

# CEO commentary

“In the third quarter, we reported diluted earnings per share of \$1.03. Our expense levels decreased year-over-year, which supported modest positive operating leverage, excluding net securities losses and prior year notable items. Net interest income and margin increased on a linked quarter basis benefiting from loan mix, continued repricing of fixed rate earning assets and disciplined liability management. Primary fees categories including commercial products, trust and investment management, payment services and mortgage banking all increased year-over-year as we continue to focus on our diverse and unique business mix. Credit quality results were in line with expectations, and we continue to increase our capital position, ending the quarter with a CET1 capital ratio of 10.5%. We are committed to balancing capital growth through earnings accretion with capital distributions. Finally, I would like to thank our dedicated employees for all they do to support our clients, communities, and shareholders.”

**Andy Cecere**

Chairman and CEO, U.S. Bancorp



## Q3 revenue highlights

Dollars in million

**\$6,864M**

Net revenue

**\$1,714M**

Net income

**1.03%**

Return on average assets

**12.4%**

Return on average common equity

## ABOUT US

U.S. Bancorp, with more than 70,000 employees and \$686 billion in assets as of September 30, 2024, is the parent company of U.S. Bank National Association.

Headquartered in Minneapolis, the company serves millions of customers locally, nationally and globally through a diversified mix of businesses including consumer banking, business banking, commercial banking, institutional banking, payments and wealth management. U.S. Bancorp has been recognized for its approach to digital innovation, community partnerships and customer service, including being named one of the 2024 World's Most Ethical Companies® and Fortune's most admired superregional bank. To learn more, please visit the U.S. Bancorp website at [usbank.com](https://usbank.com) and click on "About Us."



## OUR STRATEGIC PILLARS

Our strategy is how we will grow; it comes to life by activating our pillars.



Being the most trusted choice



Driving one U.S. Bank



Striving for simplicity



Creating the future now

## Q3 RESULTS BRIEF



\$1,714M

Net income



12.4%

Return on average common equity



1.03%

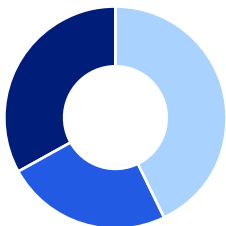
Return on average assets



\$1.03

Diluted EPS

## REVENUE MIX BY BUSINESS LINE



33%

Consumer and Business Banking

24%

Payment Services

43%

Wealth, Corporate, Commercial and Institutional Banking

Nine months ended September 30, 2024 taxable-equivalent basis.

Business line revenue percentages exclude Treasury and Corporate Support; Non-GAAP; see appendix for reconciliation.

# U.S. Bank expands alliance strategy, announces Edward Jones partnership



## Edward Jones clients will have access to checking, credit card products powered by U.S. Bank

U.S. Bank has entered a strategic partnership to serve Edward Jones' clients' banking needs with leading U.S. Bank deposit and credit card solutions. Through the alliance, Edward Jones financial advisors will have the unique opportunity and tools to introduce co-branded U.S. Bank deposit and credit card products to the firm's U.S. clients beginning in late 2025.

"U.S. Bank and Edward Jones share a mission to improve the financial lives of our clients. Working together, we look forward to helping more clients achieve their financial goals with simple and easy to use banking solutions," said Arijit Roy, head of consumer and business banking products at U.S. Bank.

U.S. Bank has had an Edward Jones card-issuing relationship through its Elan division since 2012. This expanded alliance will feature new co-branded card products with enhanced rewards for consumer and small business clients.

This is the latest step in the U.S. Bank alliance strategy to extend the company's geographic reach and serve more clients. In 2020, U.S. Bank began an alliance with State Farm to assume the insurance provider's deposit and credit card account products. The relationship now includes business banking, deposit and credit card products available through State Farm's 19,400 agents located across 48 states.

**Distribution reach for Edward Jones alliance includes:**

**+19,000**  
financial advisors

**~8M**  
U.S. clients

**~2T**  
in client assets under care  
across North America

# U.S. Bank unveils industry-leading card, savings combination



U.S. Bank **has launched two new U.S. Bank Smartly® products** designed to work together to maximize credit card rewards while also helping clients earn more on their savings balances.

The **U.S. Bank Smartly™ Visa Signature® Card** is a credit card that offers up to 4% cash back on every purchase, and **U.S. Bank Smartly® Savings** is a competitive rate savings account. The combination provides an everyday banking solution that empowers clients to manage their money easily, while maximizing cash back rewards based on total eligible balances with U.S. Bank.

Bank Smartly credit cardholders can earn an unlimited 2% cash back on every purchase as a baseline. When paired with a Bank Smartly Savings account and average daily combined balances in U.S. Bank deposit, trust or investment accounts, clients can increase their earning opportunities up to as much as 4% cash back on all purchases – the highest level of cash back rewards in

the market. Reward levels increase with the cardholder's combined average daily eligible balance.

For example, clients with an average daily combined qualifying balance of:

- \$5,000 - \$49,999 can earn 2.5% total cash back.
- \$50,000 - \$99,999 can earn 3% total cash back.
- \$100,000 or more can earn 4% total cash back.

For savers, Bank Smartly Savings is a new competitive rate savings account that empowers clients to earn more on their savings balances, with the flexibility of a traditional savings account at U.S. Bank. When paired with the Bank Smartly Card, or an eligible checking account, account holders can earn rates **up to 4.10% APY** on qualifying savings balances of \$100,000 or more, with earning potential and rewards that grow as their balances and accounts grow with the bank.

## Former SunTrust CFO joins U.S. Bancorp Board of Directors



Aleem Gillani has been elected as a director of U.S. Bancorp by its board of directors. He serves on the Audit Committee and Risk Management Committee of the board.

Gillani, 62, served as chief financial officer of SunTrust Banks, Inc. from April 2011 until March 2018, before retiring in June 2018. He previously served as SunTrust's corporate treasurer from 2010 to 2011 and chief market risk officer from 2007 to 2010. Prior to joining SunTrust, he spent most of his career in risk management roles, including as the chief market risk officer of PNC Financial Services Group, Inc. and FleetBoston Financial.

Gillani has also been a member of the board of directors of the Federal Home Loan Mortgage Corporation (Freddie Mac) since 2019. He was the founding chair of the Market Risk Council for the Risk Management Association (RMA) and previously served for many years as a director on the RMA board.

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## U.S. Bancorp announces \$5 billion common stock repurchase program

U.S. Bancorp Board of Directors **authorized a share repurchase program** for up to \$5 billion of the company's outstanding common stock beginning September 13, 2024. The company intends to begin repurchasing shares by early 2025 at its discretion as it continues to monitor the economic environment while growing capital and remaining in compliance with regulatory requirements. The stock may be repurchased in the open market or in privately negotiated transactions. The company will adjust its capital distributions as conditions warrant. The repurchase program does not obligate the company to purchase a particular amount of outstanding common stock, and there is no guarantee as to how many shares will be repurchased by the company. This share repurchase program replaces the program approved by the Board on December 21, 2020.



## U.S. Bank introduces automated, end-to-end supplier accounts receivable platform



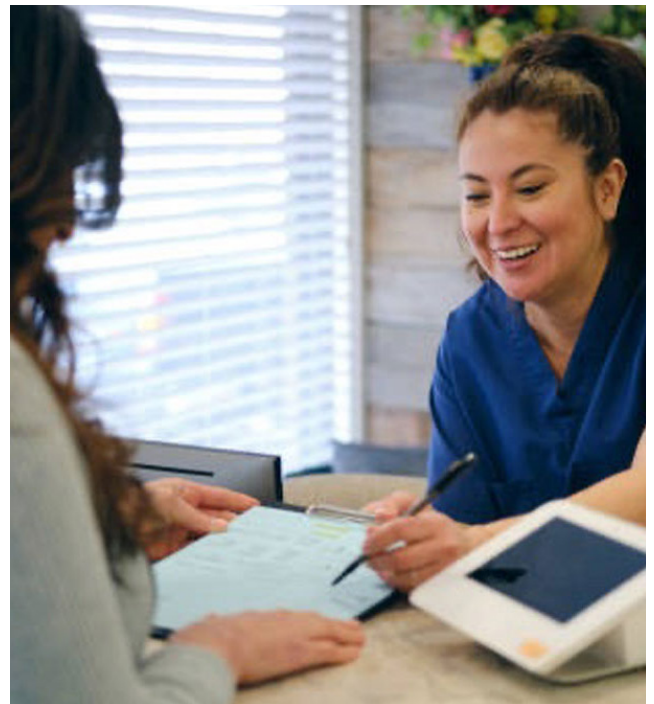
U.S. Bank now offers a comprehensive accounts receivable (AR) platform to help suppliers accelerate cash flow, cut costs through automation and deliver better payment experiences. Created in partnership with Billtrust, U.S. Bank Advanced Receivables brings together the bank's leading payment and risk management capabilities with Billtrust's top AR technology to improve the intricate business-to-business (B2B) receivables process. The platform consists of five core solutions to modernize the entire receivables process: Invoicing, Payments, Cash Application, Collections and Credit. Some benefits of the solutions include flexible, automated invoice delivery options that increase digital payments; secure, convenient payment options, including via virtual credit cards; and optimized collections with customized outreach approaches, automation of repetitive tasks and better cash forecasting.

## U.S. Bank acquires healthcare payments platform Salucro Healthcare Solutions

U.S. Bank has acquired Salucro Healthcare Solutions, LLC.

The Tempe, Arizona-based company provides healthcare financial technology, focused on patient payments and billing. Salucro is a market leader in online billing and payments offerings for healthcare providers across the country. The company was a partner of Elavon, the merchant acquiring unit within U.S. Bank. Salucro's platform is sold through Elavon as MedEpay.

The acquisition builds on the bank's more than a century of service to healthcare-focused clients. Today, U.S. Bank provides a broad range of banking and payment services to hospital systems, insurers, medical equipment manufacturers and medical, dental, and veterinary practices.



The acquisition closed in August.

## U.S. Bank offers Paze<sup>SM</sup> for cardholders and merchants



All U.S. Bank clients with eligible credit and debit cards **now have access to Paze<sup>SM</sup>**, a new online checkout solution that makes online shopping more convenient. Paze is a streamlined checkout experience with no manual card entry, no new Paze password to remember\* and no need to download third-party applications. U.S. Bank also offers a variety of options for businesses to easily accept Paze transactions through a seamless integration with Elavon's Converge Payment Gateway for e-commerce. Paze provides cardholders with added security by tokenizing credit and debit card numbers, so the actual 16-digit card number is not shared with the online merchant. Eligible U.S. Bank clients can activate Paze by signing in through the U.S. Bank app, online at **usbank.com** or by checking out at a participating retailer's website. To use Paze when shopping online, look for the Paze button at the online checkout of participating merchants and follow the steps to complete the purchase. There are no additional transaction fees for merchants to add Paze as a checkout option and it offers added security because the actual card number stays hidden\*.

\*Some merchants may require account setup to make purchases.

## CSD functions for securities issued in France now offered by U.S. Bank

### Enhancement adds local paying agency capabilities for European debt capital markets

U.S. Bank will now support debt capital market transactions for clients **who issue securities in the French central securities depository** (CSD) operated by Euroclear France. U.S. Bank Global Corporate Trust has offered issuing and paying agency services for commercial paper and medium-term notes, standalone corporate bonds and structured finance in international markets for more than 12 years. With this new capability, U.S. Bank can now offer these services in Euroclear France CSD. In addition, by establishing the infrastructure that supports the TARGET2-Securities (T2S) platform, U.S. Bank will be able to add more European CSD markets in the future. U.S. Bank offers investment services solutions from three European locations in Ireland, Luxembourg and the United Kingdom.



## U.S. Bank once again earns top score for disability inclusion



For the seventh consecutive year, U.S. Bank earned a score of 100 on the [Disability Equality Index®](#) and is an American Association of People with Disabilities and Disability:IN “Best Place to Work for Disability Inclusion.” The Disability Equality Index is the world’s most comprehensive benchmarking tool for the Fortune 1000 and Am Law 2001 to measure disability workplace inclusion against competitors in: Culture and leadership, Enterprise-wide access, Employment practices (benefits, recruitment, employment, education, retention and advancement, accommodations), Community engagement, Supplier diversity and non-U.S. operations (non-weighted). Examples of the bank’s commitment to equal access include the bank’s adaptive technology hardware catalog that makes it easier for employees and managers to locate and order various adaptive computer accessories and the ability for employees to request and connect with American Sign Language (ASL) and caption services.

## U.S. Bank Foundation delivers \$11.5 million in Community Possible grants

Funding supports building blocks of vibrant communities – work, home and play

In its most recent round of giving, the U.S. Bank Foundation [provided more than 500 Community Possible grants](#) totaling more than \$11.5 million to nonprofit organizations focused on strengthening communities across the country. Many grants go toward nonprofits that provide opportunities for people to play, create and enjoy the richness and diversity of arts and cultural experiences, such as the Triple Play program offered by the Boys & Girls Club of the North Valley in Northern California. The U.S. Bank Community Possible unified giving and engagement strategy focuses on three areas – work,



home and play – to make the most meaningful impact. So far in 2024, the U.S. Bank Foundation has provided more than \$23 million in Community Possible grants, and giving will continue through the rest of the year.



# U.S. Bank leaders named among 2024 Most Powerful Women in Banking



**Gunjan Kedia, President**



**Jodi Richard, Vice Chair and Chief Risk Officer**

American Banker has recognized two U.S. Bank leaders for its [2024 Most Powerful Women in Banking awards](#), naming President Gunjan Kedia and Vice Chair and Chief Risk Officer Jodi Richard among individual honorees. Kedia has taken on greater responsibility throughout her nearly eight years at U.S. Bank and was named president in May 2024. Last year, she helped bring together two complementary revenue areas into one revenue line: Wealth, Corporate, Commercial and Institutional Banking (WCIB). Prior to leading WCIB, she was vice chair of Wealth Management and Investment Services and helped guide the division through the pandemic and the banking crisis in spring of 2023. Kedia now leads the company's three revenue lines, guiding how U.S. Bank delivers products and services and creates meaningful relationships with millions of customers across North America and Europe. This is the seventh consecutive year she has been honored by American Banker.

Richard oversees the company's Risk Management and Compliance organization, which sets the strategy for how the company navigates risk, compliance and credit matters proactively and addresses emerging threats. Previously recognized by American Banker as an honorable mention for her efforts during COVID-19, this is Richard's first appearance on the banking list.

"Gunjan and Jodi are outstanding executives who are setting the standard for excellence and helping to pave the way for future generations of leaders," said Andy Cecere, chairman and CEO of U.S. Bank. "We appreciate their contributions not only to our company but also to the financial services industry overall, and we are proud to honor them as they are recognized among the most powerful women in banking and finance."

U.S. Bank leaders have been consistently recognized in the Most Powerful program since its inception more than 20 years ago.

## USB Capital Position<sup>1</sup>

Common equity tier 1 capital ratio	10.5%
Tier 1 capital ratio	12.2%
Total risk based capital ratio	14.2%
Leverage ratio	8.3%

1) USB Capital Position calculated under the Basel III standardized approach. Ratios calculated in accordance with transitional regulatory requirements related to the current expected credit losses methodology.

## 3Q24 FINANCIAL OVERVIEW

### Our position among our financial peers

#### Average Assets

Rank	Company	\$Billions
1	JPMorgan Chase & Co.	4,177
2	Bank of America	3,296
3	Wells Fargo & Co.	1,917
<b>4</b>	<b>U.S. Bancorp</b>	<b>665</b>
5	PNC Financial Services Group, Inc.	570
6	Truist Financial Corp.	519
7	Citizens Financial Group, Inc.	219
8	Fifth Third Bancorp	214
9	KeyCorp	188
10	Regions Financial Corp.	155

#### Market Cap

Rank	Company	\$Billions
1	JPMorgan Chase & Co.	641
2	Bank of America	328
3	Wells Fargo & Co.	219
<b>4</b>	<b>U.S. Bancorp</b>	<b>77</b>
5	PNC Financial Services Group, Inc.	75
6	Truist Financial Corp.	58
7	Fifth Third Bancorp	30
8	Regions Financial Corp.	22
9	Citizens Financial Group, Inc.	19
10	KeyCorp	16

#### Average Deposits

Rank	Company	\$Billions
1	JPMorgan Chase & Co.	2,383
2	Bank of America	1,921
3	Wells Fargo & Co.	1,342
<b>4</b>	<b>U.S. Bancorp</b>	<b>509</b>
5	PNC Financial Services Group, Inc.	422
6	Truist Financial Corp.	384
7	Citizens Financial Group, Inc.	174
8	Fifth Third Bancorp	167
9	KeyCorp	148
10	Regions Financial Corp.	126

Source: Peer company reports, based on U.S. Bancorp's financial peer group described in its 2024 proxy statement, and Bloomberg. Assets and deposits for the three months ended 9/30/24; Average balances unless otherwise noted; market cap as of 10/18/24.

## U.S. Bancorp Ratings

Moody's	=	A3
S&P	=	A
Fitch	=	A
DBRS	=	AAL

## 3Q24 FINANCIAL OVERVIEW

The senior unsecured debt ratings established for U.S. Bancorp by Moody's, Standard and Poor's, Fitch, and Dominion Bond Rating Service reflect the rating agencies' recognition of the strong, consistent financial performance of the company and the quality of the balance sheet.

## Long-Term Senior Debt Ratings

Holding Company: Peer Group	Moody's		S&P		Fitch		DBRS	
	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook
1 U.S. Bancorp	A3	on	A	s	A	s	AAL	s
2 JPMorgan Chase & Co.	A1	s	A-	op	AA-	s	AAL	s
3 Bank of America	A1	s	A-	s	AA-	s	AAL	s
4 Wells Fargo & Co.	A1	s	BBB+	s	A+	s	AAL	s
5 PNC Financial Services Group, Inc.	A3	on	A-	s	A	s	AH	s
6 Truist Financial Corp.	Baa1	s	A-	s	A-	s	AAL	s
7 Fifth Third Bancorp	Baa1	s	BBB+	s	A-	s	A	s
8 Regions Financial Corp.	Baa1	on	BBB+	s	A-	s	A	s
9 Citizens Financial Group, Inc.	Baa1	on	BBB+	s	BBB+	op	AL	s
10 KeyCorp	Baa2	s	BBB	s	BBB+	op	AL	s

## Long-Term Bank Deposits

Bank Level: Peer Group	Moody's		S&P*		Fitch		DBRS	
	Rating	Outlook	Rating	Outlook	Rating	Outlook	Rating	Outlook
1 U.S. Bank NA	A2	on	A+	s	A+	s	AA	s
2 Bank of America NA	Aa1	on	A+	s	AA+	s	AA	s
3 JPMorgan Chase NA	Aa1	on	A+	op	AA+	s	AA	s
4 Wells Fargo Bank NA	Aa1	on	A+	s	AA	s	AA	s
5 PNC Bank, National Association	Aa3	on	A	s	AA-	s	AAL	s
6 Truist Bank	A1	s	A	s	A+	s	AA	s
7 Fifth Third NA	A1	s	A-	s	A	s	AH	s
8 Regions Bank	A1	s	A-	s	A	s	AH	s
9 Citizens Bank NA	A1	on	A-	s	A-	op	A	s
10 KeyBank NA	A2	s	BBB+	s	A-	op	A	s

Accurate as of October 3, 2024

\*S&P does not provide a deposit rating; the long-term issuer credit rating is shown.

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Deposit products offered by U.S. Bank National Association. Member FDIC. Loan approval is subject to credit approval and program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rates and program terms are subject to change without notice. Visit [usbank.com](https://usbank.com) to learn more about U.S. Bank products and services. Mortgage, home equity and credit products are offered by U.S. Bank National Association.

U.S. Bank is an equal opportunity employer committed to creating a diverse workforce. We consider all qualified applicants without regard to race, religion, color, sex, national origin, age, sexual orientation, gender identity, disability or veteran status, among other factors.

Some of the information provided here has been obtained from third party sources believed to be reliable, but it is not guaranteed as to accuracy or completeness.



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## Non-GAAP Financial Measures

(Dollars in millions, unaudited)	Nine months ended September 30, 2024
<b>Line of business financial performance</b>	
Wealth, Corporate, Commercial and Institutional Banking	\$ 9,098
Consumer and Business Banking	6,976
Payment services	5,248
Treasury and corporate support	(876)
Total company	20,446
Less treasury and corporate support	(876)
Total company excluding treasury and corporate support	21,322
<b>Percent of total company</b>	
Wealth, Corporate, Commercial and Institutional Banking	44%
Consumer and Business Banking	34%
Payment services	26%
Treasury and corporate support	(4)%
Total company	100%
<b>Percent of total company excluding treasury and corporate support</b>	
Wealth, Corporate, Commercial and Institutional Banking	43%
Consumer and Business Banking	33%
Payment services	24%
Total company excluding treasury and corporate support	100%