Third Quarter 2024 Earnings Presentation

OCTOBER 24, 2024

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Forward-Looking Statements

Important note regarding forward-looking statements:

Statements made in this presentation which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. Such forward-looking statements may be identified by the use of words such as "believe," "expect," "anticipate," "plan," "estimate," "should," "intend," "target," "outlook," "project," "guidance," "forecast," or similar expressions. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in the Company's most recent Form 10-K and subsequent Form 10-Qs and other SEC filings, and such factors are incorporated herein by reference.

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Presentation:

Within the charts and tables presented, certain segments, columns and rows may not sum to totals shown due to rounding.

Non-GAAP Measures:

This presentation includes certain non-GAAP financial measures. These non-GAAP measures are provided in addition to, and not as substitutes for, measures of our financial performance determined in accordance with GAAP. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

Third Quarter 2024 Results[1]

3Q 2024 Operating Results

- GAAP diluted EPS of $0.56
- Total core customer deposit[2] growth of $618 million
- Total deposit growth of $863 million
- Total loan growth of $373 million
- Loans / deposits of 89.4%
- Net interest income of $263 million
- Net interest margin of 2.78%
- Noninterest income of $67 million
- Noninterest expense of $201 million
- Noninterest expense / avg. assets of 1.93%
- Provision for credit losses of $21 million
- ACLL / total loans of 1.33%
- NCOs / avg. loans (annualized) of 0.18%

$0.56 Diluted EPS	
+2.3% Core Customer Deposit Growth[2]	**+2.6%** Total Deposit Growth
+1.3% Total Loan Growth	**+3 bps** Net Interest Margin Change
0.19% Total Delinquencies[3] / Total Loans	**9.72%** CET1 Ratio
7.50% TCE Ratio[2]	**$20.37** Tangible Book Value / Share

[1] All figures shown on an end of period basis unless otherwise noted. Growth reflects 3Q 2024 results compared to 2Q 2024.
[2] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[3] Accruing loans 30-89 days past due + accruing loans 90+ days past due.

Phase 2: Advancing our Growth Strategy

Phase 2 is designed to accelerate our momentum through an infusion of talent in key areas & targeted initiatives

- **Diligent Expense Control**
- **Repositioned Balance Sheet**
- **Filled Multiple Key Leadership Roles**
- **Rebalanced Consumer Lending Approach**
- **Quarterly Product & Digital Upgrades**
- **On Track to Add 26 Commercial & Business RMs**

Progress Updates[1]

- **Consumer & Small Business initiatives largely completed;** on track to drive cumulative incremental deposit growth of ~$2 billion by year-end 2025
  - Total checking household growth of 1.5% in 3Q (annualized)
  - Improved quality of households
    - +13% in YTD deposit balances per new consumer checking household vs. 2023
- **Added 16 net commercial & business RMs from 9/30/23 to 10/23/24**
  - On track with our Phase 2 plan to add 26 Commercial & Business RMs by early 2025

Expected Outcomes by YE 2025

3%
Annual Household Growth Rate

$2.5B
Cumulative Incremental Deposit Balances (Total Bank)[2]

$750M
Cumulative Incremental Commercial Loan Growth[2]

[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Incremental balance growth expected above our standard run rate, which is impacted by market conditions.

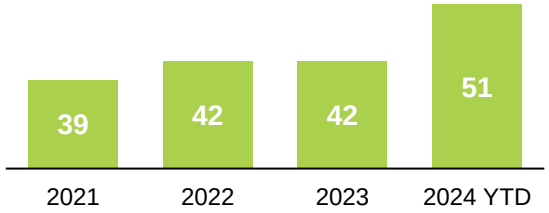
Tailwinds into 2025[1]

Progress against several key performance indicators has positioned us for growth in 2025

Improving Customer Satisfaction

- **Highest annual net promoter score since internal tracking began in 2017[2]**
- **Highest mobile banking satisfaction score since internal tracking began in 2018[3]**
- Ranked #1 for Retail Banking Customer Satisfaction in the Upper Midwest by J.D. Power[4]

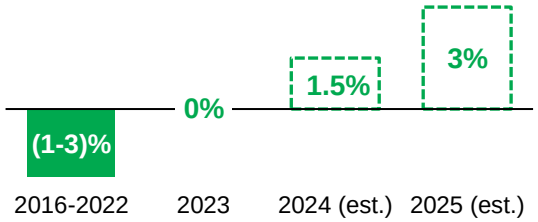
Net Promoter Score



Driving Net Household Growth

- **Total checking household growth of 1.5% in 3Q (annualized)**
- **Improved quality of households**
  - +13% in YTD deposit balances per new consumer checking household vs. 2023

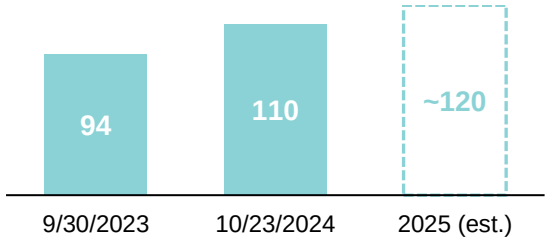
Customer Checking Household Growth



Expanding our Commercial Presence

- **Added 16 net commercial & business RMs from 9/30/23 to 10/23/24**
- On track with our Phase 2 plan to add 26 Commercial & Business RMs by early 2025

Commercial & Business RM FTE



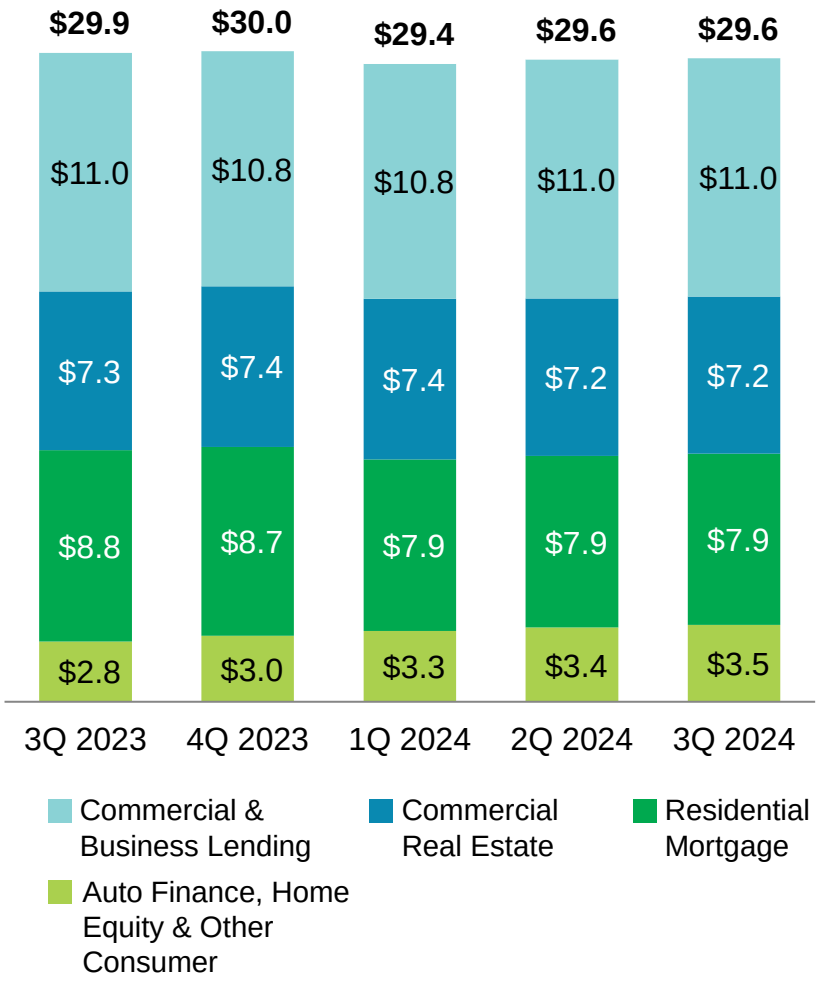
[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Annual net promoter score as measured by a customer's likelihood to recommend Associated Bank to family and friends as indicated in our internal Consumer Relationship Survey. 2024 YTD through September 30, 2024.
[3] Based on year-over-year customer satisfaction scores from internal transactional surveys. 2024 data through September 30, 2024.
[4] Based on JD Power 2024 U.S. Retail Banking Satisfaction study conducted January 2023 through January 2024. For award information, visit jdpower.com/awards.

Quarterly Loan Trends

Total period end loan growth of $373 million was led by emerging C&I growth & steady growth in Auto

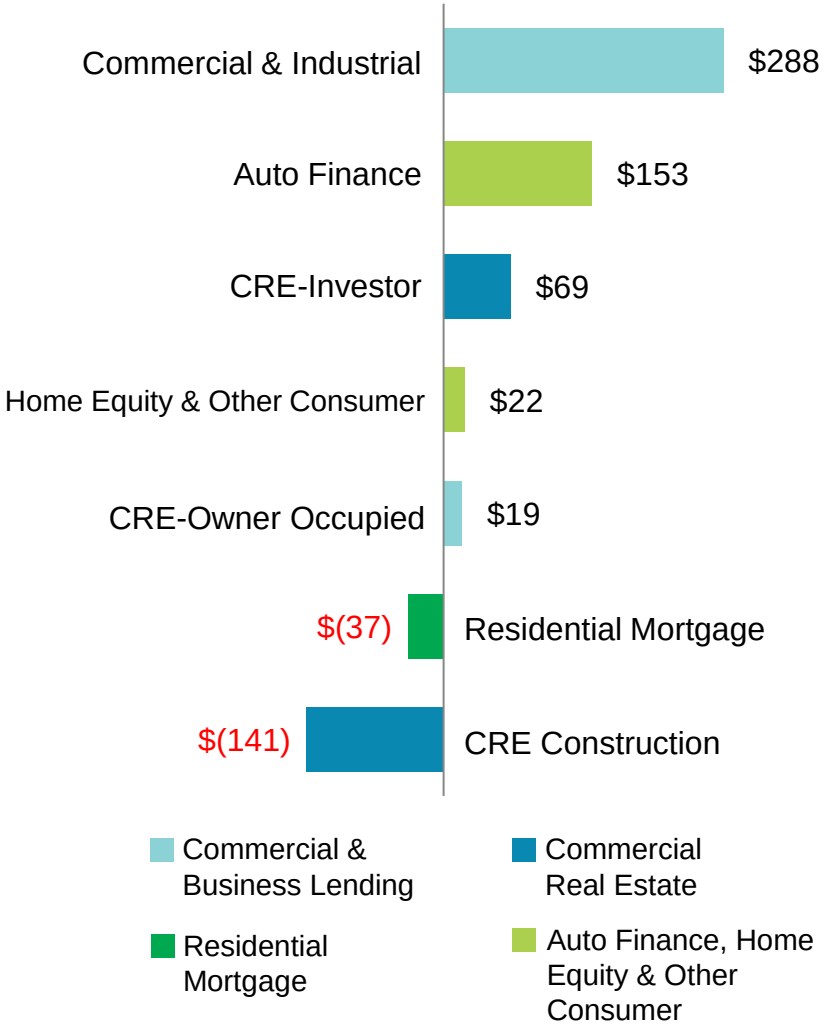
Average Quarterly Loans

($ in billions)



Period End Loan Change (6/30/2024 to 9/30/2024)

($ in millions)

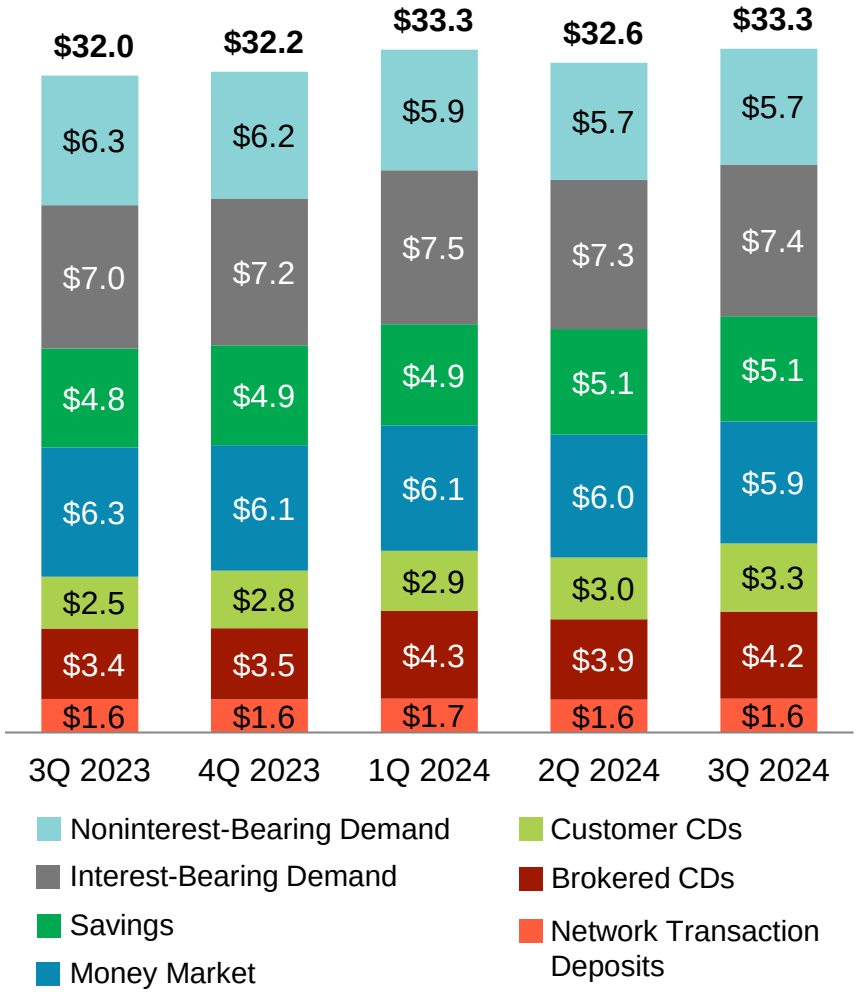


Quarterly Deposit & Funding Trends

Core customer deposits[1] grew 2% during 3Q, enabling us to decrease wholesale funding

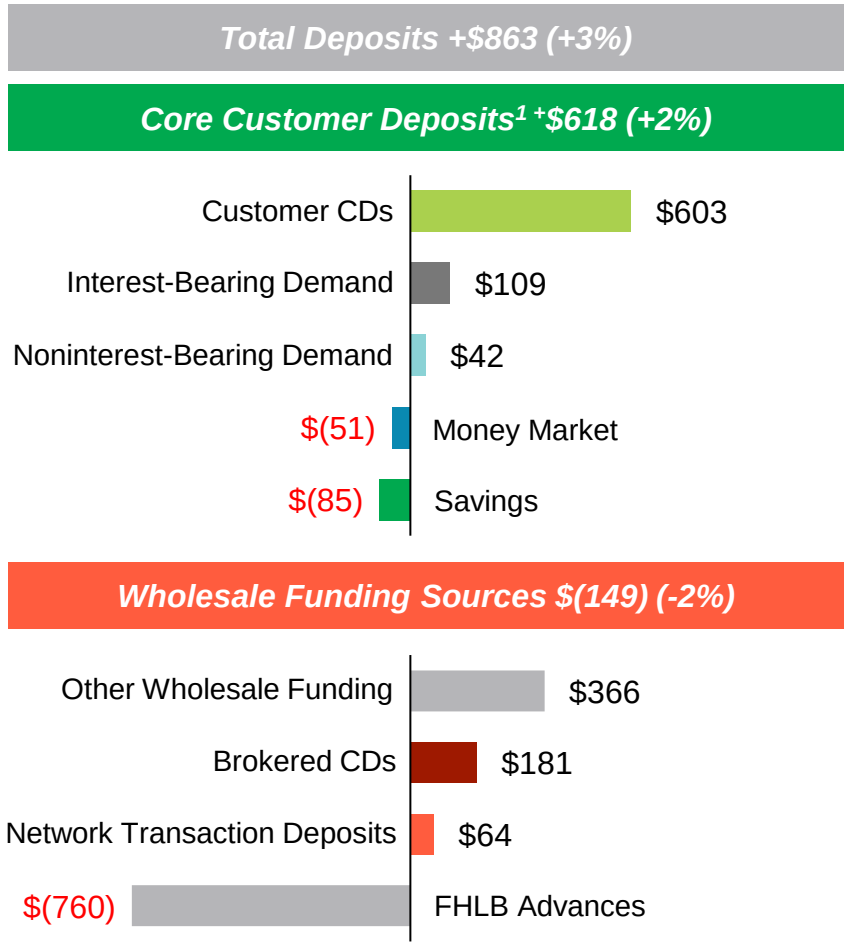
Average Quarterly Deposits

($ in billions)



Period End Funding Change (6/30/2024 to 9/30/2024)

($ in millions)

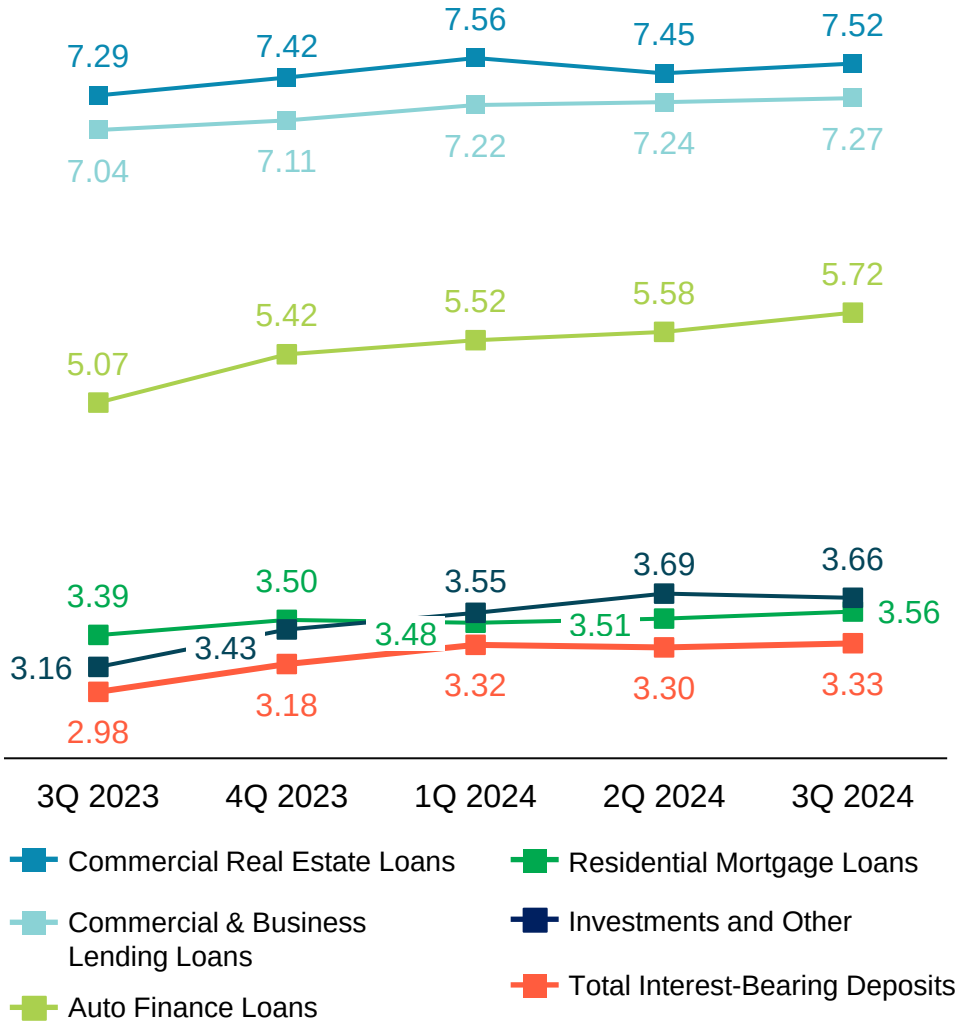


[1] This is a non-GAAP financial measure. See appendix for a reconciliation of period end core customer deposits to total deposits.

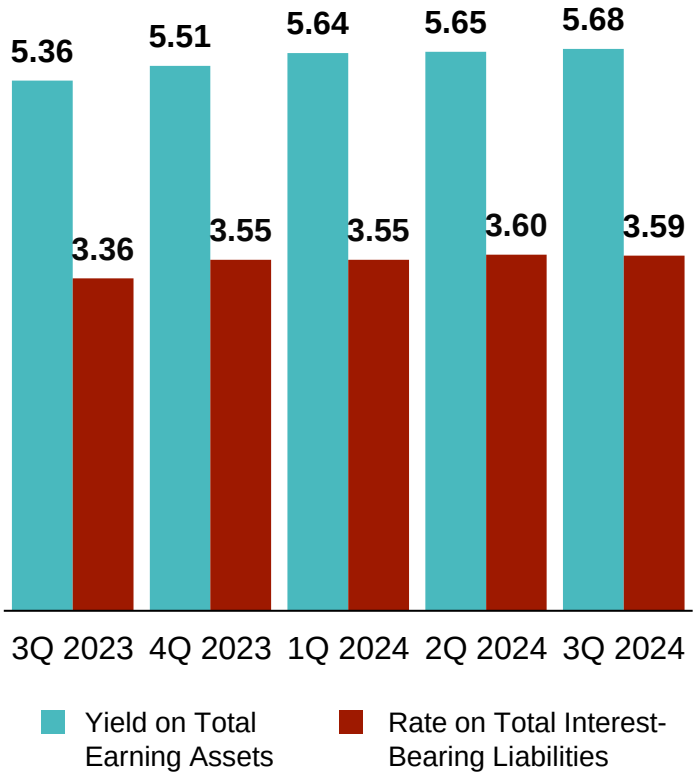
Average Yield Trends

Earning asset yields were up 3 bps during 3Q, while the cost of interest-bearing liabilities decreased by 1 bp

Quarterly Average Yields (%)



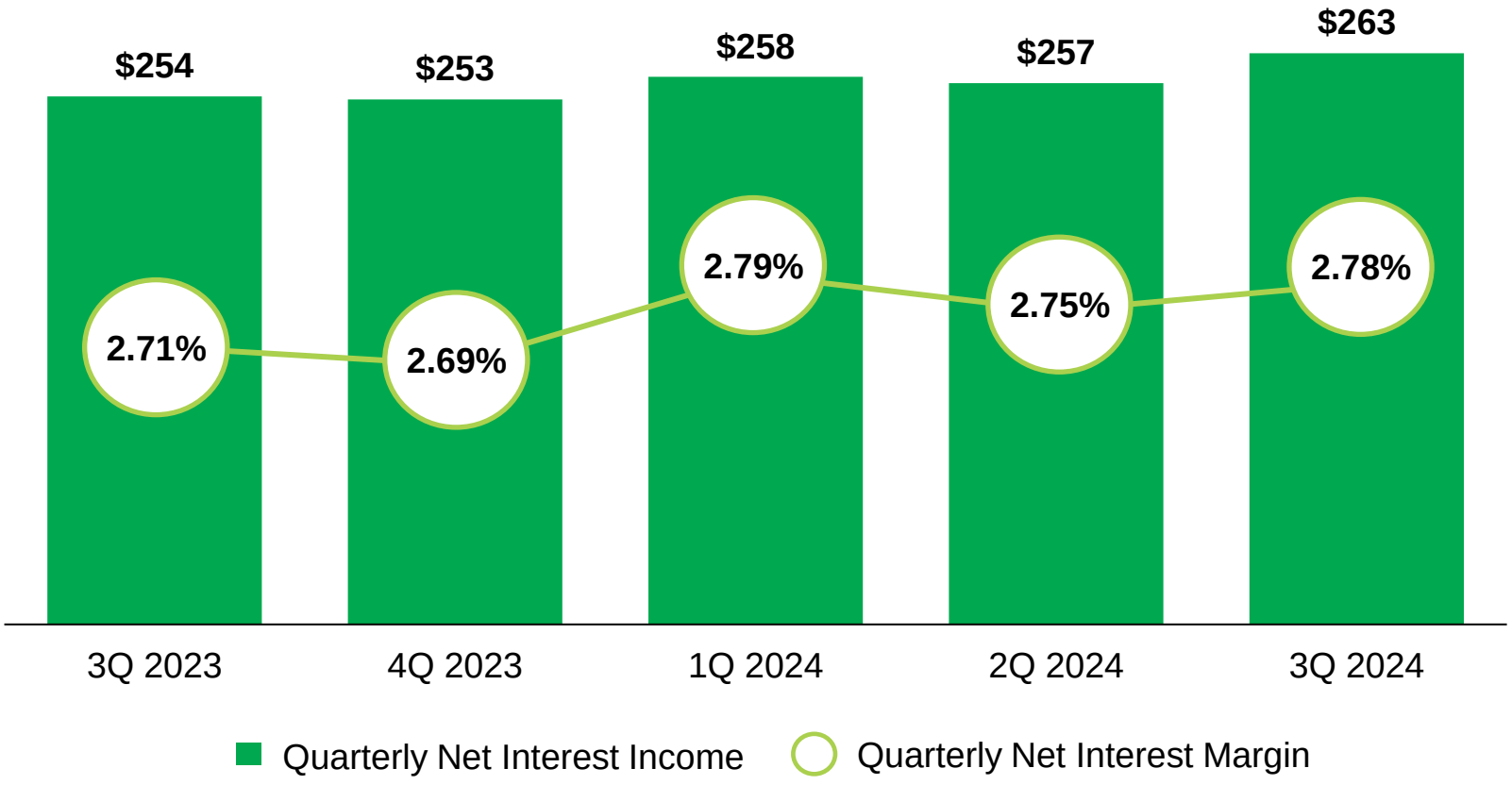
Asset & Liability Yield / Rate Trends (%)



Net Interest Income & Net Interest Margin Trends

Net interest income increased by $6 million vs. the prior quarter, while our margin expanded by 3 bps

($ in millions)



Interest Rate Risk Management[1]

We've taken proactive steps to reduce our asset sensitivity & protect NII in a falling rate environment

Balance Sheet Actions Since 2021

- Added $2.7 billion of fixed-rate prime/super prime Auto Finance balances since 3Q 2021
- Gradually built receive fixed swaps portfolio to protect against downside rate risk, with notional balances of ~$2.85 billion as of 9/30/2024
- Emphasized shorter-term durations on contractual funding sources to maintain repricing flexibility in a falling rate environment

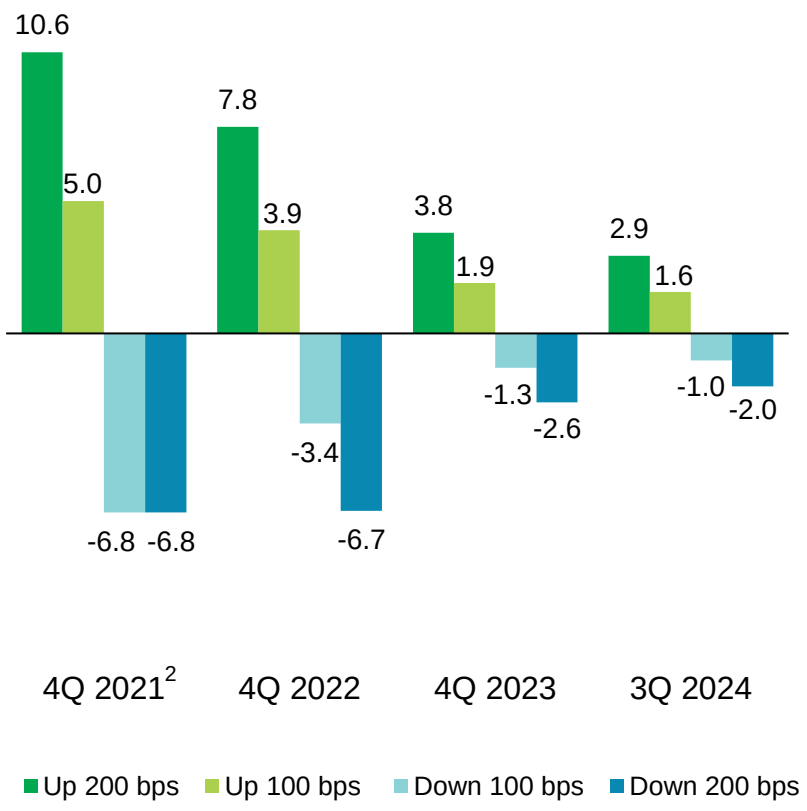
Contractual Funding Obligations

($ in billions)

	≤ 1 Yr.	1-3 Yrs.	3+ Yrs.	Total
Time Deposits	**$7.8**	$0.1	$0.0	$7.9
Short-Term Funding	**$0.9**	-	-	$0.9
FHLB Advances	**$1.1**	$0.6	$0.2	$1.9
Other Long-Term Funding	**$0.3**	$0.0	$0.6	$0.8
Total	**$10.1**	$0.7	$0.8	$11.6

Estimated NII Sensitivity Profile (%)

(12-Month Ramp, Dynamic Forecast)



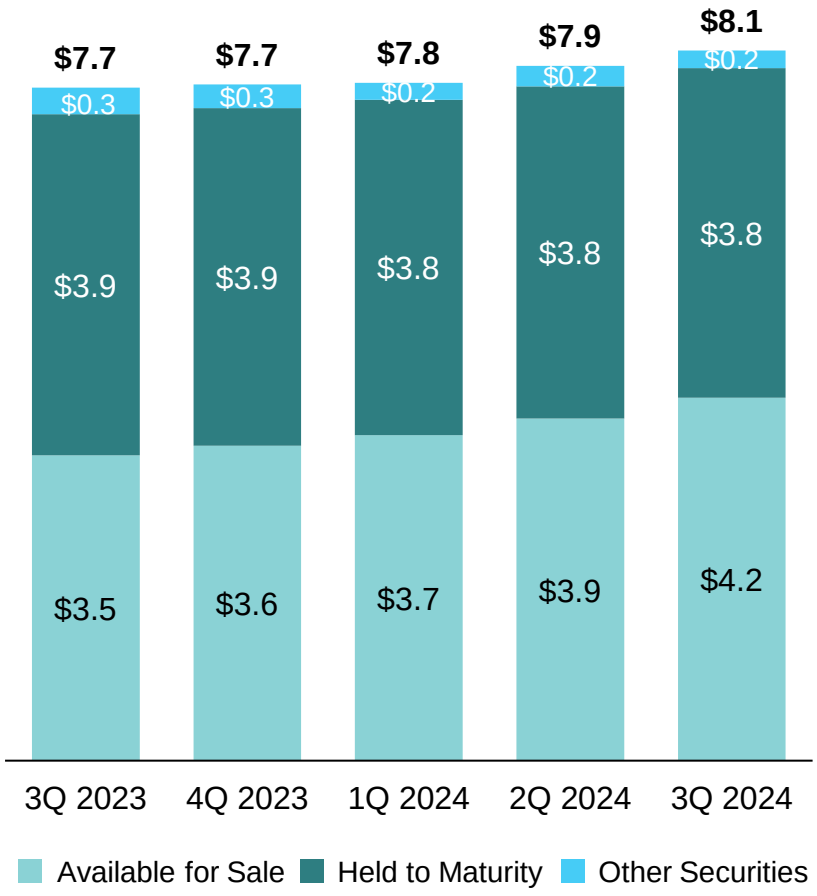
[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] In both the down 100 and down 200 for 4Q 2021, scenario rates are floored at zero.

Cash & Investment Securities Portfolio

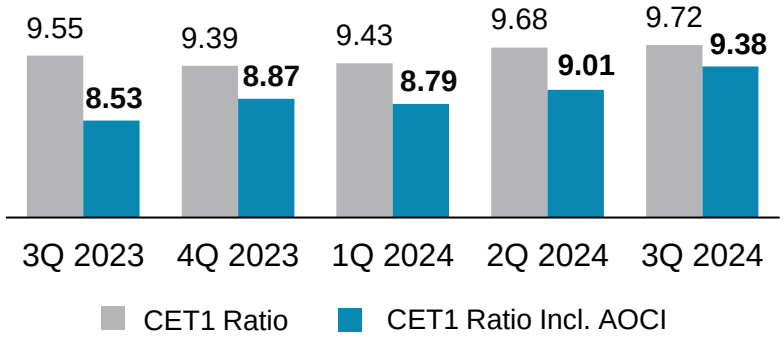
We continue to target investments to total assets of 18% to 20% in 2024

Period End Securities Book Composition

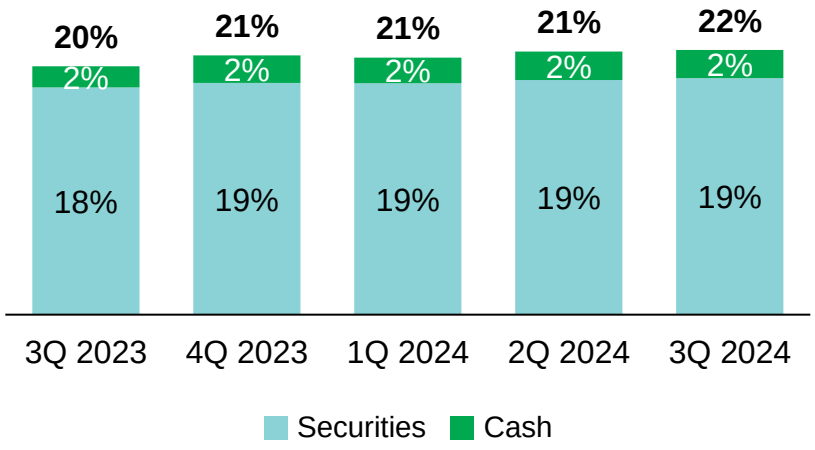
($ in billions)



CET1 Including AOCI[1] (%)



Period End Securities + Cash / Total Assets



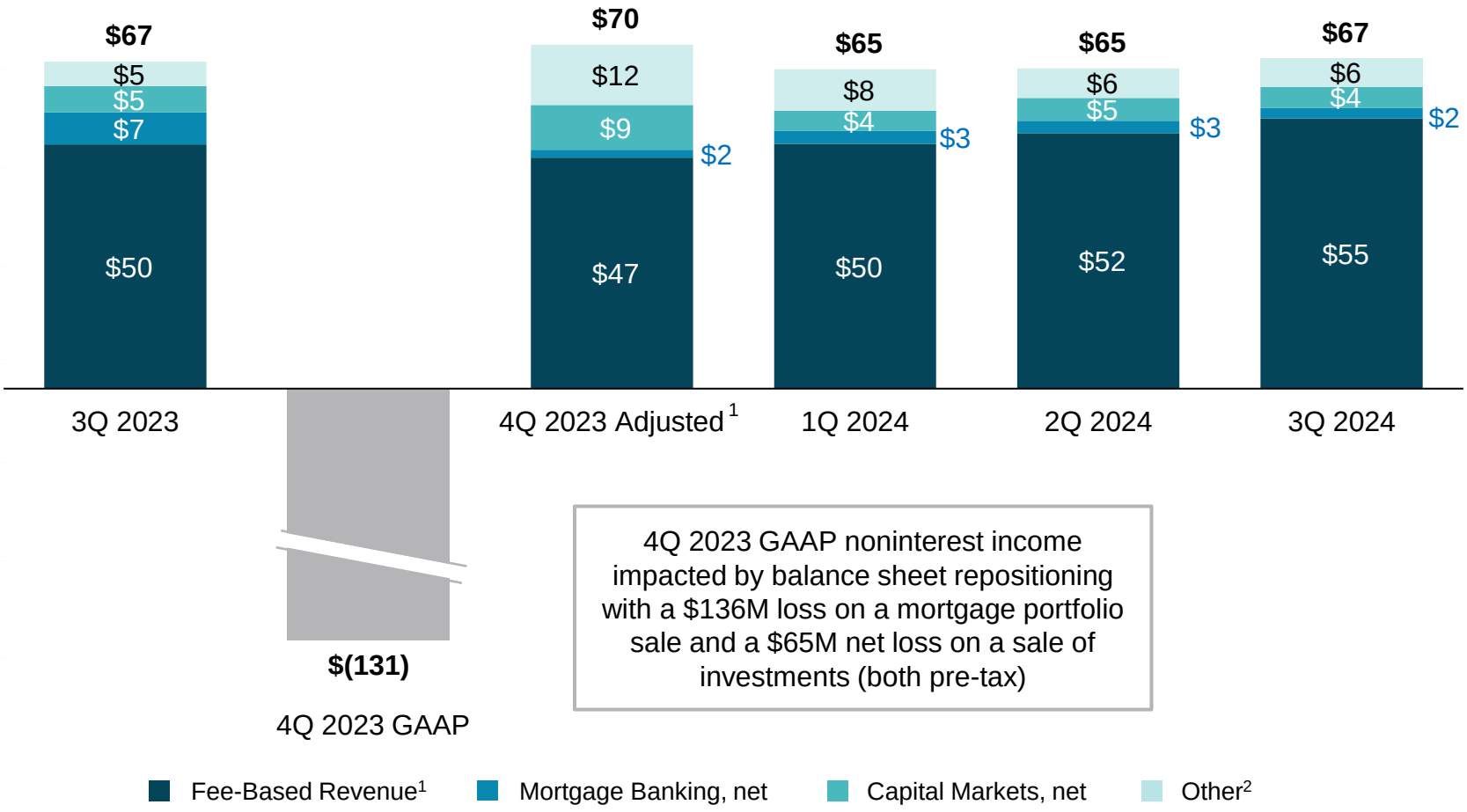
[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Noninterest Income Trends

3Q noninterest income increased $2 million vs. the prior quarter, led by growth in wealth management fees

Quarterly Noninterest Income Trends

($ in millions)



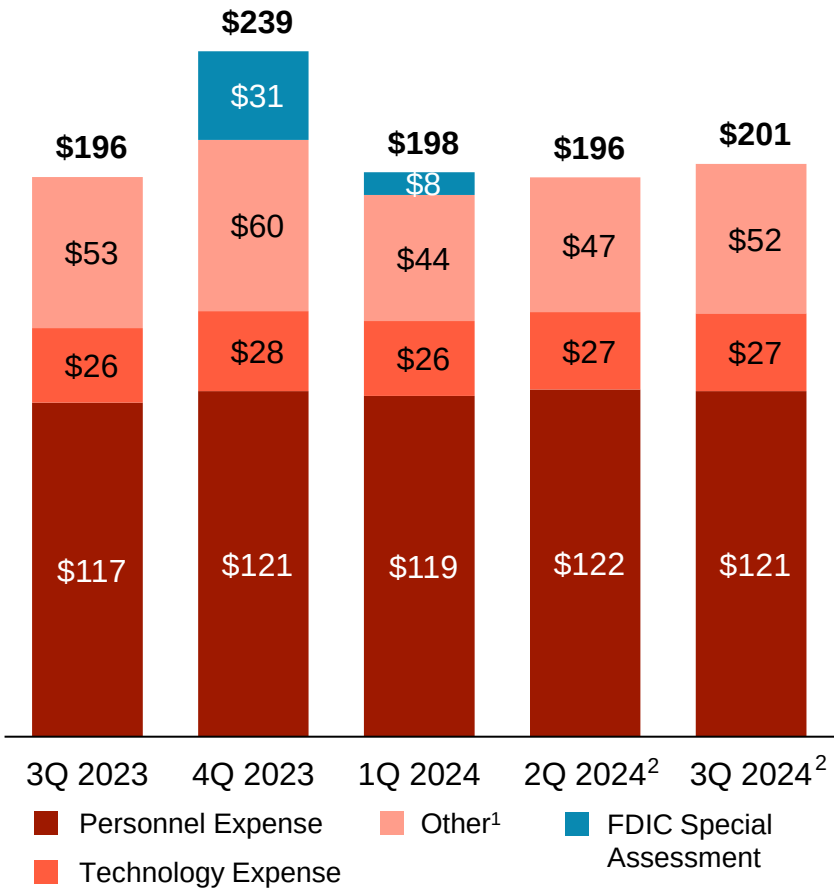
[1] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[2] Other noninterest income is primarily comprised of bank and corporate owned life insurance, asset gains (losses), net and investment securities gains (losses), net.

Noninterest Expense Trends

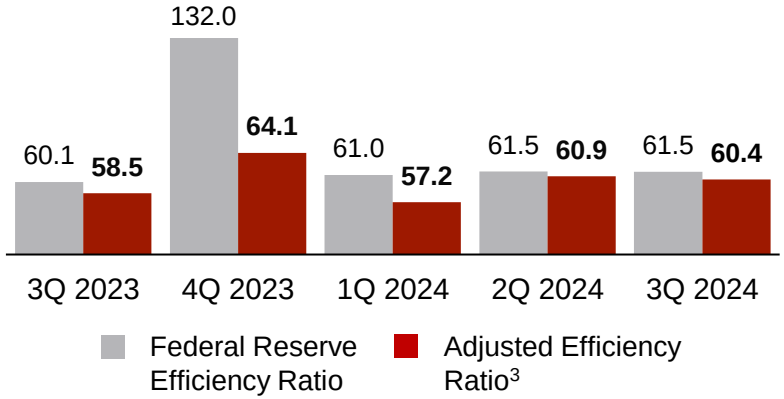
We now expect total noninterest expense to increase by 1% to 2% in 2024, excluding FDIC Special Assessment

Noninterest Expense Trends

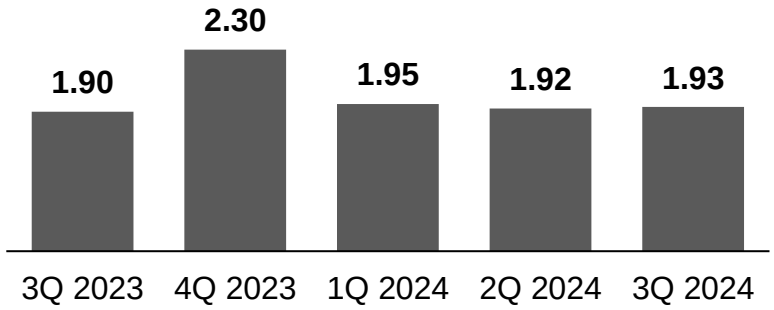
($ in millions)



Efficiency Ratio (%)



Noninterest Expense / Average Assets (%)

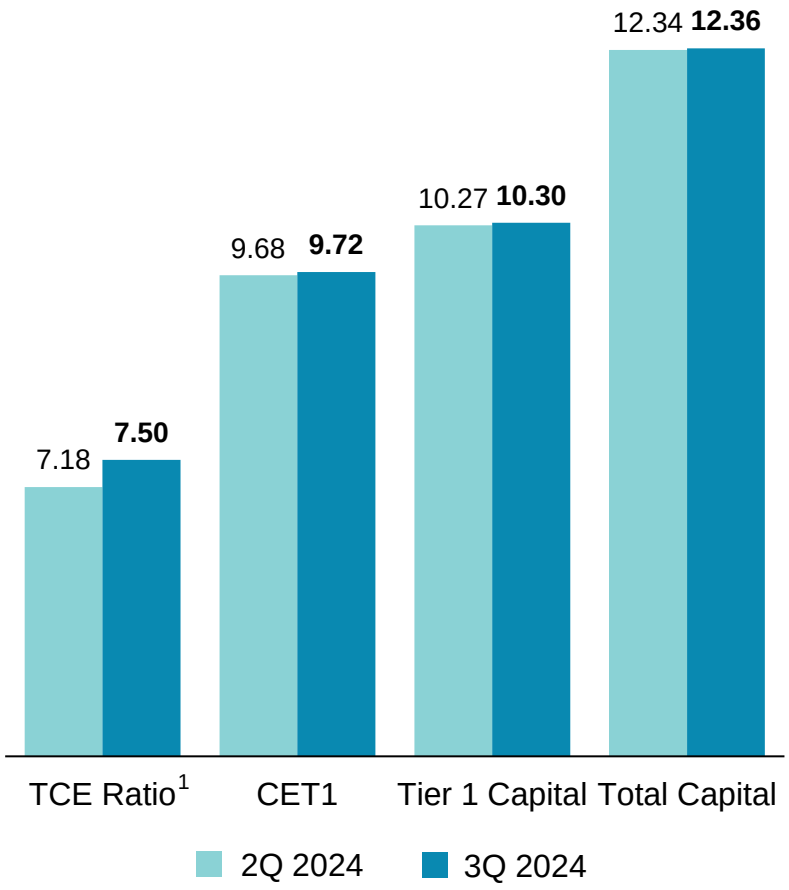


[1] Other expenses are primarily comprised of occupancy, business development & advertising, equipment, legal & professional, and FDIC assessment costs.
[2] 2Q 2024 noninterest expense includes a $2 million decrease of FDIC special assessment expense based on updated estimates received from the FDIC during the second quarter. An additional $1 million decrease to FDIC special assessment expense was recognized in 3Q 2024 noninterest expense based on updated estimates received during the third quarter.
[3] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

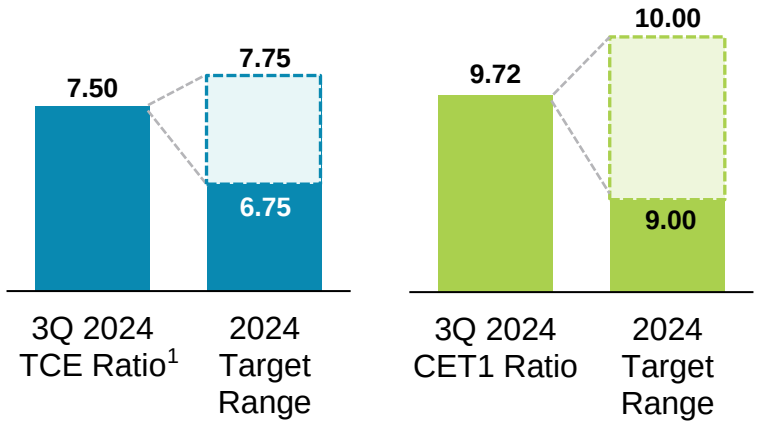
Capital Profile

Our capital ratios increased across the board in the third quarter

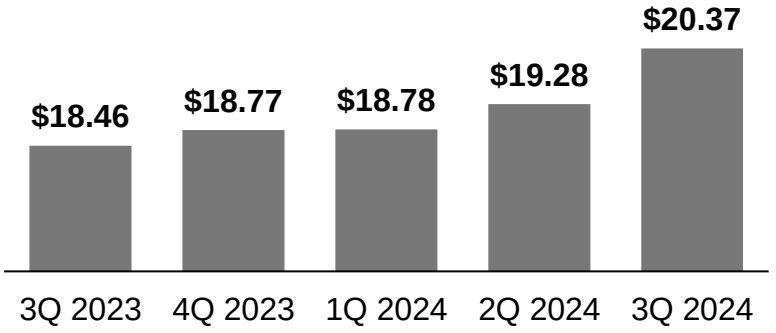
Capital Ratios (%)



2024 Capital Target Ranges (%)



Tangible Book Value / Share



[1] Tangible common equity / tangible assets. This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

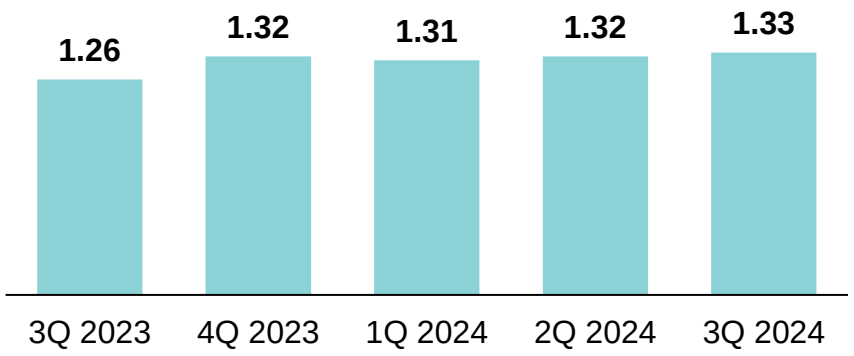
Allowance for Credit Losses on Loans (ACLL) Update

Our ACLL percentage increased by 1 basis point vs. the prior quarter to 1.33%

ACLL[1] Update

- ACLL increased $8 million from the prior quarter to $398 million, driven primarily by nominal credit movement coupled with general macroeconomic trends
- CECL forward-looking assumptions based on Moody's August 2024 Baseline forecast

ACLL / Total Loans (%)



($ in thousands)

	9/30/2023		6/30/2024		9/30/2024	
Loan Category	ACLL	ACLL / Loans	ACLL	ACLL / Loans	ACLL	ACLL / Loans
C&BL	$ 146,502	1.31%	$ 150,274	1.36%	$ 143,974	1.27%
CRE - Investor	68,214	1.31%	72,156	1.44%	78,743	1.55%
CRE - Construction	71,317	3.35%	71,680	3.18%	79,136	3.74%
Residential Mortgage	40,437	0.46%	34,542	0.44%	34,931	0.45%
Other Consumer	54,101	1.86%	60,968	1.77%	60,756	1.68%
Total	**$ 380,571**	**1.26%**	**$ 389,620**	**1.32%**	**$ 397,541**	**1.33%**

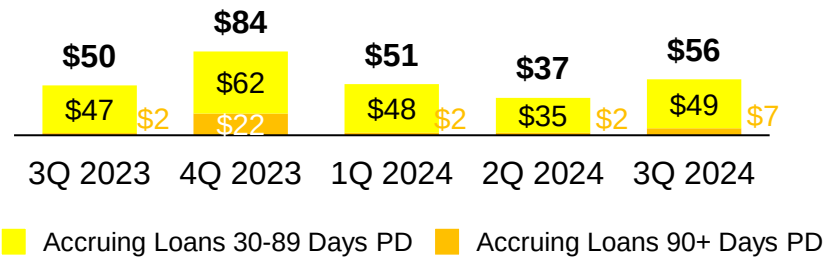
[1] Includes funded and unfunded reserve for loans, excludes reserve for HTM securities.

Credit Quality Trends

3Q 2024 credit quality remained solid with NALs & NCOs down meaningfully vs. prior quarter

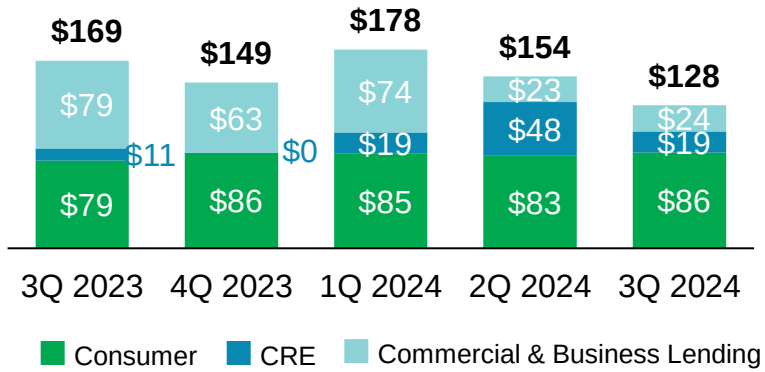
Total Delinquent Loans

($ in millions)



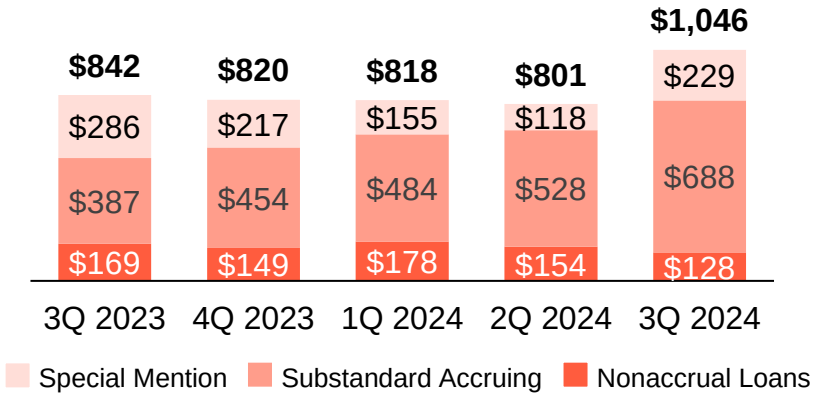
Nonaccrual Loans

($ in millions)



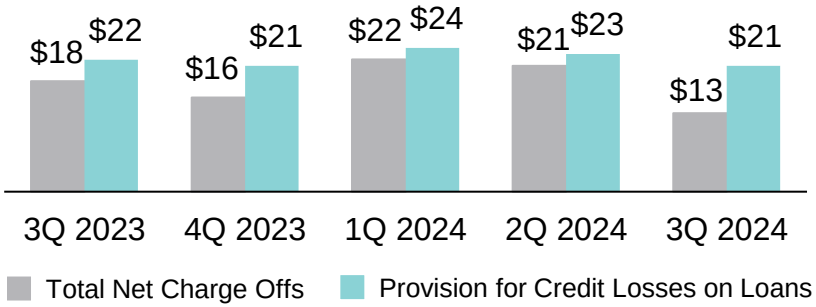
Total Criticized Loans

($ in millions)



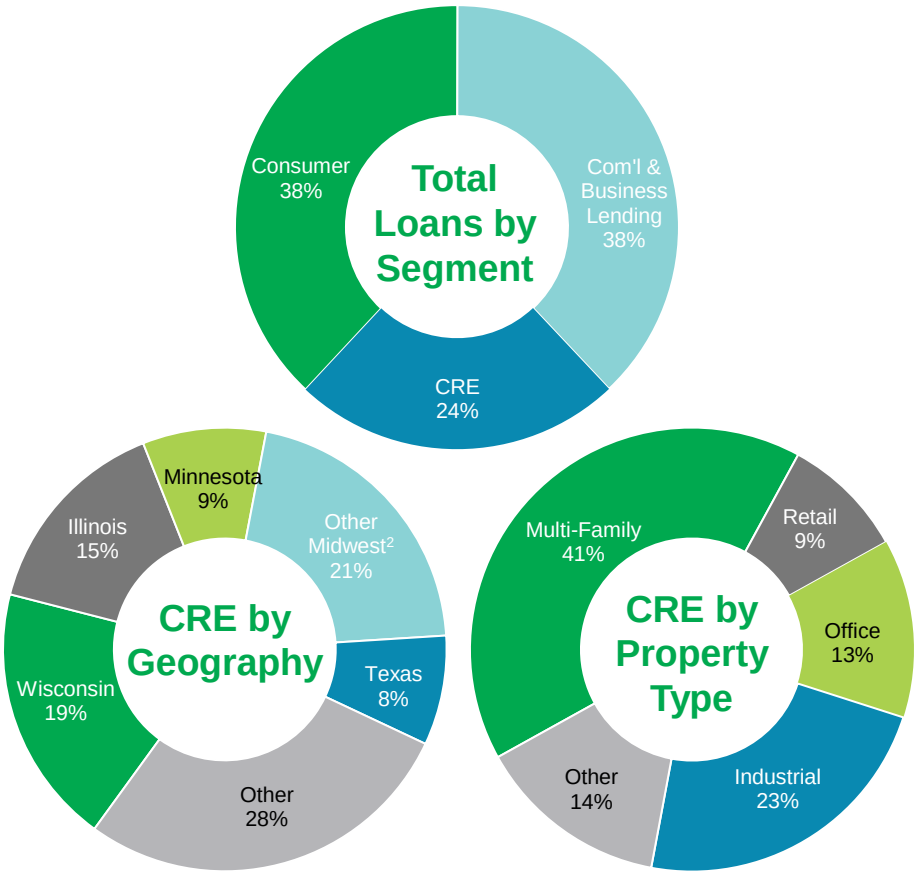
Net Charge Offs and Provision

($ in millions)



High-Quality Commercial Real Estate Portfolio[1]

ASB has built a diversified CRE portfolio by partnering with well-known developers in stable Midwest markets



CRE Credit Quality

	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24
Portfolio LTV	59%	58%	59%	59%	58%
Delinquencies/Loans[3]	0.14%	0.52%	0.28%	0.01%	0.22%
NALs/Loans	0.15%	0.00%	0.26%	0.67%	0.26%
ACLL/Loans	1.90%	1.88%	1.87%	1.98%	2.20%
NCOs/Avg. Loans[4]	(0.02%)	(0.01%)	0.00%	0.25%	0.00%

CRE Loan Portfolio Granularity

	% of Total Loans
Largest Single CRE Borrower	0.16%
Top 10 Largest CRE Borrowers	1.30%
Largest CRE Property Type (Multi-Fam)	9.72%
CRE Office Loans	**3.10%**

CRE Office Highlights

WAvg. Debt Service Coverage Ratio[5]	1.17x
2024 Remaining Maturities	$154 million
Central Business District vs. Suburban	~78% Suburban
Property Class Mix	~56% Class A[6]

[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.
[3] Accruing loans 30-89 days past due + accruing loans 90+ days past due.
[4] Calculated on an annualized basis. Negative values indicate a net recovery.
[5] Calculated based on the 10-year Treasury rate plus 300 basis points/25-year amortization.
[6] Class A determined by third-party vendor partner mapping of portfolio.

FY 2024 Outlook

	GAAP FY 2023 Result	Adjusted FY 2023 Result[1]	Previous FY 2024 Guidance[2]	Updated FY 2024 Guidance[2]
EoP Total Loans	$29.2B (+1.4% vs. 2022)	$29.2B (+1.4% vs. 2022)	**Lower end of original 4% to 6% growth range**	**No Change**
EoP Total Deposits	$33.4B (+12.9% vs. 2022)	Core Customer Deposits[3] $27.4B (-2.4% vs. 2022)	**Lower end of original 3% to 5% growth range (Core Customer Deposits)**	**No Change**
Net Interest Income	$1.040B (+8.6% vs. 2022)	$1.040B (+8.6% vs. 2022)	**1% to 3% Growth**	**0% to 1% Growth**
Noninterest Income	$63M (-77.6% vs. 2022)	$264M (-6.4% vs. 2022)	**1% Decrease to 1% Growth**	**No Change**
Noninterest Expense	$814M (+8.9% vs. 2022)	$783M (+4.8% vs. 2022)	**2% to 3% Growth[4]**	**1% to 2% Growth[4]**
Effective Tax Rate	11.2%	N/A	**19% to 21%[5]**	**No Change**

[1] Adjusted 2023 figures have been provided for noninterest income and noninterest expense to exclude the impact of one time items incurred as a result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2023 and the FDIC special assessment booked during the fourth quarter of 2023. These figures are non-GAAP financial measures. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[2] Projections are on an end of period basis as of and for the year ended 12/31/2024 as compared to adjusted 2023 results as of 12/31/2023 unless otherwise noted.
[3] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.
[4] 2024 noninterest expense guidance excludes the impact of the $31 million FDIC special assessment booked during the fourth quarter of 2023, and $4 million of FDIC special assessment, net recognized over the first three quarters of 2024.
[5] Excludes the impact of the $33 million deferred tax benefit booked in the second quarter of 2024.

Appendix

Phases 1 + 2: Consumer & Small Business Banking

Our efforts to upgrade the customer experience are largely completed, with expected results on track

2022

- Platinum Choice Checking and Mass Affluent Banker Program
- New & Enhanced Digital Banking Platform
- No-fee Overdraft Protection Transfers
- Enhanced Deposit Account Opening - Digital

2023

- Launched New Brand Campaign
- Unlimited Savings Transfers
- Money Monitor with Actionable Insights
- $50 (& $100) Grace Zone
- Activation Zone, for faster account set-up
- New IVA Phone System
- Debit Card Controls
- Digital Opening & Servicing for Small Business Loans

2024

- Early Pay
- Adie, 24/7 virtual assistant
- Easy Direct Deposit Switching
- Enhanced Deposit Account Opening - Branches
- Business & Personal Account Benefits and Digital Integration
- Credit Monitor

Impact[1]

- **Named #1 for Retail Banking Customer Satisfaction** in the Upper Midwest by J.D. Power[2]
- **Highest annual net promoter score** since internal tracking began in 2017[3]
- **Highest mobile banking satisfaction score** since internal tracking began in 2018[4]
- **Total checking household growth of 1.5% in 3Q** (annualized)
- **On track** to deliver ~$2B in cumulative incremental consumer & small business deposit balances by YE 2025[5]

[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Based on JD Power 2024 U.S. Retail Banking Satisfaction study conducted January 2023 through January 2024. For award information, visit jdpower.com/awards.
[3] Annual net promoter score as measured by a customer's likelihood to recommend Associated Bank to family and friends as indicated in our internal Consumer Relationship Survey. 2024 YTD through September 30, 2024.
[4] Based on year-over-year customer satisfaction scores from internal transactional surveys. 2024 data through September 30, 2024.
[5] Incremental balance growth expected above our standard run rate, which is impacted by market conditions.

Phases 1 + 2: Commercial Banking

We've bolstered our commercial leadership team & continue to invest by adding talented RMs in key markets

2021-2022

- Launched Asset-Based Lending & Equipment Finance verticals
- Shifted to balanced scorecard incentive structure, with an emphasis on whole banking relationships
- Announced Phase 1 plan to expand our RM base in Milwaukee & Chicago
- Grew total commercial loans by $2.4 billion (+15%) in 2022 vs. 2021

2023

- Hired Phillip Trier as EVP, Commercial Banking Group Leader
- Hired Neil Riegelman as SVP, Commercial Banking Segment Leader in Wisconsin
- Announced Phase 2 plan to add 26 commercial & business RMs across the footprint
- Upgraded commercial digital platform

2024

- Hired Michael Lebens as SVP, Commercial Banking Segment Leader in Minnesota
- **Added 16 net commercial & business RMs from 9/30/23 to 10/23/24**
- **Launched new Specialty Deposit and Payment Solutions vertical**
  - Hired Rick Bruhn on October 21st to lead the vertical

Impact[1]

- Expanded commercial & business RMs by 38% from 12/31/21 to 10/23/24
- **On track** with our Phase 2 plan to add 26 Commercial & Business RMs by early 2025
- **On track** to deliver $750M in cumulative incremental commercial loan balances by YE 2025[2]
- **On track** to deliver ~$500M in cumulative incremental commercial deposit balances by YE 2025[2]

[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Incremental balance growth expected above our standard run rate, which is impacted by market conditions.

Improving our Return Profile Over Time[1]

Our efforts to remix the balance sheet & drive toward improved profitability are on track

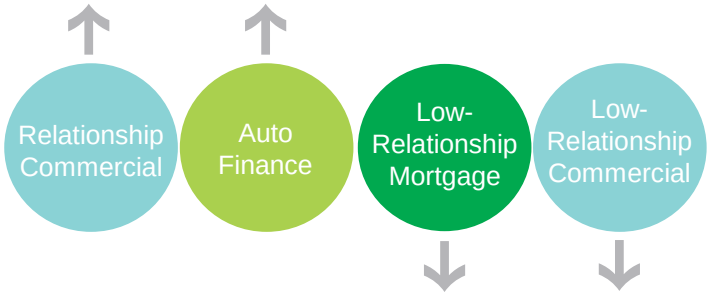
Assets

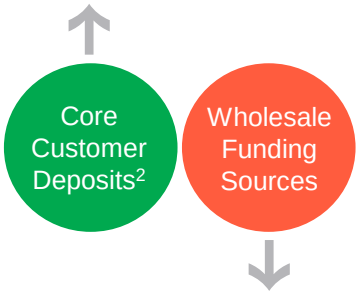
Growing diversified asset classes to decrease reliance on legacy low-yielding, low-relationship asset classes

Liabilities

Attracting and deepening customer relationships to decrease reliance on wholesale and network funding sources

Strategy





Progress Since 2021

- Expanded Commercial RM base across footprint
- Increased total commercial loans by $3.4 billion vs. 3Q21 (+23%)
- Added $2.7 billion in fixed-rate prime/super prime Auto Finance balances
- Exited TPO mortgage business in 1Q23
- Sold $969 million in mortgage loans & pivoted to “originate to sell” model in 4Q23

- Shifted to balanced RM scorecard to deepen Commercial relationships
- Modernized digital banking experience
- Quarterly upgrades to products & services
- $1.2 billion in net new Mass Affluent deposits
- Repaid $849 million of FHLB Advances in 4Q23

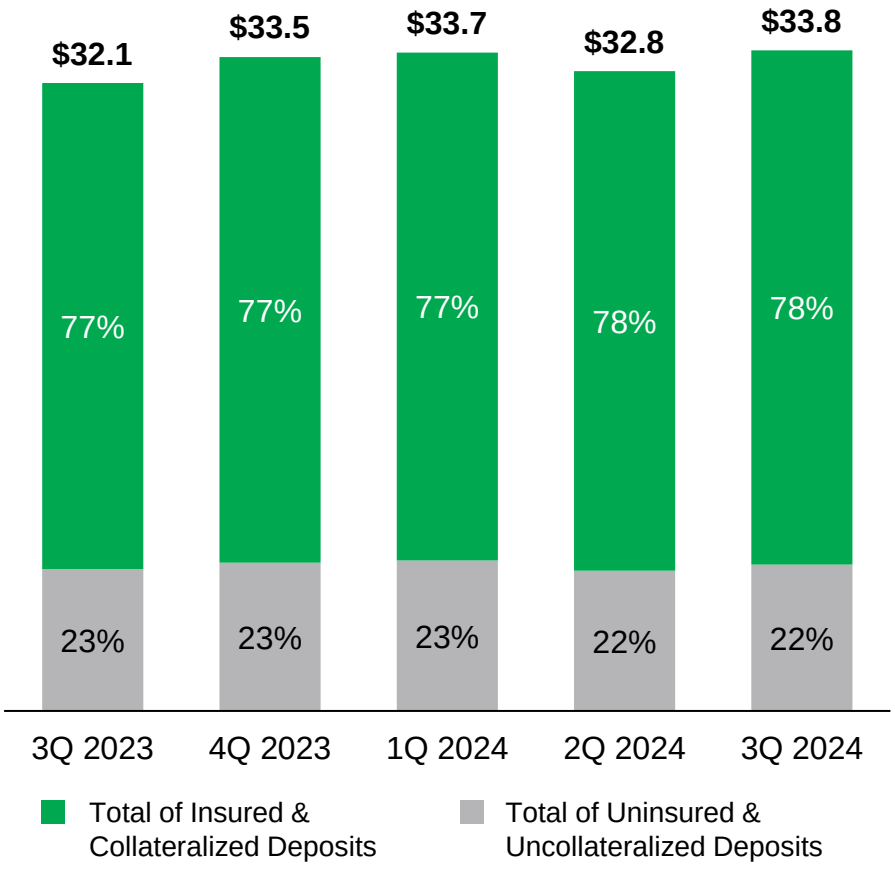
[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] This is a non-GAAP financial measure. See appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Stable, Granular Deposit Portfolio[1]

Uninsured, uncollateralized deposits were only 22% of total deposits as of 9/30/2024

Period End Total Deposit Trends (Associated Bank, N.A.)

($ in billions)



22%

Percentage of total deposits that are uninsured & uncollateralized

127%

Readily available liquidity coverage[2] for uninsured & uncollateralized deposits

166%

Total liquidity coverage for uninsured & uncollateralized deposits

[1] All updates as of or for the period ended September 30, 2024 unless otherwise noted.
[2] Liquidity coverage based on current levels of readily available (within one business day) funding. See slide 23 for additional details.

Liquidity Sources

As of 9/30/2024, ASB's total liquidity sources covered 166% of uninsured, uncollateralized deposits

($ in millions)

Liquidity Sources	6/30/2024	9/30/2024
Federal Reserve Balance	$482.4	$405.8
Available FHLB Chicago Capacity	$5,184.3	$6,164.5
Available Fed Discount Window Capacity	$2,336.1	$2,981.2
Available Bank Term Funding Program Capacity	$0	$0
Funding Available Within One Business Day[1]	**$8,002.8**	**$9,551.5**
Available Fed Funds Lines	$1,406.0	$1,401.0
Available Brokered Deposit Capacity[2]	$679.1	$520.8
Unsecured Debt Capacity[3]	$1,000.0	$1,000.0
Total Liquidity	**$11,087.9**	**$12,473.3**

127% of uninsured, uncollateralized deposits

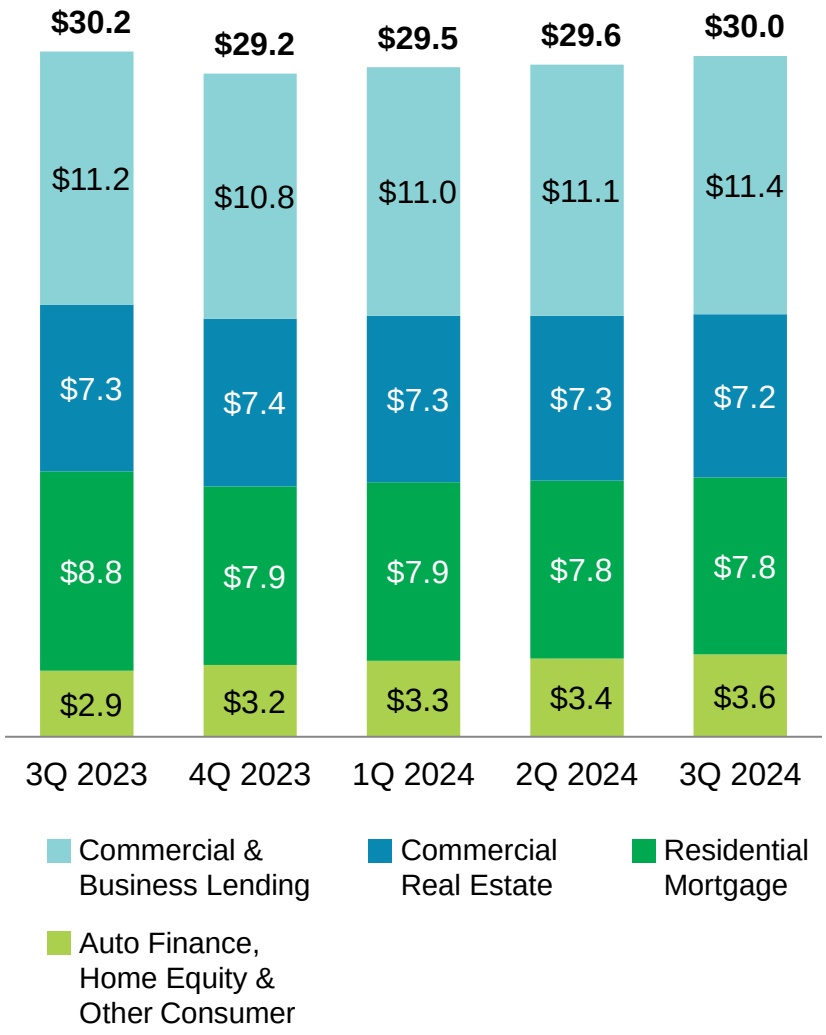
166% of uninsured, uncollateralized deposits

[1] Estimated based on normal course of operations with the indicated institution.
[2] Availability based on internal policy limitations. The Corporation includes outstanding deposits that have received a primary purpose exemption in the brokered deposit classification as they have similar funding characteristics and risk as brokered deposits.
[3] Availability based on internal policy limitations.

Additional Loan Trends

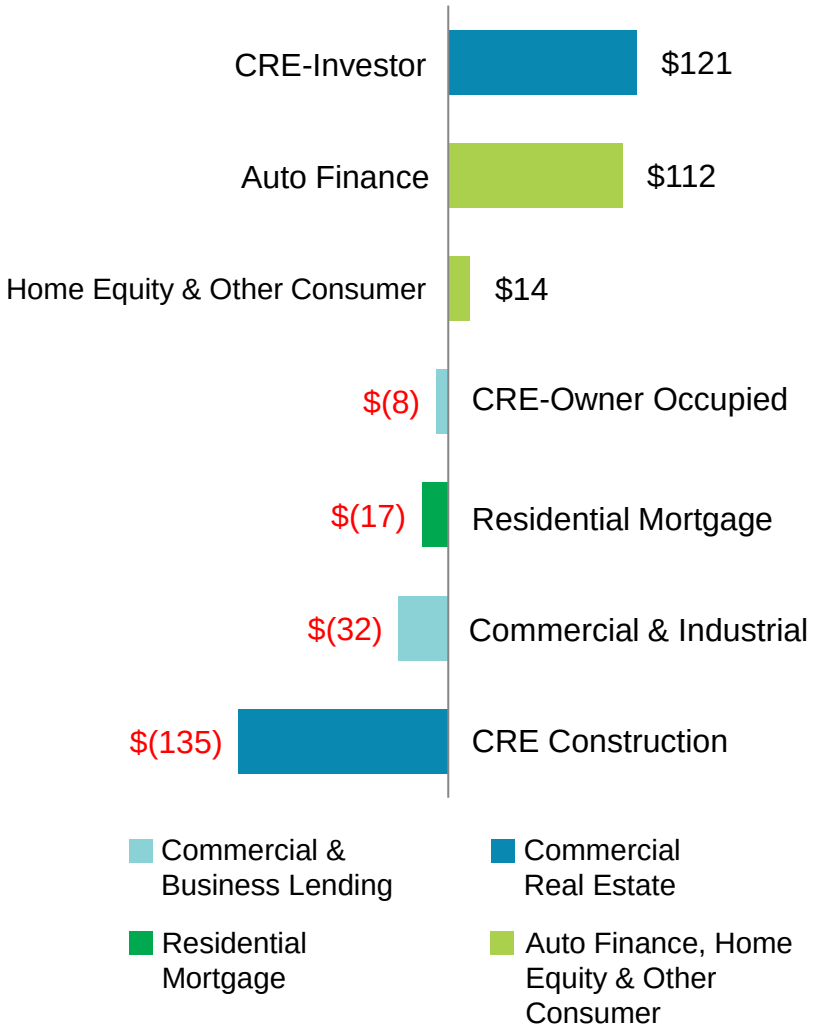
Period End Quarterly Loan Trends

($ in billions)



Average Loan Change (2Q 2024 to 3Q 2024)

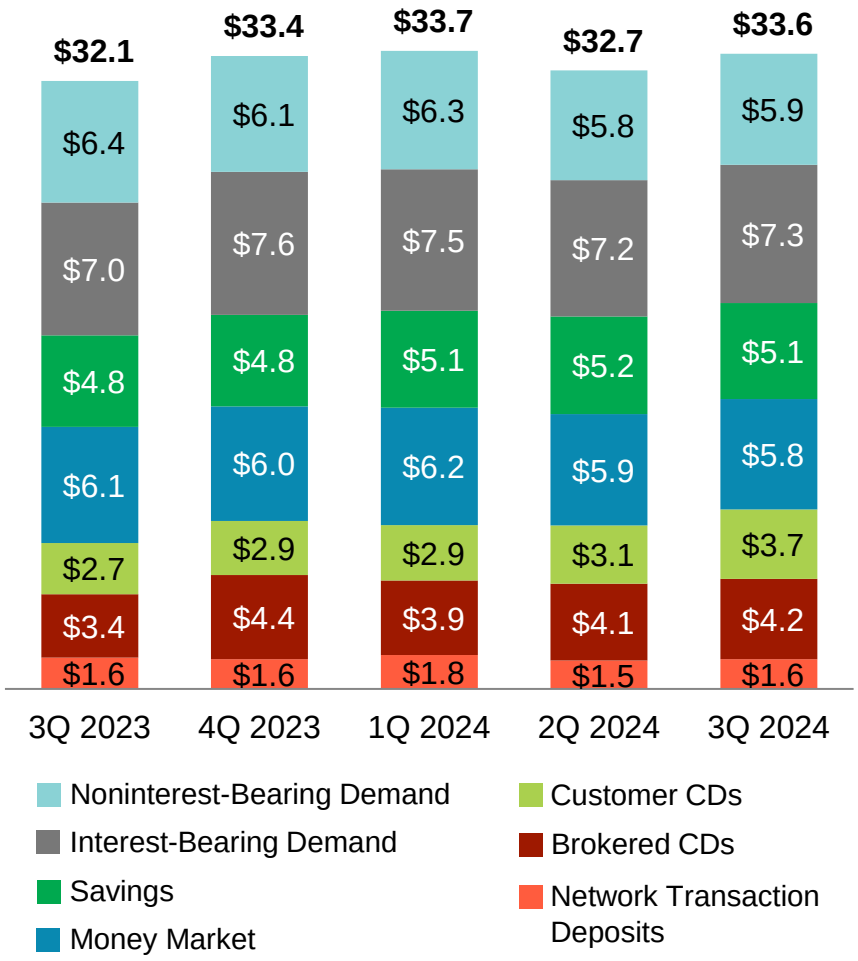
($ in millions)



Additional Deposit & Funding Trends

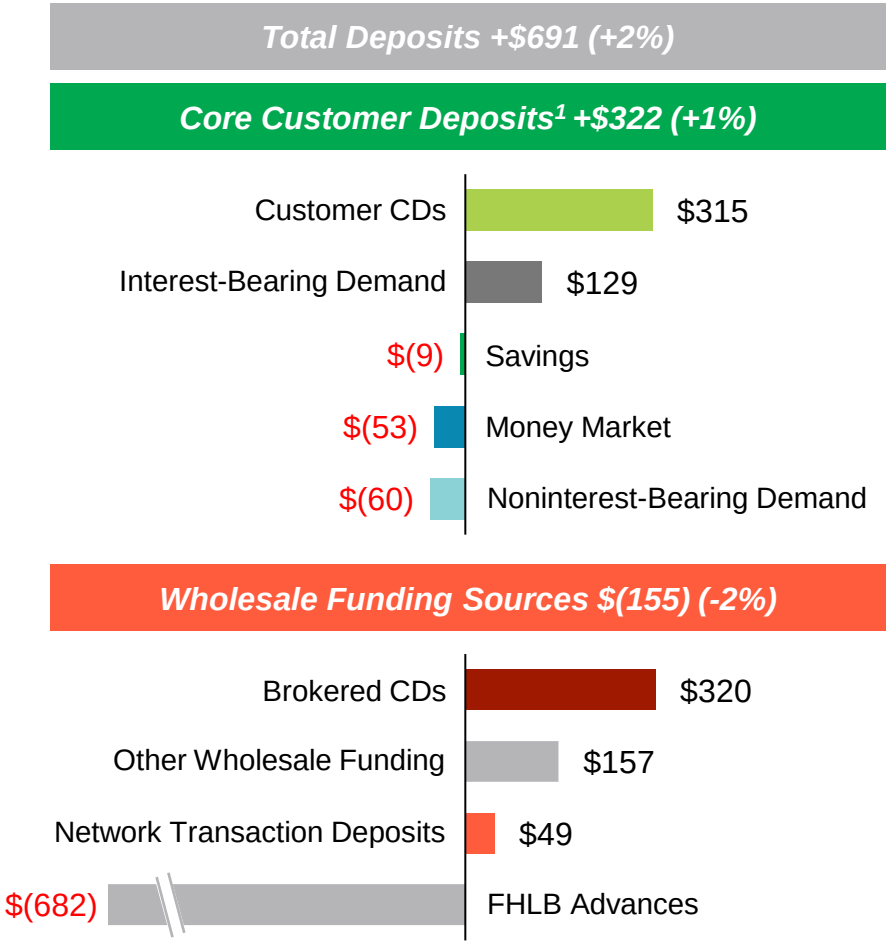
Period End Quarterly Deposits

($ in billions)



Average Funding Change (2Q 2024 to 3Q 2024)

($ in millions)



[1] This is a non-GAAP financial measure. See appendix for a reconciliation of period end core customer deposits to total deposits.

Total Loans Outstanding Balances as of September 30, 2024

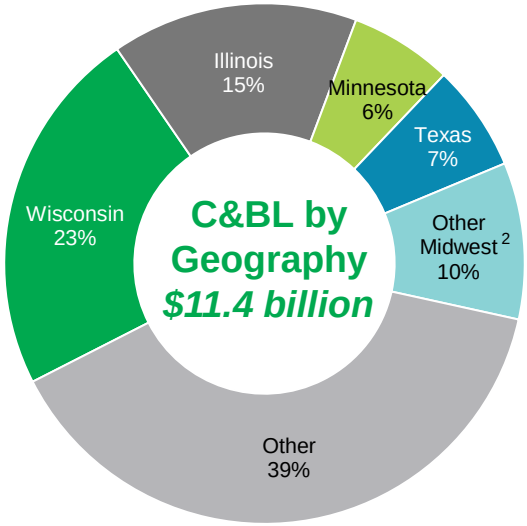
($ in millions)

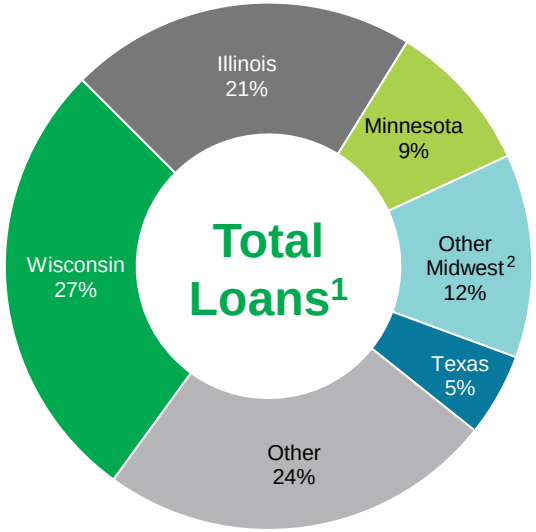
	9/30/2024[1]	% of Total Loans
C&BL (by NAICS[2])		
Utilities	$ 2,493	8.3%
Manufacturing & Wholesale Trade	2,404	8.0%
Real Estate (includes REITs)	1,841	6.1%
Mortgage Warehouse	792	2.6%
Finance & Insurance	636	2.1%
Rental and Leasing Services	487	1.6%
Retail Trade	478	1.6%
Health Care and Social Assistance	395	1.3%
Construction	388	1.3%
Transportation and Warehousing	378	1.3%
Professional, Scientific, and Tech. Serv.	280	0.9%
Waste Management	236	0.8%
Accommodation and Food Services	103	0.3%
Information	73	0.2%
Arts, Entertainment, and Recreation	70	0.2%
Management of Companies & Enterprises	63	0.2%
Educational Services	28	0.1%
Public Administration	15	0.1%
Mining	8	0.0%
Agriculture, Forestry, Fishing and Hunting	0	0.0%
Other	213	0.7%
Total C&BL	$ 11,380	37.9%

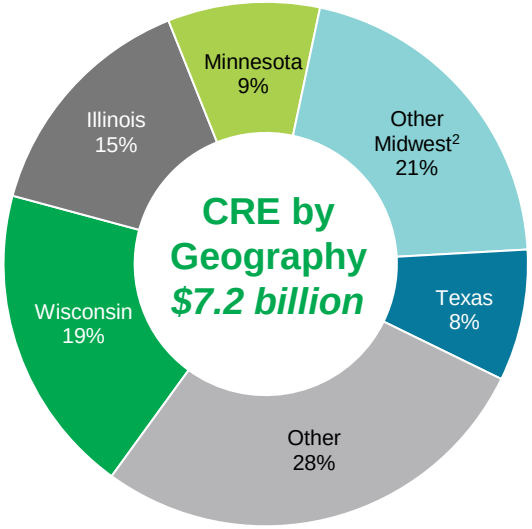
	9/30/2024[1]	% of Total Loans
CRE (by property type)		
Multi-Family	$ 2,914	9.7%
Industrial	1,685	5.6%
Office	929	3.1%
Retail	647	2.2%
Hotel/Motel	195	0.7%
Single Family Construction	194	0.6%
Warehouse	177	0.6%
Medical	157	0.5%
Land	105	0.3%
Self Storage	29	0.1%
Other	154	0.5%
Total CRE	$ 7,185	24.0%
Consumer		
Residential Mortgage	$ 7,803	26.0%
Auto Finance	2,709	9.0%
Home Equity	651	2.2%
Credit Cards	139	0.5%
Student Loans	50	0.2%
Other	73	0.2%
Total Consumer	$ 11,426	38.1%
Total Loans	$ 29,991	100.0%

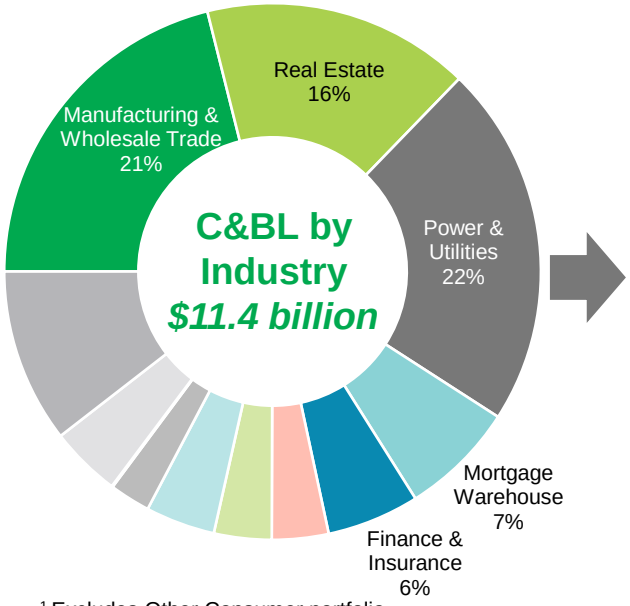
[1] All values as of period end.
[2] North American Industry Classification System.

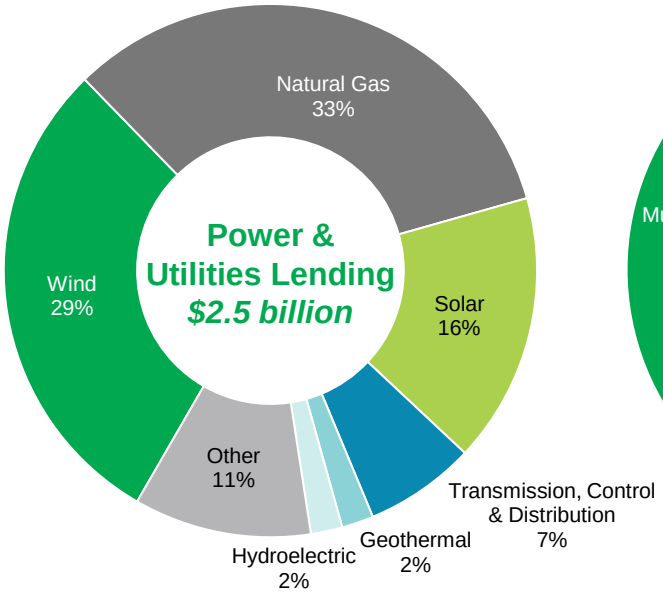
Loan Stratification Outstanding Balances as of September 30, 2024

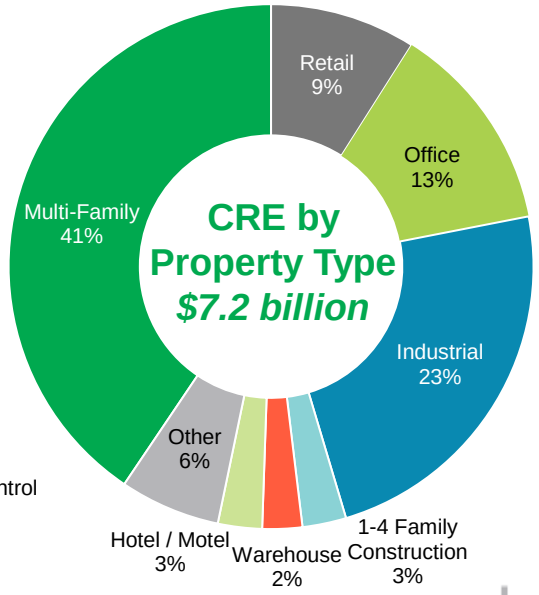












[1] Excludes Other Consumer portfolio.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.

Reconciliation & Definitions of Non-GAAP Items

Period End Core Customer Deposits Reconciliation ($ in millions)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Total deposits	$32,123	$33,446	$33,713	$32,691	$33,554
Brokered CDs	(3,351)	(4,447)	(3,931)	(4,062)	(4,243)
Network transaction deposits	(1,649)	(1,566)	(1,793)	(1,503)	(1,567)
Core customer deposits	$27,123	$27,432	$27,989	$27,127	$27,745

Quarterly Average Core Customer Deposits Reconciliation ($ in millions)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Total deposits	$32,002	$32,192	$33,267	$32,629	$33,321
Brokered CDs	(3,429)	(3,471)	(4,269)	(3,928)	(4,248)
Network transaction deposits	(1,640)	(1,617)	(1,652)	(1,595)	(1,644)
Core customer deposits	$26,933	$27,105	$27,346	$27,106	$27,429

Tangible Common Equity and Tangible Assets Reconciliation[1] ($ in millions)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Common equity	$3,934	$3,980	$3,975	$4,048	$4,219
Goodwill and other intangible assets, net	(1,148)	(1,145)	(1,143)	(1,141)	(1,139)
Tangible common equity	$2,786	$2,834	$2,831	$2,907	$3,080
Total assets	$41,637	$41,016	$41,137	$41,624	$42,211
Goodwill and other intangible assets, net	(1,148)	(1,145)	(1,143)	(1,141)	(1,139)
Tangible assets	$40,490	$39,870	$39,994	$40,483	$41,072

Common Equity Tier 1 Capital Ratio Reconciliation	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Common equity Tier 1 capital ratio	9.55%	9.39%	9.43%	9.68%	9.72%
Accumulated other comprehensive loss adjustment	(1.01)%	(0.52)%	(0.64)%	(0.67)%	(0.34)%
Common equity Tier 1 capital ratio including accumulated other comprehensive loss	8.53%	8.87%	8.79%	9.01%	9.38%

[1] The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. This financial measure has been included as it is considered to be a critical metric with which to analyze and evaluate financial condition and capital strength.

Reconciliation & Definitions of Non-GAAP Items

Selected Trend Information[1] ($ in millions)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Wealth management fees	$21	$21	$22	$23	$24
Service charges and deposit account fees	13	11	12	12	14
Card-based fees	12	12	11	12	12
Other fee-based revenue	5	4	4	5	5
Fee-based revenue	50	47	50	52	55
Other[2]	17	(178)	15	13	13
Total noninterest income	$67	$(131)	$65	$65	$67

Efficiency Ratio Reconciliation[3]	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Federal Reserve efficiency ratio	60.06%	132.01%	61.03%	61.51%	61.46%
Fully tax-equivalent adjustment	(0.89)%	(3.29)%	(0.71)%	(0.71)%	(0.69)%
Other intangible amortization	(0.69)%	(1.21)%	(0.69)%	(0.68)%	(0.67)%
Fully tax-equivalent efficiency ratio	58.50%	127.54%	59.63%	60.12%	60.11%
FDIC special assessment	-	(9.50)%	(2.38)%	0.73%	0.30%
Announced initiatives	-	(53.92)%	-	-	-
Adjusted efficiency ratio	58.50%	64.12%	57.25%	60.85%	60.42%

[1] These financial measures have been included as they provide meaningful supplemental information to assess trends in the Corporation's results of operations.

[2] Other noninterest income is primarily comprised of capital markets, net, mortgage banking, net, bank and corporate owned life insurance, asset gains (losses), net and investment securities gains (losses), net. 4Q 2023 other noninterest income includes the loss on mortgage portfolio sale and net loss on sale of investments that are classified as one time items and are the result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2023.

[3] The efficiency ratio as defined by the Federal Reserve guidance is noninterest expense (which includes the provision for unfunded commitments) divided by the sum of net interest income plus noninterest income, excluding investment securities gains (losses), net. The fully tax-equivalent efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains (losses), net. The adjusted efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, FDIC special assessment costs, and announced initiatives, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains (losses), net and announced initiatives. Management believes the adjusted efficiency ratio is a meaningful measure as it enhances the comparability of net interest income arising from taxable and tax-exempt sources and provides a better measure as to how the Corporation is managing its expenses by adjusting for one time costs like the FDIC special assessment and announced initiatives.

Reconciliation & Definitions of Non-GAAP Items

One Time Item Noninterest Income Reconciliation ($ in millions)	YTD Dec 2023	4Q 2023
GAAP noninterest income	$63	$(131)
Loss on mortgage portfolio sale[1]	136	136
Net loss on sale of investments[1]	65	65
Noninterest income, excluding one time items	$264	$70

One Time Item Noninterest Expense Reconciliation ($ in millions)	YTD Dec 2023
GAAP noninterest expense	$814
FDIC special assessment	(31)
Noninterest expense, excluding one time item	$783

[1] The mortgage portfolio sale and investments sold that are classified as one time items are the result of a balance sheet repositioning that the Corporation announced in the fourth quarter of 2023.