UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d)**
of the Securities Exchange Act of 1934

For the quarterly period ended: March 31, 2025

Commission File Number: 1-10853

TRUIST FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

North Carolina	**56-0939887**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
214 North Tryon Street **Charlotte, North Carolina**	**28202**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(844) 487-8478**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $5 par value	TFC	New York Stock Exchange
Depositary Shares each representing 1/4,000th interest in a share of Series I Perpetual Preferred Stock	TFC.PI	New York Stock Exchange
5.853% Fixed-to-Floating Rate Normal Preferred Purchase Securities each representing 1/100th interest in a share of Series J Perpetual Preferred Stock	TFC.PJ	New York Stock Exchange
Depositary Shares each representing 1/1,000th interest in a share of Series O Non-Cumulative Perpetual Preferred Stock	TFC.PO	New York Stock Exchange
Depositary Shares each representing 1/1,000th interest in a share of Series R Non-Cumulative Perpetual Preferred Stock	TFC.PR	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At March 31, 2025, 1,309,538,961 shares of the registrant's common stock, $5 par value, were outstanding.

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Glossary of Defined Terms

The following terms may be used throughout this report, including the consolidated financial statements and related notes.

Term	Definition
ACL	Allowance for credit losses
AD and CL	Acquisition and development and commercial land
AFS	Available-for-sale
Agency MBS	Mortgage-backed securities issued by a U.S. government agency or GSE
ALCO	Asset and Liability Committee
ALLL	Allowance for loan and lease losses
AOCI	Accumulated other comprehensive income (loss)
Board	Board of Directors of Truist Financial Corporation
BRC	Joint Risk Committee of the Boards of Directors of Truist Financial Corporation and Truist Bank
CCAR	Comprehensive Capital Analysis and Review
CD	Certificate of deposit
CDI	Core deposit intangible
CECL	Current expected credit loss model
CEO	Chief Executive Officer of Truist Financial Corporation
CET1	Common equity tier 1
CFO	Chief Financial Officer of Truist Financial Corporation
CFPB	Consumer Financial Protection Bureau
CODM	Chief Operating Decision Maker
Company	Truist Financial Corporation and its subsidiaries (interchangeable with “Truist” below)
CP	Construction and permanent
CRE	Commercial real estate
CSBB	Consumer and Small Business Banking, an operating segment
DIF	Deposit Insurance Fund administered by the FDIC
EPS	Earnings per common share
Exchange Act	Securities Exchange Act of 1934, as amended
EVE	Economic value of equity
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
FRB	Board of Governors of the Federal Reserve System
GAAP	Accounting principles generally accepted in the United States of America
GDP	Gross Domestic Product
GSE	U.S. government-sponsored enterprise
HFI	Held for investment
HQLA	High-quality liquid assets
HTM	Held-to-maturity
IDI	Insured depository institution
IPV	Independent price verification
IRR	Interest rate risk
LCR	Liquidity Coverage Ratio
LHFS	Loans held for sale
LOCOM	Lower of cost or market
Market Risk Rule	Market risk capital requirements issued jointly by the OCC, FRB, and FDIC
MBS	Mortgage-backed securities
MD&A	Management’s Discussion and Analysis of Financial Condition and Results of Operations
MRO	Model Risk Oversight
MSR	Mortgage servicing rights
NA	Not applicable
NII	Net interest income
NIM	Net interest margin, computed on a TE basis
NM	Not meaningful
NPA	Nonperforming asset
NPL	Nonperforming loan
NSFR	Net stable funding ratio
OAS	Option adjusted spread
OCC	Office of the Comptroller of the Currency
OCI	Other comprehensive income (loss)
OPEB	Other post-employment benefit
OREO	Other real estate owned
OT&C	Other, Treasury, and Corporate
Parent Company	Truist Financial Corporation, the parent company of Truist Bank and other subsidiaries
PCD	Purchased credit deteriorated loans
ROU assets	Right-of-use assets
RUFC	Reserve for unfunded lending commitments

Term	Definition
S&P	Standard & Poor's
SBIC	Small Business Investment Company
SCB	Stress Capital Buffer
SEC	Securities and Exchange Commission
TBVPS	Tangible book value per common share
TE	Taxable-equivalent
TIH	Truist Insurance Holdings, LLC, an entity sold on May 6, 2024
TRS	Total Return Swap
Truist	Truist Financial Corporation and its subsidiaries (interchangeable with the "Company" above)
Truist Bank	Truist Bank, a North Carolina-chartered bank
U.S.	United States of America
U.S. Treasury	United States Department of the Treasury
UPB	Unpaid principal balance
VaR	Value-at-risk
VIE	Variable interest entity
WB	Wholesale Banking, an operating segment

Forward-Looking Statements and Other Terms

From time to time we have made, and in the future will make, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "believe," "expect," "anticipate," "intend," "pursue," "seek," "continue," "estimate," "project," "outlook," "forecast," "potential," "target," "objective," "trend," "plan," "goal," "initiative," "priorities," or other words of comparable meaning or future-tense or conditional verbs such as "may," "will," "should," "would," or "could." Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, or results.

This report, including any information incorporated by reference in this report, contains forward-looking statements. We also may make forward-looking statements in other documents that are filed or furnished with the SEC. In addition, we may make forward-looking statements orally or in writing to investors, analysts, members of the media, and others. All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Actual future objectives, strategies, plans, prospects, performance, conditions, and results may differ materially from those set forth in any forward-looking statement. While no list of assumptions, risks, and uncertainties could be complete, some of the factors that may cause actual results or other future events or circumstances to differ from those in forward-looking statements include:

- evolving political, geopolitical, business, social, economic, and market conditions at local, regional, national, and international levels;
- monetary, fiscal, and trade laws or policies, including tariffs or responses to rates of inflation above target levels;
- the legal, regulatory, and supervisory environment, including changes in financial-services legislation, regulation, policies, or government officials or other personnel;
- our ability to address heightened scrutiny and expectations from supervisory or other governmental authorities and to timely and credibly remediate related concerns or deficiencies;
- judicial, regulatory, and administrative inquiries, examinations, investigations, proceedings, disputes, or rulings that create uncertainty for or are adverse to us or the financial-services industry;
- the outcomes of judicial, regulatory, and administrative inquiries, examinations, investigations, proceedings, disputes, or rulings to which we are or may be subject (either directly or indirectly through our ownership interests in other entities) and our ability to absorb and address any damages or other remedies that are sought or awarded and any collateral consequences;
- evolving accounting standards and policies;
- the adequacy of our corporate governance, risk-management framework, compliance programs, and internal controls over financial reporting, including our ability to control lapses or deficiencies in financial reporting, to make appropriate estimates, or to effectively mitigate or manage operational risk;
- any instability or breakdown in the financial system, including as a result of the actual or perceived soundness of another financial institution or another participant in the financial system;
- disruptions and shifts in investor sentiment or behavior in the securities, capital, or other financial markets, including financial or systemic shocks and volatility or changes in market liquidity, interest or currency rates, or valuations;
- our ability to cost-effectively fund our businesses and operations, including by accessing long- and short-term funding and liquidity and by retaining and growing client deposits;
- changes in any of our credit ratings;
- our ability to manage any unexpected outflows of uninsured deposits and avoid selling investment securities or other assets at an unfavorable time or at a loss;
- negative market perceptions of our investment portfolio or its value;
- adverse publicity or other reputational harm to us, our service providers, or our senior officers;
- business and consumer sentiment, preferences, or behavior, including spending, borrowing, or saving by businesses or households;
- our ability to execute on strategic and operational plans, including accelerating growth, improving profitability, investing in talent, technology, and risk infrastructure, maintaining expense, credit, and risk discipline, and returning capital to shareholders;
- changes in our corporate and business strategies, the composition of our assets, or the way in which we fund those assets;
- our ability to successfully make and integrate acquisitions and to effect divestitures;
- our ability to develop, maintain, and market our products or services or to absorb unanticipated costs or liabilities associated with those products or services;
- our ability to innovate, to anticipate the needs of current or future clients, to successfully compete, to increase or hold market share in changing competitive environments, or to deal with pricing or other competitive pressures;
- our ability to maintain secure and functional financial, accounting, technology, data processing, or other operating systems or infrastructure, including those that safeguard personal and other sensitive information;
- our ability to appropriately underwrite loans that we originate or purchase and to otherwise manage credit risk;
- our ability to satisfactorily and profitably perform loan servicing and similar obligations;
- the credit, liquidity, or other financial condition of our clients, counterparties, service providers, or competitors;
- our ability to effectively deal with economic, business, or market slowdowns or disruptions;
- the efficacy of our methods or models in assessing business strategies or opportunities or in valuing, measuring, estimating, monitoring, or managing positions or risk;
- our ability to keep pace with changes in technology that affect us or our clients, counterparties, service providers, or competitors or to maintain rights or interests in associated intellectual property;
- our ability to attract, hire, and retain key teammates and to engage in adequate succession planning;
- the performance and availability of third-party service providers on whom we rely in delivering products and services to our clients and otherwise in conducting our business and operations;
- our ability to detect, prevent, mitigate, and otherwise manage the risk of fraud or misconduct by internal or external parties;
- our ability to manage and mitigate physical-security and cybersecurity risks, including denial-of-service attacks, hacking, phishing, social-engineering attacks, malware intrusion, data-corruption attempts, system breaches, identity theft, ransomware attacks, environmental conditions, and intentional acts of destruction;
- natural or other disasters, calamities, and conflicts, including terrorist events, cyber-warfare, and pandemics;
- widespread outages of operational, communication, and other systems;
- our ability to maintain appropriate corporate responsibility practices, oversight, and disclosures;
- policies and other actions of governments to manage and mitigate climate and related environmental risks, and the effects of climate change or the transition to a lower-carbon economy on our business, operations, and reputation; and
- other assumptions, risks, or uncertainties described in the Risk Factors (Item 1A), Management's Discussion and Analysis of Financial Condition and Results of Operations (Item 7), or the Notes to the Consolidated Financial Statements (Item 8) in our Annual Report on Form 10-K or described in any of the Company's subsequent quarterly or current reports.

Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, or Current Report on Form 8-K.

Unless the context otherwise requires, "sale of TIH" and similar phrases refer to the sale of our majority stake in TIH on May 6, 2024.

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions, except per share data, shares in thousands)	Mar 31, 2025	Dec 31, 2024
Assets		
Cash and due from banks	$ 5,996	$ 5,793
Interest-bearing deposits with banks	36,175	33,975
Securities borrowed or purchased under agreements to resell	2,810	2,550
Trading assets at fair value	5,838	5,100
AFS securities at fair value	68,012	67,464
HTM securities (fair value of $40,438 and $40,286, respectively)	49,876	50,640
LHFS (including $917 and $1,233 at fair value, respectively)	1,114	1,388
Loans and leases (including $12 and $13 at fair value, respectively)	308,638	306,383
ALLL	(4,870)	(4,857)
Loans and leases, net of ALLL	303,768	301,526
Premises and equipment	3,168	3,225
Goodwill	17,125	17,125
CDI and other intangible assets	1,473	1,550
Loan servicing rights at fair value	3,628	3,708
Other assets (including $1,324 and $1,271 at fair value, respectively)	36,916	37,132
Total assets	$ 535,899	$ 531,176
Liabilities		
Noninterest-bearing deposits	$ 108,461	$ 107,451
Interest-bearing deposits (including $279 and $192 at fair value, respectively)	295,275	283,073
Short-term borrowings (including $2,329 and $1,896 at fair value, respectively)	23,730	29,205
Long-term debt	32,030	34,956
Other liabilities (including $1,763 and $2,286 at fair value, respectively)	11,768	12,812
Total liabilities	471,264	467,497
Shareholders' Equity		
Preferred stock	5,907	5,907
Common stock, $5 par value	6,548	6,580
Additional paid-in capital	35,178	35,628
Retained earnings	24,252	23,777
AOCI, net of deferred income taxes	(7,250)	(8,213)
Total shareholders' equity	64,635	63,679
Total liabilities and shareholders' equity	$ 535,899	$ 531,176
Common shares outstanding	1,309,539	1,315,936
Common shares authorized	2,000,000	2,000,000
Preferred shares outstanding	216	216
Preferred shares authorized	5,000	5,000

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions, except per share data, shares in thousands)	Three Months Ended March 31, 2025	 2024
Interest Income		
Interest and fees on loans and leases	$ 4,493	$ 4,865
Interest on securities	975	805
Interest on other earning assets	520	514
Total interest income	5,988	6,184
Interest Expense		
Interest on deposits	1,736	1,964
Interest on long-term debt	409	482
Interest on other borrowings	336	366
Total interest expense	2,481	2,812
Net Interest Income	3,507	3,372
Provision for credit losses	458	500
Net Interest Income After Provision for Credit Losses	3,049	2,872
Noninterest Income		
Wealth management income	344	356
Investment banking and trading income	273	323
Card and payment related fees	220	224
Service charges on deposits	230	225
Mortgage banking income	108	97
Lending related fees	95	96
Operating lease income	53	59
Securities gains (losses)	(1)	—
Other income	70	66
Total noninterest income	1,392	1,446
Noninterest Expense		
Personnel expense	1,587	1,630
Professional fees and outside processing	364	278
Software expense	230	224
Net occupancy expense	163	160
Equipment expense	82	88
Amortization of intangibles	75	88
Marketing and customer development	75	56
Operating lease depreciation	35	40
Regulatory costs	69	152
Restructuring charges	38	51
Other expense	188	186
Total noninterest expense	2,906	2,953
Earnings		
Income before income taxes	1,535	1,365
Provision for income taxes	274	232
Net income from continuing operations	1,261	1,133
Net income from discontinued operations	—	67
Net income	1,261	1,200
Noncontrolling interests from discontinued operations	—	3
Preferred stock dividends and other	104	106
Net income available to common shareholders	$ 1,157	$ 1,091
Basic earnings from continuing operations	$ 0.88	$ 0.77
Basic EPS	0.88	0.82
Diluted earnings from continuing operations	0.87	0.76
Diluted EPS	0.87	0.81
Basic weighted average shares outstanding	1,307,457	1,335,091
Diluted weighted average shares outstanding	1,324,339	1,346,904

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions)	Three Months Ended March 31, 2025	2024
Net income	$ 1,261	$ 1,200
OCI, net of tax:		
Net change in net pension and postretirement costs	5	1
Net change in cash flow hedges	429	(190)
Net change in AFS securities	478	(576)
Net change in HTM securities	50	51
Other, net	1	(2)
Total OCI, net of tax	963	(716)
Total comprehensive income	$ 2,224	$ 484
Income Tax Effect of Items Included in OCI:		
Net change in net pension and postretirement costs	$ 1	$ —
Net change in cash flow hedges	133	(58)
Net change in AFS securities	149	(177)
Net change in HTM securities	15	15
Total income taxes related to OCI	$ 298	$ (220)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions, shares in thousands)	Shares of Common Stock	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	AOCI	Noncontrolling Interests	Total Shareholders' Equity
Balance, January 1, 2024	1,333,743	$ 6,673	$ 6,669	$ 36,177	$ 22,088	$ (12,506)	$ 152	$ 59,253
Net income	—	—	—	—	1,197	—	3	1,200
OCI	—	—	—	—	—	(716)	—	(716)
Issued in connection with equity awards, net	4,353	—	21	(43)	(2)	—	—	(24)
Cash dividends declared on common stock	—	—	—	—	(694)	—	—	(694)
Cash dividends declared on preferred stock	—	—	—	—	(106)	—	—	(106)
Equity-based compensation expense	—	—	—	63	—	—	—	63
Other, net	—	—	—	—	—	—	77	77
Balance, March 31, 2024	1,338,096	$ 6,673	$ 6,690	$ 36,197	$ 22,483	$ (13,222)	$ 232	$ 59,053
Balance, January 1, 2025	1,315,936	$ 5,907	$ 6,580	$ 35,628	$ 23,777	$ (8,213)	$ —	$ 63,679
Net income	—	—	—	—	1,261	—	—	1,261
OCI	—	—	—	—	—	963	—	963
Issued in connection with equity awards, net	4,858	—	24	(83)	(3)	—	—	(62)
Repurchase of common stock, including excise tax	(11,255)	—	(56)	(447)	—	—	—	(503)
Cash dividends declared on common stock	—	—	—	—	(679)	—	—	(679)
Cash dividends declared on preferred stock	—	—	—	—	(104)	—	—	(104)
Equity-based compensation expense	—	—	—	80	—	—	—	80
Balance, March 31, 2025	1,309,539	$ 5,907	$ 6,548	$ 35,178	$ 24,252	$ (7,250)	$ —	$ 64,635

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS[1]
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions)	Three Months Ended March 31, 2025	2024
Cash Flows From Operating Activities:		
Net income (loss)	$ 1,261	$ 1,200
Adjustments to reconcile net income to net cash from operating activities:		
Provision for credit losses	458	500
Depreciation	145	164
Amortization of intangibles	75	109
Net change in operating assets and liabilities:		
LHFS	316	(349)
Pension asset	(72)	(57)
Derivative assets and liabilities	(613)	255
Trading assets	(738)	(936)
Other assets and other liabilities	(276)	(1,985)
Other, net	190	109
Net cash from operating activities	746	(990)
Cash Flows From Investing Activities:		
Proceeds from sales of AFS securities	722	6
Proceeds from maturities, calls and paydowns of AFS securities	3,906	3,923
Purchases of AFS securities	(4,143)	(3,807)
Proceeds from maturities, calls and paydowns of HTM securities	833	808
Originations of loans and leases, net of principal collected	(2,445)	4,515
Purchases of loans and leases	(500)	(39)
Sales of loans and leases	174	216
Net cash received (paid) for securities borrowed or purchased under agreements to resell	(260)	287
Other, net	82	(6)
Net cash from investing activities	(1,631)	5,903
Cash Flows From Financing Activities:		
Net change in deposits	13,212	(1,599)
Net change in short-term borrowings	(5,462)	1,493
Proceeds from issuance of long-term debt	552	8,130
Repayment of long-term debt	(3,669)	(7,750)
Repurchase of common stock	(500)	—
Cash dividends paid on common stock	(679)	(694)
Cash dividends paid on preferred stock	(104)	(106)
Other, net	(62)	(46)
Net cash from financing activities	3,288	(572)
Net Change in Cash and Cash Equivalents	2,403	4,341
Cash and Cash Equivalents of Continuing and Discontinued Operations, January 1	39,768	30,644
Cash and Cash Equivalents of Continuing and Discontinued Operations, March 31	$ 42,171	$ 34,985
Supplemental Disclosure of Cash Flow Information:		
Net cash paid (received) during the period for:		
Interest expense	$ 2,378	$ 2,826
Income taxes	38	30

(1) Cash flows of discontinued operations are reflected within operating, investing, and financing activities in the Consolidated Statements of Cash Flows. The cash balances of these operations were reported as assets of discontinued operations on the Consolidated Balance Sheets prior to the sale of TIH. Refer to “Note 2. Discontinued Operations” for additional information related to discontinued operations.

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1. Basis of Presentation

General

See the Glossary of Defined Terms at the beginning of this Report for terms used herein. These consolidated financial statements and notes are presented in accordance with the instructions for Form 10-Q, and, therefore, do not include all information and notes necessary for a complete presentation of financial position, results of operations, and cash flow activity required in accordance with GAAP. In the opinion of management, all normal recurring adjustments necessary for a fair statement of the consolidated financial position and consolidated results of operations have been made. The year-end consolidated balance sheet data was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements. The information contained in the financial statements and notes included in the Annual Report on Form 10-K for the year ended December 31, 2024 should be referred to in connection with these unaudited interim consolidated financial statements. The Company updated its accounting policies in connection with recently adopted accounting standards, as applicable, which are described in this footnote. There were no other significant changes to the Company's accounting policies from those disclosed in the Annual Report on Form 10-K for the year ended December 31, 2024 that could have a material effect on the Company's financial statements.

Reclassifications

Certain amounts reported in prior periods' consolidated financial statements have been reclassified to conform to the current presentation.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change include the determination of the ACL; determination of fair value for securities, MSRs, trading assets and liabilities, and derivative assets and liabilities; goodwill and other intangible assets; income taxes; and pension and postretirement benefit obligations.

Changes in Accounting Principles and Effects of New Accounting Standards

The following table provides a summary of significant accounting standards not yet adopted:

Standard / Adoption Date	Description	Effects on the Financial Statements
Standards Not Yet Adopted		
Improvements to Income Tax Disclosures / December 31, 2025	Improves the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures.	Truist is evaluating the impact of this standard on its disclosures. This standard relates to footnote disclosures only.
Expense Disaggregation Disclosures / December 31, 2027	Introduces new requirements to disclose additional information about certain types of expenses, including employee compensation, depreciation, intangible asset amortization, and selling expenses. Banks that present a caption for salaries and benefits under SEC rules would be permitted to retain their current definition.	Truist is evaluating the impact of this standard on its disclosures. This standard relates to footnote disclosures only.

NOTE 2. Discontinued Operations

On February 20, 2024, the Company entered into an agreement to sell the remaining stake of the common equity in TIH to an investor group led by Stone Point Capital LLC and Clayton, Dubilier & Rice for a purchase price that implied an enterprise value for TIH of $15.5 billion. The divestiture of TIH represented a strategic shift that had a major effect on our operations and financial results. The Company reclassified all of the assets and liabilities of TIH to discontinued operations in connection with the announcement of the disposition of the business. As such, financial information attributed to TIH has been recast to reflect discontinued operations for the periods presented herein. On May 6, 2024, the Company completed the sale.

The following footnotes exclude discontinued operations for TIH, unless otherwise noted: "Note 6. Goodwill and Other Intangible Assets," "Note 8. Other Assets and Liabilities," "Note 12. Income Taxes," "Note 13. Benefit Plans," "Note 17. Computation of EPS," and "Note 18. Operating Segments."

The following presents operating results of TIH classified as discontinued operations:

Three Months Ended March 31, 2024 (Dollars in millions)	
Interest Income	
Interest on other earning assets	$ 24
Total interest income	24
Noninterest income	
Insurance income	892
Other income	5
Total noninterest income	897
Noninterest expense	
Personnel expense	634
Professional fees and outside processing	48
Software expense	17
Net occupancy expense	15
Equipment expense	9
Amortization of intangibles	21
Marketing and customer development	10
Restructuring charges	19
Other expense	58
Total noninterest expense	831
Earnings	
Income before income taxes from discontinued operations	90
Provision for income taxes	23
Net income from discontinued operations	67
Noncontrolling interests	3
Net income from discontinued operations attributable to controlling interest	$ 64

The components of net cash provided by operating, investing, and financing activities of discontinued operations included in the Consolidated Statements of Cash Flows are as follows:

Three Months Ended March 31, 2024 (Dollars in millions)	
Net cash from operating activities	$ (346)
Net cash from investing activities	(4)
Net cash from financing activities	373

NOTE 3. Securities Financing Activities

Securities purchased under agreements to resell are primarily collateralized by U.S. government or agency securities and are carried at the amounts at which the securities will be subsequently sold, plus accrued interest. Securities borrowed are primarily collateralized by corporate securities. The Company borrows securities and purchases securities under agreements to resell as part of its securities financing activities. On the acquisition date of these securities, the Company and the related counterparty agree on the amount of collateral required to secure the principal amount loaned under these arrangements. The Company monitors collateral values daily and calls for additional collateral to be provided as warranted under the respective agreements.

For securities sold under agreements to repurchase, the Company would be obligated to provide additional collateral in the event of a significant decline in fair value of the collateral pledged. This risk is managed by monitoring the liquidity and credit quality of the collateral, as well as the maturity profile of the transactions. Refer to “Note 14. Commitments and Contingencies” for additional information related to pledged securities.

The agreements that govern the Company's securities financing transactions provide for a right of setoff in the event of default or bankruptcy with respect to either party to such transactions. The following table presents the Company's securities financing transactions, including those executed under master netting (or similar) arrangements. Refer to "Note 16. Derivative Financial Instruments" for information about the Company's derivative instruments subject to master netting (or similar) arrangements.

	March 31, 2025			December 31, 2024		
(Dollars in millions)	Amount in Consolidated Balance Sheets[1]	Received/ Pledged Financial Instruments[2]	Net Amount	Amount in Consolidated Balance Sheets[1]	Received/ Pledged Financial Instruments[2]	Net Amount
Assets:						
Securities purchased under agreements to resell	$ 1,470	$ (1,464)	$ 6	$ 1,322	$ (1,313)	$ 9
Securities borrowed	1,340	(1,306)	34	1,228	(1,192)	36
Total securities borrowed or purchased under agreements to resell	$ 2,810	$ (2,770)	$ 40	$ 2,550	$ (2,505)	$ 45
Liabilities:						
Securities sold under agreements to repurchase	$ (2,778)	$ 2,778	$ —	$ (9,675)	$ 9,675	$ —

(1) There were no securities financing transactions subject to legally enforceable master netting arrangements that were eligible for balance sheet netting for the periods presented.

(2) The fair value of received/pledged financial instruments is limited to the carrying amount of the associated asset or liability. The fair value of collateral received that was permitted to be sold or repledged was $2.8 billion as of March 31, 2025 and $2.5 billion as of December 31, 2024. Of the fair value of collateral permitted to be resold or repledged, the fair value of securities repledged or resold was $2.1 billion as of March 31, 2025 and $1.6 billion as of December 31, 2024.

The following table presents additional information related to the Company’s securities sold under agreements to repurchase, by collateral type and remaining contractual maturity:

	March 31, 2025				December 31, 2024			
(Dollars in millions)	Overnight and Continuous	Up to 30 days	30-90 days	Total	Overnight and Continuous	Up to 30 days	30-90 days	Total
U.S. Treasury	$ —	$ 100	$ 503	$ 603	$ —	$ 2,445	$ 300	$ 2,745
State and Municipal	337	14	—	351	350	100	—	450
Agency MBS – residential	—	1,000	—	1,000	—	5,750	—	5,750
Corporate and other debt securities	563	261	—	824	450	280	—	730
Total securities sold under agreements to repurchase	$ 900	$ 1,375	$ 503	$ 2,778	$ 800	$ 8,575	$ 300	$ 9,675

NOTE 4. Investment Securities

The following tables summarize the Company's AFS and HTM securities:

March 31, 2025 (Dollars in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net unrealized gains (losses)	Fair Value
AFS securities:					
U.S. Treasury	$ 14,334	$ 140	$ (16)	$ 124	$ 14,458
GSE	469	3	(28)	(25)	444
Agency MBS – residential	55,183	98	(5,012)	(4,914)	50,269
Agency MBS – commercial	3,067	3	(604)	(601)	2,466
States and political subdivisions	370	10	(20)	(10)	360
Other	16	—	(1)	(1)	15
Total AFS securities, excluding portfolio level basis adjustments	73,439	254	(5,681)	(5,427)	68,012
Portfolio level basis adjustments[(1)]	(70)			70	—
Total AFS securities	$ 73,369	$ 254	$ (5,681)	$ (5,357)	$ 68,012
HTM securities:					
Agency MBS – residential	$ 49,876	$ —	$ (9,438)	$ (9,438)	$ 40,438

December 31, 2024 (Dollars in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Net unrealized gains (losses)	Fair Value
AFS securities:					
U.S. Treasury	$ 14,279	$ 156	$ (24)	$ 132	$ 14,411
GSE	441	1	(39)	(38)	403
Agency MBS – residential	55,769	6	(5,816)	(5,810)	49,959
Agency MBS – commercial	2,938	—	(645)	(645)	2,293
States and political subdivisions	390	11	(19)	(8)	382
Other	16	—	—	—	16
Total AFS securities, excluding portfolio level basis adjustments	73,833	174	(6,543)	(6,369)	67,464
Portfolio level basis adjustments[(1)]	(385)			385	—
Total AFS securities	$ 73,448	$ 174	$ (6,543)	$ (5,984)	$ 67,464
HTM securities:					
Agency MBS – residential	$ 50,640	$ —	$ (10,354)	$ (10,354)	$ 40,286

(1) Represents fair value hedge basis adjustments related to active portfolio layer method hedges, which are not allocated to individual securities. For additional information, refer to "Note 16. Derivative Financial Instruments."

The amortized cost and estimated fair value of certain MBS securities issued by FNMA and FHLMC that exceeded 10% of shareholders' equity are shown in the table below:

	March 31, 2025	
(Dollars in millions)	Amortized Cost	Fair Value
FNMA	$ 29,331	$ 24,928
FHLMC	29,693	25,086

The amortized cost and estimated fair value of the securities portfolio by contractual maturity are shown in the following table. The expected life of MBS may be shorter than the contractual maturities because borrowers have the right to prepay their obligations with or without penalties.

March 31, 2025 (Dollars in millions)	Amortized Cost					Fair Value				
	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	Total	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	Total
AFS securities:										
U.S. Treasury	$ 4,251	$ 8,919	$ 426	$ 738	$ 14,334	$ 4,274	$ 9,028	$ 424	$ 732	$ 14,458
GSE	2	—	1	466	469	2	—	1	441	444
Agency MBS – residential	—	86	362	54,735	55,183	—	84	347	49,838	50,269
Agency MBS – commercial	—	109	135	2,823	3,067	—	110	131	2,225	2,466
States and political subdivisions	21	66	147	136	370	21	68	145	126	360
Other	—	8	8	—	16	—	7	8	—	15
Total AFS securities	$ 4,274	$ 9,188	$ 1,079	$ 58,898	$ 73,439	$ 4,297	$ 9,297	$ 1,056	$ 53,362	$ 68,012
HTM securities:										
Agency MBS – residential	$ —	$ —	$ —	$ 49,876	$ 49,876	$ —	$ —	$ —	$ 40,438	$ 40,438

The following tables present the fair values and gross unrealized losses of investments based on the length of time that individual securities have been in a continuous unrealized loss position:

March 31, 2025 (Dollars in millions)	Less than 12 months		12 months or more		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
AFS securities:						
U.S. Treasury	$ 2,420	$ (4)	$ 244	$ (12)	$ 2,664	$ (16)
GSE	106	(1)	214	(27)	320	(28)
Agency MBS – residential	10,845	(146)	26,761	(4,866)	37,606	(5,012)
Agency MBS – commercial	35	—	2,133	(604)	2,168	(604)
States and political subdivisions	184	(17)	37	(3)	221	(20)
Other	8	—	7	(1)	15	(1)
Total	$ 13,598	$ (168)	$ 29,396	$ (5,513)	$ 42,994	$ (5,681)
HTM securities:						
Agency MBS – residential	$ —	$ —	$ 40,438	$ (9,438)	$ 40,438	$ (9,438)

December 31, 2024 (Dollars in millions)	Less than 12 months		12 months or more		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
AFS securities:						
U.S. Treasury	$ 1,579	$ (6)	$ 352	$ (18)	$ 1,931	$ (24)
GSE	146	(4)	230	(35)	376	(39)
Agency MBS – residential	20,546	(322)	26,788	(5,494)	47,334	(5,816)
Agency MBS – commercial	105	(1)	2,111	(644)	2,216	(645)
States and political subdivisions	20	(1)	202	(18)	222	(19)
Other	—	—	7	—	7	—
Total	$ 22,396	$ (334)	$ 29,690	$ (6,209)	$ 52,086	$ (6,543)
HTM securities:						
Agency MBS – residential	$ —	$ —	$ 40,286	$ (10,354)	$ 40,286	$ (10,354)

At March 31, 2025 and December 31, 2024, no ACL was established for AFS or HTM securities. Substantially all of the unrealized losses on the securities portfolio were the result of changes in market interest rates compared to the date the securities were acquired rather than the credit quality of the issuers or underlying loans. The Company does not expect to incur any credit losses on investment securities.

The following table presents gross securities gains and losses recognized in earnings:

(Dollars in millions)	Three Months Ended March 31, 2025	2024
Gross realized gains	$ 2	$ —
Gross realized losses	(3)	—
Securities gains (losses), net	$ (1)	$ —

NOTE 5. Loans and ACL

The following tables present loans and leases HFI by aging category. Government guaranteed loans are not placed on nonperforming status regardless of delinquency because collection of principal and interest is reasonably assured.

March 31, 2025 (Dollars in millions)	Accruing				
	Current	30-89 Days Past Due	90 Days Or More Past Due[1]	Nonperforming	Total
Commercial:					
Commercial and industrial	$ 155,970	$ 118	$ 5	$ 586	$ 156,679
CRE	19,272	12	—	294	19,578
Commercial construction	8,764	—	—	2	8,766
Consumer:					
Residential mortgage	54,759	631	530	179	56,099
Home equity	9,346	57	6	114	9,523
Indirect auto	22,896	484	—	248	23,628
Other consumer	29,203	246	23	65	29,537
Credit card	4,705	71	52	—	4,828
Total	$ 304,915	$ 1,619	$ 616	$ 1,488	$ 308,638

(1) Includes government guaranteed loans of $468 million in the residential mortgage portfolio.

December 31, 2024 (Dollars in millions)	Accruing				
	Current	30-89 Days Past Due	90 Days Or More Past Due[1]	Nonperforming	Total
Commercial:					
Commercial and industrial	$ 154,140	$ 168	$ 19	$ 521	$ 154,848
CRE	20,004	60	1	298	20,363
Commercial construction	8,514	3	—	3	8,520
Consumer:					
Residential mortgage	54,233	719	481	166	55,599
Home equity	9,457	60	9	116	9,642
Indirect auto	22,208	622	—	259	23,089
Other consumer	29,070	236	23	66	29,395
Credit card	4,792	81	54	—	4,927
Total	$ 302,418	$ 1,949	$ 587	$ 1,429	$ 306,383

(1) Includes government guaranteed loans of $430 million in the residential mortgage portfolio.

The following tables present the amortized cost basis of loans by origination year and credit quality indicator:

March 31, 2025 (Dollars in millions)	Amortized Cost Basis by Origination Year						Revolving Credit	Loans Converted to Term	Other[1]	Total
	2025	2024	2023	2022	2021	Prior				
Commercial:										
Commercial and industrial:										
Pass	$ 9,579	$ 20,915	$ 13,067	$ 19,390	$ 10,569	$ 18,325	$ 58,394	$ —	$ (194)	$ 150,045
Special mention	228	289	373	171	425	153	868	—	—	2,507
Substandard	28	451	537	516	188	662	1,159	—	—	3,541
Nonperforming	—	75	91	26	38	54	302	—	—	586
Total	9,835	21,730	14,068	20,103	11,220	19,194	60,723	—	(194)	156,679
Gross charge-offs	3	5	24	4	2	12	52	—	—	102
CRE:										
Pass	795	1,477	2,324	3,766	1,932	4,824	1,159	—	(60)	16,217
Special mention	—	252	146	291	179	157	186	—	—	1,211
Substandard	41	244	208	492	364	507	—	—	—	1,856
Nonperforming	—	26	79	39	9	141	—	—	—	294
Total	836	1,999	2,757	4,588	2,484	5,629	1,345	—	(60)	19,578
Gross charge-offs	—	17	12	1	—	40	—	—	—	70
Commercial construction:										
Pass	208	604	1,634	1,425	335	96	1,746	—	—	6,048
Special mention	37	112	58	661	282	—	83	—	—	1,233
Substandard	—	180	172	983	79	—	69	—	—	1,483
Nonperforming	—	2	—	—	—	—	—	—	—	2
Total	245	898	1,864	3,069	696	96	1,898	—	—	8,766
Consumer:										
Residential mortgage:										
Current	976	4,547	2,719	12,557	15,265	18,695	—	—	—	54,759
30 - 89 days past due	8	23	33	52	76	439	—	—	—	631
90 days or more past due	—	15	71	56	37	351	—	—	—	530
Nonperforming	—	—	4	30	24	121	—	—	—	179
Total	984	4,585	2,827	12,695	15,402	19,606	—	—	—	56,099
Gross charge-offs	—	—	—	—	—	1	—	—	—	1
Home equity:										
Current	—	—	—	—	—	—	6,117	3,229	—	9,346
30 - 89 days past due	—	—	—	—	—	—	41	16	—	57
90 days or more past due	—	—	—	—	—	—	4	2	—	6
Nonperforming	—	—	—	—	—	—	39	75	—	114
Total	—	—	—	—	—	—	6,201	3,322	—	9,523
Gross charge-offs	—	—	—	—	—	—	2	—	—	2
Indirect auto:										
Current	3,104	8,175	2,821	4,688	2,435	1,680	—	—	(7)	22,896
30 - 89 days past due	3	80	84	133	82	102	—	—	—	484
Nonperforming	—	29	47	72	47	53	—	—	—	248
Total	3,107	8,284	2,952	4,893	2,564	1,835	—	—	(7)	23,628
Gross charge-offs	—	21	34	47	22	30	—	—	—	154
Other consumer:										
Current	3,128	8,729	5,585	4,678	2,064	2,417	2,580	19	3	29,203
30 - 89 days past due	5	46	69	51	29	38	6	2	—	246
90 days or more past due	—	6	9	5	—	1	2	—	—	23
Nonperforming	—	8	14	14	12	17	—	—	—	65
Total	3,133	8,789	5,677	4,748	2,105	2,473	2,588	21	3	29,537
Gross charge-offs	7	35	48	34	12	12	6	—	—	154
Credit card:										
Current	—	—	—	—	—	—	4,695	10	—	4,705
30 - 89 days past due	—	—	—	—	—	—	70	1	—	71
90 days or more past due	—	—	—	—	—	—	51	1	—	52
Total	—	—	—	—	—	—	4,816	12	—	4,828
Gross charge-offs	—	—	—	—	—	—	73	1	—	74
Total	$ 18,140	$ 46,285	$ 30,145	$ 50,096	$ 34,471	$ 48,833	$ 77,571	$ 3,355	$ (258)	$ 308,638
Gross charge-offs	$ 10	$ 78	$ 118	$ 86	$ 36	$ 95	$ 133	$ 1	$ —	$ 557

December 31, 2024 (Dollars in millions)	Amortized Cost Basis by Origination Year						Revolving Credit	Loans Converted to Term	Other[1]	Total
	2024	2023	2022	2021	2020	Prior				
Commercial:										
Commercial and industrial:										
Pass	$ 22,675	$ 14,595	$ 20,976	$ 11,449	$ 6,607	$ 13,087	$ 58,790	$ —	$ (199)	$ 147,980
Special mention	460	302	377	407	80	254	830	—	—	2,710
Substandard	481	608	618	234	180	484	1,032	—	—	3,637
Nonperforming	28	98	64	31	11	60	229	—	—	521
Total	23,644	15,603	22,035	12,121	6,878	13,885	60,881	—	(199)	154,848
Gross charge-offs	33	126	66	14	6	42	108	—	—	395
CRE:										
Pass	1,704	2,696	3,788	1,955	1,557	3,649	1,794	—	(64)	17,079
Special mention	262	65	331	197	52	29	91	—	—	1,027
Substandard	252	207	374	356	157	499	114	—	—	1,959
Nonperforming	7	134	52	7	34	64	—	—	—	298
Total	2,225	3,102	4,545	2,515	1,800	4,241	1,999	—	(64)	20,363
Gross charge-offs	14	48	111	1	32	110	—	—	—	316
Commercial construction:										
Pass	721	1,603	1,521	516	37	71	1,461	—	—	5,930
Special mention	100	106	701	158	70	95	79	—	—	1,309
Substandard	54	95	752	308	—	—	69	—	—	1,278
Nonperforming	2	—	1	—	—	—	—	—	—	3
Total	877	1,804	2,975	982	107	166	1,609	—	—	8,520
Consumer:										
Residential mortgage:										
Current	4,174	2,754	12,743	15,471	5,298	13,793	—	—	—	54,233
30 - 89 days past due	21	30	69	70	49	480	—	—	—	719
90 or more days past due	7	53	44	31	34	312	—	—	—	481
Nonperforming	—	4	22	26	7	107	—	—	—	166
Total	4,202	2,841	12,878	15,598	5,388	14,692	—	—	—	55,599
Gross charge-offs	—	—	—	—	—	3	—	—	—	3
Home equity:										
Current	—	—	—	—	—	—	6,135	3,322	—	9,457
30 - 89 days past due	—	—	—	—	—	—	42	18	—	60
90 days or more past due	—	—	—	—	—	—	6	3	—	9
Nonperforming	—	—	—	—	—	—	39	77	—	116
Total	—	—	—	—	—	—	6,222	3,420	—	9,642
Gross charge-offs	—	—	—	—	—	—	9	—	—	9
Indirect auto:										
Current	8,904	3,130	5,279	2,814	1,299	791	—	—	(9)	22,208
30 - 89 days past due	80	113	177	110	58	84	—	—	—	622
Nonperforming	17	49	78	53	28	34	—	—	—	259
Total	9,001	3,292	5,534	2,977	1,385	909	—	—	(9)	23,089
Gross charge-offs	23	120	216	98	47	87	—	—	—	591
Other consumer:										
Current	9,945	6,285	5,172	2,340	1,198	1,498	2,608	21	3	29,070
30 - 89 days past due	44	71	63	25	12	14	6	1	—	236
90 days or more past due	5	10	5	1	—	—	2	—	—	23
Nonperforming	5	18	16	12	5	10	—	—	—	66
Total	9,999	6,384	5,256	2,378	1,215	1,522	2,616	22	3	29,395
Gross charge-offs	90	193	159	70	35	31	28	—	—	606
Credit card:										
Current	—	—	—	—	—	—	4,778	14	—	4,792
30 - 89 days past due	—	—	—	—	—	—	80	1	—	81
90 days or more past due	—	—	—	—	—	—	53	1	—	54
Total	—	—	—	—	—	—	4,911	16	—	4,927
Gross charge-offs	—	—	—	—	—	—	287	9	—	296
Total	$ 49,948	$ 33,026	$ 53,223	$ 36,571	$ 16,773	$ 35,415	$ 78,238	$ 3,458	$ (269)	$ 306,383
Gross charge-offs	$ 160	$ 487	$ 552	$ 183	$ 120	$ 273	$ 432	$ 9	$ —	$ 2,216

(1) Includes certain deferred fees and costs and other adjustments.

ACL

The following tables present activity in the ACL:

(Dollars in millions)	Balance at Jan 1, 2024	Charge-Offs	Recoveries	Provision (Benefit)	Other[1]	Balance at Mar 31, 2024
Commercial:						
Commercial and industrial	$ 1,404	$ (97)	$ 32	$ 22	$ (1)	$ 1,360
CRE	616	(103)	7	143	—	663
Commercial construction	174	—	—	24	—	198
Consumer:						
Residential mortgage	298	(1)	1	(76)	—	222
Home equity	89	(3)	5	(1)	—	90
Indirect auto	942	(154)	28	107	—	923
Other consumer	890	(165)	28	206	—	959
Credit card	385	(77)	9	71	—	388
ALLL	4,798	(600)	110	496	(1)	4,803
RUFC	295	—	—	4	(2)	297
ACL	$ 5,093	$ (600)	$ 110	$ 500	$ (3)	$ 5,100

(Dollars in millions)	Balance at Jan 1, 2025	Charge-Offs	Recoveries	Provision (Benefit)	Other[1]	Balance at Mar 31, 2025
Commercial:						
Commercial and industrial	$ 1,284	$ (102)	$ 24	$ 100	$ 1	$ 1,307
CRE	643	(70)	7	24	—	604
Commercial construction	257	—	—	23	—	280
Consumer:						
Residential mortgage	204	(1)	2	22	—	227
Home equity	89	(2)	4	2	—	93
Indirect auto	955	(154)	25	129	—	955
Other consumer	994	(154)	30	119	—	989
Credit card	431	(74)	11	47	—	415
ALLL	4,857	(557)	103	466	1	4,870
RUFC	304	—	—	(8)	—	296
ACL	$ 5,161	$ (557)	$ 103	$ 458	$ 1	$ 5,166

(1) Includes the amounts for the ALLL for PCD acquisitions and other activity.

The commercial ALLL increased $7 million, and the consumer and credit card ALLL increased $6 million in the three months ended March 31, 2025. The increase in total ALLL reflects an increase in loan volume with a generally stable reserve rate that considers uncertainty in the economic outlook. The increase in commercial ALLL reflects an increase in commercial loan balances and an increase in reserve rates primarily in commercial construction. The increase in consumer and credit card ALLL was primarily driven by loan growth with an increase in the reserve rate in residential real estate, partially offset by a decrease in volume and reserves in certain consumer non-real-estate portfolios.

The quantitative models have been designed to estimate losses using macro-economic forecasts over a reasonable and supportable forecast period of two years, followed by a reversion to long-term historical loss conditions over a one-year period. Forecasts of macroeconomic variables used in loss forecasting include unemployment trends, U.S. real GDP, corporate credit spreads, property values, home price indices, and used car prices.

The overall economic forecast incorporates a third-party baseline forecast that is adjusted to reflect Truist's interest rate outlook. Management also considers optimistic and pessimistic third-party macro-economic forecasts in order to capture uncertainty in the economic environment. These forecasts, along with the primary economic forecast, are weighted 40% baseline, 30% optimistic, and 30% pessimistic in the March 31, 2025 ACL, unchanged since December 31, 2024. While the scenario weightings were unchanged, the economic outlook showed signs of deterioration compared to the prior quarter, primarily related to potential impacts of tariffs and increases to inflation. Risks, including tariff and inflation-related uncertainty not fully captured by the quantitative models and scenario weightings, are incrementally reflected in the qualitative component. The economic forecast shaping the quantitative model outcomes of the ACL estimate as of March 31, 2025 included low, single-digit GDP growth and a mid-to-high single-digit unemployment rate.

Quantitative models have certain limitations with respect to estimating expected losses, particularly in times of rapidly changing macro-economic conditions and forecasts. As a result, management believes that the qualitative component of the ACL, which incorporates management's judgment related to expected future credit losses, will continue to be an important component of the ACL for the foreseeable future. The March 31, 2025 ACL estimate includes adjustments to consider the impact of current and expected events or risks not captured by the loss forecasting models, the outcomes of which are uncertain and may not be completely considered by quantitative models. Refer to "Note 1. Basis of Presentation" in Truist's Annual Report on Form 10-K for the year ended December 31, 2024 for additional information.

NPAs

The following table provides a summary of nonperforming loans and leases, excluding LHFS:

	March 31, 2025		December 31, 2024	
	Recorded Investment		Recorded Investment	
(Dollars in millions)	Without an ALLL	With an ALLL	Without an ALLL	With an ALLL
Commercial:				
Commercial and industrial	$ 101	$ 485	$ 52	$ 469
CRE	23	271	32	266
Commercial construction	—	2	—	3
Consumer:				
Residential mortgage	2	177	1	165
Home equity	1	113	1	115
Indirect auto	—	248	23	236
Other consumer	—	65	—	66
Total	$ 127	$ 1,361	$ 109	$ 1,320

The following table presents a summary of nonperforming assets and residential mortgage loans in the process of foreclosure:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Nonperforming loans and leases HFI	$ 1,488	$ 1,429
Nonperforming LHFS	77	—
Foreclosed real estate	4	3
Other foreclosed property	49	45
Total nonperforming assets	$ 1,618	$ 1,477
Residential mortgage loans in the process of foreclosure	$ 208	$ 169

Loan Modifications

The following tables summarize the amortized cost basis and the weighted average financial effect of loans to borrowers experiencing financial difficulty that were modified during the period, disaggregated by class of financing receivable and type of modification granted.

Three Months Ended March 31, 2025 (Dollars in millions)	Renewals	Term Extensions	Interest Rate Adjustments	Capitalizations	Payment Delays	Combination - Capitalization and Term Extension	Other	Total Modified Loans	Percentage of Total Class of Financing Receivable
Commercial:									
Commercial and industrial	$ 283	$ —	$ —	$ —	$ 46	$ —	$ —	$ 329	0.21 %
CRE	223	—	—	—	—	—	—	223	1.14
Commercial construction	38	—	—	—	—	—	—	38	0.43
Consumer:									
Residential mortgage	—	19	—	34	36	83	21	193	0.34
Home equity	—	—	—	—	—	—	1	1	0.01
Indirect auto	—	5	—	—	624	—	8	637	2.70
Other consumer	—	9	—	—	—	—	1	10	0.03
Credit card	—	—	8	—	—	—	—	8	0.17
Total	$ 544	$ 33	$ 8	$ 34	$ 706	$ 83	$ 31	$ 1,439	0.47

Three Months Ended March 31, 2024 (Dollars in millions)	Renewals	Term Extensions	Capitalizations	Payment Delays	Combination - Capitalization and Term Extension	Other	Total Modified Loans	Percentage of Total Class of Financing Receivable
Commercial:								
Commercial and industrial	$ 142	$ —	$ —	$ 1	$ —	$ 15	$ 158	0.10 %
CRE	167	—	—	10	—	13	190	0.86
Commercial construction	45	—	—	—	—	—	45	0.60
Consumer:								
Residential mortgage	—	19	13	16	55	10	113	0.21
Home equity	—	—	—	—	—	2	2	0.02
Indirect auto	—	6	—	549	—	7	562	2.54
Other consumer	—	9	—	—	—	1	10	0.04
Credit card	—	—	—	—	—	10	10	0.20
Total	$ 354	$ 34	$ 13	$ 576	$ 55	$ 58	$ 1,090	0.35

Three Months Ended March 31, 2025

Loan Type	Financial Effect
Renewals	
Commercial and industrial	Extended the term by 7 months and increased the interest rate by 0.2%.
CRE	Extended the term by 18 months and increased the interest rate by 0.03%.
Commercial construction	Extended the term by 12 months.
Term Extensions	
Residential mortgage	Extended the term by 90 months.
Indirect auto	Extended the term by 26 months.
Other consumer	Extended the term by 25 months.
Interest Rate Adjustments	
Credit card	Decreased the interest rate by 17%.
Capitalizations	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance.
Payment Delays	
Commercial and industrial	Provided 180 days of payment deferral.
Residential mortgage	Provided 224 days of payment deferral.
Indirect auto	Provided 244 days of payment deferral.
Combination - Capitalization and Term Extension	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance and extended the term by 99 months.

Three Months Ended March 31, 2024	
Loan Type	**Financial Effect**
Renewals	
Commercial and industrial	Extended the term by 11 months and increased the interest rate by 0.5%.
CRE	Extended the term by 6 months and increased the interest rate by 0.5%.
Commercial construction	Extended the term by 11 months and increased the interest rate by 0.1%.
Term Extensions	
Residential mortgage	Extended the term by 105 months.
Indirect auto	Extended the term by 26 months.
Other consumer	Extended the term by 26 months.
Capitalizations	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance.
Payment Delays	
Commercial and industrial	Provided 90 days of payment deferral.
CRE	Provided 90 days of payment deferral.
Residential mortgage	Provided 193 days of payment deferral.
Indirect auto	Provided 186 days of payment deferral.
Combination - Capitalization and Term Extension	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance and extended the term by 85 months.

The tables above exclude trial modifications totaling $55 million and $40 million as of March 31, 2025 and 2024, respectively. Such modifications will be included in the modification activity disclosure if the borrower successfully completes the trial period and the loan modification is finalized.

As of March 31, 2025 and December 31, 2024, Truist had $330 million and $336 million, respectively, in unfunded lending commitments to lend additional funds to borrowers experiencing financial difficulty for which Truist has modified the terms of the loans in the ways described above during the twelve months preceding March 31, 2025 and December 31, 2024, respectively.

Upon Truist's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or a portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the ACL is adjusted by the same amount.

Truist closely monitors the performance of the loans that are modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. The following table summarizes the period-end delinquency status and amortized cost of loans that were modified in the last 12 months. The period-end delinquency status of loans that were modified are disclosed at amortized cost and reflect the impact of any paydowns, payoffs, or charge-offs that occurred subsequent to modification.

	Payment Status (Amortized Cost Basis)			
March 31, 2025 (Dollars in millions)	Current	30-89 Days Past Due	90 Days or More Past Due	Total
Commercial:				
Commercial and industrial	$ 950	$ 13	$ 55	$ 1,018
CRE	447	—	—	447
Commercial construction	108	—	—	108
Consumer:				
Residential mortgage	343	92	136	571
Home equity	5	—	—	5
Indirect auto	1,090	162	61	1,313
Other consumer	31	2	1	34
Credit card	19	3	3	25
Total	$ 2,993	$ 272	$ 256	$ 3,521
Total nonaccrual loans included above	$ 306	$ 43	$ 154	$ 503

	Payment Status (Amortized Cost Basis)			
December 31, 2024 (Dollars in millions)	Current	30-89 Days Past Due	90 Days or More Past Due	Total
Commercial:				
Commercial and industrial	$ 974	$ 44	$ 18	$ 1,036
CRE	313	7	3	323
Commercial construction	79	—	—	79
Consumer:				
Residential mortgage	279	95	102	476
Home equity	9	—	—	9
Indirect auto	1,025	213	35	1,273
Other consumer	32	3	1	36
Credit card	20	3	2	25
Total	$ 2,731	$ 365	$ 161	$ 3,257
Total nonaccrual loans included above	$ 232	$ 78	$ 91	$ 401

The following table provides the amortized cost basis of financing receivables that were modified in the last twelve months and were in payment default at period end:

March 31, 2025 (Dollars in millions)	Renewals	Term Extensions	Interest Rate Adjustments	Capitalizations	Payment Delays	Combination - Capitalization and Term Extension	Other	Total
Commercial:								
Commercial and industrial	$ 55	$ —	$ —	$ —	$ —	$ —	$ —	$ 55
Consumer:								
Residential mortgage	—	14	—	5	77	34	6	136
Indirect auto	—	1	—	—	58	—	2	61
Other consumer	—	1	—	—	—	—	—	1
Credit card	—	—	3	—	—	—	—	3
Total	$ 55	$ 16	$ 3	$ 5	$ 135	$ 34	$ 8	$ 256

December 31, 2024 (Dollars in millions)	Renewals	Term Extensions	Interest Rate Adjustments	Capitalizations	Payment Delays	Combination - Capitalization and Term Extension	Other	Total
Commercial:								
Commercial and industrial	$ 18	$ —	$ —	$ —	$ —	$ —	$ —	$ 18
CRE	3	—	—	—	—	—	—	3
Consumer:								
Residential mortgage	—	13	—	6	44	33	6	102
Indirect auto	—	1	—	—	32	—	2	35
Other consumer	—	1	—	—	—	—	—	1
Credit card	—	—	2	—	—	—	—	2
Total	$ 21	$ 15	$ 2	$ 6	$ 76	$ 33	$ 8	$ 161

Unearned Income, Discounts, and Net Deferred Loan Fees and Costs

The following table presents additional information about loans and leases:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Unearned income, discounts, and net deferred loan fees and costs	$ 495	$ 595

NOTE 6. Goodwill and Other Intangible Assets

The Company monitored events and circumstances during the period from January 1, 2025 to March 31, 2025, including macroeconomic and market factors, industry and banking sector events, Truist specific performance indicators, a comparison of management's forecast and assumptions to those used in its October 1, 2024 quantitative impairment test, and the sensitivity of the October 1, 2024 quantitative results to changes in assumptions as of March 31, 2025. Based on these considerations, Truist concluded that it was not more-likely-than-not that the fair value of one or more of its reporting units is below its respective carrying amount as of March 31, 2025.

The Company most recently performed its annual goodwill impairment test for its CSBB, WB, and Wealth reporting units as of October 1, 2024. Based on the results of the quantitative analyses, the Company concluded that the fair values of the CSBB, WB and Wealth reporting units exceeded their respective carrying values; therefore, there was no goodwill impairment. However, for the WB reporting unit, the fair value of the reporting unit exceeded its carrying value by approximately 10%, indicating that the goodwill of the WB reporting unit may remain at risk of impairment. The fair values of the CSBB, WB, and Wealth reporting units were estimated using the income approach and a market-based approach, each weighted 50%.

The changes in the carrying amount of goodwill attributable to operating segments are reflected in the table below. Activity during 2024 primarily relates to the segment realignment and the divestiture of Sterling Capital Management, LLC. Refer to "Note 18. Operating Segments" for additional information on segments and "Note 21. Operating Segments" of the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information on the segment realignment.

(Dollars in millions)	CSBB	WB	Total
Goodwill, January 1, 2024	$ 13,503	$ 3,653	$ 17,156
Segment realignment	(1,498)	1,498	—
Divestitures	—	(32)	(32)
Adjustments and other	—	1	1
Goodwill, December 31, 2024	12,005	5,120	17,125
Goodwill, March 31, 2025	$ 12,005	$ 5,120	$ 17,125

The following table, which excludes fully amortized intangibles, presents information for identifiable intangible assets:

	March 31, 2025			December 31, 2024		
(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
CDI	$ 2,427	$ (1,854)	$ 573	$ 2,453	$ (1,837)	$ 616
Other, primarily client relationship intangibles	1,463	(563)	900	1,458	(524)	934
Total	$ 3,890	$ (2,417)	$ 1,473	$ 3,911	$ (2,361)	$ 1,550

NOTE 7. Loan Servicing

The Company acquires servicing rights, and retains servicing rights related to certain of its sales or securitizations of residential mortgages, commercial mortgages, and other consumer loans. Servicing rights are capitalized by the Company as Loan servicing rights on the Consolidated Balance Sheets. Income earned by the Company on its loan servicing rights is derived primarily from contractually specified servicing fees, late fees, net of curtailment costs, and other ancillary fees.

Residential Mortgage Activities

The following tables summarize residential mortgage servicing activities:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
UPB of residential mortgage loan servicing portfolio	$ 271,268	$ 273,412
UPB of residential mortgage loans serviced for others, primarily agency conforming fixed rate	216,148	218,475
Mortgage loans sold with recourse	142	146
Maximum recourse exposure from mortgage loans sold with recourse liability	89	91
Indemnification, recourse and repurchase reserves	43	44

As of / For the Three Months Ended March 31, (Dollars in millions)	2025	2024
UPB of residential mortgage loans sold from LHFS	$ 2,508	$ 1,763
Pre-tax gains recognized on mortgage loans sold and held for sale	15	15
Servicing fees recognized from mortgage loans serviced for others	154	147
Approximate weighted average servicing fee on the outstanding balance of residential mortgage loans serviced for others	0.28 %	0.28 %
Weighted average interest rate on mortgage loans serviced for others	3.68	3.59

The following table presents a roll forward of the carrying value of residential MSRs recorded at fair value:

(Dollars in millions)	2025	2024
Residential MSRs, carrying value, January 1	$ 3,430	$ 3,088
Additions	53	30
Sales	—	(1)
Change in fair value due to changes in valuation inputs or assumptions	(49)	77
Realization of expected net servicing cash flows, passage of time, and other	(68)	(60)
Residential MSRs, carrying value, March 31	$ 3,366	$ 3,134

The sensitivity of the fair value of the Company's residential MSRs to changes in key assumptions is presented in the following table:

	March 31, 2025			December 31, 2024		
	Range		Weighted	Range		Weighted
(Dollars in millions)	Min	Max	Average	Min	Max	Average
Prepayment speed	6.4 %	13.3 %	7.4 %	6.3 %	11.2 %	7.1 %
Effect on fair value of a 10% increase			$ (92)			$ (89)
Effect on fair value of a 20% increase			(179)			(172)
OAS	1.5 %	12.2 %	4.7 %	1.8 %	12.5 %	4.8 %
Effect on fair value of a 10% increase			$ (68)			$ (70)
Effect on fair value of a 20% increase			(133)			(138)
Composition of loans serviced for others:						
Fixed-rate residential mortgage loans			99.7 %			99.7 %
Adjustable-rate residential mortgage loans			0.3			0.3
Total			100.0 %			100.0 %
Weighted average life			7.5 years			7.6 years

The sensitivity calculations above are hypothetical and should not be considered predictive of future performance. As indicated, changes in fair value based on adverse changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, in the above table, the effect of an adverse variation in one assumption on the fair value of the MSRs is calculated without changing any other assumption; while in reality, changes in one factor may result in changes in another, which may magnify or counteract the effect of the change. See "Note 15. Fair Value Disclosures" for additional information on the valuation techniques used.

Commercial Mortgage Activities

The following table summarizes commercial mortgage servicing activities:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
UPB of CRE mortgages serviced for others	$ 27,570	$ 27,845
CRE mortgages serviced for others covered by recourse provisions	9,915	9,985
Maximum recourse exposure from CRE mortgages sold with recourse liability	2,915	2,940
Recorded reserves related to recourse exposure	11	11
CRE mortgages originated during the year-to-date period	90	1,467
Commercial MSRs at fair value	251	265

NOTE 8. Other Assets and Liabilities

Lessee Operating and Finance Leases

The Company leases certain assets, consisting primarily of real estate, and assesses at contract inception whether a contract is, or contains, a lease. The following tables present additional information on leases, excluding leases related to the lease financing businesses:

	March 31, 2025		December 31, 2024	
(Dollars in millions)	Operating Leases	Finance Leases	Operating Leases	Finance Leases
ROU assets	$ 992	$ 16	$ 1,015	$ 17
Lease liabilities	1,263	18	1,301	19
Weighted average remaining term	6.7 years	7.6 years	6.7 years	7.8 years
Weighted average discount rate	3.6 %	5.1 %	3.5 %	5.1 %

	Three Months Ended March 31,	
(Dollars in millions)	2025	2024
Operating lease costs	$ 68	$ 77

Lessor Operating Leases

The Company's two primary lessor businesses are equipment financing and structured real estate with income recorded in Operating lease income on the Consolidated Statements of Income. The following table presents a summary of assets under operating leases held for investment. This table excludes subleases on assets included in premises and equipment.

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Assets held under operating leases[1][2]	$ 1,953	$ 1,843
Accumulated depreciation	(541)	(539)
Net	$ 1,412	$ 1,304

(1) Includes certain land parcels subject to operating leases that have indefinite lives.
(2) Excludes operating leases held-for-sale that totaled $15 million and $18 million at March 31, 2025 and December 31, 2024, respectively.

Bank-Owned Life Insurance

Bank-owned life insurance consists of life insurance policies held on certain teammates for which the Company is the beneficiary. The carrying value of bank-owned life insurance was $7.8 billion at March 31, 2025 and December 31, 2024.

NOTE 9. Borrowings

The following table presents a summary of long-term debt:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Truist Financial Corporation:[1]		
Fixed rate senior notes	$ 22,308	$ 22,134
Fixed rate subordinated notes[2]	1,827	1,828
Capital notes[2]	635	634
Truist Bank:[1]		
Fixed rate senior notes	501	1,744
Fixed rate subordinated notes[2]	4,782	4,771
Floating rate FHLB advances	500	2,400
Other long-term debt[3]	1,477	1,445
Total long-term debt	$ 32,030	$ 34,956

(1) Certain senior and subordinated notes convert from fixed to floating one year prior to maturity, and are callable within the final year of maturity at par.
(2) Subordinated and capital notes with a remaining maturity of one year or greater qualify under the risk-based capital guidelines as Tier 2 supplementary capital, subject to certain limitations.
(3) Includes debt associated with finance leases, tax credit investments, and other.

NOTE 10. Shareholders' Equity

Common Stock

The following table presents total dividends declared per share of common stock:

	Three Months Ended March 31,	
	2025	2024
Cash dividends declared per share	$ 0.52	$ 0.52

Share Repurchase Activity

In June 2024, Truist announced that the Board had authorized the repurchase of up to $5.0 billion of common stock beginning in the third quarter of 2024 through 2026 as part of Truist's overall capital distribution strategy. During the first quarter of 2025, the Company repurchased $503 million of common stock, including excise tax, which represented 11.3 million shares, through open market repurchases. Repurchased shares revert to the status of authorized and unissued shares upon repurchase. At March 31, 2025, Truist had remaining authorization to repurchase up to $3.5 billion of common stock under the Board approved repurchase plan.

NOTE 11. AOCI

AOCI includes the after-tax change in unrecognized net costs related to defined benefit pension and OPEB plans as well as unrealized gains and losses on cash flow hedges, AFS securities, and HTM securities previously transferred from AFS securities.

(Dollars in millions)	Pension and OPEB Costs	Cash Flow Hedges	AFS Securities	HTM Securities	Other, net	Total
AOCI balance, January 1, 2024	$ (1,079)	$ (300)	$ (8,778)	$ (2,347)	$ (2)	$ (12,506)
OCI before reclassifications, net of tax	1	(232)	(455)	—	(2)	(688)
Amounts reclassified from AOCI:						
Before tax	—	55	(158)	66	—	(37)
Tax effect	—	13	(37)	15	—	(9)
Amounts reclassified, net of tax	—	42	(121)	51	—	(28)
Total OCI, net of tax	1	(190)	(576)	51	(2)	(716)
AOCI balance, March 31, 2024	$ (1,078)	$ (490)	$ (9,354)	$ (2,296)	$ (4)	$ (13,222)
AOCI balance, January 1, 2025	$ (648)	$ (861)	$ (4,573)	$ (2,125)	$ (6)	$ (8,213)
OCI before reclassifications, net of tax	5	358	543	—	1	907
Amounts reclassified from AOCI:						
Before tax	—	93	(85)	65	—	73
Tax effect	—	22	(20)	15	—	17
Amounts reclassified, net of tax	—	71	(65)	50	—	56
Total OCI, net of tax	5	429	478	50	1	963
AOCI balance, March 31, 2025	$ (643)	$ (432)	$ (4,095)	$ (2,075)	$ (5)	$ (7,250)

Primary income statement location of amounts reclassified from AOCI	Other expense	Net interest income	Securities gains (losses) and Interest on securities	Interest on securities	Other income

NOTE 12. Income Taxes

For the three months ended March 31, 2025 and 2024, the provision for income taxes from continuing operations was $274 million and $232 million, respectively, representing effective tax rates of 17.9% and 17.0%, respectively. The higher effective tax rate for the three months ended March 31, 2025 was primarily due to higher forecasted 2025 pre-tax earnings, partially offset by lower discrete tax expense. The Company calculated the provision for income taxes by applying the estimated annual effective tax rate to year-to-date pre-tax income and adjusting for discrete items that occurred during the period.

NOTE 13. Benefit Plans

The components of net periodic (benefit) cost for defined benefit pension plans are summarized in the following table:

(Dollars in millions)	Income Statement Location	Three Months Ended March 31, 2025	2024
Service cost[1]	Personnel expense / Net income from discontinued operations	$ 68	$ 96
Interest cost	Other expense	114	108
Estimated return on plan assets	Other expense	(243)	(244)
Amortization and other	Other expense	—	1
Net periodic (benefit) cost		$ (61)	$ (39)

(1) Includes $7 million for the three months ended March 31, 2024 of service cost reported in net income from discontinued operations for the qualified defined benefit pension plan for employees of TIH.

Truist may make contributions to the qualified pension plans up to the maximum amount deductible for federal income tax purposes. Truist did not make a discretionary contribution to the qualified pension plan during the three months ended March 31, 2025.

NOTE 14. Commitments and Contingencies

Truist utilizes a variety of financial instruments to mitigate exposure to risks and meet the financing needs and provide investment opportunities for clients. These financial instruments include commitments to extend credit, letters of credit and financial guarantees, derivatives, and other investments. Truist also has commitments to fund certain affordable housing investments and contingent liabilities related to certain sold loans.

Tax Credit and Certain Equity Investments

The following table summarizes certain tax credit and certain equity investments:

(Dollars in millions)	Balance Sheet Location	Mar 31, 2025	Dec 31, 2024
Investments in affordable housing projects and other qualified tax credits:			
Carrying amount	Other assets	$ 7,734	$ 7,782
Amount of future funding commitments included in carrying amount	Other liabilities	2,547	2,667
Lending exposure	Loans and leases for funded amounts	2,251	2,376
Renewable energy investments:			
Carrying amount	Other assets	752	551
Amount of future funding commitments not included in carrying amount	NA	649	702
SBIC and certain other equity method investments:			
Carrying amount	Other assets	918	878
Amount of future funding commitments not included in carrying amount	NA	618	613

The following table presents a summary of tax credits and amortization expense associated with the Company's tax credit investment activity. Activity related to the Company's renewable energy investments, other than qualified tax credits, was immaterial.

		Three Months Ended March 31,	
(Dollars in millions)	Income Statement Location	2025	2024
Tax credits:			
Investments in affordable housing projects, other qualified tax credits, and other community development investments	Provision for income taxes	$ 211	$ 185
Amortization and other changes in carrying amount:			
Investments in affordable housing projects and other qualified tax credits	Provision for income taxes	$ 188	$ 171
Other community development investments	Other noninterest income	2	2

Letters of Credit and Financial Guarantees

In the normal course of business, Truist utilizes certain financial instruments to meet the financing needs of clients and to mitigate exposure to risks. Such financial instruments include commitments to extend credit and certain contractual agreements, including standby letters of credit and financial guarantee arrangements.

The following is a summary of selected notional amounts of off-balance sheet financial instruments:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Commitments to extend, originate, or purchase credit and other commitments	$ 215,892	$ 210,645
Residential mortgage loans sold with recourse	142	146
CRE mortgages serviced for others covered by recourse provisions	9,915	9,985
Other loans serviced for others covered by recourse and other provisions	2,118	2,022
Letters of credit	8,329	7,532

Total Return Swaps

The Company enters into TRS transactions with third-party clients, whereby a VIE purchases reference assets identified by a client. The Company financially supports the VIE's purchases of the reference assets. Reference assets are typically fixed income instruments primarily composed of syndicated bank loans. The TRS contracts pass through interest and other cash flows on the reference assets to the third-party clients, along with exposing those clients to decreases in value on the reference assets and providing them with the rights to appreciation on the reference assets. The terms of the TRS contracts require the third-party clients to post initial margin collateral, as well as ongoing variation margin as the fair values of the underlying reference assets change. The following table provides a summary of the TRS transactions with the associated VIE reference assets, which include trading loans and bonds:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Total return swaps:		
VIE assets	$ 2,257	$ 1,854
Trading loans and bonds	1,962	1,473
VIE liabilities	465	356

The Company concluded that the associated VIEs should be consolidated because the Company has (i) the power to direct the activities that most significantly impact the economic performance of the VIE and (ii) the obligation to absorb losses and the right to receive benefits, which could potentially be significant. The activities of the VIEs are restricted to buying and selling the reference assets, and the risks/benefits of any such assets owned by the VIEs are passed to the third-party clients via the TRS contracts.

Pledged Assets

Certain assets were pledged to secure municipal deposits, securities sold under agreements to repurchase, certain derivative agreements, and borrowings or borrowing capacity, as well as to fund certain obligations related to nonqualified defined benefit and defined contribution retirement plans and for other purposes as required or permitted by law. Assets pledged to the FHLB and FRB are subject to applicable asset discounts when determining borrowing capacity. The Company has capacity for secured financing from both the FRB and FHLB and letters of credit from the FHLB. The Company's letters of credit from the FHLB can be used to secure various client deposits, including public fund relationships. Excluding assets related to nonqualified benefit plans, the majority of the agreements governing the pledged assets do not permit the other party to sell or repledge the collateral. The following table provides the total carrying amount of pledged assets by asset type:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Pledged securities	$ 38,172	$ 48,058
Pledged loans:		
FRB	102,211	93,497
FHLB	70,894	71,931
Unused borrowing capacity:		
FRB	79,737	72,040
FHLB	32,041	31,411

Legal Proceedings and Other Matters

Truist is routinely named as a defendant in or a party to numerous actual or threatened legal proceedings and other matters and is or may be subject to potential liability in connection with them. The legal proceedings and other matters may be formal or informal and include litigation and arbitration with one or more identified claimants, certified or purported class actions with yet-to-be-identified claimants, and regulatory or other governmental information-gathering requests, examinations, investigations, and enforcement proceedings. Claims may be based in law or equity—such as those arising under contracts or in tort and those involving banking, consumer-protection, securities, antitrust, tax, employment, and other laws—and some present novel legal theories, allegations of substantial or indeterminate damages, demands for injunctive or similar relief, and requests for fines, penalties, restitution, or alterations in Truist's business practices. Our legal proceedings and other matters exist in varying stages of adjudication, arbitration, negotiation, or investigation and span our business lines and operations.

The course and outcome of legal proceedings and other matters are inherently unpredictable. This is especially so when a matter is still in its early stages, the damages sought are indeterminate or unsupported, significant facts are unclear or disputed, novel questions of law or other meaningful legal uncertainties exist, a request to certify a proceeding as a class action is outstanding or granted, multiple parties are named, or regulatory or other governmental entities are involved. As a result, we often are unable to determine how or when actual or threatened legal proceedings and other matters will be resolved and what losses may be incrementally and ultimately incurred. It is possible that the ultimate resolution of these matters, including the matter described below, if unfavorable, may be material to the consolidated financial position, consolidated results of operations, or consolidated cash flows of Truist, or cause significant reputational consequences.

Truist establishes accruals for legal proceedings and other matters when potential losses become probable and the amount of loss can be reasonably estimated. Accruals are evaluated each quarter and may be adjusted, upward or downward, based on our best judgment after consultation with counsel and others. No assurance exists that our accruals will not need to be adjusted in the future. Actual losses may be higher or lower than any amounts accrued, possibly to a significant degree.

The Company estimates reasonably possible losses, in excess of amounts accrued, of up to approximately $375 million as of March 31, 2025. This estimate does not represent Truist's maximum loss exposure, and actual losses may vary significantly. Also, the outcome of a particular matter may be one that the Company did not take into account in its estimate because the Company judged the likelihood of that outcome to be remote. In addition, the matters underlying this estimate may change from time to time. Estimated losses, like accruals, are based upon currently available information and involve considerable uncertainties and judgment.

For certain matters, Truist may be unable to estimate the loss or range of loss, even if it believes that a loss is probable or reasonably possible, until developments in the matter provide additional information sufficient to support such an estimate. These matters are not accrued for and are not reflected in the estimate of reasonably possible losses.

The following is a description of a legal proceeding in which Truist is involved:

Bickerstaff v. SunTrust Bank

This class action case was filed in Fulton County State Court on July 12, 2010, and an amended complaint was filed on August 9, 2010. Plaintiff alleges that all overdraft fees charged to his account which related to debit card and ATM transactions are actually interest charges and therefore subject to the usury laws of Georgia. The amended complaint asserts claims for violations of civil and criminal usury laws, conversion, and money had and received, and seeks damages on a class-wide basis, including refunds of challenged overdraft fees and pre-judgment interest. On October 6, 2017, the trial court granted plaintiff's motion for class certification and defined the class as "Every Georgia citizen who had or has one or more accounts with SunTrust Bank and who, from July 12, 2006, to October 6, 2017 (i) had at least one overdraft of $500.00 or less resulting from an ATM or debit card transaction (the "Transaction"); (ii) paid any Overdraft Fees as a result of the Transaction; and (iii) did not receive a refund of those Fees," and the granting of a certified class was affirmed on appeal. The class seeks a return of up to $452 million in paid overdraft fees from the 2006 to 2017 period above, plus prejudgment interest which, based on the amount of claimed fees, was estimated to be approximately $439 million as of March 31, 2025. A court-ordered mediation was held on February 28, 2024, but no resolution was reached. On March 4, 2024, the trial court issued an order granting in part and denying in part Truist's motions to amend the class definition to narrow the scope of the class, to compel arbitration against certain class members, and for summary judgment. Truist and the class separately appealed the trial court's order to the Georgia Court of Appeals.

On February 20, 2025, the Court of Appeals ruled on the appeals and affirmed in part and reversed in part the trial court's March 4, 2024 order. Truist and the class filed motions to reconsider with the Court of Appeals, which were denied on March 19, 2025. On April 8, 2025, Truist filed a petition for a writ of certiorari with the Georgia Supreme Court, which remains pending. The class did not seek such a writ, and therefore, the rulings by the Court of Appeals in favor of Truist are final.

NOTE 15. Fair Value Disclosures

Recurring Fair Value Measurements

Accounting standards define fair value as the price that would be received on the measurement date to sell an asset or the price paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants, with a three-level measurement hierarchy:

- Level 1: Quoted prices for identical instruments in active markets
- Level 2: Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs are unobservable

The following tables present fair value information for assets and liabilities measured at fair value on a recurring basis:

March 31, 2025 (Dollars in millions)	Total	Level 1	Level 2	Level 3	Netting Adjustments[1]
Assets:					
Trading assets:					
U.S. Treasury	$ 137	$ —	$ 137	$ —	$ —
GSE	42	—	42	—	—
States and political subdivisions	817	—	817	—	—
Corporate and other debt securities	1,681	—	1,681	—	—
Loans	2,269	—	2,269	—	—
Equity securities	499	499	—	—	—
Other	393	223	170	—	—
Total trading assets	5,838	722	5,116	—	—
AFS securities:					
U.S. Treasury	14,458	—	14,458	—	—
GSE	444	—	444	—	—
Agency MBS – residential	50,269	—	50,269	—	—
Agency MBS – commercial	2,466	—	2,466	—	—
States and political subdivisions	360	—	360	—	—
Other	15	—	15	—	—
Total AFS securities	68,012	—	68,012	—	—
LHFS at fair value	917	—	917	—	—
Loans and leases	12	—	—	12	—
Loan servicing rights at fair value	3,628	—	—	3,628	—
Other assets:					
Derivative assets	1,056	733	1,702	2	(1,381)
Equity securities	268	259	9	—	—
Total assets	$ 79,731	$ 1,714	$ 75,756	$ 3,642	$ (1,381)
Liabilities:					
Interest-bearing deposits:					
Brokered time deposits	$ 279	$ —	$ 279	$ —	$ —
Short-term borrowings:					
Securities sold short	2,133	294	1,839	—	—
Other trading liabilities	196	—	196	—	—
Other liabilities:					
Derivative liabilities	1,763	377	3,448	35	(2,097)
Total liabilities	$ 4,371	$ 671	$ 5,762	$ 35	$ (2,097)

December 31, 2024 (Dollars in millions)	Total	Level 1	Level 2	Level 3	Netting Adjustments[1]
Assets:					
Trading assets:					
U.S. Treasury	$ 143	$ —	$ 143	$ —	$ —
GSE	41	—	41	—	—
States and political subdivisions	786	—	786	—	—
Corporate and other debt securities	1,679	—	1,679	—	—
Loans	1,671	—	1,671	—	—
Equity securities	413	413	—	—	—
Other	367	267	100	—	—
Total trading assets	5,100	680	4,420	—	—
AFS securities:					
U.S. Treasury	14,411	—	14,411	—	—
GSE	403	—	403	—	—
Agency MBS – residential	49,959	—	49,959	—	—
Agency MBS – commercial	2,293	—	2,293	—	—
States and political subdivisions	382	—	382	—	—
Other	16	—	16	—	—
Total AFS securities	67,464	—	67,464	—	—
LHFS at fair value	1,233	—	1,233	—	—
Loans and leases	13	—	—	13	—
Loan servicing rights at fair value	3,708	—	—	3,708	—
Other assets:					
Derivative assets	966	1,147	1,675	2	(1,858)
Equity securities	305	298	7	—	—
Total assets	$ 78,789	$ 2,125	$ 74,799	$ 3,723	$ (1,858)
Liabilities:					
Interest-bearing deposits:					
Brokered time deposits	$ 192	$ —	$ 192	$ —	$ —
Short-term borrowings:					
Securities sold short	1,694	358	1,336	—	—
Other trading liabilities	202	—	202	—	—
Other liabilities:					
Derivative liabilities	2,286	569	4,088	43	(2,414)
Total liabilities	$ 4,374	$ 927	$ 5,818	$ 43	$ (2,414)

(1) Refer to “Note 16. Derivative Financial Instruments” for additional discussion on netting adjustments.

At March 31, 2025 and December 31, 2024, investments totaling $557 million and $535 million, respectively, have been excluded from the table above as they are valued based on net asset value as a practical expedient. These investments primarily consist of certain SBIC funds.

For additional information on the valuation techniques and significant inputs for Level 2 and Level 3 assets and liabilities that are measured at fair value on a recurring basis, see “Note 18. Fair Value Disclosures” of the Annual Report on Form 10-K for the year ended December 31, 2024.

Activity for Level 3 assets and liabilities is summarized below:

Three Months Ended March 31, 2025 and 2024 (Dollars in millions)	Loans and Leases	Loan Servicing Rights	Net Derivatives
Balance at January 1, 2024	$ 15	$ 3,378	$ (19)
Total realized and unrealized gains (losses):			
Included in earnings	—	82	(3)
Issuances	—	32	(1)
Sales	—	(1)	—
Settlements	(1)	(74)	2
Balance at March 31, 2024	$ 14	$ 3,417	$ (21)
Balance at January 1, 2025	$ 13	$ 3,708	$ (41)
Total realized and unrealized gains (losses):			
Included in earnings	—	(56)	6
Issuances	—	57	4
Settlements	(1)	(81)	(2)
Balance at March 31, 2025	$ 12	$ 3,628	$ (33)
Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at March 31, 2025	$ —	$ (56)	$ (2)
Primary income statement location of realized gains (losses) included in earnings	Other income	Mortgage banking income	Mortgage banking income

Fair Value Option

The following table details the fair value and UPB of certain loans and time deposits that were elected to be measured at fair value:

	March 31, 2025			December 31, 2024		
(Dollars in millions)	Fair Value	UPB	Difference	Fair Value	UPB	Difference
Trading loans	$ 2,269	$ 2,355	$ (86)	$ 1,671	$ 1,697	$ (26)
Loans and leases	12	13	(1)	13	14	(1)
LHFS at fair value	917	901	16	1,233	1,232	1
Brokered time deposits	279	281	(2)	192	195	(3)

Nonrecurring Fair Value Measurements

The following table provides information about certain assets measured at fair value on a nonrecurring basis still held as of period end with valuation adjustments recorded during the period. The carrying values represent end of period values, which approximate the fair value.

(Dollars in millions)	Fair Value Hierarchy	Mar 31, 2025	Dec 31, 2024
Carrying value:			
LHFS	Level 2	$ 42	$ —
LHFS	Level 3	—	4
Loans and leases[(1)]	Level 3	324	525
Other	Level 3	99	147

(1) Total loans and leases measured at fair value on a nonrecurring basis still held as of period end were $610 million and $682 million at March 31, 2025 and December 31, 2024, respectively.

The following table provides information about valuation adjustments for certain assets measured at fair value on a nonrecurring basis. The valuation adjustments represent the amounts recorded during the period regardless of whether the asset is still held at period end.

	Three Months Ended March 31,	
(Dollars in millions)	2025	2024
Valuation adjustments:		
LHFS	$ (40)	$ (9)
Loans and leases	(220)	(272)
Other	(87)	(83)

LHFS with valuation adjustments in the table above consisted primarily of residential mortgages and commercial loans that were valued using market prices and measured at LOCOM.

Loans and leases consist of larger commercial loans and leases that are collateral-dependent and other secured loans and leases that have been charged-off to the fair value of the collateral. Valuation adjustments for loans and leases are primarily recorded in the Provision for credit losses in the Consolidated Statement of Income. Refer to "Note 1. Basis of Presentation" in Truist's Annual Report on Form 10-K for the year ended December 31, 2024 for additional discussion of individually evaluated loans and leases.

Other includes foreclosed real estate, other foreclosed property, partnership investments, premises and equipment, OREO, and held for sale operating leases, and consists primarily of residential homes, commercial properties, vacant lots, and automobiles. Partnership investments are measured based on discounted expected future cash flows. The remaining assets are measured at LOCOM, less costs to sell.

Financial Instruments Not Recorded at Fair Value

For financial instruments not recorded at fair value, estimates of fair value are based on relevant market data and information about the instruments. Values obtained relate to trading without regard to any premium or discount that may result from concentrations of ownership, possible tax ramifications, estimated transaction costs that may result from bulk sales, or the relationship between various instruments.

An active market does not exist for certain financial instruments. Fair value estimates for these instruments are based on current economic conditions and interest rate risk characteristics, loss experience, and other factors. Many of these estimates involve uncertainties and matters of significant judgment and cannot be determined with precision. Therefore, the fair value estimates in many instances cannot be substantiated by comparison to independent markets. In addition, changes in assumptions could significantly affect these fair value estimates. Financial assets and liabilities not recorded at fair value are summarized below:

		March 31, 2025		December 31, 2024	
(Dollars in millions)	Fair Value Hierarchy	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:					
HTM securities	Level 2	$ 49,876	$ 40,438	$ 50,640	$ 40,286
Loans and leases HFI, net of ALLL	Level 3	303,756	299,101	301,513	294,190
Financial liabilities:					
Time deposits	Level 2	40,176	40,041	36,532	36,377
Long-term debt	Level 2	32,030	32,058	34,956	34,917

The carrying value of the RUFC, which approximates the fair value of unfunded commitments, was $296 million and $304 million at March 31, 2025 and December 31, 2024, respectively.

NOTE 16. Derivative Financial Instruments

Impact of Derivatives on the Consolidated Balance Sheets

The following table presents the gross notional amounts and estimated fair value of derivative instruments employed by the Company:

	March 31, 2025			December 31, 2024		
	Notional	Fair Value		Notional	Fair Value	
(Dollars in millions)	Amount	Assets	Liabilities	Amount	Assets	Liabilities
Cash flow hedges:						
Interest rate contracts:						
Swaps hedging commercial loans	$ 66,585	$ —	$ (1)	$ 66,585	$ —	$ —
Fair value hedges:						
Interest rate contracts:						
Swaps hedging long-term debt	17,993	—	—	17,368	—	—
Swaps hedging AFS securities	29,850	—	—	30,126	—	—
Total	47,843	—	—	47,494	—	—
Not designated as hedges:						
Client-related and other risk management:						
Interest rate contracts:						
Swaps	152,012	508	(1,337)	146,194	488	(1,706)
Written options	10,554	17	(40)	9,623	16	(49)
Purchased options	10,079	25	(1)	11,321	29	(1)
Futures and forwards	4,418	5	(2)	4,782	1	(2)
Foreign exchange contracts:						
Swaps	9,732	120	(89)	7,397	128	(114)
Futures and forwards	20,142	210	(203)	21,966	311	(270)
Other	2,437	33	(31)	760	5	(4)
Equity contracts:						
Written options	31,647	16	(1,496)	28,228	12	(2,102)
Purchased options	14,506	876	(27)	11,956	1,366	(23)
Other	1,888	28	(70)	1,730	6	(41)
Commodity contracts	11,048	509	(488)	10,988	318	(297)
Credit contracts:						
Credit default swaps	917	—	—	685	—	—
Total return swaps	1,810	38	—	1,485	25	(13)
Risk participation agreements	7,254	—	(2)	7,388	—	(2)
Total	278,444	2,385	(3,786)	264,503	2,705	(4,624)
MSRs and mortgage banking:						
Interest rate contracts:						
Swaps	22,267	—	—	20,696	—	—
Written options	1,299	26	(1)	1,932	32	(6)
Purchased options	8,259	19	(62)	8,910	60	(46)
Interest rate lock commitments	1,033	4	(3)	939	2	(13)
When issued securities, forward rate agreements, forward commitments, and futures	4,909	3	(7)	5,261	25	(11)
Total	37,767	52	(73)	37,738	119	(76)
Total derivatives not designated as hedges	316,211	2,437	(3,859)	302,241	2,824	(4,700)
Total derivatives	$ 430,639	2,437	(3,860)	$ 416,320	2,824	(4,700)
Gross amounts in the Consolidated Balance Sheets:						
Amounts subject to master netting arrangements and exchange traded derivatives		(1,191)	1,191		(1,408)	1,408
Cash collateral (received) posted for amounts subject to master netting arrangements		(190)	906		(450)	1,006
Net amount		$ 1,056	$ (1,763)		$ 966	$ (2,286)

The following table presents the offsetting of derivative instruments including financial instrument collateral related to legally enforceable master netting agreements and amounts held or pledged as collateral. GAAP does not permit netting of non-cash collateral balances in the Consolidated Balance Sheets. Refer to "Note 3. Securities Financing Activities" for information about the Company's securities financing transactions subject to master netting (or similar) arrangements.

March 31, 2025 (Dollars in millions)	Gross Amount	Amount Offset	Net Amount in Consolidated Balance Sheets	Held/Pledged Financial Instruments[1]	Net Amount
Derivative assets:					
Derivatives subject to master netting arrangement or similar arrangement	$ 1,599	$ (1,005)	$ 594	$ —	$ 594
Derivatives not subject to master netting arrangement or similar arrangement	105	1	106	—	106
Exchange traded derivatives	733	(377)	356	—	356
Total derivative assets	$ 2,437	$ (1,381)	$ 1,056	$ —	$ 1,056
Derivative liabilities:					
Derivatives subject to master netting arrangement or similar arrangement	$ (2,851)	$ 1,720	$ (1,131)	$ 86	$ (1,045)
Derivatives not subject to master netting arrangement or similar arrangement	(632)	—	(632)	—	(632)
Exchange traded derivatives	(377)	377	—	—	—
Total derivative liabilities	$ (3,860)	$ 2,097	$ (1,763)	$ 86	$ (1,677)

December 31, 2024 (Dollars in millions)	Gross Amount	Amount Offset	Net Amount in Consolidated Balance Sheets	Held/Pledged Financial Instruments[1]	Net Amount
Derivative assets:					
Derivatives subject to master netting arrangement or similar arrangement	$ 1,599	$ (1,293)	$ 306	$ —	$ 306
Derivatives not subject to master netting arrangement or similar arrangement	78	—	78	—	78
Exchange traded derivatives	1,147	(565)	582	—	582
Total derivative assets	$ 2,824	$ (1,858)	$ 966	$ —	$ 966
Derivative liabilities:					
Derivatives subject to master netting arrangement or similar arrangement	$ (3,379)	$ 1,849	$ (1,530)	$ 94	$ (1,436)
Derivatives not subject to master netting arrangement or similar arrangement	(752)	—	(752)	—	(752)
Exchange traded derivatives	(569)	565	(4)	—	(4)
Total derivative liabilities	$ (4,700)	$ 2,414	$ (2,286)	$ 94	$ (2,192)

(1) The fair value of held/pledged financial instruments is limited to the carrying amount of the associated derivative asset or liability.

The following table presents the carrying amount of hedged items in fair value hedging relationships:

	March 31, 2025			December 31, 2024		
		Hedge Basis Adjustment			Hedge Basis Adjustment	
(Dollars in millions)	Carrying Amount of the Hedged Assets and Liabilities[1]	Items Currently Designated	Discontinued Hedges	Carrying Amount of the Hedged Assets and Liabilities[1]	Items Currently Designated	Discontinued Hedges
AFS securities[2]	$ 43,426	$ (110)	$ 14	$ 43,621	$ (503)	$ 15
Loans and leases	249	—	4	297	—	5
Long-term debt	28,411	32	(491)	29,469	(121)	(533)

(1) Carrying value shown represents amortized cost.

(2) As of March 31, 2025, closed portfolios of securities hedged under the portfolio layer method have an amortized cost of $30.2 billion, of which $17.7 billion was designated as hedged. The remaining amount of amortized cost is from securities with terminated hedges where the basis adjustment is being amortized into earnings using the effective interest method over the contractual life of the security and hedges not designated under the portfolio-layer method.

Impact of Derivatives on the Consolidated Statements of Income and Comprehensive Income

Derivatives Designated as Hedging Instruments under GAAP

No portion of the change in fair value of derivatives designated as hedges has been excluded from effectiveness testing.

The following table summarizes amounts related to cash flow hedges, which consist of interest rate contracts:

	Three Months Ended March 31,	
(Dollars in millions)	2025	2024
Pre-tax gain (loss) recognized in OCI:		
Commercial loans	$ 469	$ (303)
Pre-tax gain (loss) reclassified from AOCI into interest expense or interest income:		
Commercial loans	(93)	(55)

The following table summarizes the impact on net interest income related to fair value hedges:

	Three Months Ended March 31,	
(Dollars in millions)	2025	2024
Investment securities:		
Amounts related to interest settlements	$ 71	$ 163
Recognized on derivatives	(392)	442
Recognized on hedged items	401	(436)
Net income (expense) recognized[(1)]	80	169
Loans and leases:		
Recognized on hedged items	(1)	(1)
Long-term debt:		
Amounts related to interest settlements	(22)	(39)
Recognized on derivatives	152	(232)
Recognized on hedged items	(195)	211
Net income (expense) recognized	(65)	(60)
Net income (expense) recognized, total	$ 14	$ 108

(1) Includes $9 million of income recognized for the three months ended March 31, 2025 and $9 million for the three months ended March 31, 2024 from securities with terminated hedges that were reclassified to HTM. The income recognized was offset by the amortization of the fair value mark.

The following table presents information about the Company's cash flow and fair value hedges:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Cash flow hedges:		
Net unrecognized after-tax gain (loss) on active hedges recorded in AOCI	$ (305)	$ (722)
Net unrecognized after-tax gain (loss) on terminated hedges recorded in AOCI (to be recognized in earnings through 2029)	(127)	(139)
Maximum time period over which Truist is hedging a portion of the variability in future cash flows for forecasted transactions excluding those transactions relating to the payment of variable interest on existing instruments	4 years	5 years
Fair value hedges:		
Unrecognized pre-tax net gain (loss) on terminated hedges[(1)]	$ (145)	$ (180)

(1) Includes deferred gains that are recorded in AOCI as a result of the reclassification to HTM of previously hedged securities of $364 million at March 31, 2025 and $373 million at December 31, 2024.

Of the after-tax net loss on active and terminated cash flow hedges in OCI as of March 31, 2025, losses of $232 million after-tax are expected to be reclassified into earnings in the next 12 months.

Derivatives Not Designated as Hedging Instruments under GAAP

The Company also enters into derivatives that are not designated as accounting hedges under GAAP to economically hedge certain risks as well as in a trading capacity with its clients.

The following table presents pre-tax gain (loss) recognized in income for derivative instruments not designated as hedges:

		Three Months Ended March 31,	
(Dollars in millions)	Income Statement Location	2025	2024
Client-related and other risk management:			
Interest rate contracts	Investment banking and trading income and other income	$ 11	$ 39
Foreign exchange contracts	Investment banking and trading income and other income	(49)	65
Equity contracts	Investment banking and trading income, other income, and personnel expense	53	(17)
Credit contracts	Investment banking and trading income and other income	14	(24)
Commodity contracts	Investment banking and trading income	3	2
MSRs and mortgage banking:			
Interest rate contracts	Mortgage banking income	37	(98)
Total		$ 69	$ (33)

Credit Derivative Instruments

As part of the Company's investment banking and capital market business, the Company enters into contracts that are, in form or substance, written guarantees; specifically, risk participations, TRS, and credit default swaps. The Company accounts for these contracts as derivatives.

Truist has entered into risk participation agreements to share the credit exposure with other financial institutions on client-related interest rate derivative contracts. Under these agreements, the Company has guaranteed payment to a dealer counterparty in the event the counterparty experiences a loss on the derivative due to a failure to pay by the counterparty's client. The Company manages its payment risk on its risk participations by monitoring the creditworthiness of the underlying client through the normal credit review process that the Company would have performed had it entered into a derivative directly with the obligors. At March 31, 2025, the remaining terms on these risk participations ranged from less than one year to 10 years. The potential future exposure represents the Company's maximum estimated exposure to written risk participations, as measured by projecting a maximum value of the guaranteed derivative instruments based on scenario simulations and assuming 100% default by all obligors on the maximum value.

The Company has also entered into TRS contracts on loans and bonds. To mitigate its credit risk, the Company typically receives initial margin from the counterparty upon entering into the TRS and variation margin if the fair value of the underlying reference assets deteriorates. For additional information on the Company's TRS contracts, see "Note 14. Commitments and Contingencies."

The Company enters into credit default swaps to hedge credit risk associated with certain loans and leases. The Company accounts for these contracts as derivatives, and accordingly, recognizes these contracts at fair value.

The following table presents additional information related to interest rate derivative risk participation agreements and total return swaps:

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Risk participation agreements:		
Maximum potential amount of exposure	$ 374	$ 381
Total return swaps:		
Cash received for variation margin	37	25
Cash and other collateral received for initial margin	402	329

NOTE 17. Computation of EPS

Basic and diluted EPS calculations are presented in the following table:

(Dollars in millions, except per share data, shares in thousands)	Three Months Ended March 31, 2025	2024
Net income available to common shareholders from continuing operations	$ 1,157	$ 1,027
Net income available to common shareholders from discontinued operations	—	64
Net income available to common shareholders	$ 1,157	$ 1,091
Weighted average number of common shares	1,307,457	1,335,091
Effect of dilutive outstanding equity-based awards	16,882	11,813
Weighted average number of diluted common shares	1,324,339	1,346,904
Basic earnings from continuing operations	$ 0.88	$ 0.77
Basic earnings from discontinued operations	—	0.05
Basic EPS	$ 0.88	$ 0.82
Diluted earnings from continuing operations	$ 0.87	$ 0.76
Diluted earnings from discontinued operations	—	0.05
Diluted EPS	$ 0.87	$ 0.81
Anti-dilutive awards	—	—

NOTE 18. Operating Segments

Truist operates and measures business activity across two segments: CSBB and WB, with functional activities included in OT&C. The Company's business segment structure is based on the manner in which financial information is evaluated by management as well as the products and services provided or the type of client served. The Chairman and CEO is the Truist CODM. The CODM regularly reviews segment net income and its significant components in comparison to expected results as part of evaluating segment performance and optimizing resource allocation. In this regular review, segment net income typically excludes amortization of intangibles, restructuring charges, and goodwill impairment which are separately presented in the table below.

Consumer and Small Business Banking

CSBB serves retail, premier, and small business clients, providing checking, money market, savings, time and other deposits, payment services, and lending solutions through digital banking, an extensive network of community banking branches, ATMs, virtual service centers, and other channels. Lending solutions include credit cards, personal and unsecured loans originated through the branch network and digital channels; national indirect lending services providing a comprehensive set of technology-enabled consumer lending solutions, including point-of-sale offerings for autos, recreational vehicles, outdoor power sports, outdoor power equipment, and home improvement; and real estate lending providing residential mortgages through retail, direct, and correspondent channels, and home equity loans delivered through the branch network.

Wholesale Banking

WB provides a comprehensive set of products, solutions, and advisory services to commercial, corporate, institutional, and wealth clients. Banking expertise and product capabilities are delivered through a combination of regional coverage across the Truist footprint and national industry coverage for real estate, investment banking, and capital markets clients. WB works with clients to meet their core banking needs, including traditional and specialized credit solutions and commercial payments to manage deposits and liquidity, payables, and receivables. Through investment banking capabilities, clients have full access to strategic advisory services, debt and equity capital markets, leveraged finance, and securitizations, with distribution channels and market making across both fixed income and equity markets. WB also invests in certain affordable housing, New Market Tax Credit, and renewable energy tax credit investments. For additional information on these investments, see "Note 14. Commitments and Contingencies". The wealth business delivers asset management, trust, brokerage, and investment management, as well as specialized commercial products, while aligning closely with regional and industry banking coverage.

Other, Treasury & Corporate

OT&C includes management of the Company's investment securities portfolio, long-term debt, derivative instruments used for balance sheet hedging, short-term liquidity and funding activities, balance sheet risk management and most bank-owned real estate assets, as well as the Company's functional activities such as finance, enterprise risk, legal, and enterprise technology and management, among others. Additionally, OT&C houses intersegment eliminations, including intersegment net referral fees and residual interest rate risk.

Truist promotes revenue growth by bringing the full breadth and depth of Truist's products and services to meet clients' financial needs. The objective is to deepen client relationships and deliver the best financial experience in the marketplace. Revenues of certain products and services are reflected in the results of the segment providing those products and services and are also allocated to CSBB and WB. These allocated revenues between segments are reflected as net referral fees in noninterest income and eliminated in OT&C.

The segment results are presented based on internal management methodologies that were designed to support Truist's strategic objectives. Unlike financial accounting, there is no comprehensive authoritative body of guidance for management accounting equivalent to GAAP. The performance of the segments is not comparable with Truist's consolidated results or with similar information presented by other financial institutions. Additionally, because of the interrelationships between the various segments, the information presented is not indicative of how the segments would perform if they operated as independent entities.

Because business segment results are presented based on management accounting practices, the transition to the consolidated results prepared under GAAP creates certain differences, which are reflected as residuals in OT&C. Business segment reporting conventions include the items as detailed below.

Segment net interest income reflects matched maturity funds transfer pricing, which ascribes credits or charges based on the economic value or cost created by assets and liabilities of each segment. Residual differences between these credits and charges are captured in OT&C.

In the first quarter of 2025, deposit interest expense methodology was enhanced to reflect a change to funds transfer pricing. Prior period results have been revised to conform to the current allocation methodology. As a result of this methodology change, CSBB net interest income decreased $133 million for the three months ended March 31, 2024, with an off-setting increase in OT&C net interest income. For the same reason, WB net interest income decreased $49 million for the three months ended March 31,2024, with an off-setting increase in OT&C net interest income.

Noninterest income includes inter-segment referral fees, as well as federal and state tax credits that are grossed up for the WB segment on a pre-tax equivalent basis, related primarily to certain community development investments. Recoveries for these allocations are reported in OT&C.

Corporate expense allocations, including overhead or functional expenses that are not directly charged to the segments, are allocated to segments based on various drivers (number of FTEs, number of accounts, loan balances, net revenue, etc.). Recoveries for these allocations are reported in OT&C.

Provision for credit losses represents net charge-offs by segment combined with an allocation to the segments for the provision attributable to each segment's quarterly change in the ALLL. Provision for income taxes is calculated using a blended income tax rate for each segment and includes reversals of the noninterest income tax adjustments described above. The difference between the calculated provision for income taxes at the segment level and the consolidated provision for income taxes is reported in OT&C.

The application and development of management reporting methodologies is an active process and undergoes periodic enhancements. The implementation of these enhancements to the internal management reporting methodology may materially affect the results disclosed for each segment, with no impact on consolidated results. When significant changes to management reporting methodologies take place, the impact of these changes is quantified, and prior period information is revised as practicable.

The following table presents results by segment:

Three Months Ended March 31, (Dollars in millions)	CSBB		WB		OT&C[1]		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Net interest income (expense)	$ 1,426	$ 1,267	$ 1,892	$ 2,231	$ 189	$ (126)	$ 3,507	$ 3,372
Net intersegment interest income (expense)	858	1,210	(299)	(615)	(559)	(595)	—	—
Segment net interest income	2,284	2,477	1,593	1,616	(370)	(721)	3,507	3,372
Allocated provision for credit losses	328	313	131	188	(1)	(1)	458	500
Noninterest income	503	497	949	980	(60)	(31)	1,392	1,446
Personnel expense	408	405	548	580	631	645	1,587	1,630
Amortization of intangibles	39	46	36	42	—	—	75	88
Restructuring charges	—	1	1	7	37	43	38	51
Other direct noninterest expense[2]	275	244	192	176	739	764	1,206	1,184
Total direct noninterest expense	722	696	777	805	1,407	1,452	2,906	2,953
Expense Allocations	941	890	524	528	(1,465)	(1,418)	—	—
Total noninterest expense	1,663	1,586	1,301	1,333	(58)	34	2,906	2,953
Income (loss) before income taxes from continuing operations	796	1,075	1,110	1,075	(371)	(785)	1,535	1,365
Provision (benefit) for income taxes	194	259	222	209	(142)	(236)	274	232
Segment net income (loss) from continuing operations	$ 602	$ 816	$ 888	$ 866	$ (229)	$ (549)	$ 1,261	$ 1,133
Identifiable assets (period end) of continuing operations	$147,376	$143,381	$209,135	$209,188	$179,388	$174,618	$535,899	$527,187

(1) As described above, includes the Company's investment securities portfolio, most long-term debt, derivative instruments used for balance sheet hedging, short-term liquidity and funding activities, balance sheet risk management, most bank-owned real estate assets, as well as functional activities such as finance, enterprise risk, legal, and enterprise technology and management. Additionally, houses intersegment eliminations, including for residual interest rate risk, intersegment net referral fees, and expense allocations. May also include financial data from business units below the quantitative and qualitative thresholds requiring disclosure.

(2) Other direct noninterest expense within the table above includes expenses for occupancy and equipment, professional fees and outside processing, regulatory costs, and other expenses.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MD&A is intended to assist readers in their analysis of the accompanying Consolidated Financial Statements and supplemental financial information. It should be read in conjunction with the Consolidated Financial Statements, the accompanying Notes to the Consolidated Financial Statements in this Form 10-Q, other information contained in this document, as well as with Truist's Annual Report on Form 10-K for the year ended December 31, 2024.

A description of certain factors that may affect our future results and risk factors is set forth in Part I, Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2024.

Regulatory and Supervisory Update

We are subject to significant regulatory frameworks that affect the products and services that we may offer and the manner in which we may offer them, the risks that we may take, the ways in which we may operate, and the corporate and financial actions that we may take.

The description below summarizes an update to the regulatory and supervisory framework applicable to Truist since the filing of the Annual Report on Form 10-K for the year ended December 31, 2024. This update does not summarize all actual, proposed, or possible changes in statutes, regulations, and other laws applicable to Truist and is not intended to be a substitute for those laws. Refer to "Regulatory and Supervisory Considerations" in Truist's Annual Report on Form 10-K for the year ended December 31, 2024 for additional disclosures.

In December 2024, the CFPB issued a final rule to financial institutions with more than $10 billion in assets to either limit the cost of overdraft services to the amount of their costs and losses or adhere to a fee cap of $5. The rule was expected to take effect on October 1, 2025. In late March and early April 2025, the Senate and House of Representatives invoked the Congressional Review Act to overturn this rule. If the resolution is signed by the President, the rule will not become effective and banks with more than $10 billion in assets, including Truist Bank, will not be required to change their overdraft fee structures to comply with the rule.

Executive Overview

We delivered solid first quarter results as we focused on executing strategic growth initiatives amidst market volatility. We grew average loans and deposits on a linked-quarter basis while delivering strong asset quality metrics and maintaining credit and risk discipline.

We prudently managed expenses yet continued to invest in talent, technology, and risk infrastructure. Our strong capital and liquidity profile positioned us for a variety of economic environments and enabled us to continue capitalizing on opportunities for our shareholders.

We returned $1.2 billion of capital to our common shareholders through $679 million of common stock dividends and $500 million of common share repurchases during the first quarter of 2025. As of March 31, 2025, we had $3.5 billion remaining under our $5.0 billion common share repurchase authorization through the end of 2026.

Financial Results

Net income available to common shareholders for the first quarter of 2025 of $1.2 billion was up 6.0% compared with the first quarter of 2024. On a diluted per common share basis, earnings for the first quarter of 2025 were $0.87, an increase of $0.06, or 7.4%, compared to the first quarter of 2024. Truist's results of operations for the first quarter of 2025 produced an annualized return on average assets of 0.96% and an annualized return on average common shareholders' equity of 8.1% compared to prior year returns of 0.91% and 8.4%, respectively.

Net income from continuing operations was $1.3 billion for the first quarter of 2025, compared to $1.1 billion for the first quarter of 2024.

Taxable-equivalent net interest income for the first quarter of 2025 was up $130 million, or 3.8%, compared to the first quarter of 2024 primarily due to the balance sheet repositioning in the second quarter of 2024. Net interest margin was 3.01%, up 13 basis points.

- The yield on the average total loan portfolio was 5.97%, down 41 basis points due to the impact of variable rate loans repricing. The yield on the average securities portfolio was 3.16%, up 71 basis points, reflecting the aforementioned balance sheet repositioning and reinvesting cash flows into higher yielding securities.
- The average cost of total deposits was 1.79%, down 24 basis points. The average cost of short-term borrowings was 4.49%, down 113 basis points. The average cost of long-term debt was 5.05%, up 31 basis points.

Noninterest income for the first quarter of 2025 was down $54 million, or 3.7%, compared to the first quarter of 2024 primarily due to lower investment banking and trading income and wealth management income.

Noninterest expense for the first quarter of 2025 was down $47 million, or 1.6%, compared to the first quarter of 2024 due to lower regulatory costs driven by the prior period FDIC special assessment adjustment of $75 million and lower personnel expense, partially offset by higher professional fees and outside processing expense. Restructuring charges for both quarters include severance charges as well as costs associated with facilities optimization initiatives. Adjusted noninterest expense, which excludes the FDIC special assessment adjustment and restructuring charges, increased $41 million, or 1.5%, compared to the earlier quarter.

The higher effective tax rate for the first quarter of 2025 compared to the first quarter of 2024 is primarily due to higher forecasted 2025 pre-tax earnings, partially offset by lower discrete tax expense.

Asset quality remained strong during the first quarter of 2025.

- Nonperforming loans and leases held for investment were 0.48% of loans and leases held for investment at March 31, 2025, up one basis points compared to December 31, 2024.
- Loans 90 days or more past due and still accruing totaled $616 million at March 31, 2025, up one basis point as a percentage of loans and leases compared with December 31, 2024. Excluding government guaranteed loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.05% at March 31, 2025, unchanged from December 31, 2024.
- The allowance for credit losses was $5.2 billion and included $4.9 billion for the allowance for loan and lease losses and $296 million for the reserve for unfunded commitments. The ALLL ratio was 1.58%, down one basis point from December 31, 2024.
- The provision for credit losses was $458 million compared to $500 million for the first quarter of 2024.
- The net charge-off ratio was 60 basis points, down 4 basis points compared to the first quarter of 2024 primarily driven by lower net charge-offs in the CRE portfolio.

Capital ratios remained strong during the first quarter of 2025.

- Truist's CET1 ratio was 11.3% as of March 31, 2025, down 20 basis points compared to December 31, 2024 due to capital returned to shareholders, an increase in risk-weighted assets, and the final CECL phase-in, partially offset by current quarter earnings.
- Truist declared common dividends of $0.52 per share during the first quarter of 2025 and repurchased $500 million of common stock. For the first quarter of 2025, the dividend payout ratio was 59%, and the total payout ratio was 102%.
- Truist's average consolidated LCR was 111% for the three months ended March 31, 2025, compared to the regulatory minimum of 100%.

Analysis of Results of Operations

Net Interest Income and NIM

Taxable-equivalent net interest income for the first quarter of 2025 was up $130 million, or 3.8%, compared to the first quarter of 2024 primarily due to the balance sheet repositioning in the second quarter of 2024. Net interest margin was 3.01%, up 13 basis points.

- Average earning assets decreased $283 million, or 0.1%, primarily due to a decline in average total loans of $1.9 billion, or 0.6%, and a decrease in average securities of $7.6 billion, or 5.8%, partially offset by growth in other earning assets of $8.4 billion, or 28%. The decrease in average securities and increase in average other earning assets primarily reflects the aforementioned balance sheet repositioning.
- The yield on the average total loan portfolio was 5.97%, down 41 basis points due to the impact of variable rate loans repricing. The yield on the average securities portfolio was 3.16%, up 71 basis points, reflecting the aforementioned balance sheet repositioning and reinvesting cash flows into higher yielding securities.
- Average deposits increased $3.1 billion, or 0.8%, average short-term borrowings increased $4.1 billion, or 16%, and average long-term debt decreased $8.3 billion, or 20%.
- The average cost of total deposits was 1.79%, down 24 basis points. The average cost of short-term borrowings was 4.49%, down 113 basis points. The average cost of long-term debt was 5.05%, up 31 basis points.

The major components of net interest income and the related annualized yields as well as the variances between the periods caused by changes in interest rates versus changes in volumes are summarized below.

Table 1: Taxable-Equivalent Net Interest Income and Rate / Volume Analysis

Three Months Ended March 31, (Dollars in millions)	Average Balances[1]		Annualized Yield/Rate[2]		Income/Expense[2]		Incr.	Change due to	
	2025	2024	2025	2024	2025	2024	(Decr.)	Rate	Volume
Assets									
AFS and HTM securities at amortized cost:									
U.S. Treasury	$ 14,867	$ 9,853	5.19 %	1.49 %	$ 191	$ 37	$ 154	$ 128	$ 26
GSE	462	389	3.75	3.40	4	3	1	—	1
Agency MBS	108,345	117,301	2.87	2.51	777	735	42	100	(58)
States and political subdivisions	370	421	4.20	4.15	4	4	—	—	—
Non-agency MBS	—	3,676	—	2.95	—	27	(27)	(14)	(13)
Other	17	19	4.72	5.35	—	—	—	—	—
Total securities	124,061	131,659	3.16	2.45	976	806	170	214	(44)
Interest earning trading assets	5,628	4,845	5.72	6.50	80	79	1	(10)	11
Other earning assets[3]	38,997	30,567	4.53	5.74	441	436	5	(101)	106
Loans and leases, net of unearned income:									
Commercial and industrial	155,214	158,385	5.70	6.53	2,184	2,572	(388)	(335)	(53)
CRE	19,832	22,400	6.12	6.95	302	389	(87)	(45)	(42)
Commercial Construction	8,734	7,134	6.84	7.83	145	137	8	(19)	27
Residential mortgage	55,658	55,070	4.04	3.84	562	528	34	28	6
Home equity	9,569	9,930	7.48	7.92	177	196	(19)	(12)	(7)
Indirect auto	23,248	22,374	7.19	6.69	412	372	40	26	14
Other consumer	29,291	28,285	8.33	7.98	602	561	41	23	18
Credit card	4,849	4,923	11.60	11.96	138	146	(8)	(5)	(3)
Total loans and leases HFI	306,395	308,501	5.97	6.38	4,522	4,901	(379)	(339)	(40)
LHFS	1,133	925	5.93	6.38	17	15	2	(1)	3
Total loans and leases	307,528	309,426	5.97	6.38	4,539	4,916	(377)	(340)	(37)
Total earning assets	476,214	476,497	5.12	5.25	6,036	6,237	(201)	(237)	36
Nonearning assets	55,416	46,921							
Assets of discontinued operations	—	7,584							
Total assets	$ 531,630	$ 531,002							
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest-checking	$ 109,208	$ 103,537	2.37	2.65	640	684	(44)	(78)	34
Money market and savings	136,897	134,696	2.20	2.49	743	832	(89)	(102)	13
Time deposits	40,204	41,937	3.56	4.30	353	448	(95)	(76)	(19)
Total interest-bearing deposits	286,309	280,170	2.46	2.82	1,736	1,964	(228)	(256)	28
Short-term borrowings	30,332	26,230	4.49	5.62	336	366	(30)	(81)	51
Long-term debt	32,418	40,721	5.05	4.74	409	482	(73)	30	(103)
Total interest-bearing liabilities	349,059	347,121	2.88	3.26	2,481	2,812	(331)	(307)	(24)
Noninterest-bearing deposits	105,895	108,888							
Other liabilities	12,643	12,885							
Liabilities of discontinued operations	—	3,097							
Shareholders' equity	64,033	59,011							
Total liabilities and shareholders' equity	$ 531,630	$ 531,002							
Average interest-rate spread			2.24 %	1.99 %					
NIM/net interest income - taxable equivalent			3.01 %	2.88 %	$ 3,555	$ 3,425	$ 130	$ 70	$ 60
Taxable-equivalent adjustment					$ 48	$ 53			
Memo: Total deposits	$ 392,204	$ 389,058	1.79 %	2.03 %	$ 1,736	$ 1,964	$ (228)		

(1) Represents daily average balances. Unrealized gains and losses on available-for-sale securities are included in nonearning assets. Active hedge basis adjustments for fair value hedges are included in nonearning assets and other liabilities.

(2) Yields are stated on a TE basis utilizing a federal tax rate of 21%. Interest income includes certain fees, deferred costs, and dividends. The change in interest not solely due to changes in rate or volume has been allocated based on the pro-rata absolute dollar amount of each.

(3) Includes cash equivalents, interest-bearing deposits with banks, FHLB stock, and other earning assets.

Provision for Credit Losses

The provision for credit losses was $458 million for the first quarter of 2025 compared to $500 million for the first quarter of 2024. The net charge-off ratio for the current quarter of 0.60% was down four basis points compared to the prior quarter. The net charge-off ratio for the current quarter was down compared to the first quarter of 2024 primarily driven by lower net charge-offs in the CRE portfolio.

Refer to "Note 5. Loans and ACL" for additional discussion of the ACL.

Noninterest Income

Noninterest income is a significant contributor to Truist's financial results. Management focuses on diversifying its sources of revenue to reduce Truist's reliance on traditional spread-based interest income, as certain fee-based activities are a relatively stable revenue source during periods of changing interest rates. The following table provides a breakdown of Truist's noninterest income:

Table 2: Noninterest Income

	Three Months Ended March 31,		% Change
(Dollars in millions)	2025	2024	2025 vs. 2024
Wealth management income	$ 344	$ 356	(3.4)%
Investment banking and trading income	273	323	(15.5)
Card and payment related fees	220	224	(1.8)
Service charges on deposits	230	225	2.2
Mortgage banking income	108	97	11.3
Lending related fees	95	96	(1.0)
Operating lease income	53	59	(10.2)
Securities gains (losses)	(1)	—	NM
Other income	70	66	6.1
Total noninterest income	$ 1,392	$ 1,446	(3.7)

Noninterest income for the first quarter of 2025 was down $54 million, or 3.7%, compared to the first quarter of 2024 primarily due to lower investment banking and trading income and wealth management income.

- Investment banking and trading income decreased due to lower merger and acquisition fees and trading income.
- Wealth management income decreased due to the impact of the sale of Sterling Capital Management LLC in 2024.
- Additionally, other income was relatively flat as higher income from certain solar investments was largely offset by lower income from investments held for certain post-retirement benefits (which is primarily offset by lower personnel expense).

Noninterest Expense

The following table provides a breakdown of Truist's noninterest expense:

Table 3: Noninterest Expense

(Dollars in millions)	Three Months Ended March 31, 2025	2024	% Change 2025 vs. 2024
Personnel expense	$ 1,587	$ 1,630	(2.6)%
Professional fees and outside processing	364	278	30.9
Software expense	230	224	2.7
Net occupancy expense	163	160	1.9
Equipment expense	82	88	(6.8)
Amortization of intangibles	75	88	(14.8)
Marketing and customer development	75	56	33.9
Operating lease depreciation	35	40	(12.5)
Regulatory costs	69	152	(54.6)
Restructuring charges	38	51	(25.5)
Other expense	188	186	1.1
Total noninterest expense	$ 2,906	$ 2,953	(1.6)

Noninterest expense for the first quarter of 2025 was down $47 million, or 1.6%, compared to the first quarter of 2024 due to lower regulatory costs driven by the prior period FDIC special assessment adjustment of $75 million and lower personnel expense, partially offset by higher professional fees and outside processing expense. Restructuring charges for both quarters include severance charges as well as costs associated with facilities optimization initiatives. Adjusted noninterest expense, which excludes the FDIC special assessment adjustment and restructuring charges, increased $41 million, or 1.5%, compared to the earlier quarter.

- Professional fees and outside processing expense increased due to higher investments in technology and risk infrastructure.
- Personnel expense decreased due to lower other post-retirement benefit expense (which is almost entirely offset by lower other income) and expenses for retirement plans, partially offset by higher medical claims and incentive compensation.

Segment Results

Truist operates and measures business activity across two segments: CSBB and WB, with functional activities included in OT&C. The Company's business segment structure is based on the manner in which financial information is evaluated by management as well as the products and services provided or the type of client served. Refer to "Note 18. Operating Segments" for additional information on the Company's segments.

Table 4: Net Income from Continuing Operations by Reportable Segment

	Three Months Ended March 31,		% Change
(Dollars in millions)	2025	2024	2025 vs. 2024
Consumer and Small Business Banking	$ 602	$ 816	(26.2)%
Wholesale Banking	888	866	2.5
Other, Treasury & Corporate	(229)	(549)	58.3
Truist Financial Corporation	$ 1,261	$ 1,133	11.3

Consumer and Small Business Banking

CSBB net income was $602 million for the first quarter of 2025, a decrease of $214 million compared to the first quarter of 2024.

- Segment net interest income decreased $193 million primarily driven by lower funding credit on deposits.
- The allocated provision for credit losses increased $15 million reflecting a modest allowance build compared to a release in the earlier period, partially offset by a decrease in charge-offs in the other consumer portfolio.
- Noninterest income was flat primarily due to an increase in residential mortgage income, partially offset by decreased service charges on deposits and lower card and payment related fees.
- Noninterest expense increased $77 million compared to the earlier quarter driven by higher enterprise technology, payments, and finance support costs as well as higher direct marketing expense, partially offset by lower enterprise operations support and FDIC expense.

CSBB average loans and leases held for investment increased $2.3 billion, or 1.8%, for the first quarter of 2025 compared to the first quarter of 2024, primarily due to higher loan balances within indirect lending driven by the Service Finance, Sheffield, and prime auto portfolios and real estate lending driven by mortgage, partially offset by lower balances in the unsecured and small business portfolios.

CSBB average total deposits decreased $1.5 billion, or 0.7%, for the first quarter of 2025 compared to the first quarter of 2024, primarily driven by decreases in interest checking and time deposits, partially offset by increases in money market and savings and noninterest-bearing deposits.

Wholesale Banking

WB net income was $888 million for the first quarter of 2025, an increase of $22 million compared to the first quarter of 2024.

- Segment net interest income decreased $23 million primarily due to lower loan balances and lower yields.
- The allocated provision for credit losses decreased $57 million which reflects a lower allowance build in the current quarter compared to the earlier period as well as lower charge-offs in the CRE portfolio.
- Noninterest income decreased $31 million compared to the earlier quarter driven by lower merger and acquisition and equity origination deal flow, lower trading income, and a decrease in wealth related income attributable to the sale of Sterling Capital Management LLC in 2024, partially offset by higher income from certain strategic investments and syndicated leverage finance fees.
- Noninterest expense decreased $32 million compared to the earlier quarter primarily due to lower FDIC expense, and lower personnel expense from reduced incentives and headcount, partially offset by higher technology and support charges.

WB average loans held for investment decreased $4.4 billion, or 2.4%, for the first quarter of 2025 compared to the first quarter of 2024, primarily due to decreases in commercial and industrial loan balances.

WB average total deposits increased $2.7 billion, or 1.9%, for the first quarter of 2025 compared to the first quarter of 2024, primarily due to increases in interest checking balances, partially offset by declines in average noninterest-bearing deposits and money market and savings.

Other, Treasury & Corporate

OT&C generated a net loss of $229 million in the first quarter of 2025, compared to a net loss of $549 million in the first quarter of 2024.

- Segment net interest income increased $351 million primarily due to lower funding credit on deposits to other segments, increased yield due to the securities portfolio repositioning, and lower average long-term debt balances, partially offset by lower funding charges on commercial loans to the wholesale segment driven by falling short term rates.
- Noninterest income decreased $29 million primarily due to lower income from investments held for certain post-retirement benefits (which is primarily offset by lower employee benefits expense).
- Noninterest expense decreased $92 million compared to the earlier quarter primarily due to lower regulatory costs (which is primarily offset by FDIC driven allocations to the segments), other post-retirement benefit expense (which is almost entirely offset by lower other income), operational charge-offs, pension expenses, and enterprise risk management support, partially offset by increases in professional fees and outside processing.

Analysis of Financial Condition

Investment Activities

The securities portfolio totaled $117.9 billion at March 31, 2025, compared to $118.1 billion at December 31, 2024. U.S. Treasury, GSE, and Agency MBS represented 99.7% of the total securities portfolio as of March 31, 2025 and December 31, 2024. The overwhelming majority of the portfolio is in agency MBS securities.

- The decrease in 2025 includes paydowns and maturities of $4.7 billion, partially offset by purchases of $4.1 billion.
- As of March 31, 2025 and December 31, 2024, 40% and 41%, respectively, of the investment securities portfolio was classified as held-to-maturity based on amortized cost, excluding portfolio level basis adjustments.
- As of March 31, 2025 and December 31, 2024, approximately 3.0% of the securities portfolio was variable rate, excluding the impact of swaps.
- The effective duration of the AFS securities portfolio was 5.0 years at March 31, 2025 and December 31, 2024, excluding the impact of swaps, or 3.3 years at March 31, 2025 and December 31, 2024, including the impact of swaps. The effective duration of the HTM securities portfolio was 7.0 years at March 31, 2025 and December 31, 2024.

Lending Activities

The following table presents the composition of average loans and leases:

Table 5: Average Loans and Leases

	Three Months Ended				
(Dollars in millions)	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
Commercial:					
Commercial and industrial	$ 155,214	$ 153,209	$ 154,102	$ 157,043	$ 158,385
CRE	19,832	20,504	21,481	21,969	22,400
Commercial construction	8,734	8,261	7,870	7,645	7,134
Consumer:					
Residential mortgage	55,658	54,390	53,999	54,490	55,070
Home equity	9,569	9,675	9,703	9,805	9,930
Indirect auto	23,248	22,790	22,121	22,016	22,374
Other consumer	29,291	29,355	29,015	28,326	28,285
Credit card	4,849	4,926	4,874	4,905	4,923
Total average loans and leases HFI	$ 306,395	$ 303,110	$ 303,165	$ 306,199	$ 308,501

Average loans and leases HFI were $306.4 billion for first quarter of 2025, an increase of $3.3 billion, or 1.1%, compared to the fourth quarter of 2024.

- Average commercial loans increased 1.0% due to an increase in the commercial and industrial portfolio.
- Average consumer loans increased 1.3% due to growth in the residential mortgage and indirect auto portfolios.

End of period loans and leases HFI were $308.6 billion at March 31, 2025, up $2.3 billion, or 0.7%, compared to December 31, 2024 primarily due to increases in the commercial and industrial, indirect auto, and residential mortgage portfolios, partially offset by a decline in the CRE portfolio.

At March 31, 2025 and December 31, 2024, 53% of loans and leases HFI were variable rate.

Asset Quality

The following tables summarize asset quality information:

Table 6: Asset Quality

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
NPAs:					
NPLs:					
Commercial and industrial	$ 586	$ 521	$ 575	$ 459	$ 512
CRE	294	298	302	360	261
Commercial construction	2	3	1	—	23
Residential mortgage	179	166	156	161	151
Home equity	114	116	118	123	130
Indirect auto	248	259	252	244	256
Other consumer	65	66	63	64	61
Total NPLs HFI	1,488	1,429	1,467	1,411	1,394
Loans held for sale	77	—	5	9	22
Total nonperforming loans and leases	1,565	1,429	1,472	1,420	1,416
Foreclosed real estate	4	3	3	5	4
Other foreclosed property	49	45	53	51	56
Total nonperforming assets	$ 1,618	$ 1,477	$ 1,528	$ 1,476	$ 1,476
Loans 90 days or more past due and still accruing:					
Commercial and industrial	$ 5	$ 19	$ 5	$ 8	$ 12
CRE	—	1	—	—	—
Commercial construction	—	—	—	1	—
Residential mortgage – government guaranteed	468	430	394	375	408
Residential mortgage – nonguaranteed	62	51	39	27	33
Home equity	6	9	7	7	10
Indirect auto	—	—	—	1	1
Other consumer	23	23	22	19	18
Credit card	52	54	51	51	56
Total loans 90 days or more past due and still accruing	$ 616	$ 587	$ 518	$ 489	$ 538
Loans 30-89 days past due and still accruing:					
Commercial and industrial	$ 118	$ 168	$ 116	$ 109	$ 158
CRE	12	60	10	8	21
Commercial construction	—	3	4	—	—
Residential mortgage – government guaranteed	284	318	305	340	286
Residential mortgage – nonguaranteed	347	401	366	392	352
Home equity	57	60	63	58	59
Indirect auto	484	622	596	592	540
Other consumer	246	236	233	214	226
Credit card	71	81	76	78	74
Total loans 30-89 days past due and still accruing	$ 1,619	$ 1,949	$ 1,769	$ 1,791	$ 1,716

Nonperforming assets totaled $1.6 billion at March 31, 2025, up $141 million compared to December 31, 2024, due to increases in the commercial and industrial and the LHFS portfolios. Nonperforming loans and leases held for investment were 0.48% of loans and leases held for investment at March 31, 2025, up one basis point compared to December 31, 2024.

Loans 90 days or more past due and still accruing totaled $616 million at March 31, 2025, up one basis point as a percentage of loans and leases compared with the prior quarter. Excluding government guaranteed loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.05% at March 31, 2025, flat compared to December 31, 2024.

Loans 30-89 days past due and still accruing totaled $1.6 billion at March 31, 2025, down $330 million, or 12 basis points, as a percentage of loans and leases, compared to the prior quarter primarily due to a decrease in the indirect auto, residential mortgage, commercial and industrial, and CRE portfolios.

Problem loans include NPLs and loans that are 90 days or more past due and still accruing as disclosed in Table 6. In addition, for the commercial portfolio segment, loans that are rated special mention or substandard performing are closely monitored by management as potential problem loans. Refer to "Note 5. Loans and ACL" for the amortized cost basis of loans by origination year and credit quality indicator as well as additional disclosures related to NPLs.

Table 7: Asset Quality Ratios

	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
Loans 30-89 days past due and still accruing as a percentage of loans and leases HFI	0.52 %	0.64 %	0.58 %	0.59 %	0.56 %
Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI	0.20	0.19	0.17	0.16	0.18
NPLs as a percentage of loans and leases HFI	0.48	0.47	0.48	0.46	0.45
NPLs as a percentage of total loans and leases[1]	0.51	0.46	0.48	0.46	0.46
NPAs as a percentage of:					
Total assets[1]	0.30	0.28	0.29	0.28	0.28
Loans and leases HFI plus foreclosed property	0.50	0.48	0.50	0.48	0.47
ALLL as a percentage of loans and leases HFI	1.58	1.59	1.60	1.57	1.56
Ratio of ALLL to NPLs	3.3x	3.4x	3.3x	3.4x	3.4x
Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI, excluding government guaranteed[2]	0.05 %	0.05 %	0.04 %	0.04 %	0.04 %

(1) Includes LHFS.
(2) This asset quality ratio has been adjusted to remove the impact of government guaranteed loans. Management believes the inclusion of such assets in this asset quality ratio results in distortion of this ratio because collection of principal and interest is reasonably assured, or the ratio might not be comparable to other portfolios that do not have government guarantees.

Table 8: Asset Quality Ratios

	Three Months Ended				
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
Net charge-offs as a percentage of average loans and leases HFI:					
Commercial:					
Commercial and industrial	0.20 %	0.27 %	0.18 %	0.18 %	0.17 %
CRE	1.29	0.66	1.12	1.67	1.73
Commercial construction	(0.02)	(0.02)	(0.01)	(0.05)	(0.02)
Consumer:					
Residential mortgage	—	(0.01)	(0.01)	(0.01)	—
Home equity	(0.07)	(0.07)	(0.11)	(0.03)	(0.08)
Indirect auto	2.26	2.33	1.89	1.94	2.26
Other consumer	1.71	1.63	1.73	1.60	1.96
Credit card	5.21	5.10	5.04	5.33	5.54
Total	0.60	0.59	0.55	0.58	0.64
Ratio of ALLL to net charge-offs	2.6x	2.7x	2.9x	2.7x	2.4x

Ratios are annualized, as applicable.

The following table presents activity related to NPAs:

Table 9: Rollforward of NPAs

(Dollars in millions)	2025	2024
Balance, January 1	$ 1,477	$ 1,488
New NPAs	890	831
Advances and principal increases	90	190
Disposals of foreclosed assets[1]	(156)	(157)
Disposals of NPLs[2]	(95)	(91)
Charge-offs and losses	(323)	(367)
Payments	(206)	(337)
Transfers to performing status	(58)	(61)
Other, net	(1)	(20)
Ending balance, March 31	$ 1,618	$ 1,476

(1) Includes charge-offs and losses recorded upon sale of $69 million and $66 million for the three months ended March 31, 2025 and 2024, respectively.
(2) Includes gains, net of charge-offs and losses recorded upon sale of $3 million and $4 million for the three months ended March 31, 2025 and 2024, respectively.

Commercial Credit Concentrations

Truist has established the following general practices to manage commercial credit risk:

- limiting the amount of credit that Truist may extend to a borrower;
- establishing a process for credit approval accountability;
- initial underwriting and analysis of borrower, transaction, market, and collateral risks;
- evaluating the diversity of the loan portfolio in terms of type, industry, and geographical concentration;
- ongoing servicing and monitoring of individual loans and lending relationships;
- continuous monitoring of the portfolio, market dynamics, and the economy; and
- periodically reevaluating the Company's strategy and overall exposure as economic, market, and other relevant conditions change.

Truist monitors various segments of its credit portfolios to assess potential concentration risks. Management is involved in the credit approval and review process, and risk acceptance criteria are adjusted as needed to reflect the Company's risk appetite. Consistent with established risk management objectives, the Company utilizes various risk mitigation techniques, including collecting collateral and security interests, obtaining guarantees, and, to a limited extent, through the purchase of credit loss protection via third-party insurance or use of credit derivatives such as credit default swaps.

In the commercial portfolio, risk concentrations are evaluated regularly on both an aggregate portfolio level and on an individual client basis. The Company manages its commercial exposure through portfolio targets, limits, and transactional risk acceptance criteria as well as other techniques, including loan syndications/participations, loan sales, collateral, structure, covenants, and other risk reduction techniques.

The following tables provide industry distribution by major types of commercial credit exposure and the geographical distribution of commercial exposures. Industry classification for commercial and industrial loans is based on the North American Industry Classification System. CRE loans are classified based on type of property. For the geographic disclosures, amounts are generally assigned to a state based on the physical billing address of the client or physical property address.

Table 10: Commercial and Industrial Portfolio Industry and Geography

(Dollars in millions)	March 31, 2025 LHFI	% of Total	NPL	December 31, 2024 LHFI	% of Total	NPL
Industry:						
Finance and insurance	$ 24,782	15.8 %	$ 18	$ 24,271	15.7 %	$ 28
Retail trade	13,004	8.3	136	12,488	8.1	66
Manufacturing	12,627	8.1	94	12,298	7.9	62
Health care and social assistance	12,151	7.8	77	12,154	7.8	129
Real estate and rental and leasing	11,027	7.0	4	11,354	7.3	3
Public administration	8,738	5.6	7	8,860	5.7	—
Wholesale trade	7,650	4.9	40	7,428	4.8	45
Information	6,497	4.1	53	5,235	3.4	66
Utilities	4,629	3.0	—	4,096	2.6	—
Transportation and warehousing	4,514	2.9	24	4,634	3.0	34
Educational services	4,446	2.8	—	4,478	2.9	—
Professional, scientific, and technical services	4,207	2.7	8	4,125	2.7	8
Arts, entertainment, and recreation	3,569	2.3	—	3,599	2.3	6
Accommodation and food services	3,082	2.0	9	2,935	1.9	9
Administrative and support and waste management and remediation services	3,054	1.9	3	3,022	2.0	—
Other services (except public administration)	2,892	1.8	8	3,072	2.0	2
Other[1]	11,329	7.2	24	11,746	7.6	31
Subtotal	138,198	88.2	505	135,795	87.7	489
Business owner occupied	18,481	11.8	81	19,053	12.3	32
Total commercial and industrial	$ 156,679	100.0 %	$ 586	$ 154,848	100.0 %	$ 521
Geography:						
Florida	$ 18,205	11.6 %	$ 135	$ 18,258	11.8 %	$ 172
Texas	16,193	10.3	47	14,728	9.5	47
North Carolina	12,515	8.0	15	12,167	7.9	16
Georgia	11,559	7.4	10	11,240	7.3	10
New York	11,292	7.2	67	11,379	7.3	50
Virginia	8,922	5.7	6	9,343	6.0	7
California	8,676	5.5	6	8,115	5.2	8
Maryland	6,708	4.3	5	6,781	4.4	3
Pennsylvania	6,593	4.2	94	6,466	4.2	9
Tennessee	5,675	3.6	47	5,729	3.7	51
South Carolina	4,162	2.7	22	4,151	2.7	23
New Jersey	3,987	2.5	2	3,947	2.5	5
Illinois	3,786	2.4	16	3,639	2.4	20
Ohio	3,415	2.2	1	3,482	2.2	1
Other[2]	34,991	22.4	113	35,423	22.9	99
Total commercial and industrial	$ 156,679	100.0 %	$ 586	$ 154,848	100.0 %	$ 521

(1) Represents other remaining industries that are deemed to be individually insignificant.
(2) Includes non-U.S. loans of $4.0 billion and $4.1 billion at March 31, 2025 and December 31, 2024, respectively. The remainder represents other remaining states that are deemed to be individually insignificant.

Truist has noted that the CRE and commercial construction portfolios have the potential for heightened risk in the current environment. Truist seeks to maintain a high-quality portfolio through disciplined risk management and prudent client selection.

Truist's CRE and commercial construction portfolios totaled $28.3 billion as of March 31, 2025, which includes 36% related to multifamily residential, 21% related to industrial, 13% related to office, 13% related to retail, and the remainder composed of hotel and other commercial real estate.

Our combined CRE and commercial construction office portfolio is primarily composed of multi-tenant, non-gateway properties located within Truist Bank's footprint. As of March 31, 2025, approximately 97% of these properties are multi-tenant or medical. Additionally, as of March 31, 2025, 28% and 27% of these exposures are scheduled to mature in 2025 and 2026, respectively, with the remainder scheduled to mature in 2027 and beyond.

Table 11: CRE Portfolio Property Type and Geography

(Dollars in millions)	March 31, 2025 LHFI	% of Total	NPL	December 31, 2024 LHFI	% of Total	NPL
Industry:						
Multifamily	$ 5,236	26.7 %	$ 68	$ 5,508	27.0 %	$ 27
Industrial	4,108	21.0	3	4,303	21.1	3
Retail	3,597	18.4	31	3,530	17.3	33
Office	3,233	16.5	185	3,459	17.0	228
Hotel	1,784	9.1	—	1,891	9.3	—
Other[1]	1,620	8.3	7	1,672	8.3	7
Total CRE	$ 19,578	100.0 %	$ 294	$ 20,363	100.0 %	$ 298
Geography:						
Florida	$ 2,486	12.7 %	$ 3	$ 2,594	12.7 %	$ 26
Georgia	2,260	11.5	78	2,010	9.9	80
North Carolina	2,095	10.7	6	2,212	10.9	10
Texas	1,542	7.9	5	1,599	7.9	6
California	1,541	7.9	—	1,683	8.3	—
New York	1,471	7.5	66	1,491	7.3	2
Pennsylvania	1,199	6.1	1	1,218	6.0	1
Virginia	1,104	5.6	3	1,108	5.4	3
District of Columbia	811	4.1	44	827	4.1	45
Massachusetts	724	3.7	50	860	4.2	27
Tennessee	703	3.6	1	715	3.5	1
Other[2]	3,642	18.7	37	4,046	19.8	97
Total CRE	$ 19,578	100.0 %	$ 294	$ 20,363	100.0 %	$ 298

(1) Represents other remaining property types that are deemed to be individually insignificant.
(2) Includes non-U.S. loans of $54 million at December 31, 2024. The remainder represents other remaining states that are deemed to be individually insignificant.

Table 12: Commercial Construction Portfolio Property Type and Geography

(Dollars in millions)	March 31, 2025 LHFI	% of Total	NPL	December 31, 2024 LHFI	% of Total	NPL
Industry:						
Multifamily	$ 5,136	58.6 %	$ —	$ 4,918	57.7 %	$ —
Industrial	1,772	20.2	—	1,680	19.7	—
Single Family - CP	737	8.4	1	664	7.8	2
Office	465	5.3	—	627	7.4	—
Single Family - AD and CL	186	2.1	1	187	2.2	1
Other[1]	470	5.4	—	444	5.2	—
Total commercial construction	$ 8,766	100.0 %	$ 2	$ 8,520	100.0 %	$ 3
Geography:						
Texas	$ 1,398	15.9	$ —	$ 1,345	15.8	$ —
Georgia	1,327	15.1	—	1,294	15.2	—
Florida	1,262	14.4	—	1,138	13.4	—
North Carolina	1,033	11.8	—	992	11.6	1
California	517	5.9	—	492	5.8	—
Other[2]	3,229	36.9	2	3,259	38.2	2
Total commercial construction	$ 8,766	100.0 %	$ 2	$ 8,520	100.0 %	$ 3

(1) Represents other remaining property types that are deemed to be individually insignificant.
(2) Represents other remaining states that are deemed to be individually insignificant.

See additional information on the commercial portfolios in “Note 5. Loans and ACL,” including loans by origination year and credit quality indicator.

ACL

Activity related to the ACL is presented in the following tables:

Table 13: Activity in ACL

(Dollars in millions)	Three Months Ended Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
Balance, beginning of period	$ 5,161	$ 5,140	$ 5,110	$ 5,100	$ 5,093
Provision for credit losses	458	471	448	451	500
Charge-offs:					
Commercial and industrial	(102)	(119)	(96)	(83)	(97)
CRE	(70)	(51)	(65)	(97)	(103)
Residential mortgage	(1)	(1)	—	(1)	(1)
Home equity	(2)	(2)	(1)	(3)	(3)
Indirect auto	(154)	(158)	(143)	(136)	(154)
Other consumer	(154)	(148)	(152)	(141)	(165)
Credit card	(74)	(74)	(71)	(74)	(77)
Total charge-offs	(557)	(553)	(528)	(535)	(600)
Recoveries:					
Commercial and industrial	24	15	26	14	32
CRE	7	17	5	5	7
Commercial construction	—	—	1	1	—
Residential mortgage	2	2	1	2	1
Home equity	4	3	4	4	5
Indirect auto	25	24	38	30	28
Other consumer	30	28	26	28	28
Credit card	11	11	9	9	9
Total recoveries	103	100	110	93	110
Net charge-offs	(454)	(453)	(418)	(442)	(490)
Other	1	3	—	1	(3)
Balance, end of period	$ 5,166	$ 5,161	$ 5,140	$ 5,110	$ 5,100
ACL:					
ALLL	$ 4,870	$ 4,857	$ 4,842	$ 4,808	$ 4,803
RUFC	296	304	298	302	297
Total ACL	$ 5,166	$ 5,161	$ 5,140	$ 5,110	$ 5,100

The allowance for credit losses was $5.2 billion at March 31, 2025 and included $4.9 billion for the allowance for loan and lease losses and $296 million for the reserve for unfunded commitments. The ALLL ratio was 1.58%, down one basis point compared with December 31, 2024. The ALLL covered nonperforming loans and leases held for investment 3.3x, compared to 3.4x at December 31, 2024. At March 31, 2025, the ALLL was 2.6x annualized net charge-offs, compared to 2.7x at December 31, 2024.

The following table presents an allocation of the ALLL. The entire amount of the allowance is available to absorb losses occurring in any category of loans and leases.

Table 14: Allocation of ALLL by Category

(Dollars in millions)	March 31, 2025 Amount	% ALLL in Each Category	% Loans in Each Category	December 31, 2024 Amount	% ALLL in Each Category	% Loans in Each Category
Commercial and industrial	$ 1,307	26.9 %	50.7 %	$ 1,284	26.4 %	50.7 %
CRE	604	12.4	6.3	643	13.2	6.6
Commercial construction	280	5.7	2.8	257	5.3	2.8
Residential mortgage	227	4.7	18.2	204	4.2	18.1
Home equity	93	1.9	3.1	89	1.8	3.1
Indirect auto	955	19.6	7.7	955	19.7	7.5
Other consumer	989	20.3	9.6	994	20.5	9.6
Credit card	415	8.5	1.6	431	8.9	1.6
Total ALLL	4,870	100.0 %	100.0 %	4,857	100.0 %	100.0 %
RUFC	296			304		
Total ACL	$ 5,166			$ 5,161		

Truist monitors the performance of its home equity loans and lines secured by second liens similarly to other consumer loans and utilizes assumptions specific to these loans in determining the necessary ALLL. Truist also receives notification when the first lien holder, whether Truist or another financial institution, has initiated foreclosure proceedings against the borrower. When notified that the first lien is in the process of foreclosure, Truist obtains valuations to determine if any additional charge-offs or reserves are warranted. These valuations are updated at least annually thereafter.

Truist has limited ability to monitor the delinquency status of the first lien, unless the first lien is held or serviced by Truist. Truist estimates credit losses on second lien loans where the first lien is delinquent based on historical experience; the increased risk of loss on these credits is reflected in the ALLL. As of March 31, 2025, Truist held or serviced the first lien on 33% of its second lien positions.

Other Assets

The components of other assets are presented in the following table:

Table 15: Other Assets as of Period End

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Tax credit and other private equity investments	$ 9,495	$ 9,303
Bank-owned life insurance	7,826	7,801
Prepaid pension assets	7,310	7,238
Accounts receivable	2,241	1,904
Accrued income	2,053	2,069
DTAs, net	1,574	1,945
Leased assets and related assets	1,474	1,352
Prepaid expenses	1,105	1,061
Derivative assets	1,056	966
ROU assets	992	1,015
FHLB stock	922	965
Other	868	1,513
Total other assets	$ 36,916	$ 37,132

Funding Activities

Deposits

The following table presents average deposits:

Table 16: Average Deposits

(Dollars in millions)	Three Months Ended Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
Noninterest-bearing deposits	$ 105,895	$ 107,968	$ 106,080	$ 107,634	$ 108,888
Interest checking	109,208	107,075	103,899	103,894	103,537
Money market and savings	136,897	138,242	136,639	135,264	134,696
Time deposits	40,204	36,757	37,726	41,250	41,937
Total average deposits	$ 392,204	$ 390,042	$ 384,344	$ 388,042	$ 389,058

Average deposits for the first quarter of 2025 were $392.2 billion, an increase of $2.2 billion, or 0.6%, compared to the fourth quarter of 2024.

Average noninterest-bearing deposits decreased 1.9% compared to the prior quarter and represented 27.0% of total deposits for the first quarter of 2025 compared to 27.7% for the fourth quarter of 2024. Average interest checking increased 2.0%. Average money market and savings accounts decreased 1.0%. Average time deposits increased 9.4%.

Borrowings

At March 31, 2025, short-term borrowings totaled $23.7 billion, a decrease of $5.5 billion compared to December 31, 2024. Average short-term borrowings were $30.3 billion and $26.2 billion for the three months ended March 31, 2025 and 2024, respectively.

Long-term debt provides funding and, to a lesser extent, regulatory capital, and primarily consists of senior and subordinated notes issued by the Parent Company and Truist Bank. Long-term debt totaled $32.0 billion at March 31, 2025, a decrease of $2.9 billion compared to December 31, 2024. During the three months ended March 31, 2025, the Company had:

- Net redemptions of $1.9 billion of floating rate FHLB advances.
- Maturities and redemptions of $1.3 billion of senior notes.

Shareholders' Equity

Truist's book value per common share and TBVPS are presented in the following table:

Table 17: Book Value per Common Share

(Dollars in millions, except per share data, shares in thousands)	Mar 31, 2025	Dec 31, 2024
Common equity per common share	$ 44.85	$ 43.90
Non-GAAP capital measure:[1]		
Tangible common equity per common share	$ 30.95	$ 30.01
Calculation of tangible common equity:[1]		
Total shareholders' equity	$ 64,635	$ 63,679
Less:		
Preferred stock	5,907	5,907
Goodwill and intangible assets, net of deferred taxes	18,203	18,274
Tangible common equity	$ 40,525	$ 39,498
Common shares outstanding at end of period	1,309,539	1,315,936

(1) Tangible common equity is a non-GAAP measure that excludes the impact of intangible assets, net of deferred taxes. This measure is useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses this measure to assess balance sheet risk and shareholder value.

Total shareholders' equity was $64.6 billion at March 31, 2025, an increase of $1.0 billion from December 31, 2024. This increase includes $1.3 billion in net income and $1.0 billion in OCI, partially offset by $783 million in common and preferred dividends and $503 million in common share repurchases, including excise taxes. For the first quarter of 2025, the dividend payout ratio was 59% and the total payout ratio was 102%. Truist's book value per common share at March 31, 2025 was $44.85, compared to $43.90 at December 31, 2024. Truist's TBVPS of $30.95 at March 31, 2025, increased 3.1% compared to December 31, 2024.

Risk Management

Truist seeks to maintain a comprehensive risk management framework supported by people, processes, and systems to identify, measure, monitor, manage, and report significant risks arising from its exposures and business activities. A key objective of the Company's risk management framework is to promote the execution of strategic goals and objectives in alignment with its risk appetite.

Truist has developed a risk management taxonomy to provide for the identification and classification of risk elements at Truist. The objective of the risk management taxonomy is to define enterprise-wide categorization for elements used in risk management activities, establish consistently applied language, and enable data analysis, aggregation, and reporting.

Truist is committed to fostering a culture that supports the identification and escalation of risks across the organization. All teammates are responsible for upholding the Company's purpose, mission, and values, and are encouraged to speak up if there is any activity or behavior that is inconsistent with the Company's culture. The Truist code of ethics influences the Company's decision making and informs teammates on how to act in the absence of specific guidance.

Truist seeks an appropriate return for the risk taken in its business operations. Risk-taking activities must be evaluated and prioritized to identify those that present attractive risk-adjusted returns, while preserving asset value and capital.

Market Risk

Market risk is the risk to current or anticipated earnings, capital, or economic value arising from changes in interest rates, spreads, or prices of financial instruments, and the corresponding impact on the composition of the balance sheet or trading and fair value positions. Market risk results from changes in the level, volatility, or correlations among financial market risk factors or prices, including interest rates, credit spreads, foreign exchange rates, equity, and commodity prices.

Truist's most significant market risk exposure is to interest rate risk in its balance sheet; however, market risk also results from underlying product liquidity risk, price risk, and volatility risk of instruments held in Truist's business units. Interest rate risk results from: differences between the timing of rate changes and the timing of cash flows associated with assets and liabilities (re-pricing risk); changing rate relationships among different yield curves affecting bank activities (basis risk); changing rate relationships across the spectrum of maturities (yield curve risk); and interest-related options inherently embedded in bank products (options risk).

The primary objectives of market risk management are to minimize adverse effects from changes in market risk factors on net interest income, net income, and capital, and to offset the risk of price changes for certain assets and liabilities recorded at fair value. At Truist, market risk management also includes the enterprise-wide IPV function.

Interest Rate Market Risk

As a financial institution, Truist is exposed to interest rate risk from assets, liabilities, and off-balance sheet positions. Truist primarily monitors this risk through two measurement types, (i) NII at risk and (ii) economic value of equity. Truist manages this risk with securities, derivatives, and broader asset liability management activities. Truist uses derivatives to hedge interest income variability of floating rate loans and to hedge valuation changes of long-term debt and investment securities.

IRR measurement is reported monthly through the ALCO. Monthly IRR reporting includes exposure and historical trends relative to risk limit scenarios, impacts to a wide range of rate scenarios, and sensitivity tests of key assumptions. IRR reporting is provided to the BRC quarterly.

IRR measurement is influenced by data, assumptions, and models. Due to their high sensitivity to market rates, mortgage (loan and security) prepayments leverage an industry model that results in varying prepayment speeds across rate scenarios. Prepayments for non-mortgage loans leverage a mix of dynamic models (varying results based on market rates) and static prepayment assumptions based on historical experience. Our analysis incorporates dynamic client deposit balance levels, the mix across product types, and deposit rate paid across alternate rate scenarios based on modeled changes in client and bank behavior. The use of dynamic deposit balance models results in rotation to higher cost funding products (e.g., CDs) when market rates increase and to lower cost funding products (e.g., non-maturity deposits) when market rates decrease. The use of dynamic rate paid models results in varying deposit betas based on the timing and conditions within market rate cycles.

NII at risk measures the change in NII under alternate interest rate scenarios relative to Truist's baseline scenario, which incorporates Truist's current balance sheet and off-balance sheet hedges as well as expectations for new business over the forecast horizon. Truist's baseline scenario relies on assumptions including expectations of the economy and interest rates – which are influenced by market conditions, new business volume, pricing, and client behavior. In measuring NII at risk, Truist assumes that changes in key factors, such as prepayments and deposit pricing (betas), largely move in line with those it has experienced in prior rate cycles. However, future behavior of key factors may vary from Truist's assumptions. NII at risk measurement assumes, when applicable, that U.S. interest rates floor at zero and Truist does not take any balance sheet or hedging actions in response to the rate scenarios.

Truist evaluates a wide range of alternate scenarios including instantaneous and gradual as well as parallel and non-parallel changes in interest rates. The table below presents the estimated change to NII over the following 12 months for select parallel alternate scenarios, expressed as a percentage change relative to baseline NII.

Table 18: Interest Sensitivity Simulation Analysis

	Mar 31, 2025	Dec 31, 2024
Up 200bps gradual change in interest rates	1.5 %	1.1 %
Up 50bps instantaneous change in interest rates	0.6	0.6
Down 50bps instantaneous change in interest rates	(0.8)	(0.8)
Down 200bps gradual change in interest rates	(2.4)	(2.1)

Truist performs and monitors sensitivity tests of key assumptions used in NII risk including:

- Asset prepayment speeds
- New loan volume pricing spreads
- Interest-bearing deposit betas
- Non-interest-bearing demand deposit balance runoff, replaced by market funding

EVE measures changes in the economic value of Truist's current balance sheet and off-balance sheet hedges under alternate rate scenarios relative to starting economic value. Truist uses EVE as a longer-term measure of interest rate risk. Truist performs and monitors sensitivity tests of key assumptions used in EVE including:

- Asset prepayment speeds
- Mortgage spreads (mortgage loan and security valuations)
- Interest-bearing deposit beta
- Deposit runoff / decay

Key assumption tests are generally performed by increasing and decreasing the assumption, whether static or dynamically modeled, relative to their respective starting values and then measuring the resulting impact to NII and EVE under baseline and alternate rate scenarios.

The identification and testing of key assumptions are influenced by market conditions and management views of key risks. The results of key assumption sensitivity tests are reported to ALCO and BRC at least quarterly. Key assumptions and their associated sensitivity tests are reviewed with ALCO and BRC at least annually.

Market Risk from Trading Activities

As a financial intermediary, Truist provides its clients access to derivatives, foreign exchange, and securities markets, which generate market risks. Trading market risk is managed using a multi-faceted risk management approach, which includes measuring risk using VaR, stress testing, and sensitivity analysis. Risk metrics are monitored against a suite of limits on a daily basis at both the trading desk level and at the aggregate portfolio level.

Truist is also subject to risk-based capital guidelines for market risk under the Market Risk Rule.

Covered Trading Positions

Covered positions subject to the Market Risk Rule include trading assets and liabilities, specifically those held for the purpose of short-term resale or with the intent of benefiting from actual or expected short-term price movements or to lock in arbitrage profits. Truist's trading portfolio of covered positions results primarily from market making and underwriting services for the Company's clients, as well as associated risk mitigating hedging activity. The trading portfolio, measured in terms of VaR, consists primarily of four sub-portfolios of covered positions: (i) credit trading, (ii) fixed income securities, (iii) interest rate derivatives, and (iv) equity derivatives. As a market maker across different asset classes, Truist's trading portfolio also contains other sub-portfolios, including foreign exchange, loan trading, and commodity derivatives; however, these portfolios do not generate material trading risk exposures.

Valuation policies and methodologies exist for all trading positions. Additionally, these positions are subject to independent price verification. See "Note 16. Derivative Financial Instruments," "Note 15. Fair Value Disclosures," and "Critical Accounting Policies" herein for discussion of valuation policies and methodologies.

Securitizations

As of March 31, 2025, the aggregate market value of on-balance sheet securitization positions subject to the Market Risk Rule, which were non-agency asset backed securities positions, was $170 million. Consistent with the Market Risk Rule requirements, the Company performs pre-purchase due diligence on each securitization position to identify the characteristics, including deal structure and the asset quality of the underlying assets, that materially affect valuation and performance. Securitization positions are subject to Truist's risk management framework, which includes daily monitoring against a suite of limits. There were no off-balance sheet securitization positions during the reporting period.

Correlation Trading Positions

The trading portfolio of covered positions did not contain any correlation trading positions as of March 31, 2025.

VaR-Based Measures

VaR measures the potential loss of a given position or portfolio of positions at a specified confidence level and time horizon. Truist utilizes a historical VaR methodology to measure and aggregate risks across its covered trading positions. For risk management purposes, the VaR calculation is based on a historical simulation approach and measures the potential trading losses using a one-day holding period at a one-tail, 99% confidence level. For Market Risk Rule purposes, the Company calculates VaR using a 10-day holding period and a 99% confidence level. Due to inherent limitations of the VaR methodology, such as the assumption that past market behavior is indicative of future market performance, VaR is only one of several tools used to measure and manage market risk. Other tools used to manage market risk include stress testing, scenario analysis, and stop loss limits.

The trading portfolio's VaR profile is influenced by a variety of factors, including the size and composition of the portfolio, market volatility, and the correlation between different positions. A portfolio of trading positions is typically less risky than the sum of the risk from each of the individual sub-portfolios, because, under normal market conditions, risk within each category partially offsets the exposure to other risk categories. The following table summarizes certain VaR-based measures for the three months ended March 31, 2025 and 2024.

Table 19: VaR-based Measures

	Three Months Ended March 31,			
	2025		2024	
(Dollars in millions)	10-Day Holding Period	1-Day Holding Period	10-Day Holding Period	1-Day Holding Period
VaR-based Measures:				
Maximum	$ 40	$ 15	$ 27	$ 12
Average	20	8	22	10
Minimum	9	4	15	8
Period-end	26	9	21	9
VaR by Risk Class:				
Interest Rate Risk		6		4
Credit Spread Risk		7		3
Equity Price Risk		7		5
Foreign Exchange Risk		1		1
Portfolio Diversification		(13)		(4)
Period-end		9		9

Stressed VaR-based measures

Stressed VaR, another component of market risk capital, is calculated using the same internal models as used for the VaR-based measure. Stressed VaR is calculated over a ten-day holding period at a one-tail, 99% confidence level and employs a historical simulation approach based on a continuous twelve-month historical window selected to reflect a period of significant financial stress for the Company's trading portfolio. The following table summarizes Stressed VaR-based measures:

Table 20: Stressed VaR-based Measures - 10 Day Holding Period

	Three Months Ended March 31,	
(Dollars in millions)	2025	2024
Maximum	$ 287	$ 171
Average	181	113
Minimum	71	69
Period-end	229	107

Compared to the same period of the prior year, Stressed VaR measures were higher, primarily due to higher market making inventory.

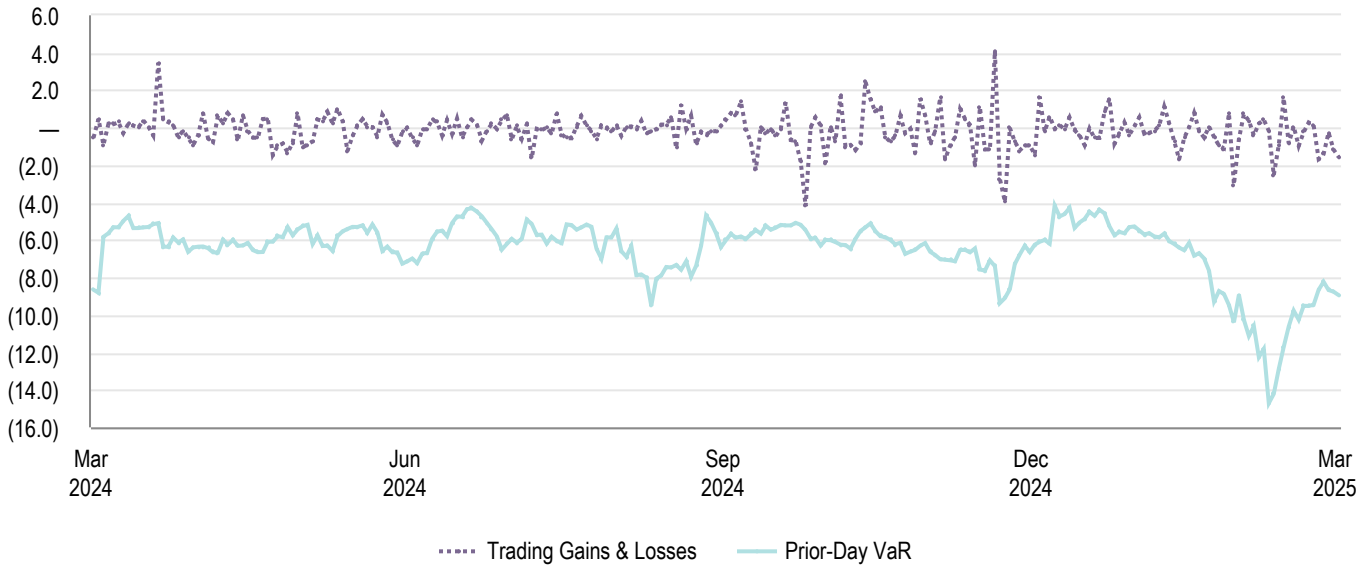
Specific Risk Measures

Specific risk is a measure of idiosyncratic risk that could result from risk factors other than broad market movements (e.g., default or event risks). The Market Risk Rule provides fixed risk weights under a standardized measurement method while also allowing a model-based approach, subject to regulatory approval. Truist utilizes the standardized measurement method to calculate the specific risk component of market risk regulatory capital. As such, incremental risk capital requirements do not apply.

VaR Model Backtesting

In accordance with the Market Risk Rule, the Company evaluates the accuracy of its VaR model through daily backtesting by comparing aggregate daily trading gains and losses (excluding fees, commissions, reserves, net interest income, and intraday trading) from covered positions with the corresponding daily VaR-based measures generated by the model. As illustrated in the following graph, there were no Company-wide VaR backtesting exceptions during the twelve months ended March 31, 2025. The total number of Company-wide VaR backtesting exceptions over the preceding twelve months is used to determine the multiplication factor for the VaR-based capital requirement under the Market Risk Rule. The capital multiplication factor increases from a minimum of three to a maximum of four, depending on the number of exceptions. All Company-wide VaR backtesting exceptions are reviewed in the context of VaR model use and performance. There was no change in the capital multiplication factor over the preceding twelve months.

VaR Backtesting - Twelve Months



Model Risk Oversight

MRO is responsible for the independent model validation of all decision models, including trading market risk models. As part of ongoing monitoring efforts, the performance of all trading risk models is reviewed regularly to evaluate model performance with emerging developments in financial markets, assess evolving modeling approaches, and identify potential model enhancement.

Stress Testing

The Company uses a range of stress testing techniques to help monitor risks across trading desks and to augment standard daily VaR and other risk limits reporting. The stress testing framework is designed to quantify the impact of extreme, but plausible, stress scenarios that could lead to large, unexpected losses. Stress tests include simulations for risk factor sensitivities, historical repeats, and hypothetical scenarios with varying liquidity horizons of key risk factors. All trading positions within each applicable market risk category (i.e., interest rate risk, equity risk, foreign exchange rate risk, credit spread risk, and commodity price risk) are included in the Company's stress testing framework. Management reviews stress testing scenarios and makes updates on an ongoing basis. Management also utilizes stress analyses to support the Company's capital adequacy assessment standards. See the "Capital" section of MD&A for additional discussion of capital adequacy.

Liquidity

Liquidity is the ability to fund increases in assets and meet obligations as they come due, all without incurring unacceptable costs. In addition to the level of liquid assets, such as cash, cash equivalents, and highly liquid unencumbered securities, other factors affect the ability to meet liquidity needs, including access to a variety of funding sources, maintaining borrowing capacity, growing core deposits, loan repayment, and the ability to securitize or package loans for sale.

Truist has a liquidity risk management process designed to identify, measure, and monitor key liquidity risks to assess whether Truist is operating within its liquidity risk appetite. The liquidity risk appetite is outlined using a qualitative statement and more granular detailed risk appetite statements aligned to Truist's risk taxonomy; risk statements form the basis for aligning risk appetite with risk management goals and strategy. Using the risk appetite statements, key risk indicators are developed that represent quantitative metrics which measure current risk exposure relative to Truist's risk appetite, which help the Board and management monitor liquidity risk taking activity. Truist's key risk indicators are designed to support the following objectives:

- maintain (i) a diversified, but client deposit centric, funding base, (ii) a level of liquid, readily monetized assets sufficient to satisfy business as usual and stressed cash flow needs across multiple liquidity horizons, and (iii) an appropriate level of contingent funding to meet any unexpected needs;
- limit concentration risk from individual, correlated counterparties, and funding concentrations in tenors that may negatively impact Truist from an unforeseen idiosyncratic or market event; and
- maintain sufficient liquidity in the holding company to serve as a source of strength to its subsidiaries.

Internal Liquidity Stress Testing

Liquidity stress testing is conducted for Truist and Truist Bank using a variety of institution-specific and market-wide adverse scenarios. Each liquidity stress test scenario applies defined assumptions to execute sources and uses of liquidity over varying planning horizons. The types of expected liquidity uses during a stressed event may include deposit attrition, contractual maturities, reductions in unsecured and secured funding, increased draws on unfunded commitments, and the potential need to post additional collateral for derivatives. To mitigate liquidity outflows, Truist has identified sources of liquidity; however, access to these sources of liquidity could be affected within a stressed environment.

Truist maintains a liquidity buffer of cash on hand and highly liquid unencumbered securities that is designed to meet the projected 30-day net stressed cash-flow needs. Truist's liquidity buffer is substantially the same in composition to what qualifies as HQLA under the LCR Rule. Truist periodically monetizes a representative sample of the liquidity buffer to assess operational readiness through available monetization channels.

Contingency Funding Plan

Truist has a contingency funding plan designed to address ongoing obligations and commitments, particularly in the event of a liquidity contraction. This plan is designed to examine and quantify the organization's liquidity under the various internal liquidity stress scenarios and is periodically tested to assess the plan's reliability. Additionally, the plan provides a framework for management and other teammates to follow in the event of a liquidity contraction or in anticipation of such an event. The plan addresses authority for activation and decision making, liquidity options, and the responsibilities of key departments in the event of a liquidity contraction. On a quarterly basis, Truist conducts testing of market access for alternative sources of funds (e.g. discount window, standing repo facility, etc.) to test operational readiness. On a periodic basis, Truist conducts a table-top test of the Contingency Funding Plan to assess reliability of the plan during liquidity stress events and to simulate the operational elements of the plan such as communications, coordination, and decision-making.

LCR, NSFR, and HQLA

The LCR rule requires that Truist and Truist Bank maintain an amount of eligible HQLA that is sufficient within the parameters of the rule to meet their estimated total net cash outflows over a prospective 30 calendar-day period of stress. Eligible HQLA, for purposes of calculating the LCR, is the amount of unencumbered HQLA that satisfy operational requirements of the LCR rule. Truist and Truist Bank are subject to the Category III reduced LCR requirements. Truist held average weighted eligible HQLA of $90.0 billion and Truist's average LCR was 111% for the three months ended March 31, 2025.

The NSFR rule defines a minimum amount of stable, long-term funding that Truist and Truist Bank must maintain in relation to their asset composition and off-balance sheet activities. Truist and Truist Bank are subject to the Category III reduced NSFR requirements. At March 31, 2025, Truist was compliant with this requirement.

Sources of Funds

Truist funds its balance sheet through diverse sources of funding including client deposits, secured and unsecured capital markets funding, and shareholders' equity. Truist Bank's primary source of funding is client deposits. Continued access to client deposits is highly dependent on public confidence in the stability of Truist Bank and its ability to return funds to clients when requested.

Truist Bank maintains a number of diverse funding sources to meet its liquidity requirements. These sources include unsecured borrowings from the capital markets through the issuance of senior or subordinated bank notes, institutional CDs, overnight and term Federal funds markets, and retail brokered CDs. Truist Bank also maintains access to secured borrowing sources, including FHLB advances, repurchase agreements, and the FRB discount window. Available investment securities could be pledged to create additional secured borrowing capacity. The following table presents a summary of Truist Bank's available secured borrowing capacity and eligible cash at the FRB:

Table 21: Selected Liquidity Sources

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Unused borrowing capacity:		
FRB	$ 79,737	$ 72,040
FHLB	32,041	31,411
Available investment securities (at fair value)	76,764	68,212
Available secured borrowing capacity	188,542	171,663
Eligible cash at the FRB	35,372	33,717
Total	$ 223,914	$ 205,380

At March 31, 2025, Truist Bank's available secured borrowing capacity represented approximately 5.4 times the amount of wholesale funding maturities in one year or less.

Parent Company

The Parent Company serves as the primary source of capital for its operating subsidiaries. The Parent Company's assets consist primarily of cash on deposit with Truist Bank, equity investments in subsidiaries, advances to subsidiaries, and notes receivable from subsidiaries. The principal obligations of the Parent Company are payments on long-term debt. The main sources of funds for the Parent Company are dividends and management fees from subsidiaries, repayments of advances to subsidiaries, and proceeds from the issuance of equity and long-term debt. The primary uses of funds by the Parent Company are investments in subsidiaries, advances to subsidiaries, dividend payments to common and preferred shareholders, repurchases of common stock, payments on and, from time-to-time, potential repurchases or redemptions of a portion of an outstanding tranche of the long-term debt of the Parent Company (as may be permitted by the terms of each respective series), and the redemption of preferred stock. See "Note 22. Parent Company Financial Information" in Truist's Annual Report on Form 10-K for the year ended December 31, 2024 for additional information regarding dividends from subsidiaries and debt transactions.

Access to funding at the Parent Company is more sensitive to market disruptions. Therefore, Truist manages cash levels at the Parent Company to exceed a minimum of 12 months of projected cash outflows. In determining the buffer, Truist considers cash requirements for common and preferred dividends, unfunded commitments to affiliates, serving as a source of strength to Truist Bank, and being able to withstand sustained market disruptions that could limit access to the capital markets. At March 31, 2025, the Parent Company held cash on hand to meet these requirements.

Credit Ratings

Credit ratings are forward-looking opinions of rating agencies as to the Company's ability to meet its financial commitments and repay its securities and obligations in accordance with their terms of issuance. Credit ratings influence both borrowing costs and access to the capital markets. The Company's credit ratings are continuously monitored by the rating agencies and are subject to change at any time. As Truist seeks to maintain high-quality credit ratings, management meets with the major rating agencies on a regular basis to provide financial and business updates and to discuss current outlooks and trends. See Item 1A, "Risk Factors" in Truist's Annual Report on Form 10-K for the year ended December 31, 2024 for additional information regarding factors that influence credit ratings and potential risks that could materialize in the event of downgrade in the Company's credit ratings.

The following table presents the credit ratings and outlooks of the Parent Company and Truist Bank as of March 31, 2025:

Table 22: Credit Ratings of Truist Financial Corporation and Truist Bank

	Moody's	S&P	Fitch	DBRS Morningstar
Truist Financial Corporation:				
Issuer	Baa1	A- / A-2	A / F1	AAL / R-1M
Senior unsecured	Baa1	A-	A-	AAL
Subordinated	Baa1	BBB+	BBB+	AH
Preferred stock	Baa3(hyb)	BBB-	BBB-	AL
Truist Bank:				
Issuer	A3	A / A-1	A / F1	AA / R-1H
Senior unsecured	A3	A	A	AA
Deposits	A1/P-1	NA	A+ / F1	AA
Subordinated	(P) A3	A-	A-	AAL
Ratings outlook:				
Credit trend	Stable	Stable	Stable	Stable

Capital

The maintenance of appropriate levels of capital is a management priority and is monitored on a regular basis. Truist's principal goals related to the maintenance of capital are to provide adequate capital to support Truist's risk profile consistent with the Board-approved risk appetite, provide financial flexibility to support future growth and client needs, comply with relevant laws, regulations, and supervisory guidance, achieve optimal credit ratings for Truist, for the Parent Company to remain a source of strength for the Parent Company's subsidiaries, and provide a competitive return to shareholders. Risk-based capital ratios, which include CET1 capital, Tier 1 capital, and Total capital are calculated based on regulatory guidance related to the measurement of capital and risk-weighted assets.

Management regularly monitors the capital position of Truist on both a consolidated and bank-level basis. In this regard, management's objective is to maintain capital at levels that are in excess of internal capital limits, which are above the regulatory "well-capitalized" minimums. Truist also regularly performs stress testing on its capital levels and is required to periodically submit the Company's capital plans and stress testing results to the banking regulators. Management has implemented internal stress capital ratio minimums that serve as limits which are measured under internally-developed stress testing scenarios to evaluate whether capital ratios calculated under hypothetical stress, and after the effect of alternative capital actions, are likely to remain above internal stressed minimums. Breaches of internal capital limits or projected breaches of internal stress capital ratio minimums under hypothetical stress result in the activation of Truist's capital contingency plan.

Table 23: Capital Requirements

	Minimum Capital	Well-Capitalized		Minimum Capital Plus Stress Capital Buffer[1]
		Truist	Truist Bank	
CET1	4.5 %	NA	6.5 %	7.3 %
Tier 1 capital	6.0	6.0 %	8.0	8.8
Total capital	8.0	10.0	10.0	10.8
Leverage ratio	4.0	NA	5.0	NA
Supplementary leverage ratio	3.0	NA	NA	NA

(1) Reflects a SCB requirement of 2.8% applicable to Truist as of March 31, 2025. Truist's SCB requirement, received in the 2024 CCAR process, is effective from October 1, 2024 to September 30, 2025. Truist will receive a new preliminary SCB requirement, to become effective October 1, 2025, following the release of CCAR 2025 results in late June 2025.

The Parent Company's capital ratios are presented in the following table:

Table 24: Capital Ratios - Truist Financial Corporation

(Dollars in millions)	Mar 31, 2025	Dec 31, 2024
Risk-based:	*(preliminary)*	
CET1	11.3 %	11.5 %
Tier 1 capital	12.7	12.9
Total capital	14.7	15.0
Leverage ratio	10.3	10.5
Supplementary leverage ratio	8.7	8.8
Risk-weighted assets	$ 424,076	$ 418,337

Capital ratios remained strong compared to the regulatory requirements for well capitalized banks. Truist's CET1 ratio was 11.3% as of March 31, 2025, down 20 basis points compared to December 31, 2024 due to capital returned to shareholders, an increase in risk-weighted assets, and the final CECL phase-in, partially offset by current quarter earnings.

Truist declared common dividends of $0.52 per share during the first quarter of 2025 and repurchased $500 million of common stock. For the first quarter of 2025, the dividend payout ratio was 59%, and the total payout ratio was 102%.

Share Repurchase Activity

Table 25: Share Repurchase Activity

(Dollars in millions, except per share data, shares in thousands)	Total Number of Shares Purchased[1]	Average Price Paid Per Share[2][3]	Total Number of Shares Purchased as part of Publicly Announced Plans	Approximate Dollar Value of Shares that may yet be Purchased Under the Plans[3][4]
January 1, 2025 to January 31, 2025	11,255	$ 44.42	11,255	$ 3,500
February 1, 2025 to February 28, 2025	—	—	—	3,500
March 1, 2025 to March 31, 2025	—	—	—	3,500
Total	11,255	$ 44.42	11,255	

(1) Includes shares exchanged or surrendered in connection with the exercise of equity-based awards under equity-based compensation plans.
(2) Excludes commissions.
(3) Excludes excise taxes on share repurchases.
(4) In June 2024, Truist announced that the Board had authorized the repurchase of up to $5.0 billion of common stock beginning in the third quarter of 2024 through 2026 as part of Truist's overall capital distribution strategy. Repurchased shares revert to the status of authorized and unissued shares upon repurchase. The share-repurchase program enables Truist to acquire shares through open-market purchases or privately negotiated transactions, including through Rule 10b5-1 plans and other programs, at the discretion of management and on terms (including quantity, timing, and price) that management determines to be advisable. Actions in connection with the share-repurchase program will be subject to various factors, including Truist's capital and liquidity positions and related internal frameworks, accounting and regulatory considerations (including any restrictions that may be imposed by the FRB and any changes to capital, liquidity, and other regulatory requirements that may be proposed or adopted by the U.S. banking agencies), Truist's financial and operational performance, alternative uses of capital, the trading price of Truist's common stock, and general market conditions. The share-repurchase program does not obligate Truist to acquire a specific dollar amount or number of shares and may be extended, modified, or discontinued at any time.

In the second quarter of 2025, the Company repurchased $750 million of common stock, which represented 20.2 million shares, through open market repurchases.

Critical Accounting Policies

The accounting and reporting policies of Truist are in accordance with GAAP and conform to the accounting and reporting guidelines prescribed by bank regulatory authorities. Truist's financial position and results of operations are affected by management's application of accounting policies, including estimates, assumptions, and judgments made to arrive at the carrying value of assets and liabilities, and amounts reported for revenues and expenses. Different assumptions in the application of these policies could result in material changes in the consolidated financial position or consolidated results of operations, and related disclosures. Material estimates that are particularly susceptible to significant change include the determination of the ACL; determination of fair value for securities, MSRs, trading assets and liabilities, and derivative assets and liabilities; goodwill and other intangible assets; income taxes; and pension and postretirement benefit obligations. Understanding Truist's accounting policies is fundamental to understanding the consolidated financial position and consolidated results of operations. The critical accounting policies are discussed in MD&A in Truist's Annual Report on Form 10-K for the year ended December 31, 2024. Significant accounting policies and changes in accounting principles and effects of new accounting pronouncements are discussed in "Note 1. Basis of Presentation" in Form 10-K for the year ended December 31, 2024. Disclosures regarding the effects of new accounting pronouncements are included in "Note 1. Basis of Presentation" in this report. There have been no other changes to the critical accounting policies during 2025.

Goodwill and Other Intangible Assets

The Company's three reporting units with goodwill balances were CSBB, WB, and Wealth. The Company performs goodwill impairment analysis annually as of October 1 or more often if events or circumstances indicate that it is more-likely-than-not that the fair value of a reporting unit is below its carrying value.

The quantitative valuations of these reporting units use the income approach and a market-based approach, each weighted at 50%. The inputs and assumptions specific to each reporting unit are incorporated in the valuations, including projections of future cash flows, discount rates, and applicable valuation multiples based on the comparable public company information. The income approach utilizes a discounted cash flow analysis of multi-year financial forecasts developed for each reporting unit by considering several inputs and assumptions such as net interest margin, expected credit losses, noninterest income, noninterest expense, and required capital. The market-based approach utilizes comparable public company information, key valuation multiples, and considers a market control premium associated with cost synergies and other cash flow benefits that arise from obtaining control over a reporting unit, and guideline transactions, when applicable.

Truist also assesses the reasonableness of the aggregate estimated fair value of the reporting units by comparison to its market capitalization over a reasonable period of time, including consideration of expected acquirer expense synergies, historic bank control premiums, and the current market.

The projection of net interest margin and noninterest expense are the most significant inputs to the financial projections of the CSBB, WB, and Wealth reporting units. The long-term growth rate used in determining the terminal value of each reporting unit was 3% as of October 1, 2024, based on management's assessment of the minimum expected terminal growth rate of each reporting unit. Discount rates are estimated based on the Capital Asset Pricing Model, which considers the risk-free interest rate, market risk premium, beta, and unsystematic risk adjustments specific to a particular reporting unit. The discount rates are also calibrated based on risks related to the projected cash flows of each reporting unit. The discount rates utilized for the CSBB, Wealth, and WB reporting units as of October 1, 2024 were 12.5%, 12.0%, and 10.5%, respectively.

Based on the results of the Company's annual impairment analyses, the Company concluded that the fair values of the CSBB, WB and Wealth reporting units exceeded their respective carrying values; therefore, there was no goodwill impairment. However, for the WB reporting unit, the fair value of the reporting unit exceeded its carrying value by approximately 10%, indicating that the goodwill of the WB reporting unit may remain at risk of impairment. Circumstances that could negatively impact the fair value for the WB reporting unit in the future include a sustained decrease in Truist's stock price, a decline in industry peer multiples, an increase in the applicable discount rate, and deterioration in the reporting unit's forecast.

The estimated fair value of a reporting unit is highly sensitive to changes in management's estimates and assumptions; therefore, in some instances, changes in these assumptions could impact whether the fair value of a reporting unit is greater than its carrying value. The valuation of the WB reporting unit as of October 1, 2024 indicated that if the discount rate were increased more than 100 basis points, with other cash flow assumptions unchanged, the reporting unit's fair value would be less than its carrying value, indicating a goodwill impairment under the income approach. Ultimately, future potential changes in management's assumptions may impact the estimated fair value of a reporting unit and cause the fair value of the reporting unit to be below its carrying value. Additionally, a reporting unit's carrying value could change based on market conditions, change in the underlying makeup of the reporting unit, or the risk profile of those reporting units, which could impact whether the fair value of a reporting unit is less than carrying value.

The Company monitored events and circumstances during the period from January 1, 2025 to March 31, 2025, including macroeconomic and market factors, industry and banking sector events, Truist specific performance indicators, a comparison of management's forecast and assumptions to those used in its October 1, 2024 quantitative impairment test, and the sensitivity of the October 1, 2024 quantitative results to changes in assumptions as of March 31, 2025. Based on these considerations, Truist concluded that it was not more-likely-than-not that the fair value of one or more of its reporting units is below its respective carrying amount as of March 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, management of the Company, under the supervision and with the participation of the Company's CEO and CFO, carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by the report.

Changes in Internal Control over Financial Reporting

Management of Truist is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Refer to the Legal Proceedings and Other Matters section in "Note 14. Commitments and Contingencies," which is incorporated by reference into this item.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Truist's Annual Report on Form 10-K for the year ended December 31, 2024. Additional risks and uncertainties not currently known to Truist or that management has deemed to be immaterial also may materially adversely affect Truist's business, financial condition, or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Refer to the Share Repurchase Activity section in the MD&A, which is incorporated by reference into this item.

ITEM 5. OTHER INFORMATION

(c) During the three months ended March 31, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit No.	Description	Location
2.1	Equity Interest Purchase Agreement, dated as of February 20, 2024, by and among Trident Butterfly Investor, Inc., Panther Blocker I, Inc., Panther Blocker II, Inc., Truist Bank, Truist TIH Holdings, Inc., Truist TIH Partners, Inc., TIH Management Holdings, LLC, TIH Management Holdings II, LLC and Truist Insurance Holdings, LLC.	Incorporated herein by reference to Exhibit 2.1 of the Current Report on Form 8-K, filed February 20, 2024.
2.2	Amendment No. 1 to Equity Interest Purchase Agreement, dated as of May 6, 2024, by and among Trident Butterfly Investor, Inc., Panther Blocker I, Inc., Panther Blocker II, Inc., Truist Bank, Truist TIH Holdings, Inc., Truist TIH Partners, Inc., TIH Management Holdings, LLC, TIH Management Holdings II, LLC and Truist Insurance Holdings, LLC	Incorporated herein by reference to Exhibit 2.1 of the Current Report on Form 8-K, filed May 10, 2024.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
101.INS	XBRL Instance Document – the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.	Filed herewith.
101.SCH	XBRL Taxonomy Extension Schema.	Filed herewith.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.	Filed herewith.
101.LAB	XBRL Taxonomy Extension Label Linkbase.	Filed herewith.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.	Filed herewith.
101.DEF	XBRL Taxonomy Definition Linkbase.	Filed herewith.
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101).	Filed herewith.

* Management compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRUIST FINANCIAL CORPORATION
(Registrant)

Date: April 30, 2025

By: /s/ Michael B. Maguire
Michael B. Maguire
Senior Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: April 30, 2025

By: /s/ Cynthia B. Powell
Cynthia B. Powell
Executive Vice President and Corporate Controller
(Principal Accounting Officer)