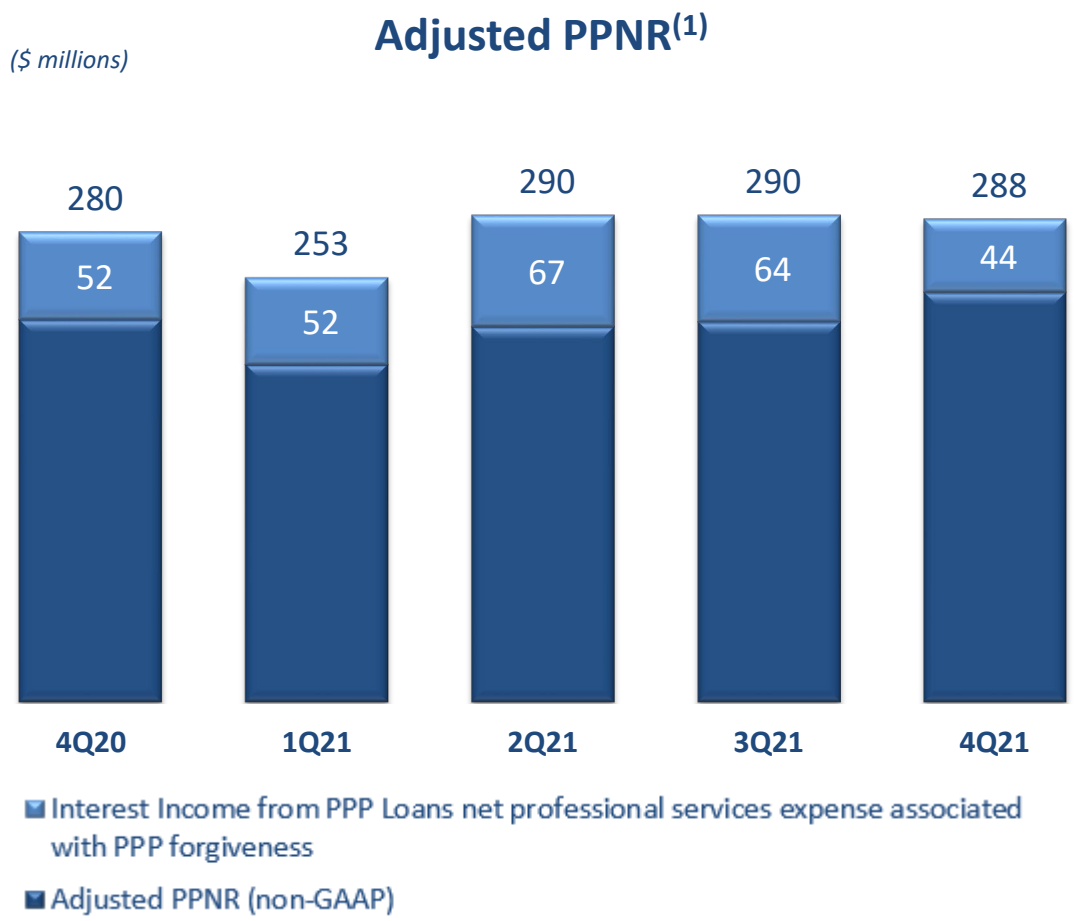
Return on Tangible Common Equity



Return on Tangible Common Equity is a non-GAAP measure. See Appendix for GAAP to non-GAAP reconciliation table.

Adjusted Pre-Provision Net Revenue

Adjusted PPNR increased considerably from 3Q21 when adjusting for items (detailed below)



Adjusted PPNR increased 7% (not annualized) from 3Q21, if adjusting for items:

- Less: PPP income (revenue of $44 million, 4Q21; $64 million, 3Q21)
- Less: Gains on properties (revenue of $12 million)
- Plus: Charitable contribution (expense of $10 million, 4Q21)

Adjusted PPNR growth excluding PPP made possible through:

- Strong deposit growth
- Deployment of excess liquidity into securities
- Strong loan growth
- Solid customer-related fee income growth

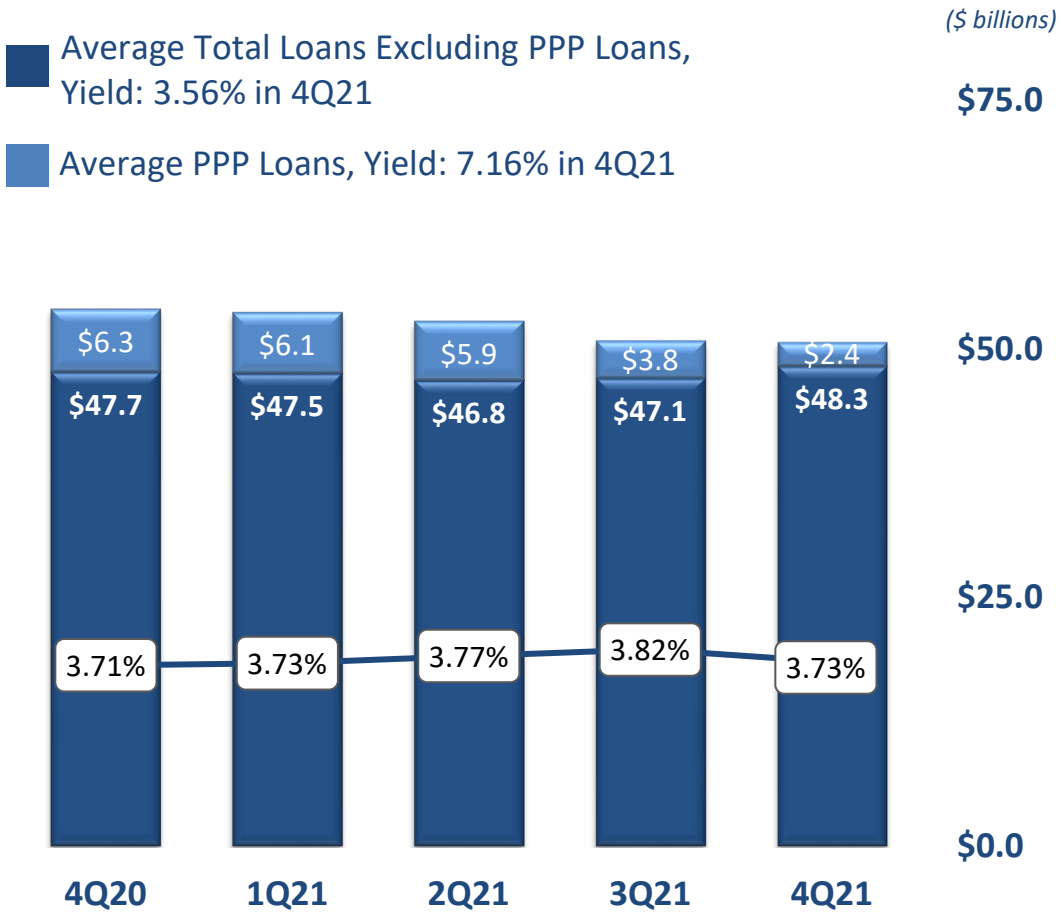
(1) Adjusted for items such as severance costs, restructuring costs, other real estate expense, pension termination-related expense, securities gains and losses, and accruals for investment and advisory expenses related to the unrealized gains/(losses) on SBIC investments. See Appendix for GAAP to non-GAAP reconciliation table.

Average Loan and Deposit Growth

Vs. 3Q21, average non-PPP loans increased 2.5% in 4Q21; average deposits increased 5.2%

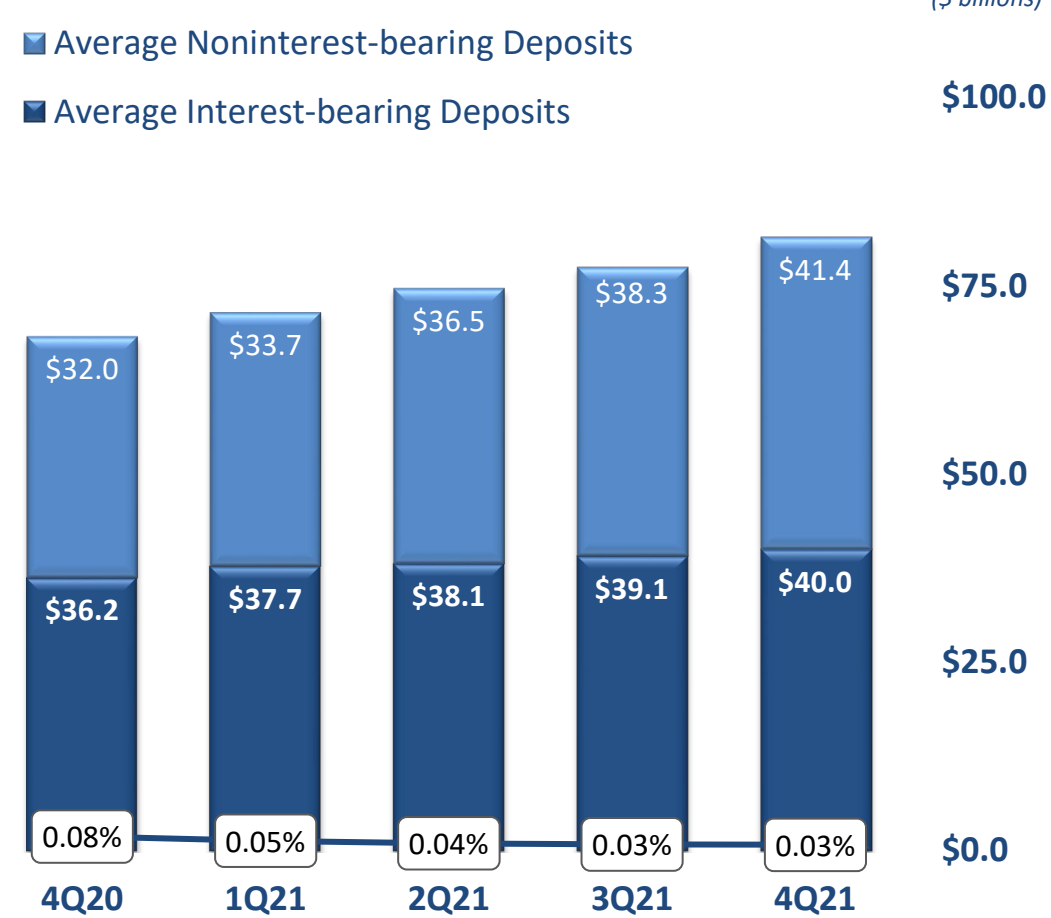
Average Total Loans

Yield on Total Loans



Average Total Deposits

Cost of Total Deposits



Credit Quality

Net charge-offs remain very low, with last 12 months net charge-offs at just 0.01% of average loans

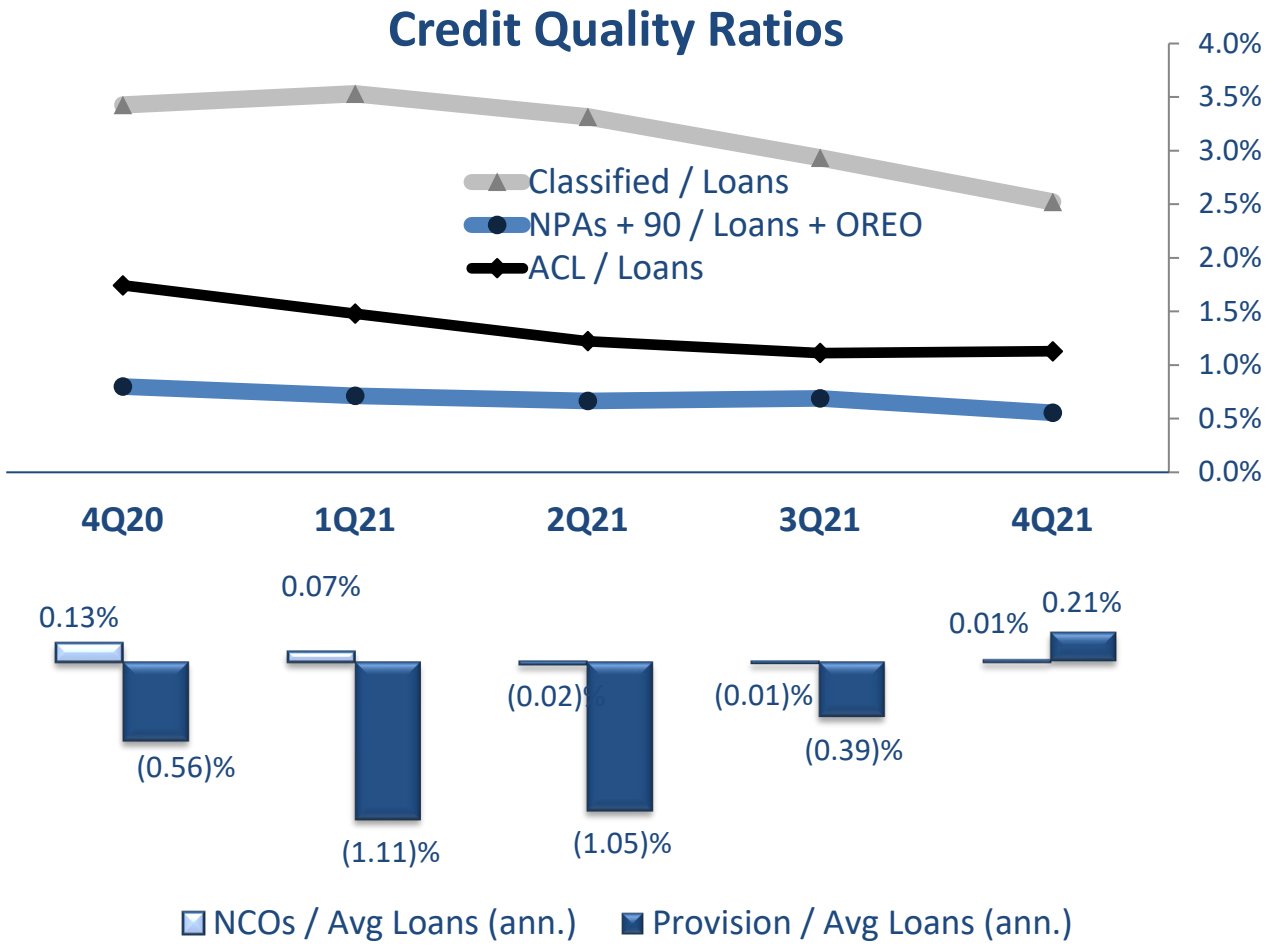
All Ratios Exclude PPP Loans

Key credit metrics:

- **2.5%:** Classified loans/loans
  - **Improved (declined) by more than 11%** in 4Q21 from 3Q21
- **0.55%:** NPAs+90[(1)]/loans + OREO
  - **Improved (declined) by more than 17%** in 4Q21 from 3Q21
- Net loan losses (recoveries), relative to average loans:
  - **0.01%** annualized in 4Q21
  - **0.01%** over the last 12 months

Allowance for credit losses:

- 1.13% of total loans and leases

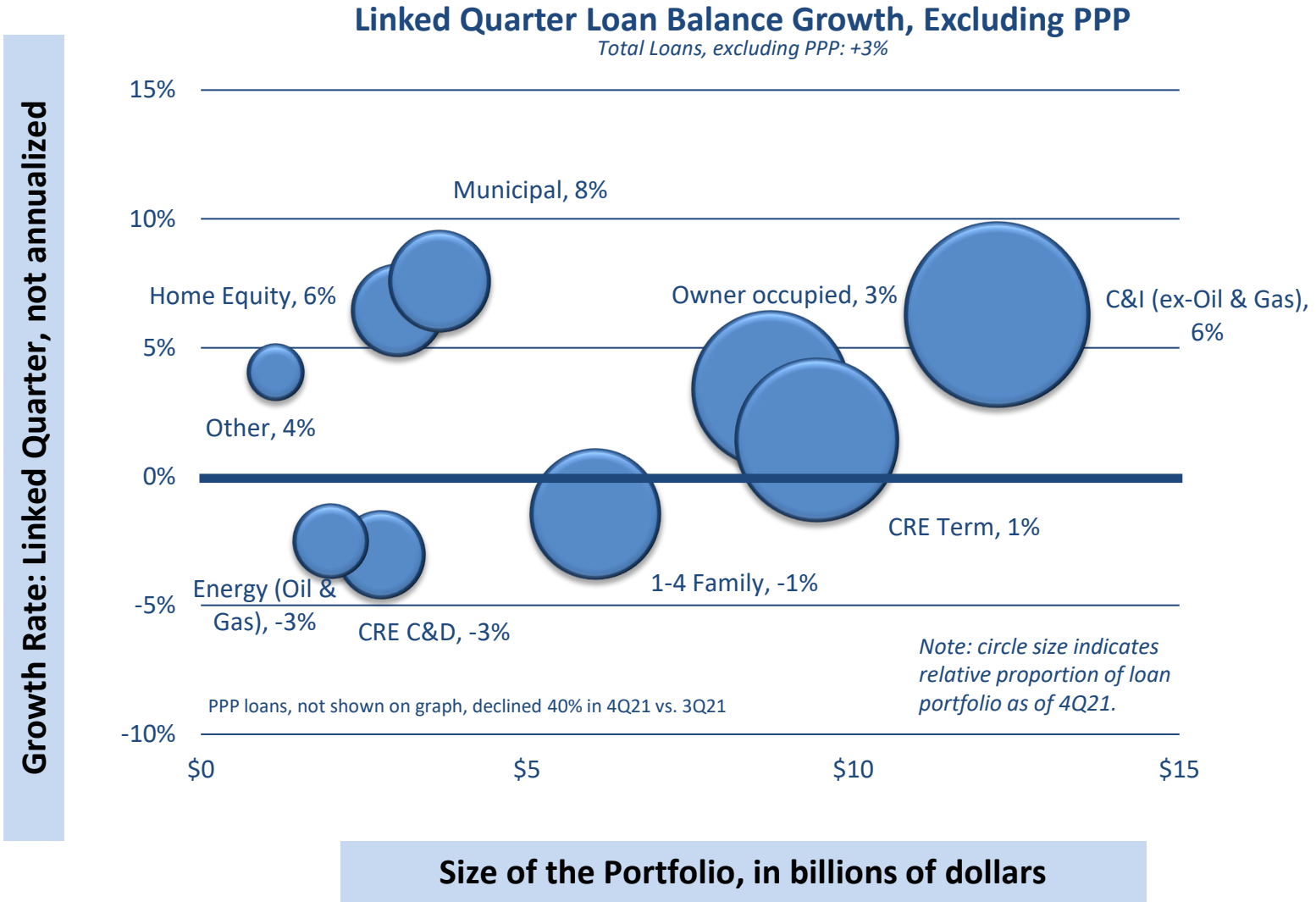


(1) Nonperforming assets plus accruing loans that were ≥ 90 days past due

Note: Net charge-offs / average loans and provision / average loans ratios are annualized for all periods shown

Loan Growth in Detail

Moderate to strong loan growth achieved in certain targeted growth categories



Linked quarter:

- Excluding PPP loans, period-end loans increased $1.4 billion or 3%
- Loan growth in dollars predominantly in C&I (ex-O&G), Owner-Occupied, Municipal, and Home Equity
- Decline of 40% in SBA PPP accounted for approximately $1.2 billion of attrition

Over the next four quarters, we expect moderate total loan growth, driven by:

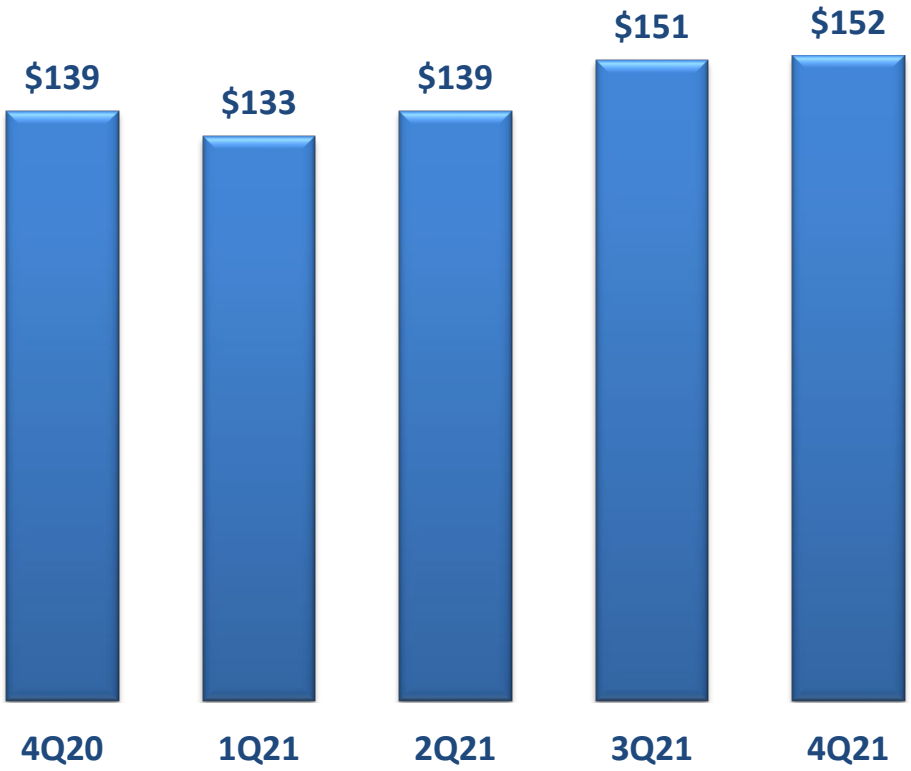
- Moderate to strong growth in Home Equity, Municipal, C&I and Owner-Occupied loans
- Stable to moderate growth in O&G, CRE
- Further shrinking of the SBA PPP portfolio

Noninterest Income

Total customer-related fee income increased slightly from 3Q21, and was up 10% from the year-ago period

Customer-Related Fee Income (1)

($ millions)



Customer-related fee income increased slightly from the prior quarter

- $7 million increase in capital markets and foreign exchange
  - Relatively even distribution of growth across swaps, foreign exchange, and syndication revenue
  - Strong linked-quarter performance may not be sustained each quarter, but efforts to grow these businesses are bearing fruit
- Relative stability in retail banking fees, card fees, wealth management and other fees quarter-over-quarter
- Decline in loan-related fees and income primarily due to mortgage banking activities, as more production was retained for the portfolio

Over the longer term, customer-related fees are expected to continue to benefit from improved capital markets and wealth management

(1) Reflects total customer-related noninterest income, which excludes items such as fair value and non-hedge derivative income, securities gains (losses), and other items, as detailed in the Noninterest Income table located in the earnings release.

Mortgage Banking

Successes amid COVID-19 pandemic with numerous customer experience improvements moving into 2022

2019

- Roll-out Zip mortgage

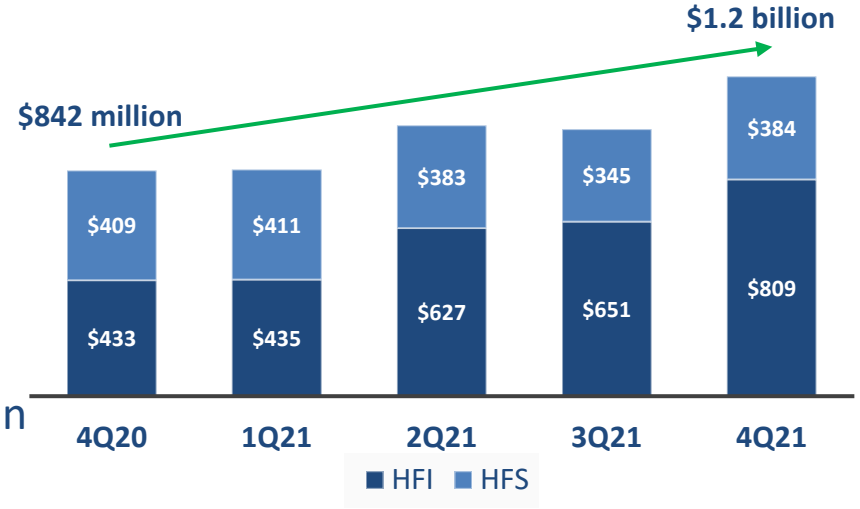
2021

- Enhanced Digital Fulfillment Process
- **95%** of all applications taken digitally
- **33%** reduction in turn-time vs. 2019, allowing for record unit production

4Q21

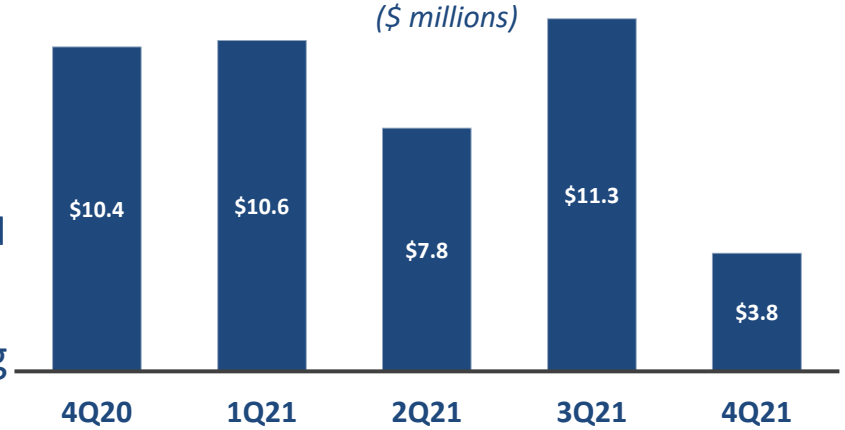
- Funded $1.2B in Q4, and >$4B in 2021, setting records for quarterly production
  - Annual production up 16% in 2021 vs. 2020 as compared to an 8% decline for the industry (MBA Market Index)
- Applications were up 129% ($1.8B) over same period last year
- Pipeline of $1.8B is setting up for a strong 1Q22 production
- Successfully launched numerous process enhancements, including refinements to the Affluent program
  - Affluent program refinement will be deployed across organization in 2022; expected to be instrumental in increasing our held-for-investment portfolio
- Fees lower for 4Q21 as the percentage of held-for-investment loans is returning to historical levels

Strong Mortgage Funding



Loan Sales Fees

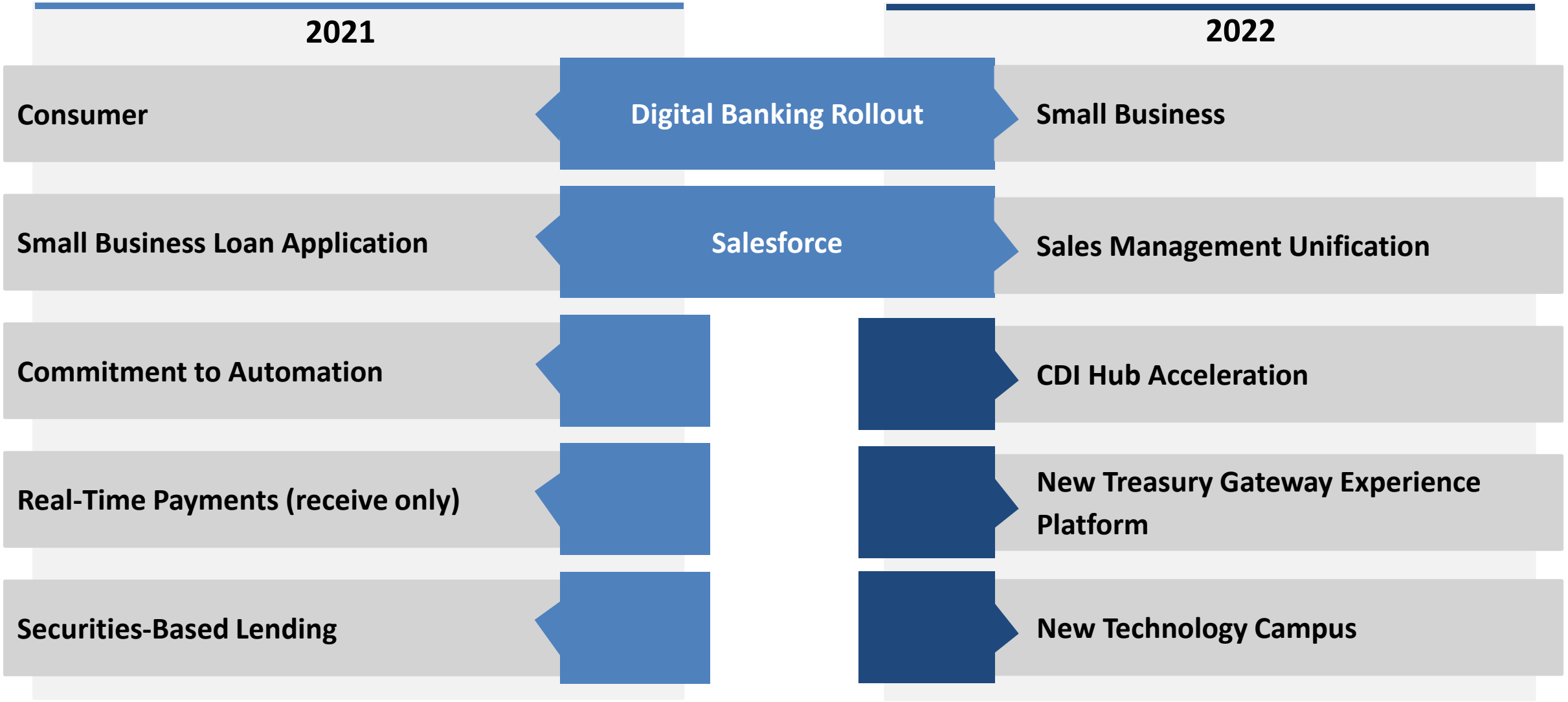
($ millions)



MBA Market Index data source: Bloomberg; Calculations: Zions

Technology: Key 2021 & 2022 Deliverables

These technology investments are expanding the reach of our bankers and improving the customer and employee experience

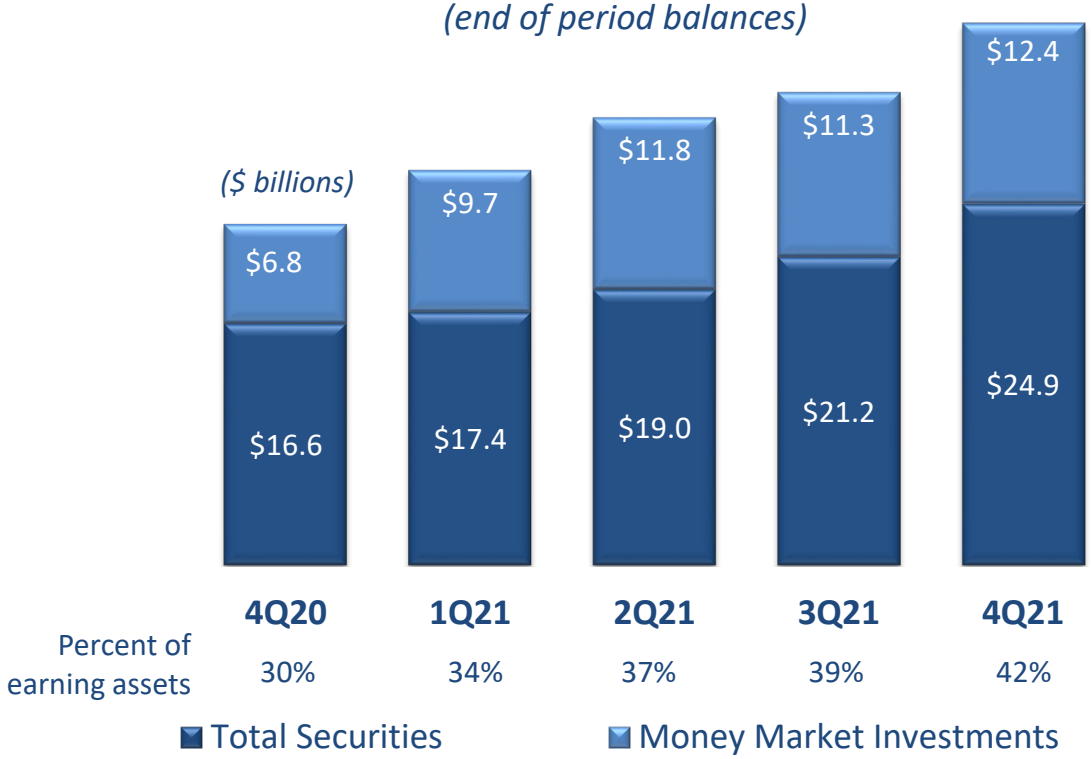


Securities, Money Market Investments and Interest Rate Swaps

The securities portfolio increased $3.6 B in 4Q21, absorbing deposit growth; further strong increase is likely

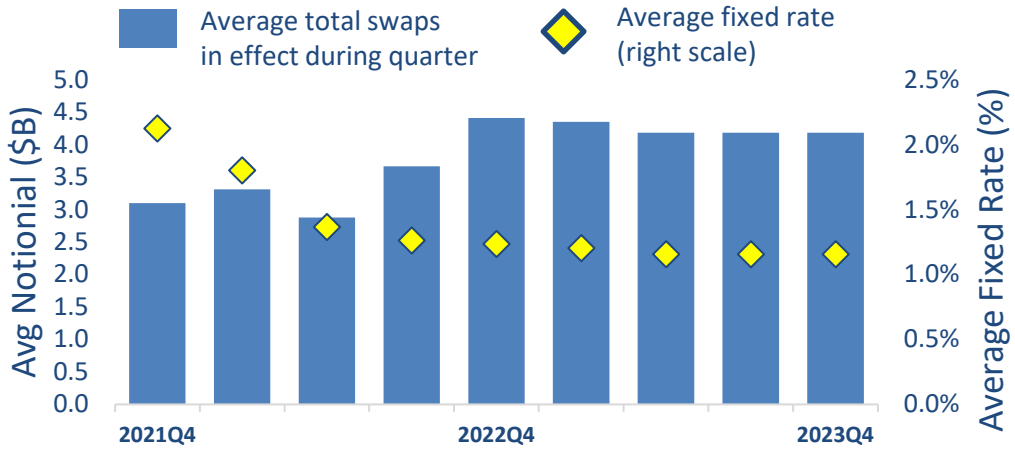
Total Securities Portfolio and Money Market Investments

(end of period balances)



Securities portfolio duration as of December 31, 2021: 3.1 years, and is modeled to extend to 3.2 years in an up 200 basis point parallel shift of the interest rate yield curve

- **Strong deposit growth has significantly increased the bank's overall liquidity profile**
  - 4Q21 period-end securities growth was $3.6 billion and accounted for 28% of period-end interest-earning assets
  - 4Q21 period-end money market investments increased $1.1 billion and accounted for 14% of period-end interest-earning assets
- Interest rate sensitivity reduced through **interest rate hedges**:

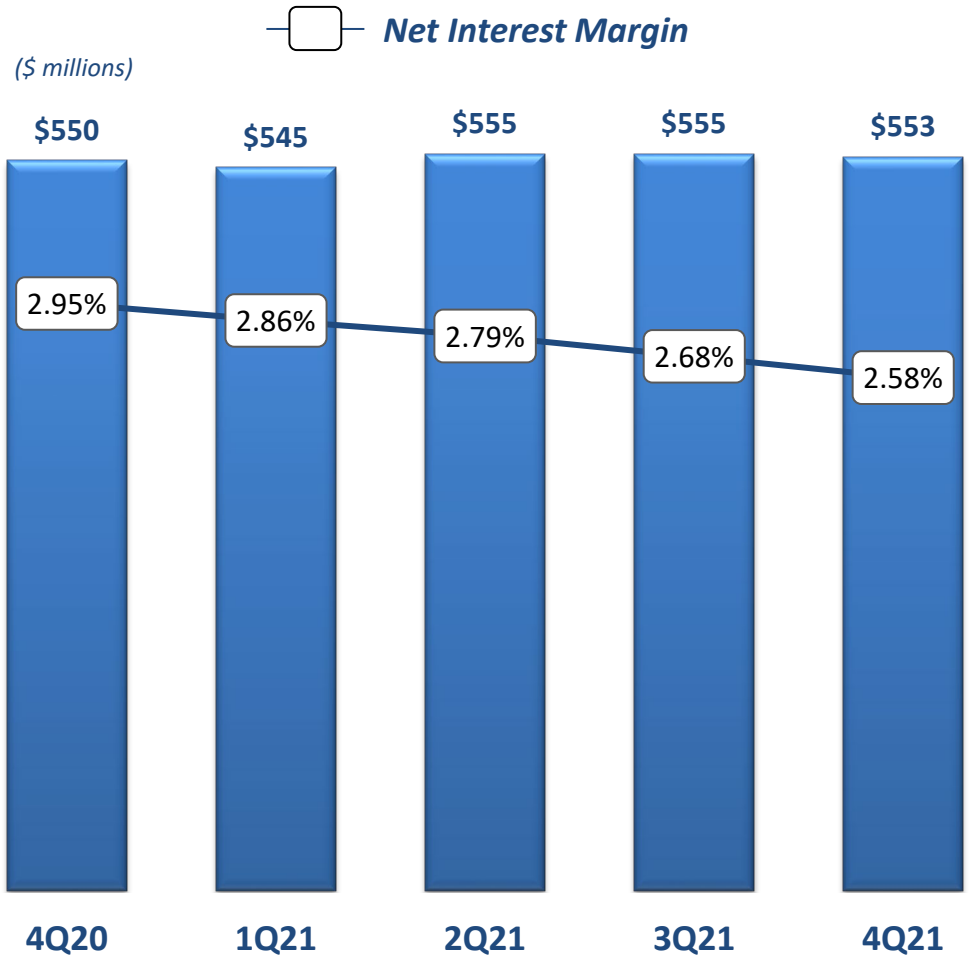


  - $4.9B in securities purchases in 4Q21 with an avg yield of 1.69%
  - $1.5B in forward-starting interest-rate swaps added in 4Q21 with a weighted average rate of 1.09%

Net Interest Income and Net Interest Margin

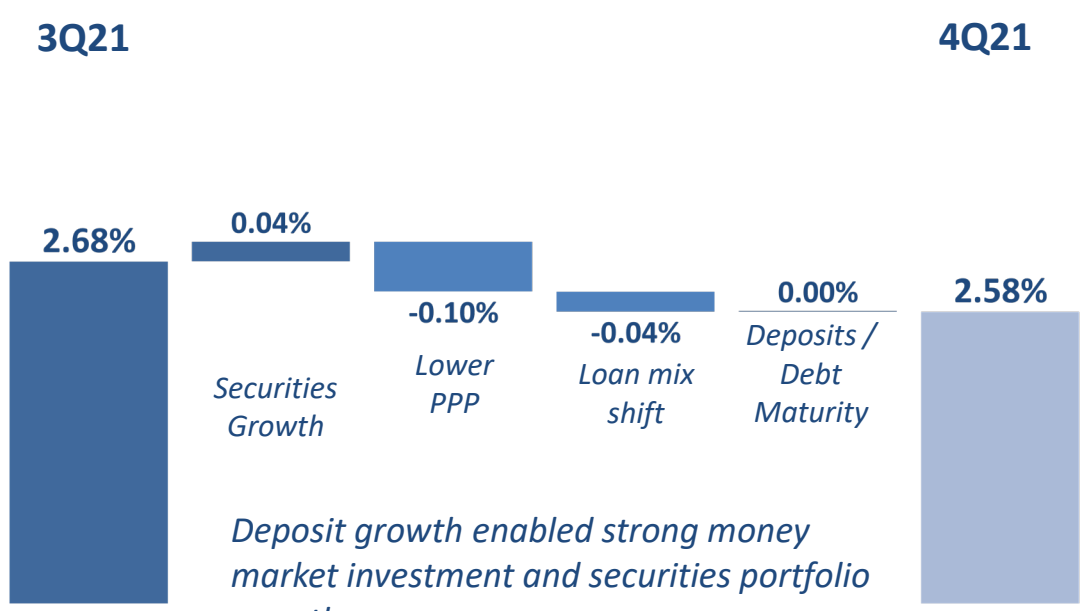
Net interest income stability driven by PPP success, securities purchases, and loan growth

Net Interest Income



Net Interest Margin

Zions' active efforts to invest the inflow of deposits has helped to limit the compression of the net interest margin. The increase in average securities over the past year (as opposed to leaving it in cash) has supported the NIM and has boosted recurring revenue.



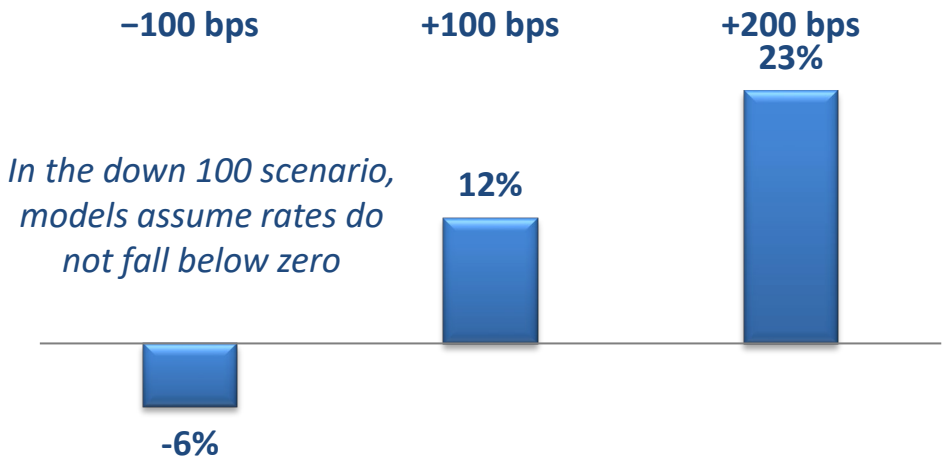
Deposit growth enabled strong money market investment and securities portfolio growth

As of December 31, 2021, unamortized net origination fees related to the PPP loans totaled $45 million, to be amortized over the remaining life of approximately four years or when loans pay down, pay off, or are forgiven by the SBA.

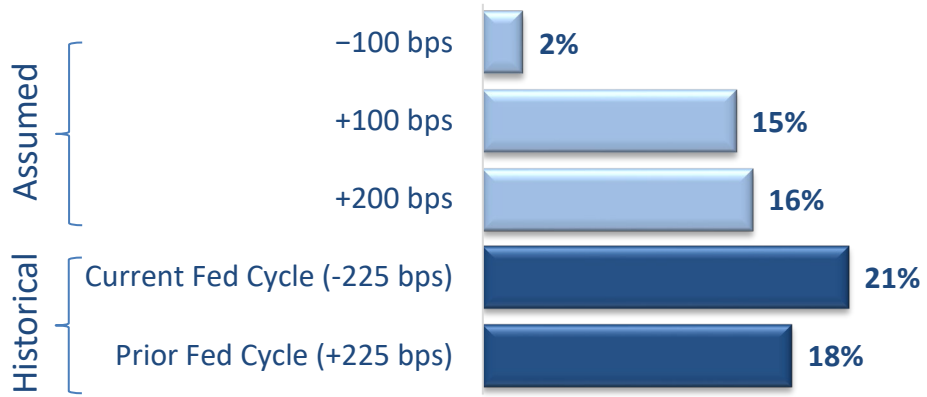
Interest Rate Sensitivity

The surge in deposits coupled with modest loan growth has resulted in increased asset sensitivity

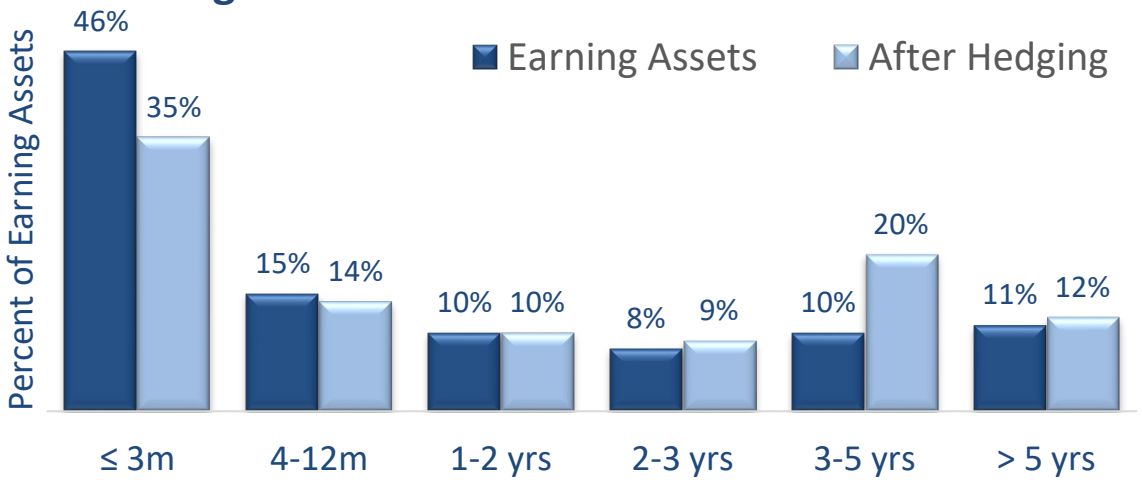
Net Interest Income Sensitivity (1)



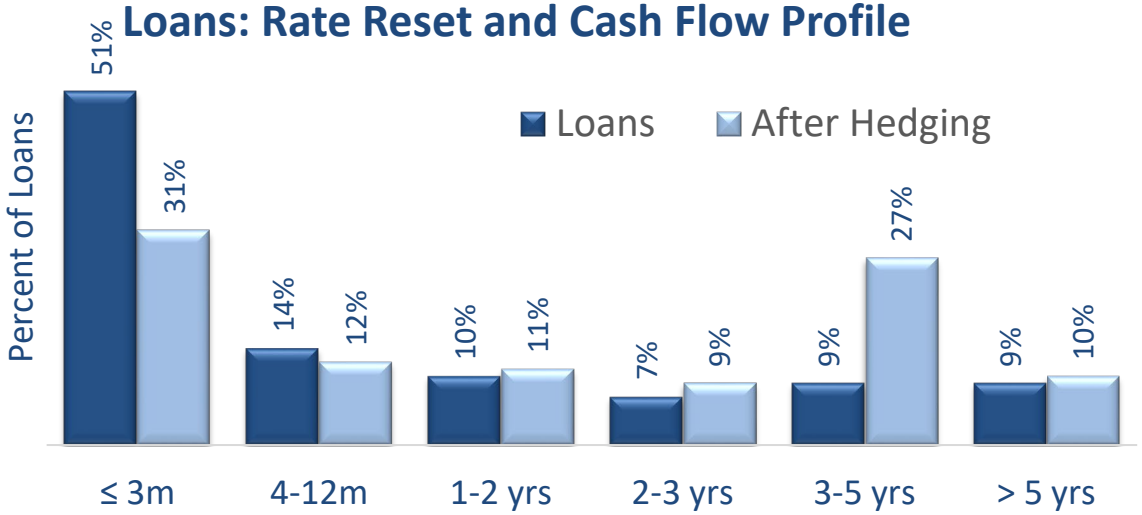
Total Deposit Betas



Earning Assets Rate Reset and Cash Flow Profile



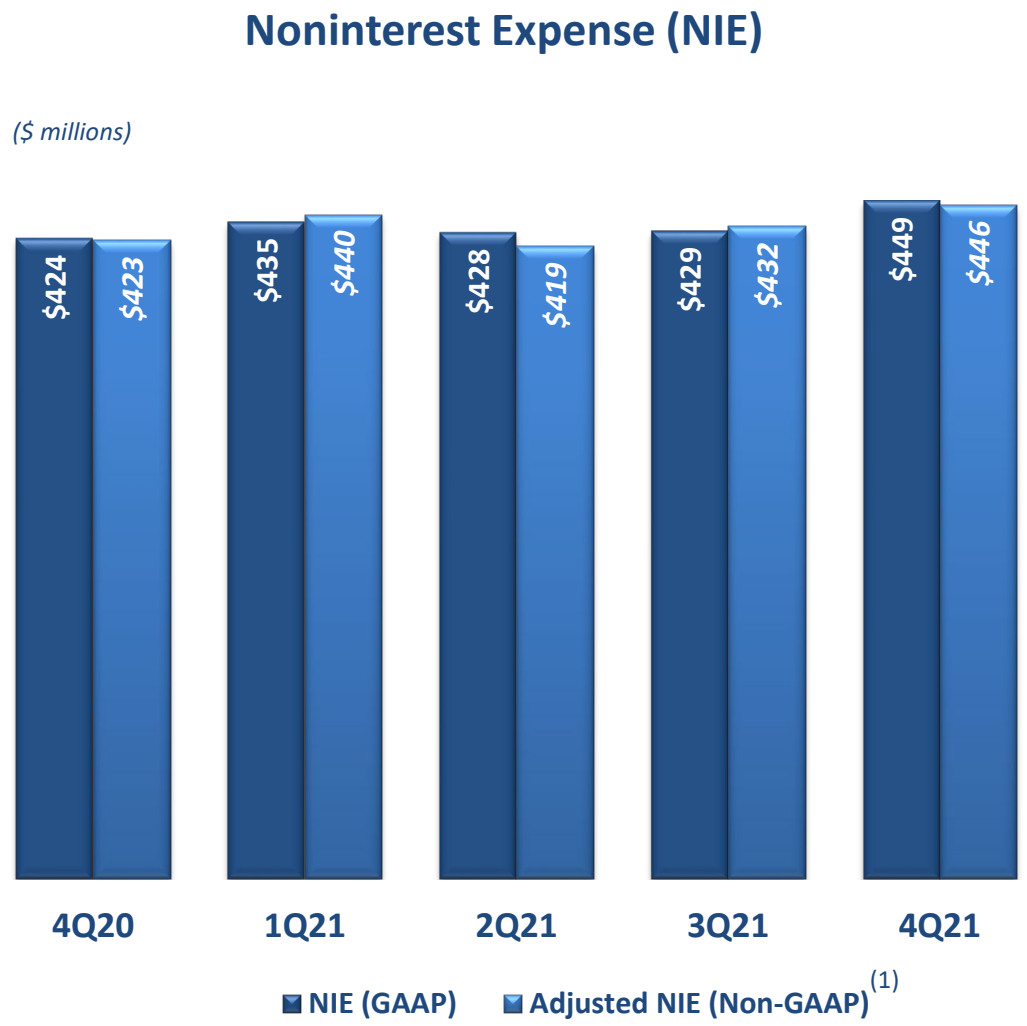
Loans: Rate Reset and Cash Flow Profile



Source: Company filings and S&P Global; "Prior Fed Cycle" refers to 3Q15-2Q19, reflecting the lag effect of deposit pricing relative to Fed Funds rates. The "Current Fed Cycle" begins in 3Q19 to present. (1) 12-month simulated impact of an instantaneous and parallel change in interest rates. Loans are assumed to experience prepayments, amortization and maturity events, in addition to interest rate resets in chart on the right. The loan and securities portfolios have durations of 1.8 and 3.0 years, respectively.

Noninterest Expense

Increase in expense in 4Q21 primarily attributable to a contribution to Zions' charitable foundation



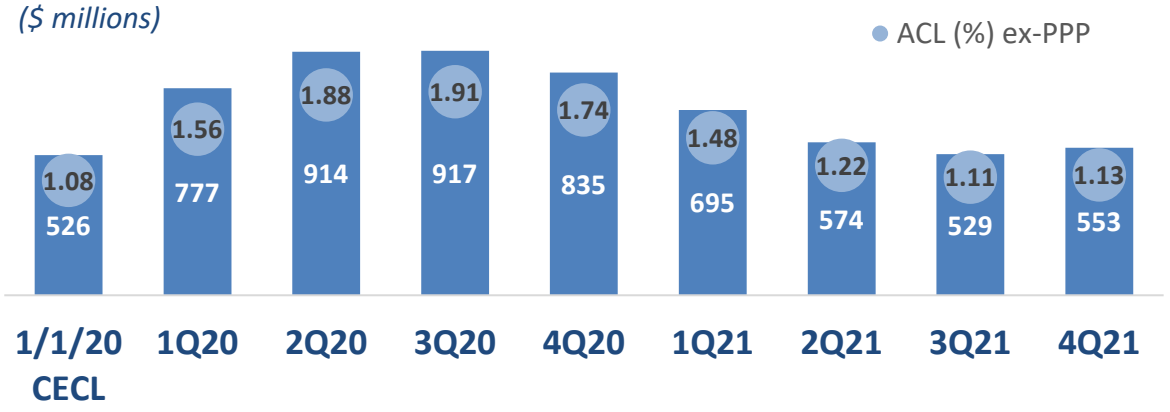
- Total noninterest expense increased 5% over the prior quarter
- Total adjusted noninterest expense increased 3% over the prior quarter, primarily due to a $10 million contribution to Zions' charitable foundation
- Excluding the charitable contribution expense, linked quarter adjusted noninterest expense increased 1% over the prior quarter
- *Notable items in:*
  - *4Q21: $10 million donation to Zions Foundation; $2 million success fee related to net gains on SBIC investments*
  - *3Q21: $(4) million success fee reversal*
  - *2Q21: $9 million success fee accrual*

(1) Adjusted for items such as severance, provision for unfunded lending commitments, securities gains and losses and investment, and accruals for investment and advisory expenses related to the unrealized gain on an SBIC investment. See Appendix for GAAP to non-GAAP reconciliation table.

Allowance for Credit Loss ("ACL")

ACL increase from 3Q21 reflects loan growth and concerns about Omicron's effect on economic improvement

Allowance for Credit Loss



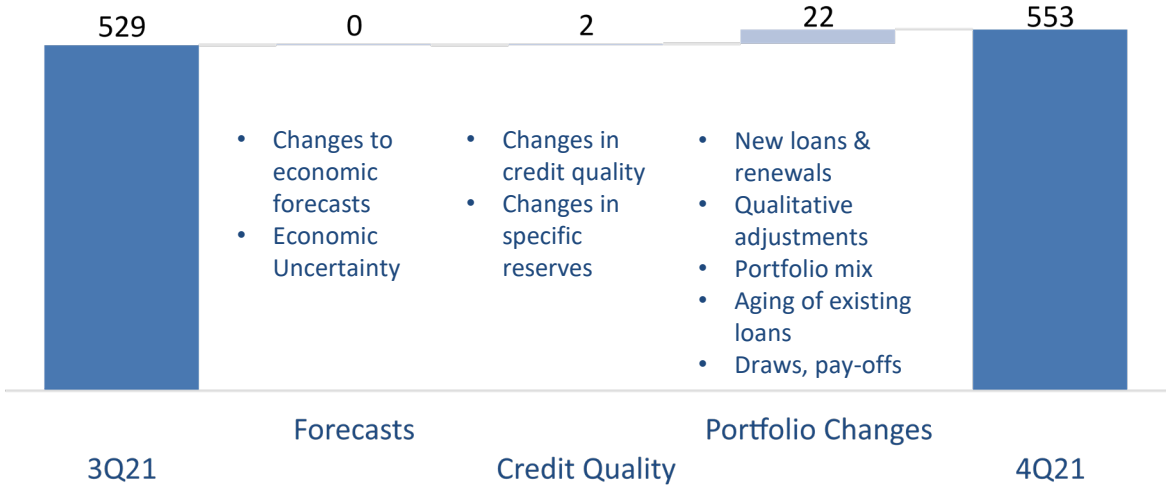
CECL Economic Forecast Assumptions

- Probabilistic weighting of four economic scenarios
- Reasonable and supportable forecast period: 12 months; reversion to long-term average: 12 months
- Economic factors vary depending upon the type of loan, but include various combinations of national, state, and MSA-level forecasts for variables such as unemployment, real estate price indices, energy prices, GDP, etc.

The change in 4Q21 ACL from 3Q21 reflects:

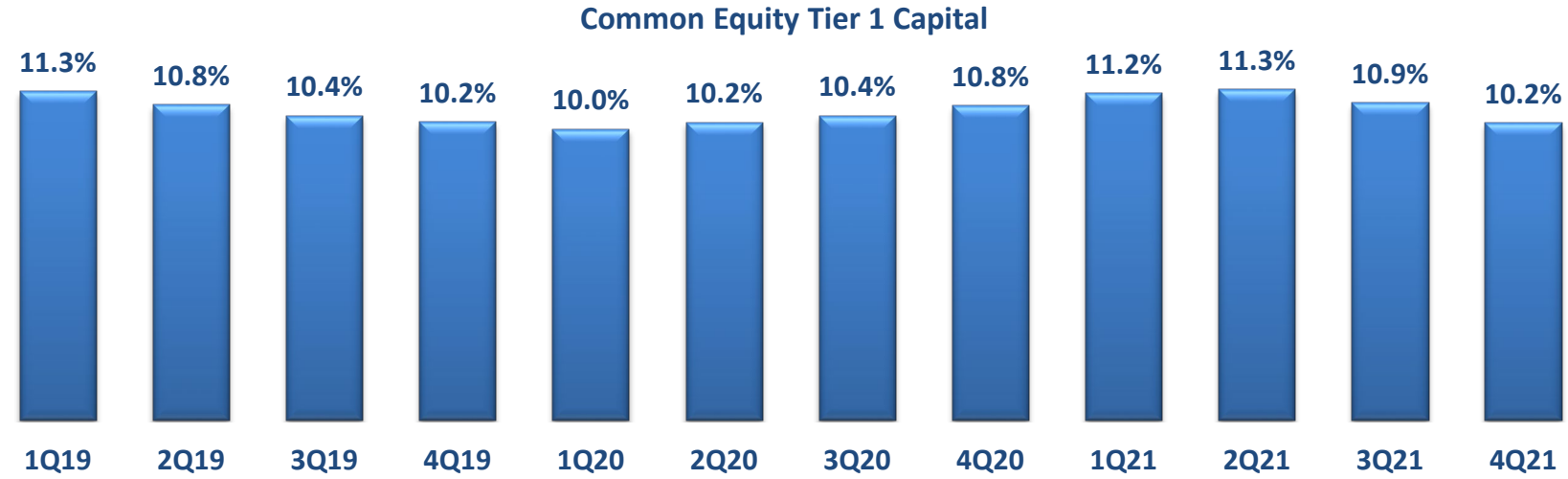
- Concerns about the potential economic effects from the Omicron variant of COVID
- Strong credit quality improvement that was already expected as part of previous quarter's ACL offset by some increases in specific reserves
- Significant non-PPP loan growth

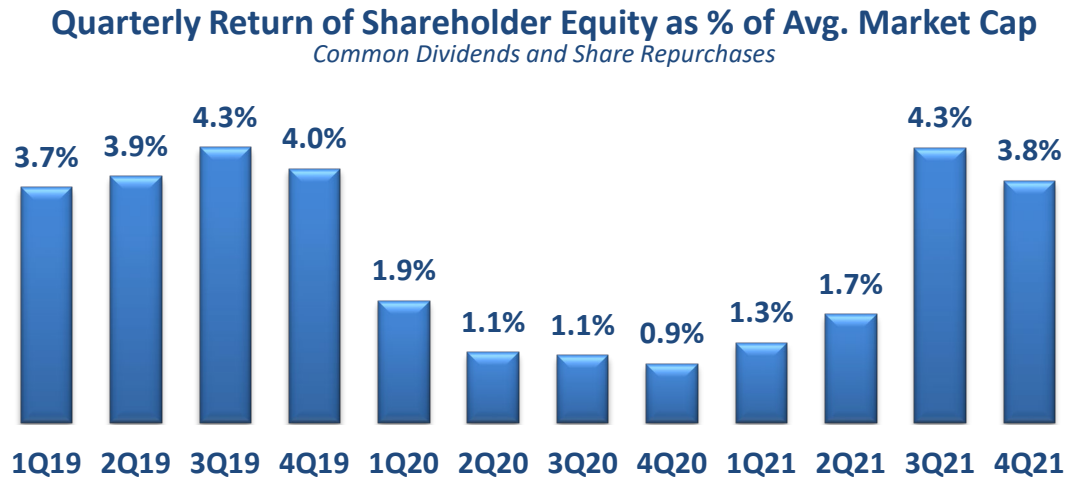
QoQ Change in ACL

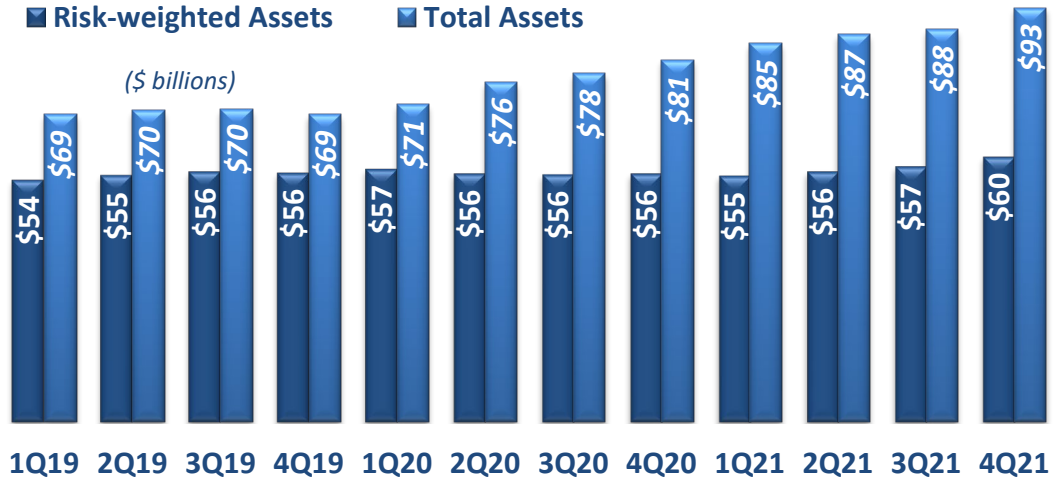


Capital Strength

Zions has returned one-third of the average market value to shareholders in the last three years







Financial Outlook (4Q 2022E vs 4Q 2021A)

	Outlook	Comments
Loan Balances	Moderately Increasing	▪ Moderate growth in the next twelve months, excluding PPP loans.
Net Interest Income	Increasing	▪ Does ***not*** include interest rate increases. Any interest rate increases are expected to be additive to our net interest income outlook. ▪ Excludes PPP loan income.
Customer-Related Fees	Slightly Increasing	▪ Customer-related fees excludes securities gains, dividends, and property sales gains.
Adjusted Noninterest Expense	Moderately Increasing	▪ Outlook excludes the $10 million charitable contribution in 4Q21. ▪ 4Q22 expected to be moderately higher than 4Q21's adjusted noninterest expense of $446 million less $10 million, or $436 million.
Capital Management		▪ A greater portion of the capital generated is likely to be allocated to support balance sheet growth than in the recent quarters. ▪ Relative to recent quarters, reduced share repurchases is likely.

Appendix

- Financial Results Summary
- Loan growth by geography and type
- PPP results
- FutureCore project
- Loan loss severity (NCOs as a percentage of nonperforming assets)
- Middle Market and Small Business Research Feedback
- GAAP to Non-GAAP reconciliation

Financial Results Summary

Solid and improving fundamental performance

(Dollar amounts in millions, except per share data)	Three Months Ended			
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Earnings Results:				
Diluted Earnings Per Share	$ 1.34	$ 1.45	$ 2.08	$ 1.90
Net Earnings Applicable to Common Shareholders	207	234	345	314
Net Interest Income	553	555	555	545
Noninterest Income	190	139	205	169
Noninterest Expense	449	429	428	435
Pre-Provision Net Revenue - Adjusted (1)	288	290	290	253
Provision for Credit Losses	25	(46)	(123)	(132)
Ratios:				
Return on Assets(2)	0.92 %	1.08 %	1.65 %	1.57 %
Return on Common Equity(3)	11.5 %	12.3 %	18.6 %	17.4 %
Return on Tangible Common Equity(3)	13.4 %	14.2 %	21.6 %	20.2 %
Net Interest Margin	2.58 %	2.68 %	2.79 %	2.86 %
Yield on Loans	3.73 %	3.82 %	3.77 %	3.73 %
Yield on Securities	1.61 %	1.63 %	1.71 %	1.77 %
Average Cost of Total Deposits(4)	0.03 %	0.03 %	0.04 %	0.05 %
Efficiency Ratio (1)	60.8 %	59.8 %	59.1 %	63.5 %
Effective Tax Rate	20.8 %	22.8 %	22.2 %	21.7 %
Ratio of Nonperforming Assets to Loans, Leases and OREO	0.53 %	0.64 %	0.60 %	0.61 %
Annualized Ratio of Net Loan and Lease Charge-offs to Average Loans	0.01 %	(0.01) %	(0.02) %	0.06 %
Common Equity Tier 1 Capital Ratio(5)	10.2 %	10.9%	11.3%	11.2%

(1) Adjusted for items such as severance costs, restructuring costs, other real estate expense, pension termination-related expense, securities gains and losses and investment and advisory expense related SBIC investments. See Appendix for GAAP to non-GAAP reconciliation tables.
(2) Net Income before Preferred Dividends used in the numerator; (3) Net Income Applicable to Common used in the numerator; (4) Includes noninterest-bearing deposits;
(5) Current period ratios and amounts represent estimates

Loan Growth - by Bank Brand and Loan Type

Period-End Year over Year Loan Growth (4Q21 vs. 4Q20)

(in millions)	Zions Bank	Amegy	CB&T	NBAZ	NSB	Vectra	CBW	Other	Total
C&I (ex-Oil & Gas)	(189)	407	479	(64)	23	17	88	-	761
SBA PPP	(1,035)	(745)	(765)	(393)	(366)	(205)	(208)	-	(3,717)
Owner occupied	155	67	12	165	91	21	37	-	548
Energy (Oil & Gas)	36	(323)	(4)	(16)	-	(23)	(1)	-	(331)
Municipal	303	122	48	18	(141)	235	96	26	707
CRE C&D	59	16	156	(12)	59	55	79	-	412
CRE Term	(167)	(116)	85	(32)	(22)	(72)	6	-	(318)
1-4 Family	(114)	(431)	(29)	(130)	(64)	(73)	(13)	(65)	(919)
Home Equity	115	53	56	25	5	21	(4)	-	271
Other	24	(50)	(17)	1	-	10	(8)	1	(39)
Total net loans	**(813)**	**(1,000)**	**21**	**(438)**	**(415)**	**(14)**	**72**	**(38)**	**(2,625)**

Period-End Linked Quarter Loan Growth (4Q21 vs. 3Q21)

(in millions)	Zions Bank	Amegy	CB&T	NBAZ	NSB	Vectra	CBW	Other	Total
C&I (ex-Oil & Gas)	59	187	326	42	31	25	52	-	722
SBA PPP	(287)	(240)	(330)	(103)	(114)	(92)	(59)	-	(1,225)
Owner occupied	22	95	37	33	48	41	11	-	287
Energy (Oil & Gas)	40	(46)	(5)	(18)	-	(21)	(1)	-	(51)
Municipal	64	86	(1)	9	(29)	137	1	(9)	258
CRE C&D	6	(128)	(9)	7	32	(15)	21	-	(86)
CRE Term	(30)	43	237	(114)	(6)	(26)	27	-	131
1-4 Family	13	(45)	(30)	(10)	4	(4)	(3)	(15)	(90)
Home Equity	60	19	46	31	11	17	(2)	-	182
Other	28	(8)	8	7	(1)	14	(1)	(2)	45
Total net loans	**(25)**	**(37)**	**279**	**(116)**	**(24)**	**76**	**46**	**(26)**	**173**

"Other" loans includes municipal and other consumer loan categories. Totals shown above may not foot due to rounding.

Paycheck Protection Program Loans

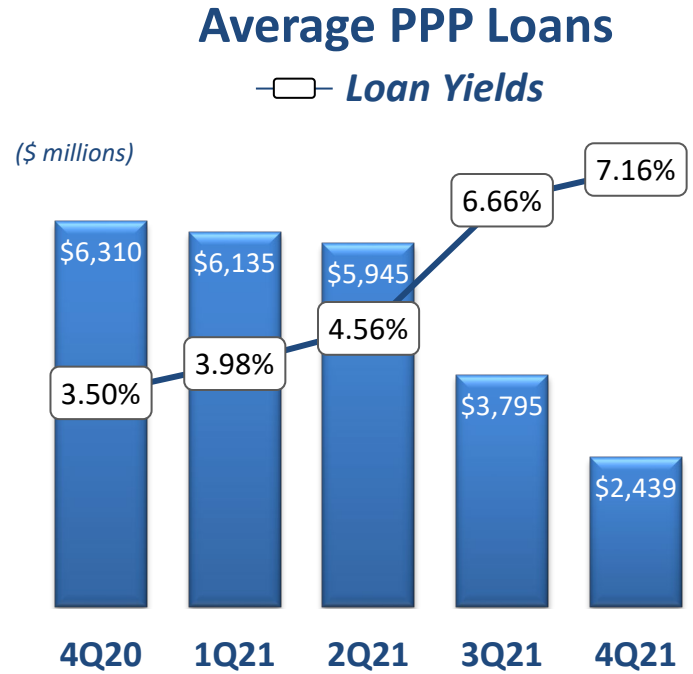
PPP lending success from Zions' ability to link front line bankers and borrowers with an agile technology deployment



Ranked 10th Nationally for PPP loan dollars originated

of consolidated 2020 and 2021 SBA PPP loans

Zions PPP Loans Approved	New-to-Bank Customers	Forgiveness Applications Received(1)	Forgiveness Applications Approved by SBA(1)
~77,000 loans	~20,000	~69,300	~66,700
$9.9 billion		$8.8 billion	$7.9 billion



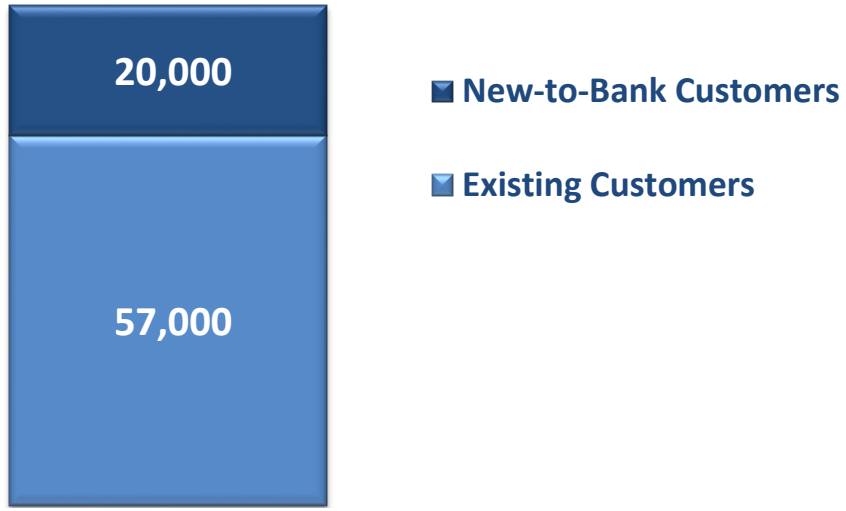
Source: SBA PPP Report and internal data. (1) As of December 31, 2021

Paycheck Protection Program Customers – Enhanced Relationships

Growth rate of new services provided to both existing and new-to-bank customers remains steady

PPP Loans

(Prior to Forgiveness)



New Accounts and Services Utilized by PPP Customers



Related benefits from PPP customers

- Deposit growth exceeding $6 billion
- New loans exceeding $550 million
- ~50% of PPP (2020 vintage) new-to-bank customers are considered active users of their deposit accounts, rising consistently since origination
- Retention rate for new-to-bank customers has been solid

New revenue generating services include:

- New accounts (checking or loan)
- Account analysis / Treasury Internet Banking
- ACH and wire transfers / Remote Deposit Capture
- Wealth Management / Credit Cards

New accounts and services do not include the PPP loan, or the deposit account required to receive the PPP funds, and includes only products and services that generate revenue

FutureCore: A Strategic Technology Advantage for Years to Come

Replacing the entire core legacy environment to improve operational resiliency and efficiency

Benefits of FutureCore

Modern Architecture Built for Resiliency and Speed



- Parameter driven
- Real time
- One data model
- Natively API enabled
- Cloud deployable
- Modern cyber paradigm
- Continuously upgraded & tested
- Facilitates automation

Improved Customer Experience



- Faster time to market for new products
- Unified account opening platform (branch/online/ mobile)
- Decreased outage risk
- Improves consistency of customer attribute data across numerous apps
- 7-day processing (when U.S. adopts)
- Real time: Fraud alerts and data entry correction

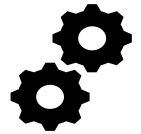
Empowered Bankers



- Intuitive user-friendly front end
- Real time data vs. calling the back office
- Reduces duplicate data entry
- Training simplified

FutureCore as a Catalyst

Driving Modernization



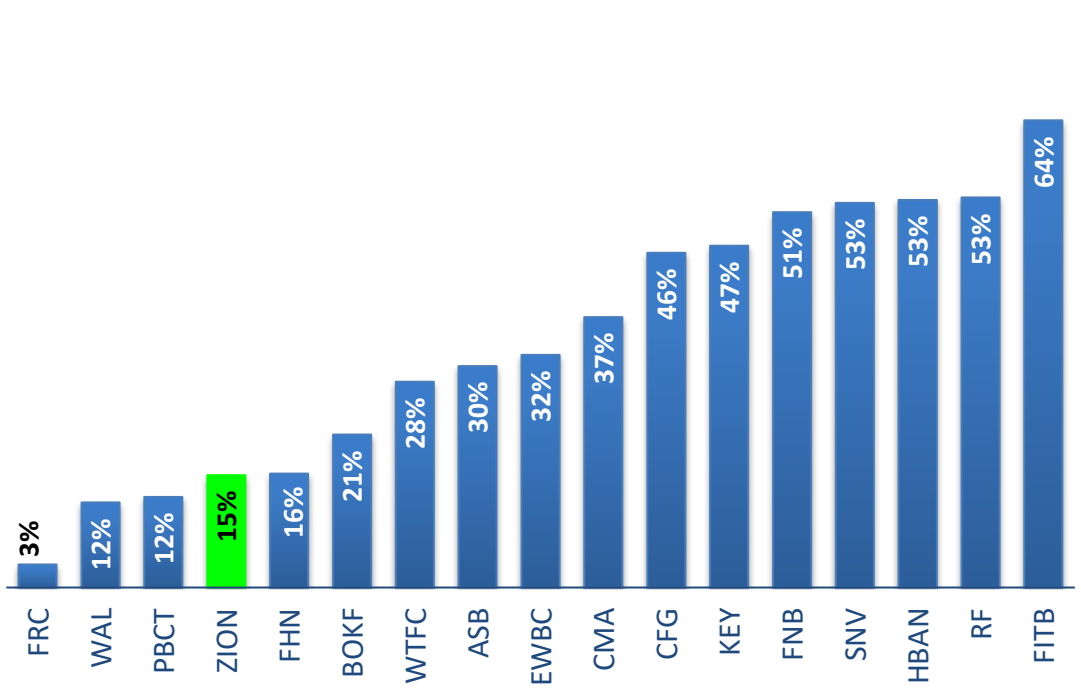
- General ledger simplification
- Credit approval workflow
- Loan ops consolidation
- Data governance disciplines
- Deposit product rationalization
- Charter consolidation

Loan Loss Severity

When problems arise, Zions generally experiences less severe loan losses due to strong collateral

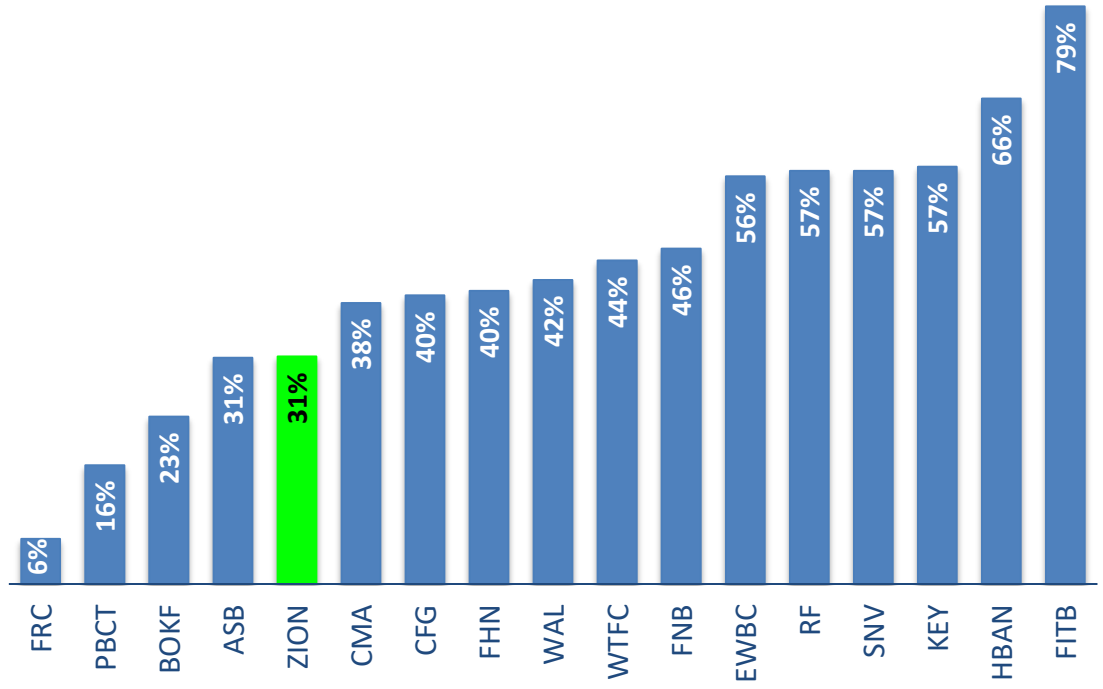
Annualized NCOs / Nonaccrual Loans

Five Year Average (2016 – 2020)



Annualized NCOs / Nonaccrual Loans

Fifteen Year Average (2006 – 2020)



Source: S&P Global. Calculated using the average of annualized quarterly results. Note: Survivorship bias: some banks that may have been included in Zions' peer group have been excluded due to their failed or merged status.

Middle Market and Small Business Research Feedback

Zions compares favorably to major competitors (JPMorgan, Bank of America, US Bank, Wells Fargo)

Greenwich Associates Customer Satisfaction Categories	Zions Bancorporation Client Score %	Major Competitors* (Average Score %)	Closest Competitor's Score %	Our Rank (2020)
Middle Market (Revenues of $10-$500 million)				
Overall Satisfaction		% of "Excellent" Customer Citations**		
Overall Satisfaction - Customers	61	45	55	1st
Bank You Can Trust	75	61	69	1st
Values Long-Term Relationships	70	61	69	1st
Ease of Doing Business	65	55	61	1st
Digital Product Capabilities	59	55	65	2nd
Satisfaction with our Bankers				
Overall Customer Satisfaction with Relationship Managers	67	64	71	2nd
Overall Customer Satisfaction with Cash Management Specialist	69	63	68	1st
Credit Process				
Willingness to Extend Credit	73	70	92	2nd
Speed in Responding to a Loan Request	70	66	78	3rd
Flexible Terms and Conditions	67	63	80	3rd
Net Promoter Score	56	33	48	1st
Small Business (Revenues of $1-$10 million)				
Overall Satisfaction		% of "Excellent" Customer Citations**		
Overall Satisfaction - Customers	70	42	49	1st
Bank You Can Trust	78	57	66	1st
Values Long Term Relationships	76	53	68	1st
Ease of Doing Business	75	55	63	1st
Digital Product Capabilities	64	51	60	1st
Satisfaction with our Bankers				
Overall Customer Satisfaction with Relationship Managers	78	60	74	1st
Overall Customer Satisfaction with Cash Management Specialist	85	72	94	2nd
Credit Process				
Willingness to Extend Credit	67	55	68	2nd
Speed in Responding to a Loan Request	76	53	66	1st
Flexible Terms and Conditions	63	48	57	1st
Net Promoter Score	55	15	36	1st

Source: 2020 Greenwich Associates Market Tracking Program Nationwide
*Major Competitors: JPMorgan, Bank of America Merrill Lynch, US Bank, Wells Fargo
** Excellent Citations are a "5" on a 5 point scale from "5" excellent to "1" poor

GAAP to Non-GAAP Reconciliation

In millions, except per share amounts		4Q21	3Q21	2Q21	1Q21	4Q20
Pre-Provision Net Revenue (PPNR)						
(a)	**Total noninterest expense**	**$449**	**$429**	**$428**	**$435**	**$424**
	LESS adjustments:					
	Severance costs		1			1
	Other real estate expense					1
	Amortization of core deposit and other intangibles	1				
	Pension Termination related expense					
	Restructuring costs				(5)	(1)
	SBIC Investment Success Fee Accrual	2	(4)	9		
(b)	*Total adjustments*	*3*	*(3)*	*9*	*(5)*	*1*
(a-b)=(c)	**Adjusted noninterest expense**	**446**	**432**	**419**	**440**	**423**
(d)	Net interest income	553	555	555	545	550
(e)	Fully taxable-equivalent adjustments	10	7	7	8	7
(d+e)=(f)	Taxable-equivalent net interest income (TE NII)	563	562	562	553	557
(g)	Noninterest Income	190	139	205	169	166
(f+g)=(h)	**Combined Income**	**$753**	**$701**	**$767**	**$722**	**$723**
	LESS adjustments:					
	Fair value and nonhedge derivative income (loss)	(1)	2	(5)	18	8
	Securities gains (losses), net	20	(23)	63	11	12
(i)	*Total adjustments*	*19*	*(21)*	*58*	*29*	*20*
(h-i)=(j)	**Adjusted revenue**	**$734**	**$722**	**$709**	**$693**	**$703**
(j-c)	**Adjusted pre-provision net revenue (PPNR)**	$288	$290	$290	$253	$280
(c)/(j)	Efficiency Ratio	60.8%	59.8%	59.1%	63.5%	60.2%

GAAP to Non-GAAP Reconciliation (Continued)

In millions, except per share amounts		4Q21	3Q21	2Q21	1Q21	4Q20
Net Earnings Applicable to Common Shareholders (NEAC)						
(k)	Net earnings applicable to common	$207	$234	$345	$314	$275
(l)	Diluted Shares (average)	154	160	163	164	164
	GAAP Diluted EPS	1.34	1.45	2.08	1.90	1.66
	PLUS Adjustments:					
	Adjustments to noninterest expense	3	(3)	9	(5)	1
	Adjustments to revenue	(19)	21	(58)	(29)	(20)
	Tax effect for adjustments	3	(4)	10	7	4
	Preferred stock redemption			-		-
(m)	Total adjustments	(13)	14	(39)	(27)	(15)
(k+m)=(n)	**Adjusted net earnings applicable to common (NEAC)**	**194**	**248**	**306**	**287**	**260**
(n)/(l)	Adjusted EPS	1.26	1.54	1.84	1.73	1.57
(o)	Average assets	91,885	88,556	85,957	83,079	80,060
(p)	Average tangible common equity	6,131	6,554	6,421	6,318	6,150
Balance Sheet Profitability						
(n)/(o)	Adjusted Return on Assets	0.87%	1.14%	1.47%	1.44%	1.34%
(n)/(p)	Adjusted Return on Tangible Common Equity	12.6%	15.0%	19.1%	18.4%	16.8%