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

Form 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from (not applicable)

Commission file number 1-6880

U.S. BANCORP

(Exact name of registrant as specified in its charter)

Delaware	**41-0255900**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

800 Nicollet Mall, Minneapolis, Minnesota 55402
(Address of principal executive offices) (Zip Code)

(651) 466-3000
(Registrant's telephone number, including area code)

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

Title of each class	Trading symbols	Name of each exchange on which registered
Common Stock, $.01 par value per share	USB	New York Stock Exchange
Depositary Shares (each representing 1/100th interest in a share of Series A Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrA	New York Stock Exchange
Depositary Shares (each representing 1/1,000th interest in a share of Series B Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrH	New York Stock Exchange
Depositary Shares (each representing 1/1,000th interest in a share of Series K Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrP	New York Stock Exchange
Depositary Shares (each representing 1/1,000th interest in a share of Series L Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrQ	New York Stock Exchange
Depositary Shares (each representing 1/1,000th interest in a share of Series M Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrR	New York Stock Exchange
Depositary Shares (each representing 1/1,000th interest in a share of Series O Non-Cumulative Perpetual Preferred Stock, par value $1.00)	USB PrS	New York Stock Exchange
Floating Rate Notes, Series CC (Senior), due May 21, 2028	USB/28	New York Stock Exchange
4.009% Fixed-to-Floating Rate Notes, Series CC (Senior), due May 21, 2032	USB/32	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

As of June 30, 2025, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $70.5 billion based on the closing sale price as reported on the New York Stock Exchange.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at January 31, 2026
Common Stock, $.01 par value per share	1,553,695,799

Auditor Firm Id: 42 Auditor Name: Ernst & Young LLP Auditor Location: Minneapolis, Minnesota

DOCUMENTS INCORPORATED BY REFERENCE

Document	Parts Into Which Incorporated
1. Portions of the Annual Report to Shareholders for the Fiscal Year Ended December 31, 2025 (the "2025 Annual Report")	Parts I and II
2. Portions of the Proxy Statement for the Annual Meeting of Shareholders to be held April 21, 2026 (the "Proxy Statement")	Part III

PART I

Item 1. Business

Forward-Looking Statements

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995: This report contains forward-looking statements about U.S. Bancorp ("U.S. Bancorp" or the "Company"). Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, future economic conditions and the anticipated future revenue, expenses, financial condition, asset quality, capital and liquidity levels, plans, prospects, targets, initiatives and operations of U.S. Bancorp. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "projects," "forecasts," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could."

Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those set forth in forward-looking statements, including the following risks and uncertainties:

- Deterioration in general business, political and economic conditions or turbulence in domestic or global financial markets, which could adversely affect U.S. Bancorp's revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility;
- Changes to statutes, regulations, or regulatory policies or practices, including capital and liquidity requirements and any credit card interest caps, and the enforcement and interpretation of such laws and regulations, and U.S. Bancorp's ability to address or satisfy those requirements and other requirements or conditions imposed by regulatory entities;
- Changes in trade policy, including the imposition of tariffs or the impacts of retaliatory tariffs;
- Changes in interest rates;
- Increases in unemployment rates;
- Deterioration in the credit quality of U.S. Bancorp's loan portfolios or in the value of the collateral securing those loans;
- Changes in commercial real estate occupancy rates;
- Increases in Federal Deposit Insurance Corporation ("FDIC") assessments, including due to bank failures;
- Actions taken by governmental agencies to stabilize or reform the financial system and the effectiveness of such actions;
- Turmoil and volatility in the financial services industry;
- Risks related to originating and selling mortgages, including repurchase and indemnity demands, and related to U.S. Bancorp's role as a loan servicer;
- Impacts of current, pending or future litigation and governmental proceedings;
- Increased competitive pressure;
- Effects of climate change and related physical and transition risks;
- Changes in customer behavior and preferences and the ability to implement technological changes to respond to customer needs and meet competitive demands;
- Breaches in data security;
- Failures or disruptions in or breaches of U.S. Bancorp's operational, technology or security systems or infrastructure, or those of third parties, including as a result of cybersecurity incidents;
- Failures to safeguard personal information;
- Impacts of pandemics, natural disasters, terrorist activities, civil unrest, international hostilities and geopolitical events;
- Impacts of supply chain disruptions, rising inflation, slower growth or a recession;
- Failure to execute on strategic or operational plans;
- Effects of mergers and acquisitions, such as the pending acquisition of Condor Trading LP and its subsidiaries, including BTIG, LLC (collectively, "BTIG"), and related integration, including that the expected benefits may take longer than anticipated to achieve or may not be achieved in entirety or at all and the costs relating to the combination may be greater than expected;
- Effects of critical accounting policies and judgments;

- Effects of changes in or interpretations of tax laws and regulations;
- Management's ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk and liquidity risk; and
- The risks and uncertainties more fully discussed in the section entitled "Risk Factors" of the 2025 Annual Report.

Factors other than these risks also could adversely affect U.S. Bancorp's results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

General Business Description

U.S. Bancorp is a financial services holding company headquartered in Minneapolis, Minnesota, serving millions of local, national and global customers. U.S. Bancorp is registered as a bank holding company under the Bank Holding Company Act of 1956 (the "BHC Act"), and has elected to be treated as a financial holding company under the BHC Act. The Company provides a full range of financial services, including lending and depository services, cash management, capital markets, and trust and investment management services. It also engages in credit card services, merchant and ATM processing, mortgage banking, insurance, brokerage and leasing.

U.S. Bancorp's banking subsidiary, U.S. Bank National Association ("USBNA"), is engaged in the general banking business, principally in domestic markets, and holds all of the Company's consolidated deposits of $522.2 billion at December 31, 2025. USBNA provides a wide range of products and services to individuals, businesses, institutional organizations, governmental entities and other financial institutions. Commercial and consumer lending services are principally offered to customers within the Company's domestic markets, to domestic customers with foreign operations and to large national customers operating in specific industries targeted by the Company, such as healthcare, utilities, oil and gas, and state and municipal government. Lending services include traditional credit products as well as credit card services, lease financing and import/export trade, asset-backed lending, agricultural finance and other products. Depository services include checking accounts, savings accounts and time certificate contracts. Ancillary services such as capital markets, treasury management and receivable lock-box collection are provided to corporate and governmental entity customers. U.S. Bancorp's bank and trust subsidiaries provide a full range of asset management and fiduciary services for individuals, estates, foundations, business corporations and charitable organizations.

Other U.S. Bancorp non-banking subsidiaries offer investment and insurance products to the Company's customers principally within its domestic markets, and fund administration services to a broad range of mutual and other funds.

Banking and investment services are provided through a network of branches and banking offices across the United States, primarily in the Midwest and West regions, including 2,075 branches across 26 states as of December 31, 2025. A significant percentage of consumer transactions are completed using USBNA's digital banking services, both online and through its digital app. The Company operates a network of 4,428 ATMs as of December 31, 2025, and provides 24-hour, seven day a week telephone customer service. Mortgage banking services are provided through banking offices and loan production offices throughout the Company's domestic markets. Lending products may be originated through banking offices, indirect correspondents, brokers or other lending sources. The Company is also one of the largest providers of corporate and purchasing card services and corporate trust services in the United States. The Company's subsidiaries provide domestic merchant processing services directly to merchants, as well as similar merchant services in Canada and segments of Europe. The Company also provides corporate trust and fund administration services in Europe. These foreign operations are not significant to the Company.

Pending Acquisition of BTIG

In January 2026, the Company announced that it entered into a definitive agreement to acquire BTIG for a purchase price of up to $1 billion, consisting of a targeted amount of $725 million ($362.5 million of cash and 6,600,594 shares of the Company's common stock) to be paid at closing and up to an additional $275 million of cash consideration payable over three years, subject to achievement of defined performance targets. BTIG is a global financial services firm specializing in institutional trading, investment banking, research and related brokerage services. The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals and satisfaction of applicable closing conditions.

Business Segments

The Company's major business segments are Wealth, Corporate, Commercial and Institutional Banking, Consumer and Business Banking, Payment Services, and Treasury and Corporate Support.

Wealth, Corporate, Commercial and Institutional Banking provides core banking, specialized lending, transaction and payment processing, capital markets, asset management, and brokerage and investment related services to wealth, middle market, large corporate, commercial real estate, government and institutional clients.

Consumer and Business Banking comprises consumer banking, small business banking and consumer lending. Products and services are delivered through banking offices, telephone servicing and sales, online services, direct mail, ATMs, mobile

devices, distributed mortgage loan officers, and intermediary relationships including auto dealerships, mortgage banks, and strategic business partners.

Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate, government and purchasing card services and merchant processing.

Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management, interest rate risk management, income taxes not allocated to the business segments, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis.

Additional information regarding the Company's business segments can be found on pages 53 to 54 of the Company's 2025 Annual Report under the heading "Business Segment Financial Review," which is incorporated herein by reference.

Human Capital

The Company's success depends, in large part, on its ability to attract, develop and retain skilled employees. The Company recognizes that supporting, engaging and continuously upskilling its workforce is key to meeting evolving corporate and customer needs. To further those efforts, the Company is committed to supporting employees' professional development through programs that promote engagement, learning and productivity and by providing pay that is competitive and fair, as well as other benefits and programs that promote wellness. As of December 31, 2025, the Company employed a total of 68,520 employees globally. The Company's current workforce strategy is focused on promoting in-person engagement across more than 20 corporate hub locations, its branch network and business centers to support the Company's business and customer needs.

Human Capital Governance The Company's Board of Directors oversees the Company's human capital management, including through its Compensation and Human Resources Committee. The Company's Chief Human Resources Officer regularly reports to the Board's Compensation and Human Resources Committee on human capital matters such as human resource practices and programs, including employee benefits and compensation programs.

Talent Strategy As part of its efforts to develop and retain skilled employees, the Company remains focused on monitoring employee sentiment and engagement. The Company's employee surveying programs enable the Company to collect quantitative and qualitative feedback from employees on an ongoing basis. The Company offers various mentorship and leadership development opportunities that enable participants to enhance key skills and work experiences.

As part of its talent strategy, the Company strives to support continuous employee learning and development. The Company provides several talent development opportunities for employees to enhance skills that are critical in the current and future working environment and empowers employees to discover ways to thrive and grow in their careers. In 2025, the Company hosted its second annual development event for all employees, which focused on topics ranging from communications to the future of banking. The Company also launched a new learning platform through its Skills Academy, providing higher quality learning aligned to critical skills. The new learning platform will be leveraged to augment skill development for role training programs and will provide core training for job family skill development needs. The Company also launched an "AI Essentials Channel" on Skills Academy, which is designed to help team members build skills in effectively using Company-approved artificial intelligence tools in their daily work. During 2025, employees completed over 1.7 million hours of training through the Company's enterprise learning programs to better support their professional development and customer and business needs.

Compensation, Health & Wellness Programs Maintaining competitive compensation and benefits practices is a continued focus for the Company, with periodic peer and benchmarking reviews used to assist with competitive alignment and employee retention. As part of the Company's efforts to enhance pay transparency, all open positions in the United States have a disclosed compensation range.

The Company provides its employees with comprehensive benefits programs, including competitive healthcare, retirement, leave, recognition, wellness, disability, life insurance, time-off and educational assistance programs, based on the Company's recognition that such benefits are important to attract and retain employees. In addition to its competitive 401(k) matching program, the Company maintains an active cash balance pension program for its U.S. employees, including newly hired employees.

Competition

The financial services industry is highly competitive and constantly evolving. The Company competes with other commercial banks, savings and loan associations, mutual savings banks, finance companies, mortgage banking companies, credit unions, investment companies, credit card companies, custody banks, trust companies, asset managers, investment advisers and a variety of other financial services, advisory and technology companies. The financial services industry continues to become more competitive as new technological advances enable more companies to provide financial products and services, including electronic and internet-based financial solutions such as lending and payment solutions, digital currencies, digital wallets and alternative payment methods. Competition has also increased from companies that are not subject to the same regulatory restrictions as domestic banks and bank holding companies, including by financial technology companies, or "fintechs," which may offer bank-like products or services that compete directly with the Company's products and services. Legislative, regulatory, economic, and technology changes, as well as consolidation within the financial services industry, could result in increased competition from new and existing market participants.

Competition is based on a number of factors including, among others, customer service, quality and range of products and services offered, price, reputation, interest rates on loans and deposits, lending limits, experience, relationships and customer convenience, including the ability to address customer needs by using technology to provide products and services that customers want to adopt. The Company's ability to continue to compete effectively also depends in large part on its ability to attract new employees and develop, retain and motivate existing employees, while managing compensation and other costs. For additional information relating to how the Company attracts and retains employees, see "Human Capital" above.

Government Policies

The operations of the Company's various businesses are affected by federal and state laws and legislative changes, executive actions, and policies of various regulatory authorities of the United States and the numerous states and foreign countries in which they operate. These laws, rules and policies include, for example, statutory maximum legal lending rates, domestic monetary policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve"), United States fiscal policy, international currency regulations and monetary policies and capital adequacy and liquidity constraints imposed by bank regulatory agencies.

Supervision and Regulation

U.S. Bancorp and its subsidiaries are subject to the extensive regulatory framework applicable to bank holding companies ("BHCs") and their subsidiaries. This regulatory framework is intended primarily for the protection of depositors, the deposit insurance fund (the "DIF") of the FDIC, consumers, the stability of the financial system in the United States, and the health of the national economy, and not for investors in the Company.

This section summarizes certain provisions of the principal laws and regulations applicable to the Company and its subsidiaries. The descriptions are not intended to be complete and are qualified in their entirety by reference to the full text of the statutes and regulations described below.

General As a BHC, the Company is subject to regulation under the BHC Act and to inspection, examination and supervision by the Federal Reserve. USBNA and its subsidiaries are subject to regulation, examination and supervision primarily by the Office of the Comptroller of the Currency (the "OCC") and also by the FDIC, the Federal Reserve, and the Consumer Financial Protection Bureau (the "CFPB"). The Company and its subsidiaries are also subject to regulation and examination by the Securities and Exchange Commission (the "SEC") and the Commodities Futures Trading Commission (the "CFTC") in certain areas.

Supervision and regulation by the responsible bank regulatory agencies generally include comprehensive annual reviews of all major aspects of the Company's and USBNA's business and condition, regular on-site examinations, and imposition of periodic reporting requirements and limitations on investments and certain types of activities. If an applicable regulatory agency deems the Company to be operating in a manner that is inconsistent with safe and sound banking practices, such agency can require the entry into informal or formal supervisory agreements, including board resolutions, memoranda of understanding, written agreements and consent or cease and desist orders, pursuant to which the Company would be required to take identified corrective actions to address cited concerns and to refrain from taking certain actions. Supervision and examinations are confidential, and the outcomes of these actions generally are not made public.

Banking and other financial services statutes, regulations and policies are continually under review by the United States Congress, state legislatures and federal and state regulatory agencies. In addition to laws and regulations, state and federal bank regulatory agencies may issue policy statements, interpretive letters and similar written guidance applicable to the Company and its subsidiaries. Any change in the statutes, regulations or regulatory policies applicable to the Company, including changes in their interpretation or implementation, could have a material effect on its business or organization.

As a BHC with over $100 billion in total consolidated assets, the Company is subject to the enhanced prudential standards of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), as applied to "Category III" institutions under the federal banking regulators' rules that tailor how enhanced prudential standards apply to large U.S. banking organizations (the "Tailoring Rules"). The Tailoring Rules also apply certain enhanced prudential standards to its subsidiary depository institution, USBNA, as described in more detail below. The Company will continue to be subject to the regulatory capital and liquidity requirements applicable to Category III institutions until otherwise required under the Tailoring Rules (i.e., until the Company's total average consolidated assets for the then most recent four quarters equal $700 billion or more or the amount of the Company's average cross-jurisdictional activities for the then most recent four quarters equals $75 billion or more).

Supervisory Ratings Federal banking regulators regularly examine the Company and its insured depository institution subsidiary, USBNA. Following those exams, the Company (under the Federal Reserve's Large Financial Institution Rating System) and USBNA (under the CAMELS rating system) are assigned supervisory ratings. Disclosure of these ratings to third parties is not allowed without permission of the issuing regulator. A downgrade in these ratings could limit the Company's ability to pursue acquisitions or conduct other expansionary activities for a period of time, require new or additional regulatory approvals before engaging in certain other business activities or investments, affect USBNA's deposit insurance assessment rates, limit the Company's access to funding through government-sponsored liquidity programs, and impose additional recordkeeping and corporate governance requirements, as well as generally increase regulatory scrutiny of the Company. On November 5, 2025, the Federal Reserve adopted certain amendments to the Large Financial Institution Rating System, including revising how certain component ratings impact the determination of a covered firm's "well-managed" status and removing the presumption that firms

with certain rating or ratings will be subject to a formal or informal enforcement action by the Federal Reserve. The potential effects such amendments may have on a covered firm will depend on factors including the supervisory ratings received by a subsidiary depository institution and the implementation of reforms to the bank supervisory process by the federal banking regulators.

BHC Activities The Company is a BHC under the BHC Act and has elected to be a financial holding company ("FHC"). BHCs that qualify and elect to be treated as FHCs may engage in, and affiliate with financial companies engaging in, a broader range of activities than would otherwise be permitted for a BHC.

If an FHC or a depository institution controlled by an FHC ceases to be well-capitalized or well-managed, the Federal Reserve may impose corrective capital and managerial requirements on the FHC and may place limitations on its ability to conduct all of the business activities that FHCs are generally permitted to conduct and its ability to make certain acquisitions. See "Permissible Business Activities" below. Disclosure of any failure to meet these standards is not allowed without permission of the Federal Reserve. If the failure to meet these standards persists, the FHC may be required to divest its depository institution subsidiaries or cease all activities other than those activities that may be conducted by BHCs that are not FHCs. In addition, if a depository institution controlled by an FHC does not receive a Community Reinvestment Act ("CRA") rating of at least "satisfactory" at its most recent examination, the Federal Reserve will prohibit the FHC from conducting new business activities that FHCs are generally permitted to conduct and from making certain acquisitions.

The Federal Reserve also requires BHCs to meet certain applicable capital and management standards. Failure by the Company to meet these standards could limit the Company from engaging in any new activity or acquiring other companies without the prior approval of the Federal Reserve.

Permissible Business Activities As an FHC, the Company may affiliate with securities firms and insurance companies and engage in other activities that are financial in nature or incidental or complementary to activities that are financial in nature. "Financial in nature" activities include securities underwriting, dealing and market making; sponsoring mutual funds and investment companies; insurance underwriting and agency; merchant banking; and activities that the Federal Reserve, in consultation with the Secretary of the United States Treasury, determines to be financial in nature or incidental to such financial activity. "Complementary activities" are activities that the Federal Reserve determines upon application to be complementary to a financial activity and that do not pose a safety and soundness risk.

The Company generally is not required to obtain Federal Reserve approval to acquire a company engaged in activities that are financial in nature or incidental to activities that are financial in nature, as long as the Company meets the capital, managerial and CRA requirements to qualify as an FHC. However, the Company is required to receive approval for an acquisition in which the total consolidated assets to be acquired exceed $10 billion. FHCs are also required to obtain the approval of the Federal Reserve before they may acquire more than five percent of the voting shares or substantially all of the assets of an unaffiliated BHC, bank or savings association. In addition, banks must receive approval before they may acquire, merge with, acquire substantially all of the assets of or assume any deposits of a bank or savings association and may be required to receive approval for acquisitions of other companies.

Interstate Banking A BHC may acquire banks in states other than its home state, subject to any state requirement that the bank has been organized and operating for a minimum period of time (not to exceed five years). Also, such an acquisition is not permitted if the BHC controls, prior to or following the proposed acquisition, more than 10 percent of the total amount of deposits of insured depository institutions nationwide or, if the acquisition is the BHC's initial entry into the state, more than 30 percent of the deposits of insured depository institutions in the state (or any lesser or greater amount set by the state). Banks may merge across state lines to create interstate branches and are permitted to establish new branches in another state to the same extent as banks chartered by that state.

Regulatory Approval for Acquisitions In determining whether to approve a proposed bank acquisition, federal bank regulators will consider a number of factors, including the effect of the acquisition on competition, financial condition and future prospects (including current and projected capital ratios and levels); the competence, experience and integrity of management and its record of compliance with laws and regulations; the convenience and needs of the communities to be served (including the acquiring institution's record of compliance under the CRA); the effectiveness of the acquiring institution in combating money laundering activities; and the extent to which the transaction would result in greater or more concentrated risks to the stability of the United States banking or financial system. In addition, approval of interstate transactions requires that the acquiror satisfy regulatory standards for well-capitalized and well-managed institutions.

Source of Strength The Company is required to act as a source of strength to USBNA, and to commit capital and financial resources to support USBNA in circumstances where the Company might not otherwise do so. Under these requirements, the Federal Reserve may in the future require the Company to provide financial assistance to USBNA, should it experience financial distress. Capital loans by the Company to USBNA would be subordinate in right of payment to deposits and certain other debts of USBNA.

OCC Heightened Standards USBNA is subject to the OCC's guidelines establishing heightened standards for large national banks, which establish minimum standards for the design and implementation of a risk governance framework for banks. The OCC may take action against institutions that fail to meet these standards. In December 2025, the OCC proposed to increase the

average total consolidated assets threshold at which the guidelines apply to covered banks from $50 billion to $700 billion. The effect on USBNA, including applicability should the Company transition to Category II under the Tailoring Rules, will be dependent on the final form of any rulemaking.

Enhanced Prudential Standards Under the Dodd-Frank Act, as modified by the Economic Growth, Regulatory Relief and Consumer Protection Act and the Tailoring Rules, large bank holding companies, such as the Company, are subject to certain enhanced prudential standards based on the banking organization's size and certain "risk-based indicators." The prudential standards include enhanced risk-based capital and leverage requirements, enhanced liquidity requirements, enhanced risk management and risk committee requirements, a requirement to submit a resolution plan, single-counterparty credit limits and stress tests. Certain of the enhanced prudential standards applicable to the Company are described below in further detail.

Dividend Restrictions The Company is a legal entity separate and distinct from its subsidiaries. Typically, the majority of the Company's operating funds are received in the form of dividends paid to the Company by USBNA. Federal law imposes limitations on the payment of dividends by national banks. In general, dividends payable by USBNA and the Company's trust bank subsidiaries, as national banking associations, are limited by rules that compare dividends to net income for periods defined by regulation.

The OCC, the Federal Reserve and the FDIC also have authority to prohibit or limit the payment of dividends by the banking organizations they supervise (including the Company and USBNA) if, in the banking regulator's opinion, payment of a dividend would constitute an unsafe or unsound practice in light of the financial condition of the banking organization.

In addition, the Federal Reserve's final rule implementing the stress capital buffer ("SCB") provides that a BHC must receive prior approval for any dividend, stock repurchase or other capital distribution, other than a capital distribution on a newly issued capital instrument, if the BHC is required to resubmit its capital plan. The rule also provides that a BHC must resubmit its capital plan if, among other things, the BHC determines there has been or will be a material change in the BHC's risk profile, financial condition, or corporate structure since the BHC last submitted its capital plan.

Capital Requirements The Company is subject to certain regulatory risk-based capital and leverage requirements under capital rules adopted by the Federal Reserve, and USBNA is subject to substantially similar rules adopted by the OCC. These rules implement the Basel Committee's framework for strengthening the regulation, supervision and risk management of banks ("Basel III"), as well as certain provisions of the Dodd-Frank Act. These quantitative calculations are minimums, and the Federal Reserve and OCC may determine that a banking organization, based on its size, complexity or risk profile, must maintain a higher level of capital in order to operate in a safe and sound manner.

Under the Tailoring Rules, the Company and USBNA are each currently subject to "Category III" standards, and are "standardized approach" banking organizations that are subject to rules that provide for simplified capital requirements relating to the threshold deductions for mortgage servicing assets, deferred tax assets arising from temporary differences that a banking organization could not realize through net operating loss carry backs, and investments in the capital of unconsolidated financial institutions, as well as the inclusion of minority interests in regulatory capital. Growth in total consolidated assets (including assets obtained in acquisitions) or cross-jurisdictional activity (as defined in the Tailoring Rules) could affect the Company's continued classification as a "Category III" institution, which could result in the Company and its insured depository institution subsidiary becoming "advanced approaches" banking organizations, a requirement to recognize elements of accumulated other comprehensive income in regulatory capital, as well as other more stringent capital, liquidity, and other regulatory requirements.

Under the United States Basel III-based capital rules, the Company is subject to a minimum common equity tier 1 ("CET1") capital ratio (CET1 capital to risk-weighted assets) of 4.5 percent, a minimum tier 1 capital ratio of 6.0 percent and a minimum total capital ratio of 8.0 percent. At December 31, 2025, the Company exceeded these minimum capital ratio requirements. The Company is also subject to the SCB, which is based on the results of the Federal Reserve's supervisory stress tests and the Company's planned common stock dividends, and, if deployed by the Federal Reserve, up to a 2.5 percent common equity tier 1 countercyclical capital buffer. These additional requirements must be satisfied entirely with capital that qualifies as CET1. Although the Federal Reserve has not to date raised the countercyclical capital buffer above zero percent, the countercyclical capital buffer could change in the future. The SCB generally is assigned on an annual basis and becomes effective on October 1 of each year, subject to a 2.5 percent floor, and may vary over time. On April 17, 2025, the Federal Reserve issued a proposed rule that would result in the SCB being calculated based on an average of a firm's stress test results over two consecutive years, which is intended to reduce volatility in firms' capital requirements.

As of December 31, 2025, the SCB applicable to the Company is 2.6 percent, a decrease from the SCB of 3.1 percent that applied to the Company at December 31, 2024. If the Federal Reserve were to raise the countercyclical capital buffer, or if the SCB applicable to the Company were to exceed 2.6 percent, this would also change the effective minimum capital ratios to which the Company is subject. For USBNA, the buffer requirement consists of the static capital conservation buffer equal to 2.5 percent of risk-weighted assets.

Banking organizations that fail to meet the effective minimum ratios will be subject to constraints on capital distributions, including dividends and share repurchases, and certain discretionary executive compensation, with the severity of the constraints depending on the extent of the shortfall and "eligible retained income" (defined as the greater of (i) net income for the four preceding quarters, net of distributions and associated tax effects not reflected in net income; and (ii) the average of all net income over the preceding four quarters).

United States banking organizations are also subject to a minimum tier 1 leverage ratio of 4.0 percent. As a Category III banking organization, the Company is also subject to a minimum Supplementary Leverage Ratio ("SLR") of 3.0 percent that takes into account both on-balance sheet and certain off-balance sheet exposures. At December 31, 2025, the Company exceeded the applicable minimum tier 1 leverage ratio and SLR requirements.

In July 2023, the U.S. federal bank regulatory authorities proposed a rule implementing the Basel Committee's finalization of the post-crisis regulatory capital reforms, commonly referred to as "Basel III Endgame." The proposal would set stricter criteria for the use of internal models by replacing the market risk rule with the "Fundamental Review of the Trading Book," and would introduce new standardized approaches for credit risk, operational risk and credit valuation adjustment risk, which would replace the current models-based approaches. In addition, under the proposed rule, also subject to a phase-in period, Category III banking institutions, such as the Company, would no longer be permitted to opt out of including certain components of accumulated other comprehensive income in regulatory capital, which would result in unrealized gains and losses on available-for-sale securities being included in the calculation of the Company's regulatory capital ratios. However, the federal banking regulators have indicated they expect to issue a revised proposal, which is expected to modify aspects of the July 2023 proposal, including those described above.

For additional information regarding the Company's regulatory capital, see "Capital Management" in the 2025 Annual Report.

Comprehensive Capital Analysis and Review As required by the Federal Reserve's Comprehensive Capital Analysis and Review ("CCAR") rules, the Company submits a capital plan to the Federal Reserve on an annual basis. As part of the CCAR process, the Federal Reserve evaluates the Company's plans to make capital distributions, including by repurchasing stock or making dividend payments, under a number of macroeconomic and Company-specific assumptions based on the Company's and the Federal Reserve's stress tests described under "Stress Testing" below. These capital plans consist of a number of mandatory elements, including an assessment of a company's sources and uses of capital over a nine-quarter planning horizon assuming both expected and stressful conditions; a detailed description of a company's process for assessing capital adequacy; and a demonstration of a company's ability to maintain capital above each minimum regulatory capital ratio (without taking the buffers into account) under expected and stressful conditions.

Stress Testing The Federal Reserve's CCAR framework and the Dodd-Frank Act stress testing framework require BHCs subject to Category III standards such as the Company to conduct an annual internal stress test in connection with its annual capital plan submission as well as biennial company-run stress tests, and subject such BHCs to annual supervisory stress tests conducted by the Federal Reserve. Among other things, the company-run stress tests employ stress scenarios developed by the Company as well as stress scenarios provided by the Federal Reserve and incorporate the Dodd-Frank Act capital actions (as opposed to the Company's planned capital actions), which are intended to normalize capital distributions across large U.S. BHCs. The Federal Reserve conducts CCAR and Dodd-Frank Act supervisory stress tests employing stress scenarios and internal supervisory models and incorporates the Company's planned capital actions and the Dodd-Frank Act capital actions, respectively, into its stress tests. The Federal Reserve and the Company are currently required to publish the results of the annual supervisory and biennial company-run stress tests, respectively, no later than June 30 of each applicable year. If the Company were to become a "Category II" institution for purposes of the Tailoring Rules, the Company would become subject to annual (rather than biennial) company-run stress tests.

In October 2025, the Federal Reserve issued two proposals to revise its supervisory stress testing framework. One proposal requested comment on the Federal Reserve's stress test models and related revisions intended to increase the transparency of the Federal Reserve's stress test scenario design, and proposes an enhanced disclosure process that would include public comment on material model changes and annual stress test scenarios. The second, separate proposal requested comment on the Federal Reserve's proposed scenarios for its 2026 supervisory stress tests and the models used to generate the scenarios, which are designed based on proposed revisions to the Federal Reserve's Scenario Design Policy Statement. The effects of these proposals on the Company will depend on the final form of any rulemaking.

Under the OCC's rules, national banks with assets in excess of $250 billion, including USBNA, are required to submit company-run stress test results to the OCC concurrently with their parent BHC's CCAR submission to the Federal Reserve. The stress test is based on the OCC's stress scenarios (which typically have been the same as the Federal Reserve's stress scenarios) and capital actions that are appropriate for the economic conditions assumed in each scenario.

Basel III Liquidity Requirements As Category III banking organizations, the Company and USBNA are each subject to a minimum liquidity coverage ratio ("LCR") under the Tailoring Rules. The LCR is designed to ensure that BHCs have sufficient high-quality liquid assets to survive a significant liquidity stress event lasting for 30 calendar days. In addition, the Company and USBNA are subject to the net stable funding ratio ("NSFR") rule, which is designed to promote stable, longer-term funding of assets and business activities over a one-year time horizon. Under the Tailoring Rules and NSFR rule, the Company and USBNA, as Category III banking organizations with less than $75 billion of weighted short-term wholesale funding, qualify for reduced LCR and NSFR requirements calibrated at 85 percent of the full requirements. If the Company were to become a "Category II" institution for purposes of the Tailoring Rules, the Company would become subject to the full (100 percent) LCR and NSFR requirements, as well as daily (rather than monthly) liquidity reporting requirements.

Prompt Corrective Action The Federal Deposit Insurance Corporation Improvement Act ("FDICIA") provides a framework for regulation of depository institutions and their affiliates (including parent holding companies) by federal banking regulators. As part of that framework, the FDICIA requires the relevant federal banking regulator to take "prompt corrective action" with respect to an FDIC-insured depository institution, such as USBNA, if that institution does not meet certain capital adequacy standards. Supervisory actions by the appropriate federal banking regulator under the "prompt corrective action" rules generally depend upon an institution's classification within five capital categories. An institution that fails to remain well-capitalized becomes subject to a series of restrictions that increase in severity as its capital condition weakens. Such restrictions may include a prohibition on capital distributions, restrictions on asset growth or restrictions on the ability to receive regulatory approval of applications. The FDICIA also provides for enhanced supervisory authority over undercapitalized institutions, including authority for the appointment of a conservator or receiver for the institution.

Prompt corrective action regulations apply only to banks and not to BHCs such as the Company. However, the Federal Reserve is authorized to take appropriate action at the BHC level, based on the undercapitalized status of the BHC's subsidiary banking institutions. In certain instances, relating to an undercapitalized bank, the BHC would be required to guarantee the performance of the undercapitalized subsidiary's capital restoration plan and could be liable for civil money damages for failure to fulfill those guarantee commitments.

Long-Term Debt Requirements In August 2023, the Federal Reserve, OCC and FDIC issued a proposed rule that would require, among other institutions, each Category III U.S. BHC, including the Company, and each insured depository institution with $100 billion or more in total consolidated assets that is a consolidated subsidiary of a Category III U.S. BHC, such as USBNA, to have minimum levels of outstanding long-term debt. The proposed rule is intended to improve the resolvability of the banking organizations covered by the rule. Under the proposed rule, covered banking organizations would be required to maintain long-term debt in an amount that is equal to the greater of (i) 6% of the organization's risk-weighted assets; (ii) 3.5% of the organization's average total consolidated assets; and (iii) 2.5% of the organization's total leverage exposure, if the organization is subject to the SLR rule. The requirement would be phased in over three years, with covered banking organizations being required to meet 25% of the requirement within one year after finalization of the rule, 50% after two years and 100% after three years. The agencies have not yet issued a final rule. Any effects on the Company and USBNA will depend on the final form of any rulemaking.

Deposit Insurance The DIF provides insurance coverage for certain deposits, up to a standard maximum deposit insurance amount of $250,000 per depositor. Deposits at USBNA are insured up to the applicable limits. The DIF is funded through assessments on insured depository institutions, including USBNA, based on the risk each institution poses to the DIF. The FDIC may increase USBNA's insurance premiums based on various factors, including the FDIC's assessment of its risk profile.

In addition, large insured depository institutions, including USBNA, are subject to enhanced deposit account recordkeeping and related information technology system requirements meant to facilitate prompt payment of insured deposits if such an institution were to fail.

In October 2022, the FDIC finalized a rule to increase the initial base deposit insurance assessment rate schedules for all insured depository institutions by two basis points, beginning with the first quarterly assessment period of 2023. The increased assessment rate is intended to improve the likelihood that the DIF reserve ratio would reach the required minimum of 1.35 percent by the statutory deadline of September 30, 2028.

In November 2023, the FDIC released a final rule to impose a special assessment to recover the losses to the DIF resulting from failures of other banking institutions during 2023 (Special Assessment Rule). The special assessments are tax deductible. As a result of this rule, the Company recognized additional noninterest expense of $136 million in 2024 for the FDIC special assessment. In December 2025, the FDIC released an interim final rule that reduces the assessment rate for the eighth collection quarter under the Special Assessment Rule and indicates that the FDIC will not continue to collect additional assessments under the Special Assessment Rule subject to offset or additional collection for losses determined at the termination of the relevant receiverships.

Depositor Preference Under federal law, in the event of the liquidation or other resolution of an insured depository institution, the claims of a receiver of the institution for administrative expense and the claims of holders of domestic deposit liabilities have priority over the claims of other unsecured creditors of the institution, including holders of publicly issued senior or subordinated debt and depositors in non-domestic offices. As a result, those debtholders and depositors would be treated differently from, and could receive, if anything, substantially less than, the depositors in domestic offices of the depository institution.

Orderly Liquidation Authority Upon the insolvency of a BHC, such as the Company, the FDIC may be appointed as conservator or receiver of the BHC if the Secretary of the Treasury determines (upon the written recommendation of the FDIC and the Federal Reserve and after consultation with the President of the United States) that certain conditions set forth in the Dodd-Frank Act regarding the potential impact on financial stability of a financial company's failure have been met. FDIC rules set forth a comprehensive method for the receivership of a covered financial company. Acting as a conservator or receiver, the FDIC would have broad powers to transfer any assets or liabilities of a BHC without the approval of its creditors.

Resolution Plans The Company is required by the Federal Reserve and the FDIC to submit a periodic plan for the rapid and orderly resolution of the Company and its significant legal entities in the event of future material financial distress or failure. If the Federal Reserve and the FDIC jointly determine that the resolution plan is not credible and such deficiencies are not cured in a

timely manner, the regulators may jointly impose on the Company more stringent capital, leverage or liquidity requirements or restrictions on the Company's growth, activities or operations. If the Company were to fail to address the deficiencies in its resolution plan when required, it could eventually be required to divest certain assets or operations. As a Category III banking organization, the Company is required to submit resolution plans on a triennial cycle (alternating between targeted and full submissions). The Company submitted its triennial plan in October 2025.

In August 2024, the Federal Reserve and the FDIC finalized guidance for 2025 and subsequent resolution plan submissions that would apply to certain institutions including Category III institutions such as the Company. The guidance addresses the Federal Reserve's and FDIC's expectations regarding key areas of resolution, including capital, liquidity, operational, legal entity rationalization, and insured depository institution resolution, based on a firm's resolution strategy.

USBNA is also required to file periodically separate resolution plans with the FDIC that should enable the FDIC, as receiver, to resolve USBNA under applicable receivership provisions of the Federal Deposit Insurance Act in a manner that ensures that depositors receive access to their insured deposits within one business day of the institution's failure, maximizes the net present value return from the sale or disposition of its assets and minimizes the amount of any loss to the institution's creditors. In June 2024, the FDIC finalized revisions to its resolution planning rule that, among other things, requires periodic testing to validate key resolution capabilities and sets out the criteria and process for the FDIC's review of the credibility of resolution plans. Under the revised rule, USBNA is required to submit triennial resolution plans and annual interim supplements in years in which a full resolution plan is not filed, which update certain information provided in the full resolution plan. USBNA filed its initial interim supplement in July 2025 and is required to file its next full resolution plan on or before July 1, 2026.

Recovery Plans The OCC has established enforceable guidelines for recovery planning by insured national banks with average total consolidated assets of $250 billion or more, including USBNA. The guidelines provide that a covered bank should develop and maintain a recovery plan that is appropriate for its individual risk profile, size, activities, and complexity, including the complexity of its organizational and legal entity structure. The guidelines state that a recovery plan should, among other elements, (i) establish triggers, which are quantitative or qualitative indicators of the risk or existence of severe stress that should always be escalated to management or the board of directors, as appropriate, for purposes of initiating a response; (ii) identify a wide range of credible options that a covered bank could undertake to restore financial and operational strength and viability; (iii) include impact assessments for each such recovery option, and (iv) address escalation procedures, management reports, and communication procedures. USBNA's most recent recovery plan was reviewed and approved pursuant to these guidelines in December 2025. In October 2025, the OCC proposed a rule that would rescind its recovery planning guidelines. If finalized, USBNA would cease to be subject to recovery planning requirements.

Transactions with Affiliates There are various legal restrictions on the extent to which the Company and its non-bank subsidiaries may borrow or otherwise engage in certain types of transactions with USBNA or its subsidiaries. Under the Federal Reserve Act and the Federal Reserve's Regulation W, USBNA and its subsidiaries are subject to quantitative and qualitative limits on extensions of credit (including credit exposure arising from repurchase and reverse repurchase agreements, securities borrowing and derivative transactions), purchases of assets, and certain other transactions with the Company or its other non-bank subsidiaries and affiliates. Additionally, transactions between USBNA or its subsidiaries, on the one hand, and the Company or its other non-bank subsidiaries and affiliates, on the other hand, are required to be on arm's length terms. Transactions between USBNA and its affiliates and the Company and its other non-bank subsidiaries and its affiliates must be consistent with standards of safety and soundness.

Anti-Money Laundering and Sanctions The Company is subject to several federal laws that are designed to combat money laundering and terrorist financing, and to restrict transactions with persons, companies, or foreign governments sanctioned by United States authorities. This category of laws includes the Bank Secrecy Act (the "BSA"), the Money Laundering Control Act, the USA PATRIOT Act (collectively, "AML laws"), and implementing regulations for the International Emergency Economic Powers Act and the Trading with the Enemy Act, as administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("sanctions laws").

As implemented by federal banking and securities regulators and the U.S. Department of the Treasury, AML laws obligate depository institutions and broker-dealers to verify their customers' identity, verify the identity of beneficial owners of legal entity customers, conduct customer due diligence, report on suspicious activity, file reports of certain transactions in currency, and conduct enhanced due diligence on certain accounts. Sanctions laws prohibit United States persons and certain foreign affiliates from engaging in any transaction with a restricted person or restricted country. Depository institutions and broker-dealers are required by their respective federal regulators to maintain policies and procedures in order to ensure compliance with the above obligations. Federal regulators regularly examine BSA/Anti-Money Laundering ("AML") and sanctions compliance programs to ensure their adequacy and effectiveness, and the frequency and extent of such examinations and related remedial actions have been increasing.

In January 2021, the Anti-Money Laundering Act of 2020 ("AMLA"), which amends the BSA, was enacted. Among other things, the AMLA codified a risk-based approach to anti-money laundering compliance for financial institutions; required the development of standards by the U.S. Department of the Treasury for evaluating technology and internal processes for BSA compliance; and expanded enforcement- and investigation-related authority, including a significant expansion in the available sanctions for certain BSA violations. Many of the statutory provisions in the AMLA require additional rulemakings, reports and other measures, and the impact of the AMLA will depend on, among other things, rulemaking and implementation guidance. In

June 2021, the Financial Crimes Enforcement Network, a bureau of the U.S. Department of the Treasury ("FinCEN"), issued the priorities for anti-money laundering and countering the financing of terrorism policy required under the AMLA. The priorities include corruption, cybercrime, terrorist financing, fraud, transnational crime, drug trafficking, human trafficking and proliferation financing. In July 2024, the OCC, the Federal Reserve, the FDIC and the National Credit Union Administration issued a joint proposed rule that would amend their rules regarding AML programs. Among other things, the proposed rule would require national banks, such as USBNA, to incorporate a risk assessment process into their AML programs that consider the priorities published by FinCEN and would encourage, but not require, banks to consider, evaluate and implement innovative approaches to meet BSA compliance obligations. The effects of the proposed rule on USBNA will depend on the final form of any rulemaking.

Community Reinvestment Act USBNA is subject to the provisions of the CRA. Under the terms of the CRA, banks have a continuing and affirmative obligation, consistent with safe and sound operation, to help meet the credit needs of their communities, including providing credit to individuals residing in low- and moderate-income neighborhoods. The OCC assesses USBNA on its record in meeting the credit needs of the community served by USBNA, including low- and moderate-income neighborhoods. CRA assessments also are considered by the Federal Reserve or OCC when reviewing applications by banking institutions to acquire, merge or consolidate with another banking institution or its holding company, to establish a new branch office that will accept deposits, or to relocate an office. In the case of a BHC applying for approval to acquire a bank or other BHC, the Federal Reserve will assess the CRA records of each subsidiary depository institution of the applicant BHC, and those records may be the basis for denying the application. USBNA received an "Outstanding" CRA rating in its most recent examination, covering the period from January 1, 2016 through December 31, 2020.

In October 2023, the OCC, together with the Federal Reserve and FDIC, issued a final rule that introduced major changes to the CRA regulatory framework. However, the final rule was paused in 2024 as the result of a court ordered injunction. In July 2025, the agencies proposed a rule to rescind the revised CRA framework and to replace it with the framework that existed prior to the 2023 rule.

Regulation of Brokerage, Investment Advisory and Insurance Activities The Company conducts a broad range of securities activities, both retail and institutional, in the United States through U.S. Bancorp Investments, Inc. and U.S. Bancorp Advisors, LLC (collectively, "broker-dealer entities"). These activities are subject to regulations of the SEC, the Financial Industry Regulatory Authority and other authorities, including state regulators. These regulations generally cover licensing of securities personnel, interactions with customers and counterparties, trading operations, securities underwriting compensation and arrangements, customer suitability, recordkeeping, reporting and communications. Securities regulators impose capital requirements on the Company's broker-dealer entities and conduct audits or other periodic reviews of their sales practice and financial operations. In addition, the Company's broker-dealer entities are members of the Securities Investor Protection Corporation, which oversees the liquidation of member broker-dealers that close when the broker-dealer is bankrupt or in financial distress and imposes membership fee assessments and other reporting requirements on the broker-dealer entities. In addition, in January 2026, the Company announced the pending acquisition of Condor Trading LP. The acquisition is expected to close in the second quarter of 2026, after which Condor Trading LP's subsidiary, BTIG, LLC, will become a broker-dealer subsidiary of the Company and will be subject to the regulatory framework described above.

The operations of the First American family of funds, the Company's proprietary money market fund complex, also are subject to regulation by the SEC, including rules requiring a floating net asset value for institutional prime and tax-free money market funds, permitting the board of directors of the money market funds the ability to limit redemptions during periods of stress (allowing for the use of liquidity fees and redemption gates during such times), requiring funds to hold proportions of their total assets in securities that can be liquidated in one business day and requiring institutional prime and institutional tax-exempt money market funds to impose liquidity fees on investors that redeem their investments during times of stress.

The Company's operations in the areas of insurance brokerage and reinsurance of credit life insurance are subject to regulation and supervision by various state insurance regulatory authorities, including the licensing of insurance brokers and agents.

Regulation of Derivatives and the Swaps Marketplace Under the Dodd-Frank Act, USBNA, as a CFTC registered swap dealer, is subject to rules regarding the regulation of the swaps marketplace and over-the-counter derivatives, including rules that require swap dealers and major swap participants to register with the CFTC, to meet certain business conduct, document, risk management, recordkeeping, reporting, and segregation requirements, and to centrally clear and trade swaps on regulated exchanges or execution facilities. CFTC rules also require USBNA to be a member of the National Futures Association, a self-regulatory organization with authority over swap dealers, and to comply with the rules of applicable exchanges and clearinghouses.

In addition, the OCC's rules concerning swap margin and capital requirements for swap dealers regulated by the OCC mandate the exchange of initial and variation margin for non-cleared swaps and non-cleared security-based swaps between swap entities regulated by five federal agencies and certain counterparties. The amount of margin will vary based on the relative risk of the non-cleared swap or non-cleared security-based swap. Other rules generally exempt inter-affiliate transactions from initial margin requirements to the extent a depository institution's total exposure to all affiliates is less than 15 percent of its tier 1 capital.

The Volcker Rule Section 13 of the BHC Act and its implementing regulations, commonly referred to as the “Volcker Rule,” prohibit banking entities from engaging in proprietary trading, and prohibit certain interests in, or relationships with, hedge funds or private equity funds. The Volcker Rule applies to the Company, USBNA and their affiliates, and compliance requirements are tailored based on the size and scope of trading activities. The Company has a Volcker Rule compliance program in place that covers all of its subsidiaries and affiliates, including USBNA.

Digital Assets In July 2025, the President signed into law the “Guiding and Establishing National Innovation for U.S. Stablecoins Act” or the “GENIUS Act.” The GENIUS Act establishes a regulatory framework for “payment stablecoins” and their issuers. The GENIUS Act permits payment stablecoins to be issued in the United States only by “permitted payment stablecoin issuers”, including the subsidiary of an insured depository institution such as USBNA. The GENIUS Act requires the U.S. Department of the Treasury and federal and state regulators to issue regulations on numerous topics to interpret and implement the statute. The effect of the GENIUS Act on the Company and USBNA will depend on the final form of any regulations and cannot be predicted at this time. In addition, although the federal banking regulators have not developed regulations governing the digital asset activities of banking organizations, the OCC has clarified that certain digital assets activities of national banks are permissible subject to safety-and-soundness standards and the OCC’s prior approval. In addition, Congress has recently proposed legislation that would, among other things, define when crypto tokens are securities, commodities or otherwise. Digital assets activities continue to be an area of significant focus for Congress, the current Presidential administration and the federal banking regulators. Any changes in law or in the Company’s or USBNA’s supervisory frameworks relating to digital assets cannot be predicted but may have a significant effect on the Company’s business.

Privacy and Data Protection Federal and state laws contain extensive consumer privacy and data protection provisions. The Gramm Leach-Bliley Act (“GLBA”) requires financial institutions to periodically disclose their privacy policies and practices relating to sharing nonpublic personal information (“NPI”) and enables retail customers to opt out of the sharing of such information with nonaffiliated third parties under certain circumstances. Other federal and state laws and regulations impact the Company’s ability to share certain information with affiliates and non-affiliates for marketing and/or non-marketing purposes, or to contact customers with marketing offers. The GLBA also requires financial institutions to implement a comprehensive information security program. Security and privacy policies and procedures for the protection of personal and confidential information are in effect across all the Company’s businesses and geographic locations.

Data privacy and data protection are areas of increasing legislative focus in the United States, and several U.S. states have enacted comprehensive consumer privacy laws that impose compliance obligations with respect to personal information. The Company has made and will make operational adjustments in accordance with the requirements of applicable privacy and data protection laws. For example, the Company is subject to the California Consumer Protection Act of 2018 and its implementing regulations, as amended in 2020 by the California Privacy Rights Act (the "CCPA"), which provides residents of California with specific rights with respect to the collection of their personal information. The CCPA exempts NPI from its scope. The Company continues to evaluate new regulations, enforcement activities and court decisions, and their effects on the Company. Similar comprehensive consumer privacy laws have been adopted by other states where the Company does business. Each of these state laws, however, includes data level exemptions and/or entity level exemptions for “financial institutions” (or a similar variation) for entities that are subject to the BHC Act like the Company and USBNA. The United States Congress has also proposed legislation relating to data privacy and data protection, and the federal government may in the future pass such legislation.

In addition, in the European Union (“EU”), privacy law is governed by the General Data Protection Regulation (“GDPR”), which is directly binding and applicable in each EU member state. The GDPR contains enhanced compliance obligations and increased penalties for non-compliance and is regularly enforced by European regulators. Canada is in the process of replacing its federal privacy law, the Personal Information Protection and Electronic Documents Act (“PIPEDA”), with a new privacy framework that the Company expects will impose additional compliance obligations on the Company’s Canadian operations. There is currently no timeframe for this change to PIPEDA, as the related bill did not advance before the Parliament’s session ended in January 2025. Canada also has several provincial privacy laws, such as Quebec Law 25, which add requirements in addition to the federal privacy law.

In October 2024, the CFPB finalized a rule regarding personal financial data rights, which applies to financial institutions that control or possess data relating to covered consumer financial products or services, such as Regulation E accounts and credit card issuers. Under the final rule, USBNA will be required to provide consumers and, upon the consumer’s request, their authorized third parties with electronic access to “covered data.” This includes transaction information, account balances, upcoming bill information, information to initiate payment to and from accounts, the terms and conditions under which an account or credit card was provided, and certain other basic account verification information. The final rule requires “data providers” such as USBNA to create detailed access interfaces for both consumers and developers in order to effectuate consumers’ access to, and transfer of, their personal financial data. USBNA will be prohibited from imposing any fees or charges for maintaining or providing access to or facilitating the transfer of such data. However, this rule is the subject of litigation, and enforcement is currently stayed while the CFPB considers revisions to the rule.

Like other lenders, USBNA and other subsidiaries of the Company use consumer reports in their underwriting activities. Use of such information is regulated under the Fair Credit Reporting Act (“FCRA”), and the FCRA also regulates reporting information to consumer reporting agencies, prescreening individuals for credit offers, sharing of consumer reports between affiliates, and using affiliate credit data for marketing purposes. Similar state laws may impose additional requirements on the Company and its

subsidiaries. A notice of proposed rulemaking to revise the FCRA was published in December 2024, with comments to the proposal due in March 2025. The CFPB subsequently withdrew the proposed rule in May 2025.

The federal banking regulators, as well as the SEC, CFPB, CFTC, and related self-regulatory organizations, regularly issue guidance on cybersecurity that is intended to enhance cyber risk management among financial institutions and provide timely information to investors. A financial institution's management is required to maintain sufficient business continuity planning processes to ensure the rapid recovery, resumption and maintenance of the institution's operations after a cybersecurity incident. A financial institution is also expected to develop appropriate processes to enable recovery of data and business operations if the institution or its critical service providers experience a cybersecurity incident.

The Company and its subsidiaries are subject to increasing numbers of regulatory notification and disclosure requirements related to cybersecurity. Banking organizations, such as the Company and USBNA, are required to notify their primary federal regulator within 36 hours of a computer-security incident that results in actual harm to the confidentiality, integrity, or availability of an information system or the information that the system processes, stores or transmits, which has materially disrupted or degraded, or is reasonably likely to materially disrupt or degrade, the banking organization's ability to deliver services to a material portion of its customer base, jeopardize the viability of key operations of the banking organization, or impact the stability of the financial sector. Similarly, the Office of the Superintendent of Financial Institutions in Canada requires Federally Regulated Financial Institutions to report qualifying technology and cybersecurity incidents under the provisions of the August 13, 2021 Technology and Cyber Security Incident Reporting Advisory.

Consumer Protection USBNA's retail banking activities are subject to a variety of federal and state statutes and regulations designed to protect consumers. These laws and regulations, among other things, require disclosures of the cost of credit and terms of deposit accounts, provide substantive consumer rights, prohibit discrimination in credit transactions, regulate the use of credit report information, provide financial privacy protections, prohibit unfair, deceptive and abusive practices and subject USBNA to substantial regulatory oversight. Violations of applicable consumer protection laws can result in significant potential liability from litigation brought by customers, including actual damages, restitution and attorneys' fees, and may also result in significant reputational harm. USBNA's regulators may also seek to enforce consumer protection requirements and obtain these and other remedies, including regulatory sanctions and civil money penalties.

USBNA and its subsidiaries are subject to supervision and regulation by the CFPB with respect to federal consumer laws. The CFPB has in the past undertaken numerous rule-making and other initiatives, including launching an initiative to reduce the amounts and types of fees financial institutions may charge, including by recently proposing a rule that would significantly reduce the permissible amount of credit card late fees, issuing informal guidance and taking enforcement actions against certain financial institutions. However, during 2025, the CFPB reduced its staff by over 80%. The reduction in force is the subject of litigation, and a federal circuit court's decision allowing the staffing cuts to continue is currently held in abeyance while the plaintiffs file a petition for rehearing. The effects of these developments on banking organizations subject to CFPB regulation and supervision, including USBNA, is uncertain. States and state attorneys general may increase regulatory, investigative and enforcement activity with respect to consumer protection, in response to changes in regulation, supervision and enforcement of consumer protection laws by federal regulators.

Executive and Incentive Compensation Guidelines adopted by the federal banking agencies prohibit excessive compensation as an unsafe and unsound practice and describe compensation as "excessive" when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer, employee, director or principal stockholder. The Federal Reserve has issued comprehensive guidance on incentive compensation policies (the "Incentive Compensation Guidance") intended to ensure that the incentive compensation policies of banking organizations do not undermine safety and soundness by encouraging excessive risk-taking. The Incentive Compensation Guidance is based upon the key principles that a banking organization's incentive compensation arrangements should (i) provide incentives that do not encourage risk-taking beyond the organization's ability to effectively identify and manage risks; (ii) be compatible with effective internal controls and risk management; and (iii) be supported by strong corporate governance, including active and effective oversight by the organization's board of directors. The Incentive Compensation Guidance states that enforcement actions may be taken against a banking organization if its incentive compensation arrangements or related risk-management control or governance processes pose a risk to the organization's safety and soundness and the organization is not taking prompt and effective measures to correct the deficiencies.

During 2016, the federal bank regulatory agencies and the SEC proposed revised rules on incentive-based payment arrangements at specified regulated entities having at least $1 billion of total assets. In July 2024, the OCC, FDIC, Federal Housing Finance Agency and National Credit Union Administration jointly re-proposed the regulatory text of the 2016 proposal. The Federal Reserve and the SEC did not join the proposal, and the proposed rule will not be published in the Federal Register until the agencies have joined.

Environmental, Social and Sustainability In recent years, certain lawmakers and regulators inside and outside the United States have increased their focus on financial institutions' and other companies' risk oversight, disclosures and practices in connection with climate change and other environmental, social and sustainability matters. Several states in which the Company operates have enacted or proposed statutes, regulations or guidance addressing climate change and other sustainability issues. For example, in 2023, the State of California enacted laws, which are subject to ongoing litigation, requiring certain companies doing business in California to disclose greenhouse gas emissions data and certain other climate-related information. In addition, the

European Union's Corporate Sustainability Reporting Directive came into effect in January 2023, significantly expanding the scope of sustainability disclosures required to be disclosed by certain EU and non-EU companies.

Fair Access to Financial Services In recent years, certain states have enacted, or have proposed to enact, statutes, regulations or policies that prohibit financial institutions from denying or canceling products or services to a person or business, or otherwise discriminating against a person or business in making available products or services, on the basis of certain social or political factors or other activities. The current Presidential administration has issued a number of executive orders and various agencies have taken positions that relate to environmental and social matters. In August 2025, the President signed Executive Order 14331, "Guaranteeing Fair Banking Access for All Americans," which states that it is the policy of the United States that no American should be denied access to financial services because of their constitutionally or statutorily protected beliefs, affiliations, or political views. The Executive Order directs the Secretary of the Treasury and federal banking regulators to address politicized or unlawful debanking activities. In connection with this Executive Order, the OCC conducted a supervisory review of large banks, including USBNA. We are unable to predict at this time what, if any, measures the OCC may take following its supervisory review. In addition, some of the measures described in this section may conflict with other regulatory requirements, including those described above. Due to legal challenges and other uncertainties, the effects of these measures on the Company or USBNA cannot be predicted at this time.

Other Supervision and Regulation As a public company, the Company is subject to the requirements of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated by the SEC thereunder, as administered by the SEC. As a listed company on the New York Stock Exchange ("NYSE"), the Company is subject to the rules of the NYSE for listed companies.

Capital Covenants

The Company has entered into several transactions involving the issuance of capital securities ("Capital Securities") by a certain Delaware statutory trust formed by the Company (the "Trust"), the issuance by the Company of preferred stock ("Preferred Stock") and the issuance by a subsidiary of USBNA of preferred stock exchangeable for the Company's Preferred Stock under certain circumstances ("Exchangeable Preferred Stock"). Simultaneously with the closing of certain of those transactions, the Company entered into a replacement capital covenant, as amended from time to time (as amended, each, a "Replacement Capital Covenant" and collectively, the "Replacement Capital Covenants") for the benefit of persons that buy, hold or sell a specified series of long-term indebtedness of the Company or USBNA (the "Covered Debt"). Each of the Replacement Capital Covenants provides that neither the Company nor any of its subsidiaries (including the Trust) will repay, redeem or purchase any of the Preferred Stock, Exchangeable Preferred Stock or the Capital Securities and the securities held by the Trust (the "Other Securities"), as applicable, on or before the date specified in the applicable Replacement Capital Covenant, unless the Company has received proceeds from the sale of qualifying securities that (a) have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Preferred Stock, the Exchangeable Preferred Stock, the Capital Securities or Other Securities, as applicable, at the time of repayment, redemption or purchase, and (b) the Company has obtained the prior approval of the Federal Reserve, if such approval is then required by the Federal Reserve or, in the case of the Exchangeable Preferred Stock, the approval of the OCC.

The Company will provide a copy of any Replacement Capital Covenant to a holder of the relevant Covered Debt upon request. For copies of any of these documents, holders should write to Investor Relations, U.S. Bancorp, 800 Nicollet Mall, Minneapolis, Minnesota 55402, or call (866) 775-9668.

The following table identifies the closing date for each transaction, issuer, series of Capital Securities, Preferred Stock or Exchangeable Preferred Stock issued in the relevant transaction, Other Securities, if any, and applicable Covered Debt as of February 23, 2026, for those securities that remain outstanding.

Closing Date	Issuer	Capital Securities, Preferred Stock or Exchangeable Preferred Stock	Other Securities	Covered Debt
3/17/06	USB Capital IX and U.S. Bancorp	USB Capital IX's $675,378,000 of 6.189% Fixed-to-Floating Rate Normal Income Trust Securities	U.S. Bancorp's Series A Non-Cumulative Perpetual Preferred Stock	U.S. Bancorp's 2.491% Fixed Rate Reset Subordinated Notes due November 3, 2036 (CUSIP No. 91159HJB7)
3/27/06	U.S. Bancorp	U.S. Bancorp's 40,000,000 Depositary Shares ($25 per Depositary Share), each representing a 1/1,000th interest in a share of Series B Non-Cumulative Perpetual Preferred Stock	Not Applicable	U.S. Bancorp's 2.491% Fixed Rate Reset Subordinated Notes due November 3, 2036 (CUSIP No. 91159HJB7)
12/22/06	USB Realty Corp.[(a)] and U.S. Bancorp	USB Realty Corp.'s 4,500 shares of Fixed-to-Floating-Rate Exchangeable Non-Cumulative Perpetual Series A Preferred Stock exchangeable for shares of U.S. Bancorp's Series C Non-Cumulative Perpetual Preferred Stock[(b)]	Not Applicable	U.S. Bancorp's 2.491% Fixed Rate Reset Subordinated Notes due November 3, 2036 (CUSIP No. 91159HJB7)

(a) USB Realty Corp. is a subsidiary of USBNA.

(b) Under certain circumstances, upon the direction of the OCC, each share of USB Realty Corp.'s Series A Preferred Stock will be automatically exchanged for one share of U.S. Bancorp's Series C Non-Cumulative Perpetual Preferred Stock.

Available Information

U.S. Bancorp's website can be found at www.usbank.com. U.S. Bancorp makes available free of charge on its website, by clicking on "About us" and then clicking on "Investor relations" and then clicking on "Financials" and then clicking on "SEC filings," its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13 or 15(d) of the Exchange Act, as well as all other reports filed by U.S. Bancorp with the SEC as soon as reasonably practicable after electronically filed with, or furnished to, the SEC.

Additional Information

Additional information in response to this Item 1 can be found in the 2025 Annual Report on pages 53 to 54 under the heading "Business Segment Financial Review." That information is incorporated into this report by reference.

Item 1A. Risk Factors

Information in response to this Item 1A can be found in the 2025 Annual Report on pages 135 to 150 under the heading "Risk Factors." That information is incorporated into this report by reference.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Assessment and Management

The Company is committed to managing risks that may impact the Company and incorporating risk considerations into its business activities at all levels, including strategic planning, risk identification inventory and assessment, and day-to-day business decisions. The Company's Board of Directors has approved a risk management framework that establishes governance and risk management requirements for all the Company's key risk areas and risk-taking activities. The Board oversees management's performance relative to the risk management framework and risk appetite. Management is responsible for defining the various risks facing the Company, formulating risk management policies and procedures, and managing risk exposures on a day-to-day basis. The Company's Executive Risk Committee (ERC), which is chaired by the Chief Risk Officer, oversees execution of the risk management framework. The ERC is supported by management's senior operating committees, each responsible for a specified risk category. The Company's Cybersecurity and Technology Governance Committee (CTGC), which is co-chaired by the co-Chief Information Security Officers (CISOs), the Chief Technology Risk Officer, and the Head of Enterprise Architecture, is a senior operating committee under this risk governance structure and is responsible for the management of information security risk at the Company. The CTGC acts as the primary management-level committee dedicated to the governance and oversight of cybersecurity and technology at the Company. The CTGC exercises oversight and provides strategic direction regarding cybersecurity and technology risks, including significant related risk events, and also monitors the overall health of the functions and the timely execution of critical actions. The CTGC considers the condition of the risks, the Company's programs to manage risks, and significant cybersecurity or technology risk items escalated to the CTGC. The CTGC serves as a decision-making and approval body for key cybersecurity and technology policies, programs, emerging risks, and issues, while facilitating communication across business lines and escalating matters to executive management, the ERC, or the Board, including the Technology Committee, as appropriate. To accomplish its responsibilities, the CTGC is composed of senior management from Technology, including Information Security Services (ISS), Risk Management and Compliance, and from business line risk management. Generally, each of the ERC and CTGC meet at least monthly.

As part of the Company's risk management framework, risk management programs and processes are in place to incorporate risk considerations into day-to-day business activities across the Company's risk categories, business lines, and functions. Risk programs may manage all or certain components of a particular risk type. The Company's cybersecurity risk program provides centralized planning and management of related and interdependent work with a focus on risks from cybersecurity threats. Additionally, the Company's Information Security Awareness and Training Program educates employees and contractors on information security policies, standards, and practices to protect U.S. Bancorp's information, information systems, and processes. The Company's cybersecurity risk program is integrated into the Company's overall business and operational strategies and requires that the Company allocate appropriate resources to maintain the program.

The Company's processes for assessing, identifying, and managing material risks from cybersecurity threats are integrated into the Company's overall risk governance and oversight structures through its "three lines of defense" model for establishing effective checks and balances within the risk management framework. In this model, specific to cybersecurity threats, the first line of defense is ISS, which is responsible for identifying and implementing cybersecurity controls in accordance with policy requirements and industry best practices, to meet regulatory requirements and to safeguard the business. The second line of defense, Cybersecurity Risk Oversight within the Company's Operational Risk Management group, provides reporting and escalation of emerging risks related to cybersecurity and other concerns to senior management, the ERC, the CTGC, other designated senior operating committees, and the Risk Management Committee of the Board of Directors. The third line of defense, the Company's internal audit function, provides independent assessment and assurance regarding the effectiveness of

the Company's governance, risk management, and control processes with respect to cybersecurity threats, and provides challenges and recommendations for improvement.

The Company uses reporting and metrics frameworks and regular internal and external oversight to assess the health of the cybersecurity risk program. At the first level, the ISS team identifies, assesses, and manages cybersecurity risk and threats. The Company manages cybersecurity issues and findings through remediation and/or closure, with escalation processes if an issue or finding cannot be remediated within required timeframes. The Company engages external assessors, consultants, and auditors to review the Company's cybersecurity risk program against those of industry peers. The Company also uses consultants periodically to provide recommendations to improve and enhance the program. Additionally, the Company continually works to align its policies and practices with industry-accepted information security practices as provided by the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), Payment Card Industry Data Security Standards (PCI DSS), and other applicable standards, laws, and regulations.

During the fiscal year ended December 31, 2025, the Company has not identified any specific risks from cybersecurity threats that have materially affected, or are reasonably likely to affect, the Company and its business strategy, results of operations, or financial condition, other than the risks described under "Risk Factors – Operations and Business Risk" in the 2025 Annual Report. The Company may not be successful in preventing or mitigating the impacts of a future cybersecurity incident that could have a material adverse effect on the Company or its business strategy, results of operations or financial condition.

Third Party Risks

The Company also maintains a third-party risk management program responsible for the oversight of outsourced operations, which enables the Company to oversee and identify risks related to engaging third-party service providers, including risks from cybersecurity threats to third-party service providers. The Company conducts due diligence using a risk-based approach in selecting and monitoring third-party service providers. The Company also obtains contractual assurances from third-party service providers relating to their security responsibilities, controls, reporting, and roles and responsibilities as it pertains to cybersecurity incident response policies and notification requirements. As appropriate, the Company obtains independent reviews of the third parties' security through audit reports and testing and conducts verification and validation with third parties to confirm cybersecurity and information security risks are appropriately identified, measured, mitigated, monitored, and reported by the third party to the Company.

Board of Directors Oversight

As part of its responsibility to oversee the management, business, and strategy of the Company, the Company's Board of Directors reviews and approves the Company's risk management framework annually through its Risk Management Committee and oversees the Company's risk management processes by informing itself about the Company's key risks and evaluating whether management has reasonable risk management and control processes in place to address those risks. The Board carries out its risk management oversight responsibilities primarily through its committees. Each Board committee is responsible for overseeing certain risks under its charter. The Board's Risk Management Committee has primary oversight responsibility for cybersecurity risk, including risks from any cybersecurity threats. The Risk Management Committee monitors the Company's compliance with the risk management framework and risk limits established under the Company's risk appetite statement approved by the Board. The Risk Management Committee also oversees the Company's independent risk management function. The Risk Management Committee and its Cybersecurity and Technology Subcommittee receive quarterly reports from management on cybersecurity issues, including cybersecurity threats. The Board's Risk Management Committee and Audit Committee also hold a joint meeting annually at which they receive a report from the Company's co-CISOs on cybersecurity threats facing the Company and its preparedness to meet and respond to those threats. In addition, the full Board holds periodic cybersecurity education sessions, which may feature the perspective of an outside expert on current cybersecurity topics. The Company also typically conducts an annual executive-level crisis exercise that includes a cybersecurity component to test its resiliency response, completeness of playbooks, and communication protocols. This exercise involves Board members, Managing Committee members, third-party companies, and regulators, as appropriate.

The Company's risk management framework includes its risk appetite statement, which is approved annually by the Board's Risk Management Committee, and defines acceptable levels of risk-taking and risk limits and establishes the governance and oversight activities over risk management and reporting. Management monitors and measures the Company's risk appetite using a quantitative risk scorecard consisting of risk appetite metrics and associated limits reported to the Board's Risk Management Committee on a quarterly basis. The Company's risk appetite statement includes specific information security metrics and associated limits. These limits also inform how matters, including cybersecurity incidents or threats, are escalated to specific members of management, appropriate senior operating committees (including the CTGC and/or ERC), and/or the Board of Directors or appropriate Board committee. The Board's Risk Management Committee oversees the Company's risk profile relative to its risk appetite and compliance with risk limits.

Management Oversight

The members of the Company's management who are primarily responsible for assessing and managing risks from cybersecurity threats, including monitoring risk appetite metrics and limits related to cybersecurity, include the Company's co-CISOs, Chief Risk Officer, and Chief Information and Technology Officer. The co-CISOs and the members of senior management within the Risk and Technology business lines all have relevant expertise and experience in cybersecurity and information technology risk management.

Following the departure of the Company's CISO in November 2025, the two Deputy CISOs are temporarily serving in the role of co-CISOs while the search for a permanent CISO continues. The Company's co-CISOs are primarily responsible for the implementation of defense capabilities and risk mitigation strategies. The co-CISOs are supported by their direct reports and teams, many of whom hold cybersecurity-related certifications. One of the co-CISOs, Julia Nolan, has over 23 years of experience at the Company, having transitioned from traditional consumer banking roles to ISS in 2016, and most recently holding the position of Deputy CISO responsible for data security, insider threat, security awareness, forensic investigations, adversary emulation and vulnerability management since 2024. The other co-CISO, David Kuhn, has over 18 years of experience at the Company in ISS, most recently holding the position of Deputy CISO responsible for cyber defense since 2024.

The Company's co-CISOs report to Venkatachari Dilip, the Company's Senior Executive Vice President and Chief Information and Technology Officer. Mr. Dilip has oversight of technology-related risk management issues and controls that align to the NIST CSF. Mr. Dilip has served as Chief Information and Technology Officer since joining the Company in September 2018 and has more than 20 years of relevant experience in this field.

The co-CISOs and their leadership team generally meet each business day to discuss security item triage and emerging threats and trends identified by the Threat Intelligence Team. The co-CISOs share pertinent information from those meetings with the Chief Information and Technology Officer and the Chief Risk Officer. During a cyber incident, which could involve the Company or a third-party service provider to the Company, the Company's Cyber Security Incident Response Team (CSIRT) leads the response and internal communication. CSIRT manages low and moderate severity incidents, and Enterprise Crisis Management manages high and very high severity incidents. The risk rating of an incident may change throughout the incident investigation period as new information is learned or the environment changes. Depending on severity level, CSIRT or Enterprise Crisis Management distributes incident communications to senior management, including the Chief Executive Officer, Chief Risk Officer, Board of Directors or appropriate Board committee, and if applicable, the Company's regulators.

ISS leadership reports prevention, detection, mitigation, and remediation activities through various working groups and committees. Certain working groups meet with the co-CISOs monthly to review completed risk assessments, and items that require escalation are reported up using the internal committee structure and ad hoc communications if time sensitive. Additionally, working group and committee meetings report up issues to Operational Risk Management, which may decide to open a formal Risk Management Issue (RMI) based on the severity of the issue or other factors and which are subject to specific governance processes. All security-related RMI remediation activities are reviewed with the Chief Risk Officer and Chief Information and Technology Officer on a bi-weekly basis.

Item 2. Properties

U.S. Bancorp and its subsidiaries occupy headquarter offices under a long-term lease in Minneapolis, Minnesota. U.S. Bancorp and its subsidiaries lease 4 freestanding operations centers in Kansas City, Little Rock, Minneapolis and Chicago, and also own 8 principal operations centers in Cincinnati, Fargo, Knoxville, Oshkosh, Olathe, Owensboro, Portland and St. Paul. At December 31, 2025, U.S. Bancorp and its subsidiaries owned and operated a total of 1,056 facilities and leased an additional 1,409 facilities. The Company believes its current facilities are adequate to meet its needs. Additional information with respect to the Company's premises and equipment is presented in Note 8 of the Notes to Consolidated Financial Statements included in the 2025 Annual Report. That information is incorporated into this report by reference.

Item 3. Legal Proceedings

Information in response to this Item 3 can be found in Note 22 of the Notes to Consolidated Financial Statements included in the 2025 Annual Report under the heading, "Litigation and Regulatory Matters." That information is incorporated into this report by reference.

Item 4. Mine Safety Disclosures

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The Company announced on September 12, 2024 that its Board of Directors authorized a share repurchase program to repurchase up to $5.0 billion of its common stock, effective September 13, 2024. Capital distributions, including dividends and stock repurchases, are subject to the approval of the Company's Board of Directors and compliance with legal and regulatory requirements.

The following table provides a detailed analysis of all shares of common stock of the Company purchased by the Company during the fourth quarter of 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (In Millions)
October 1-31	2,134,438	$47.05	2,134,438	$4,411
November 1-30	750	45.90	750	4,411
December 1-31	411,240	53.41	411,240	4,389
Total	2,546,428	$48.08	2,546,428	$4,389

Additional Information

Additional information in response to this Item 5 can be found in the 2025 Annual Report on page 134 under the heading "U.S. Bancorp Supplemental Financial Data (Unaudited)." That information is incorporated into this report by reference.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Information in response to this Item 7 can be found in the 2025 Annual Report on pages 22 to 59 under the heading "Management's Discussion and Analysis." That information is incorporated into this report by reference.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Information in response to this Item 7A can be found in the 2025 Annual Report on pages 31 to 52 under the heading "Corporate Risk Profile." That information is incorporated into this report by reference.

Item 8. Financial Statements and Supplementary Data

Information in response to this Item 8 can be found in the 2025 Annual Report on pages 60 to 134 under the headings "Report of Management," "Report of Independent Registered Public Accounting Firm," "Report of Independent Registered Public Accounting Firm," "U.S. Bancorp Consolidated Balance Sheet," "U.S. Bancorp Consolidated Statement of Income," "U.S. Bancorp Consolidated Statement of Comprehensive Income," "U.S. Bancorp Consolidated Statement of Shareholders' Equity," "U.S. Bancorp Consolidated Statement of Cash Flows," "Notes to Consolidated Financial Statements," "U.S. Bancorp Consolidated Daily Average Balance Sheet and Related Yields and Rates (Unaudited)" and "U.S. Bancorp Supplemental Financial Data (Unaudited)." That information is incorporated into this report by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Information in response to this Item 9A can be found in the 2025 Annual Report on page 59 under the heading "Controls and Procedures" and on pages 60 and 61 under the headings "Report of Management" and "Report of Independent Registered Public Accounting Firm." That information is incorporated into this report by reference.

Item 9B. Other Information

During the three months ended December 31, 2025, no director or officer (as defined in SEC Rule 16a-1(f)) 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 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Code of Ethics and Business Conduct

The Company has adopted a Code of Ethics and Business Conduct that applies to its principal executive officer, principal financial officer and principal accounting officer. The Company's Code of Ethics and Business Conduct can be found at www.usbank.com by clicking on "About us" and then clicking on "Investor relations" and then clicking on "Corporate Governance" and then clicking on "Governance documents" and then clicking on "Code of Ethics and Business Conduct." The Company intends to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, certain provisions of the Code of Ethics and Business Conduct that apply to its principal executive officer, principal financial officer and principal accounting officer by posting such information on its website, at the address and location specified above.

Insider Trading Policies

The Company has adopted an Insider Trading Policy that applies to its directors, executive officers, and certain other employees. The Company's Insider Trading Policy governs the purchase, sale and other dispositions of the Company's securities by these individuals, and the Company believes it is reasonably designed to promote compliance with insider trading laws, rules and regulations and the listing standards of the NYSE. The foregoing summary of the Insider Trading Policy does not purport to be complete and is qualified in its entirety by reference to the full text of the Insider Trading Policy incorporated by reference as Exhibit 19.

The Company is also prohibited from trading at any time in any Company securities on the basis of material non-public information, subject to applicable law.

Information About the Company's Managing Committee[1]

Gunjan Kedia

Ms. Kedia, 55, is Chief Executive Officer and President of U.S. Bancorp and a member of U.S. Bancorp's Board of Directors. Ms. Kedia has served as Chief Executive Officer since April 2025 and has served as President since May 2024. From June 2023 to May 2024, she served as Vice Chair, Wealth, Corporate, Commercial and Institutional Banking, of U.S. Bancorp. From December 2016 to June 2023, she served as Vice Chair, Wealth Management and Investment Services, of U.S. Bancorp. In April 2026, she will assume the additional role of Chairman of U.S. Bancorp's Board of Directors.

Souheil S. Badran

Mr. Badran, 61, is Senior Executive Vice President and Chief Operations Officer of U.S. Bancorp. Mr. Badran has served in this position since joining U.S. Bancorp in December 2022. From January 2019 until November 2022, he served as Executive Vice President and Chief Operating Officer at Northwestern Mutual, having also served as Chief Innovation Officer from January 2019 until September 2019.

Elcio R.T. Barcelos

Mr. Barcelos, 55, is Senior Executive Vice President and Chief Human Resources Officer of U.S. Bancorp. Mr. Barcelos has served in this position since joining U.S. Bancorp in September 2020. Prior to joining U.S. Bancorp, he served in a leadership role at Federal National Mortgage Association (Fannie Mae).

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[1] *This section includes the biographies of the members of the Managing Committee of U.S. Bancorp. Each member of the Managing Committee, except for Gregory G. Cunningham, Adam Graves, Sekou Kaalund, Felicia La Forgia and Dominic V. Venturo, is deemed to be an executive officer of U.S. Bancorp.*

James L. Chosy

Mr. Chosy, 62, is Senior Executive Vice President and General Counsel of U.S. Bancorp. Mr. Chosy has served in this position since March 2013. He also served as Corporate Secretary of U.S. Bancorp from June 2022 until December 2023 and from March 2013 until April 2016.

Gregory G. Cunningham

Mr. Cunningham, 62, is Senior Executive Vice President and Chief Community Impact and Inclusion Officer of U.S. Bancorp. Mr. Cunningham has served in this position since May 2025. From July 2020 until May 2025, he served as Chief Diversity Officer of U.S. Bancorp. From July 2019 until July 2020, he served as Senior Vice President and Chief Diversity Officer of U.S. Bancorp, having served as Vice President of Customer Engagement of U.S. Bancorp from October 2015, when he joined U.S. Bancorp, until July 2019.

Venkatachari Dilip

Mr. Dilip, 66, is Senior Executive Vice President and Chief Information and Technology Officer of U.S. Bancorp. Mr. Dilip previously was an Executive Vice President from September 2018 to April 2023 and has served as Chief Information and Technology Officer since September 2018, when he joined U.S. Bancorp.

Adam Graves

Mr. Graves, 48, is Senior Executive Vice President and Head of Enterprise Strategy and Administration of U.S. Bancorp. Mr. Graves has served in this position since April 2025. From September 2023 until April 2025, he served as Executive Vice President and Head of Strategy and Corporate Development of U.S. Bancorp, having also served as Head of Finance Strategy and Corporate Development of U.S. Bancorp from February 2018 until September 2023.

Sekou Kaalund

Mr. Kaalund, 50, is Senior Executive Vice President, Head of Branch and Small Business Banking of U.S. Bancorp. Mr. Kaalund previously was Executive Vice President from December 2022 to January 2025 and has served as Head of Branch and Small Business Banking since joining U.S. Bancorp in December 2022. Prior to joining U.S. Bancorp, he served as the Head of Consumer Banking for the Northeast Division at JPMorgan Chase from September 2020 to December 2022. He served as Managing Director and Head of Advancing Black Pathways at JPMorgan Chase from August 2018 to September 2020 and was a Managing Director across several areas in the Corporate Investment Bank at JPMorgan Chase, including U.S. Public and Corporate Pensions and Global Private Equity and Real Estate Fund Services, from July 2007 to September 2020.

Courtney Kelso

Ms. Kelso, 48, is Senior Executive Vice President, Head of Payments: Consumer and Small Business of U.S. Bancorp. Ms. Kelso has served in this position since joining U.S. Bancorp in February 2025. Prior to joining U.S. Bancorp, she served as Executive Vice President and Head of Card Products, Global Commercial Services at American Express from February 2021 to February 2024. From February 2018 to February 2021, she served as Senior Vice President of US Small Business, Co-Brand and Corporate Cards, Global Commercial Services at American Express.

Felicia La Forgia

Ms. La Forgia, 57, is Senior Executive Vice President, Head of the Institutional Client Group (ICG) of U.S. Bancorp. Ms. La Forgia previously was Executive Vice President from July 2016 to January 2025 and has served as Head of ICG since June 2024. From June 2020 to June 2024, she served as Head of Corporate Banking of U.S. Bancorp.

Stephen L. Philipson

Mr. Philipson, 47, is Vice Chair and Head of Wealth, Corporate, Commercial and Institutional Banking (WCIB). Mr. Philipson has served as Vice Chair since April 2025 and Head of WCIB since June 2024. He served as Senior Executive Vice President from April 2023 through April 2025. From April 2023 to June 2024, he served as Head of Global Markets and Specialized Finance of U.S. Bancorp. From October 2017 to April 2023, he served as Head of Fixed Income and Capital Markets of U.S. Bancorp.

Jodi L. Richard

Ms. Richard, 57, is Vice Chair and Chief Risk Officer of U.S. Bancorp. Ms. Richard has served in this position since October 2018. She served as Executive Vice President and Chief Operational Risk Officer of U.S. Bancorp from January 2018 until October 2018.

Arijit Roy

Mr. Roy, 49, is Senior Executive Vice President, Head of Consumer and Business Banking Products of U.S. Bancorp. Mr. Roy previously was Executive Vice President from August 2023 to October 2024 and has served as Head of Consumer and Business Banking Products since July 2024. Prior to July 2024, he served as Head of Consumer and Segment Solutions since joining U.S. Bancorp in July 2022. Prior to joining U.S. Bancorp, he held various leadership positions at Truist, including Executive Vice President and Head of Consumer Products from April 2022 to July 2022, Executive Vice President of Deposits, Small Business Banking, Strategy and Analytics from July 2021 to April 2022, and Senior Vice President of Strategy, Digital Integration and Transformation from September 2019 to July 2021.

Mark G. Runkel

Mr. Runkel, 49, is Vice Chair and Head of Payments: Merchant and Institutional. Mr. Runkel has served as Vice Chair since April 2025 and Head of Payments: Merchant and Institutional since January 2025. From August 2021 to January 2025, he served as Senior Executive Vice President and Chief Transformation Officer of U.S. Bancorp. From December 2013 to August 2021, he served as Senior Executive Vice President and Chief Credit Officer of U.S. Bancorp.

John C. Stern

Mr. Stern, 47, is Vice Chair and Chief Financial Officer of U.S. Bancorp. Mr. Stern has served as Vice Chair since April 2025 and Chief Financial Officer since September 2023. He served as Senior Executive Vice President from April 2023 until April 2025. He also served as Head of Finance of U.S. Bancorp from May 2023 to August 2023. He served as Executive Vice President of U.S. Bancorp from July 2013 through April 2023. From May 2021 until May 2023, he served as President of the Global Corporate Trust and Custody business of U.S. Bancorp. Previously, he served as Treasurer of U.S. Bancorp from July 2013 to May 2021.

Dominic V. Venturo

Mr. Venturo, 59, is Senior Executive Vice President and Chief Digital Officer of U.S. Bancorp. Mr. Venturo has served in this position since July 2020. From January 2015 until July 2020, he served as Executive Vice President and Chief Innovation Officer of U.S. Bancorp.

Additional Information

Additional information in response to this Item 10 can be found in the Proxy Statement under the headings “Proposal 1 — Election of directors,” “Corporate governance — Committee responsibilities” and “Corporate governance — Committee member qualifications.” That information is incorporated into this report by reference.

Item 11. Executive Compensation

Information required to be furnished in response to this Item 11 can be found in the Proxy Statement under the headings “Compensation discussion and analysis,” “Compensation Committee report,” “Corporate governance – Compensation Committee Interlocks and Insider Participation,” “Executive compensation” and “Director compensation.” That information is incorporated into this report by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Equity Compensation Plan Information

The following table summarizes information regarding the Company's equity compensation plans in effect as of December 31, 2025:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by security holders			41,129,704 [a]
Stock options	914,872 [b]	$ 53.29	
Restricted stock units and performance-based restricted stock units	9,349,234 [c]	—	
Equity compensation plans not approved by security holders	157,794 [d]	—	—
Total	10,421,900		41,129,704

(a) The 41,129,704 shares of the Company's common stock available for future issuance are reserved under the U.S. Bancorp 2024 Stock Incentive Plan (the "2024 Plan"). Future awards under the 2024 Plan may be made in the form of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards, dividend equivalents, stock awards, or other stock-based awards.

(b) Includes shares of the Company's common stock underlying stock options granted under the U.S. Bancorp 2015 Stock Incentive Plan (the "2015 Plan").

(c) Includes shares of the Company's common stock underlying performance-based restricted stock units (awarded to the members of the Company's Managing Committee and settled in shares of the Company's common stock on a one-for-one basis) and restricted stock units (settled in shares of the Company's common stock on a one-for-one basis) under the 2024 Plan, the 2015 Plan, the U.S. Bancorp Amended and Restated 2007 Stock Incentive Plan and the U.S. Bancorp 2001 Stock Incentive Plan, as amended. No exercise price is paid upon vesting, and thus, no exercise price is included in the table.

(d) Shares of the Company's common stock that are issuable pursuant to various active and frozen deferred compensation plans of U.S. Bancorp and its predecessor entities that provide distribution of deferred compensation deemed to be invested in U.S. Bancorp stock in the form of shares of U.S. Bancorp common stock, unless the Company chooses cash payment to the extent permitted by the applicable plan, and amounts attributable to previously surrendered stock options in the form of shares of U.S. Bancorp common stock. No exercise price is paid when shares are issued pursuant to the deferred compensation plans.

The active deferred compensation plan allows non-employee directors, and the frozen deferred compensation plans previously permitted non-employee directors and eligible employees, to defer all or part of their compensation until the earlier of retirement or termination of employment or service. Deferral elections are irrevocable. Under the plans, the deferred compensation is deemed to be invested in one of several investment alternatives at the option of the participant, including shares of U.S. Bancorp common stock. Amounts deferred are credited with earnings and investment gains and losses by assuming that deferred amounts were invested in one or more of the hypothetical investment alternatives selected by the plan participant.

The 157,794 shares included in the table assume that participants in the active and frozen plans providing for distribution in the form of shares of U.S. Bancorp common stock of amounts deemed to be invested in the Company's common stock and amounts attributable to previously surrendered stock options as of December 31, 2025, had received all amounts deemed to be invested in U.S. Bancorp common stock and attributable to previously surrendered stock options in shares of the Company's common stock on December 31, 2025.

Additional Information

Additional information in response to this Item 12 can be found in the Proxy Statement under the heading "Security ownership of certain beneficial owners and management." That information is incorporated into this report by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information in response to this Item 13 can be found in the Proxy Statement under the headings "Corporate governance — Director independence," "Corporate Governance — Committee member qualifications" and "Certain relationships and related transactions." That information is incorporated into this report by reference.

Item 14. Principal Accountant Fees and Services

Information in response to this Item 14 can be found in the Proxy Statement under the headings "Audit Committee report and payment of fees to auditor — Fees to independent auditor" and "Audit Committee report and payment of fees to auditor — Administration of engagement of independent auditor." That information is incorporated into this report by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

List of documents filed as part of this report:

1. Financial Statements

- Report of Management
- Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting
- Report of Independent Registered Public Accounting Firm on the Financial Statements
- U.S. Bancorp Consolidated Balance Sheet as of December 31, 2025 and 2024
- U.S. Bancorp Consolidated Statement of Income for each of the three years in the period ended December 31, 2025
- U.S. Bancorp Consolidated Statement of Comprehensive Income for each of the three years in the period ended December 31, 2025
- U.S. Bancorp Consolidated Statement of Shareholders' Equity for each of the three years in the period ended December 31, 2025
- U.S. Bancorp Consolidated Statement of Cash Flows for each of the three years in the period ended December 31, 2025
- Notes to Consolidated Financial Statements
- U.S. Bancorp Consolidated Daily Average Balance Sheet and Related Yields and Rates (Unaudited)
- U.S. Bancorp Supplemental Financial Data (Unaudited)

2. Financial Statement Schedules

All financial statement schedules for the Company have been included in the Consolidated Financial Statements or the related Notes, or are either inapplicable or not required.

3. Exhibits

Shareholders may obtain a copy of any of the exhibits to this report upon payment of a fee covering the Company's reasonable expenses in furnishing the exhibits. You can request exhibits by writing to Investor Relations, U.S. Bancorp, 800 Nicollet Mall, Minneapolis, Minnesota 55402.

[(1)]**3.1**	Restated Certificate of Incorporation. Filed as Exhibit 3.4 to Form 8-K filed on April 20, 2022.
[(1)]**3.2**	Amended and Restated Bylaws. Filed as Exhibit 3.1 to Form 8-K filed on October 19, 2023.
4.1	Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K, copies of instruments defining the rights of holders of long-term debt are not filed. U.S. Bancorp agrees to furnish a copy thereof to the SEC upon request.
4.2	Description of U.S. Bancorp's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
[(1)]**10.0**	Amended and Restated Registration Rights Agreement, dated August 3, 2023, by and between U.S. Bancorp and MUFG Bank, Ltd. Filed as Exhibit 10.1 to Form 8-K filed on August 3, 2023.
[(1)(2)]**10.1(a)**	U.S. Bancorp 2001 Stock Incentive Plan. Filed as Exhibit 10.1 to Form 10-K for the year ended December 31, 2001.
[(1)(2)]**10.1(b)**	Amendment No. 1 to U.S. Bancorp 2001 Stock Incentive Plan. Filed as Exhibit 10.2 to Form 10-K for the year ended December 31, 2002.
[(1)(2)]**10.2**	U.S. Bancorp Annual Executive Incentive Plan. Filed as Exhibit 10.1 to Form 8-K filed on January 16, 2019.
[(1)(2)]**10.3**	U.S. Bancorp Executive Deferral Plan, as amended. Filed as Exhibit 10.7 to Form 10-K for the year ended December 31, 1999.
[(1)(2)(3)]**10.4(a)**	U.S. Bank Non-Qualified Retirement Plan. Filed as Exhibit 10.4 to Form 10-K for the year ended December 31, 2020.
[(1)(2)]**10.4(b)**	First Amendment of the U.S. Bank Non-Qualified Retirement Plan. Filed as Exhibit 10.1 to Form 8-K filed on April 16, 2025.
[(1)(2)]**10.5(a)**	U.S. Bancorp Executive Employees Deferred Compensation Plan. Filed as Exhibit 10.18 to Form 10-K for the year ended December 31, 2003.

[1][2]**10.5(b)**	2011 Amendment of U.S. Bancorp Executive Employees Deferred Compensation Plan. Filed as Exhibit 10.9(b) to Form 10-K for the year ended December 31, 2011.
[1][2]**10.5(c)**	2025 Amendment of U.S. Bancorp Executive Employees Deferred Compensation Plan. Filed as Exhibit 10.5(c) to Form 10-K for the year ended December 31, 2024.
[1][2]**10.6**	U.S. Bank Executive Employees Deferred Compensation Plan (2005 Statement). Filed as Exhibit 4.1 to Form S-8 (File No. 333-268116) filed on November 2, 2022.
[1][2]**10.7(a)**	U.S. Bancorp Outside Directors Deferred Compensation Plan. Filed as Exhibit 10.19 to Form 10-K for the year ended December 31, 2003.
[1][2]**10.7(b)**	2011 Amendment of U.S. Bancorp Outside Directors Deferred Compensation Plan. Filed as Exhibit 10.11(b) to Form 10-K for the year ended December 31, 2011.
[1][2]**10.7(c)**	2025 Amendment of U.S. Bancorp Outside Directors Deferred Compensation Plan. Filed as Exhibit 10.7(c) to Form 10-K for the year ended December 31, 2024.
[1][2]**10.8(a)**	U.S. Bank Outside Directors Deferred Compensation Plan (2005 Statement). Filed as Exhibit 10.1 to Form 8-K filed on December 21, 2005.
[1][2]**10.8(b)**	First Amendment of the U.S. Bank Outside Directors Deferred Compensation Plan (2005 Statement). Filed as Exhibit 10.3(b) to Form 8-K filed on January 7, 2009.
[1][2]**10.8(c)**	Second Amendment of the U.S. Bank Outside Directors Deferred Compensation Plan (2005 Statement). Filed as Exhibit 10.12(c) to Form 10-K for the year ended December 31, 2011.
[1][2]**10.8(d)**	Third Amendment of the U.S. Bank Outside Directors Deferred Compensation Plan (2005 Statement). Filed as Exhibit 10.8(d) to Form 10-K for the year ended December 31, 2024.
[1][2]**10.9**	U.S. Bancorp Amended and Restated 2007 Stock Incentive Plan. Filed as Exhibit 10.1 to Form 8-K filed on April 20, 2010.
[1][2]**10.10**	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under U.S. Bancorp Amended and Restated 2007 Stock Incentive Plan (used for grants made January 1, 2009-December 31, 2013). Filed as Exhibit 10.11(a) to Form 8-K filed on January 7, 2009.
[1][2]**10.11**	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under U.S. Bancorp Amended and Restated 2007 Stock Incentive Plan (used for grants made January 1, 2014-April 20, 2015). Filed as Exhibit 10.37 to Form 10-K for the year ended December 31, 2013.
[1][2]**10.12**	U.S. Bancorp 2015 Stock Incentive Plan. Filed as Exhibit 10.1 to Form 8-K filed on April 23, 2015.
[1][2]**10.13**	Form of Stock Option Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made April 21, 2015-December 31, 2016). Filed as Exhibit 10.4 to Form 8-K filed on April 23, 2015.
[1][2]**10.14**	Form of Stock Option Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2017-December 31, 2017). Filed as Exhibit 10.44 to Form 10-K for the year ended December 31, 2016.
[1][2]**10.15**	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made April 21, 2015-December 31, 2016). Filed as Exhibit 10.2 to Form 8-K filed on April 23, 2015.
[1][2]**10.16**	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2017-April 15, 2024). Filed as Exhibit 10.42 to Form 10-K for the year ended December 31, 2016.
[1][2]**10.17**	Form of Performance Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2021-December 31, 2023). Filed as Exhibit 10.30 to Form 10-K for the year ended December 31, 2020.
[1][2]**10.18**	Form of Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2021-December 31, 2023). Filed as Exhibit 10.31 to Form 10-K for the year ended December 31, 2020.
[1][2]**10.19**	Form of Performance Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2024-April 15, 2024). Filed as Exhibit 10.30 to Form 10-K for the year ended December 31, 2023.
[1][2]**10.20**	Form of Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2015 Stock Incentive Plan (used for grants made January 1, 2024-April 15, 2024). Filed as Exhibit 10.31 to Form 10-K for the year ended December 31, 2023.
[1][2]**10.21(a)**	U.S. Bancorp 2024 Stock Incentive Plan. Filed as Exhibit 4.3 to Form S-8 (File No. 333-278752) filed on April 17, 2024.
[2]**10.21(b)**	Amendment of U.S. Bancorp 2024 Stock Incentive Plan.
[1][2]**10.22**	Form of Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made April 16, 2024-December 31, 2024). Filed as Exhibit 4.4 to Form S-8 (File No. 333-278752) filed on April 17, 2024.

[(1)(2)]**10.23**	Form of Performance Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made April 16, 2024-December 31, 2024). Filed as Exhibit 4.5 to Form S-8 (File No. 333-278752) filed on April 17, 2024.
[(1)(2)]**10.24**	Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made after April 16, 2024). Filed as Exhibit 4.6 to Form S-8 (File No. 333-278752) filed on April 17, 2024.
[(1)(2)]**10.25**	Form of Performance Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made January 1, 2025-January 26, 2026). Filed as Exhibit 10.25 to Form 10-K for the year ended December 31, 2024.
[(1)(2)]**10.26**	Form of Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made January 1, 2025-January 26, 2026). Filed as Exhibit 10.26 to Form 10-K for the year ended December 31, 2024.
[(1)(2)]**10.27**	Form of Aircraft Time Sharing Agreement. Filed as Exhibit 10.1 to Form 8-K filed on August 14, 2025.
[(1)(2)]**10.28**	Form of Charter Flight Reimbursement Agreement. Filed as Exhibit 10.2 to Form 8-K filed on August 14, 2025.
[(1)(2)]**10.29**	U.S. Bank Executive Change in Control Severance Plan. Filed as Exhibit 10.1 to Form 8-K filed on January 29, 2026.
[(2)]**10.30**	Form of Performance Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made after January 26, 2026).
[(2)]**10.31**	Form of Restricted Stock Unit Award Agreement for Executive Officers under U.S. Bancorp 2024 Stock Incentive Plan (used for grants made after January 26, 2026).
13	2025 Annual Report, pages 21 through 153.
[(1)]**19**	U.S. Bancorp Insider Trading Policy. Filed as Exhibit 19 to Form 10-K for the year ended December 31, 2024.
21	Subsidiaries of U.S. Bancorp.
23	Consent of Ernst & Young LLP.
24	Power of Attorney.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
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.
[(1)]**97**	U.S. Bancorp Incentive-Based Compensation Recovery Policy, dated as of December 1, 2023. Filed as Exhibit 97 to Form 10-K for the year ended December 31, 2023.
101	The following financial statements from the Company's Annual Report for the year ended December 31, 2025, formatted in Inline XBRL: (i) Consolidated Balance Sheet, (ii) Consolidated Statement of Income, (iii) Consolidated Statement of Comprehensive Income, (iv) Consolidated Statement of Shareholders' Equity, (v) Consolidated Statement of Cash Flows and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).

(1) Exhibit has been previously filed with the SEC and is incorporated herein as an exhibit by reference to the prior filing.

(2) Management contracts or compensatory plans or arrangements.

(3) Certain appendices have been omitted. The Company will furnish copies of any such appendix to the SEC upon its request.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on February 23, 2026, on its behalf by the undersigned, thereunto duly authorized.

U.S. BANCORP

By /s/ GUNJAN KEDIA

Gunjan Kedia
Chief Executive Officer and President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below on February 23, 2026, by the following persons on behalf of the registrant and in the capacities indicated.

Signature and Title

/s/ GUNJAN KEDIA

Gunjan Kedia,
Chief Executive Officer and President, Director
(principal executive officer)

/s/ JOHN C. STERN

John C. Stern,
Vice Chair and Chief Financial Officer
(principal financial officer)

/s/ LISA R. STARK

Lisa R. Stark,
Executive Vice President and Controller
(principal accounting officer)

WARNER L. BAXTER*

Warner L. Baxter, Director

DOROTHY BRIDGES*

Dorothy Bridges, Director

ELIZABETH L. BUSE*

Elizabeth L. Buse, Director

ANDREW CECERE*

Andrew Cecere, Director

ALAN B. COLBERG*

Alan B. Colberg, Director

KIMBERLY N. ELLISON-TAYLOR*

Kimberly N. Ellison-Taylor, Director

ALEEM GILLANI*

Aleem Gillani, Director

ROLAND A. HERNANDEZ*

Roland A. Hernandez, Director

RICHARD P. MCKENNEY*

Richard P. McKenney, Director

YUSUF I. MEHDI*

Yusuf I. Mehdi, Director

LORETTA E. REYNOLDS*

Loretta E. Reynolds, Director

JOHN P. WIEHOFF*

John P. Wiehoff, Director

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* *Gunjan Kedia, by signing her name hereto, does hereby sign this document on behalf of each of the above named directors of the registrant pursuant to powers of attorney duly executed by such persons.*

Dated: February 23, 2026

By: /s/ GUNJAN KEDIA

Gunjan Kedia

Attorney-In-Fact

Exhibit 4.2

DESCRIPTION OF U.S. BANCORP'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

U.S. Bancorp ("USB") has registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (1) its common stock, (2) depositary shares representing shares of its Series A preferred stock, (3) depositary shares representing shares of its Series B preferred stock, (4) depositary shares representing shares of its Series K preferred stock, (5) depositary shares representing shares of its Series L preferred stock, (6) depositary shares representing shares of its Series M preferred stock, (7) depositary shares representing shares of its Series O preferred stock, (8) its Floating Rate Notes, Series CC (Senior), due May 21, 2028 and (9) its 4.009% Fixed-to-Floating Rate Notes, Series CC (Senior), due May 21, 2032.

DESCRIPTION OF CAPITAL STOCK

The following description of the capital stock of USB and certain other matters does not purport to be complete and is subject, in all respects, to the provisions of the restated certificate of incorporation (the "Certificate of Incorporation") and amended and restated bylaws (the "Bylaws") of USB, as well as applicable Delaware law and applicable provisions of the Adjustable Interest Rate (LIBOR) Act (the "LIBOR Act") and implementing rules thereunder issued by the Board of Governors of the Federal Reserve System (the "LIBOR Rule"). The following description is qualified by reference to the Certificate of Incorporation, the certificate of designations for each series of preferred stock of USB and the Bylaws, copies of which are incorporated by reference as exhibits to USB's Annual Report on Form 10-K.

Authorized Capital Stock

The authorized capital stock of USB consists of 4,000,000,000 shares of common stock, par value $0.01 per share ("Common Stock"), and 50,000,000 shares of preferred stock, par value $1.00 per share ("Preferred Stock"). As of December 31, 2025, there were 1,555,397,637 shares of Common Stock issued and outstanding and 243,510 shares of Preferred Stock issued and outstanding, of which:

- 20,010 were designated as Series A Non-Cumulative Perpetual Preferred Stock (the "Series A Preferred Stock"), 12,510 of which were issued and outstanding;

- 40,000 were designated as Series B Non-Cumulative Perpetual Preferred Stock (the "Series B Preferred Stock"), 40,000 of which were issued and outstanding;
- 40,000 were designated as Series J Non-Cumulative Perpetual Preferred Stock (the "Series J Preferred Stock"), 40,000 of which were issued and outstanding;
- 23,000 were designated as Series K Non-Cumulative Perpetual Preferred Stock (the "Series K Preferred Stock"), 23,000 of which were issued and outstanding;
- 20,000 were designated as Series L Non-Cumulative Perpetual Preferred Stock (the "Series L Preferred Stock"), 20,000 of which were issued and outstanding;
- 30,000 were designated as Series M Non-Cumulative Perpetual Preferred Stock (the "Series M Preferred Stock"), 30,000 of which were issued and outstanding;
- 60,000 were designated as Series N Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock (the "Series N Preferred Stock"), 60,000 of which were issued and outstanding; and
- 20,000 were designated as Series O Non-Cumulative Perpetual Preferred Stock (the "Series O Preferred Stock"), 18,000 of which were issued and outstanding.

All outstanding shares of USB's capital stock are fully paid and non-assessable.

Common Stock

Holders of shares of Common Stock are entitled to one vote per share. Unless a greater number of affirmative votes is required by the Certificate of Incorporation, the Bylaws, the rules or regulations of any stock exchange on which the Common Stock is traded, or as otherwise required by law or pursuant to any regulation applicable to USB, if a quorum exists at any meeting of stockholders, stockholders may take action on all matters, other than the election of directors, by a majority of the voting power of the stock present, in person or by proxy, at the meeting and entitled to vote on the matter. A nominee for director will be elected if the votes cast for such nominee's election exceed the votes cast against such nominee's election; *provided, however*, that if USB's board of directors determines that the number of nominees for director exceeds the number of directors to be elected at such meeting by the date that is 10 days prior to the date that USB first mails its notice of meeting for such meeting to the stockholders, each of the directors to be elected at such meeting will be elected by a plurality of the votes cast at such meeting assuming a quorum is present. Holders of shares of Common Stock do not have the right to cumulate their votes in the election of directors.

Subject to the prior or equal rights, if any, of any series of Preferred Stock outstanding, the holders of Common Stock are entitled to such dividends as may from time to time be declared by USB's board of directors from any funds legally available for dividends. USB is subject to various general regulatory policies and requirements relating to the payment of

dividends on its capital stock, including requirements to maintain adequate capital above regulatory minimums. The Board of Governors of the Federal Reserve System (the "Federal Reserve Board") is authorized to determine, under certain circumstances relating to the financial condition of a bank holding company, such as USB, that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof. In addition, USB is subject to Delaware state laws relating to the payment of dividends.

Holders of shares of Common Stock do not have any preemptive right to purchase or subscribe for any additional securities of USB.

In the event of liquidation of USB, after the payment or provision for payment of all debts and liabilities and subject to the prior or equal rights, if any, of the Preferred Stock of any and all outstanding series, the holders of Common Stock will be entitled to share ratably in the remaining assets of USB. Shares of USB Common Stock are fully paid and non-assessable.

The Common Stock has no conversion rights.

The transfer agent and registrar for USB Common Stock is Computershare, Inc. USB's Common Stock is listed on the NYSE under the symbol "USB."

Preferred Stock

General

USB's board of directors or a duly authorized committee thereof has the authority, without further action by USB's stockholders, unless action is required by applicable laws or regulations or by the terms of any Preferred Stock, to provide for the issuance of Preferred Stock in one or more series and to fix the voting rights, designations, preferences, and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, by adopting a resolution or resolutions creating and designating such series.

The rights of holders of Common Stock will be subject to, and may be adversely affected by, the rights of holders of any Preferred Stock. Any issuance of Preferred Stock may adversely affect the interests of holders of the Common Stock by limiting the control which such holders may exert by exercise of their voting rights, by subordinating their rights in liquidation to the rights of the holders of the Preferred Stock, and otherwise.

As of December 31, 2025, the following depositary shares representing shares of Preferred Stock have been registered pursuant to Section 12 of the Exchange Act:

- Depositary Shares each representing a 1/100th interest in a share of Series A Preferred Stock;
- Depositary Shares each representing a 1/1,000th interest in a share of Series B Preferred Stock;
- Depositary Shares each representing a 1/1,000th interest in a share of Series K Preferred Stock;
- Depositary Shares each representing a 1/1,000th interest in a share of Series L Preferred Stock;
- Depositary Shares each representing a 1/1,000th interest in a share of Series M Preferred Stock; and
- Depositary Shares, each representing a 1/1,000th interest in a share of Series O Preferred Stock.

The depositary shares representing the Series J Preferred Stock and the Series N Preferred Stock described herein have not been registered pursuant to Section 12 of the Exchange Act.

Series A Preferred Stock

General — The depositary is the sole holder of the Series A Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series A Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series A Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series A Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series A Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series A Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series A Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series A Preferred Stock ranks equally with the Series B Preferred Stock, the Series J Preferred

Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series A Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. Such capital stock is referred to as "Parity Stock." With respect to the payment of dividends and amounts upon liquidation, the Series A Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series A Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB's Common Stock and any such capital stock are referred to as "Junior Stock." USB may not issue any class or series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series A Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series A Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period (as defined below) and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series A Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for such dividend period on all outstanding shares of Series A Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series A Preferred Stock will not be mandatory. Holders of the Series A Preferred Stock will be entitled to receive, if, when and as declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends payable quarterly in arrears on each January 15, April 15, July 15 or October 15 (or, if such day is not a business day, the next business day). The period from and including the date of issuance of the Series A Preferred Stock or any dividend payment date to but excluding the next dividend payment date is referred to as a "dividend period." Dividends on each share of Series A Preferred

Stock will accrue on the liquidation preference amount of $100,000 per share at a rate per annum equal to the greater of (i) three-month LIBOR[1] (computed as provided below) plus 1.02% or (ii) 3.50%. In the case that any date on which dividends are payable on the Series A Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day. However, no interest or other payment will be paid in respect of the delay. The record date for payment of dividends on the Series A Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any dividend period will be calculated on the basis of a 360-day year and the number of days actually elapsed. For purposes of the Series A Preferred Stock, a "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions in Minneapolis, Minnesota, New York, New York or Wilmington, Delaware are not authorized or obligated by law, regulation or executive order to close.

For any dividend period, three-month LIBOR will be determined by the calculation agent on the second London Banking Day immediately preceding the first day of such dividend period in the following manner:

- Three-month LIBOR will be the rate (expressed as a percentage per annum) for deposits in U.S. dollars for a three-month period commencing on the first day of a dividend period that appears on Reuters Screen LIBOR01 Page as of 11:00 a.m. (London time) on the second London Banking Day preceding the first day of that dividend period.

- If the rate described above does not appear on Reuters Screen LIBOR01, three-month LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars for a three-month period commencing on the first day of that dividend period and in a principal amount of not less than $1,000,000 are offered to prime banks in the London interbank market by four major banks in the London interbank market selected by USB, at approximately 11:00 a.m., London time, on the second London Banking Day preceding the first day of that dividend period. U.S. Bank National Association, as Calculation Agent for the Series A Preferred Stock, will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, three-month LIBOR with respect to that dividend period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of such quotations.

[1] Following the cessation of representative three-month LIBOR, after June 30, 2023, this three-month LIBOR rate transitioned to three-month CME Term SOFR plus a tenor spread adjustment of 0.26161% in accordance with the LIBOR Act and LIBOR Rule.

- If fewer than two quotations are provided, three-month LIBOR with respect to that dividend period will be the arithmetic mean (rounded upward if necessary to the nearest .00001 of 1%) of the rates quoted by three major banks in New York, New York, selected by the Calculation Agent, at approximately 11:00 a.m., New York City time, on the first day of that dividend period for loans in U.S. dollars to leading European banks for a three-month period commencing on the first day of that dividend period and in a principal amount of not less than $1,000,000.

- If the banks selected by the Calculation Agent to provide quotations are not quoting as described above, three-month LIBOR for that dividend period will be the same as three-month LIBOR as determined for the previous dividend period.

The calculation agent's establishment of three-month LIBOR and calculation of the amount of dividends for each dividend period will be on file at USB's principal offices, will be made available to any holder of Series A Preferred Stock upon request and will be final and binding in the absence of manifest error.

"London Banking Day" means any day on which commercial banks are open for general business (including dealings in deposits in U.S. dollars) in London.

"Reuters Screen LIBOR01 Page" means the display designated on the Reuters 3000 Xtra (or such other page as may replace that page on that service or such other service as may be nominated by the British Bankers' Association for the purpose of displaying London interbank offered rates for U.S. dollar deposits).

The right of holders of the Series A Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series A Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series A Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series A Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series A Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series A Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will

be payable in respect of any dividend payment on the Series A Preferred Stock that may be in arrears.

Redemption — The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions.

So long as full dividends on all outstanding shares of the Series A Preferred Stock for the then-current dividend period have been paid or declared and a sum sufficient for the payment thereof is set aside, and subject to receipt of the regulatory approvals discussed below, USB may redeem the Series A Preferred Stock in whole or in part at any time, at a redemption price equal to $100,000 per share plus dividends that have been declared but not paid plus accrued and unpaid dividends for the then current dividend period to the redemption date.

If shares of the Series A Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series A Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series A Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series A Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series A Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series A Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series A Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series A Preferred Stock, such shares of Series A Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series A Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board’s risk-based capital guidelines applicable to bank holding companies, any redemption of the Series A Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series A Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $100,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series A Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series A Preferred Stock and all stock ranking equal to the Series A Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series A Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series A Preferred Stock will have no voting rights.

Whenever dividends on any shares of the Series A Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods, whether consecutive or not (a "Nonpayment"), the holders of the Series A Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors (the "Preferred Directors"), provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the

request of any holder of Series A Preferred Stock, a special meeting of the holders of Series A Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series A Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series A Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series A Preferred Stock as to payment of dividends for at least four consecutive dividend periods following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive dividend periods following a Nonpayment on the Series A Preferred Stock and any other class or series of Parity Stock, the holders of the Series A Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series A Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series A Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series A Preferred Stock become entitled to vote for the election of directors, the Series A Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series A Preferred Stock may become subject to regulations under the Bank Holding Company Act of 1956, as amended (the "Bank Holding Company Act") and/or certain acquisitions of the Series A Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series A Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series A Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series A Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series A Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series A Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series A Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series A Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series A Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series A Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series A Preferred Stock to effect such redemption.

Series B Preferred Stock

General — The depositary is the sole holder of the Series B Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series B Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series B Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series B Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series B Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series B Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series B Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

***Rank* —** With respect to the payment of dividends and amounts upon liquidation, the Series B Preferred Stock ranks equally with the Series A Preferred Stock, the Series J Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series B Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series B Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series B Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series B Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series B Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series B Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for such dividend period on all outstanding

shares of Series B Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series B Preferred Stock will not be mandatory. Holders of Series B Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends payable quarterly in arrears on each January 15, April 15, July 15 or October 15 (or, if such day is not a business day, the next business day). Dividends on each share of Series B Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to the greater of (1) three-month LIBOR[2] (computed as provided below) plus 0.60% or (2) 3.50%. In the case that any date on which dividends are payable on the Series B Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day. However, no interest or other payment will be paid in respect of the delay. The record date for payment of dividends on the Series B Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any dividend period will be calculated on the basis of a 360-day year and the number of days actually elapsed. For purposes of the Series B Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York.

For any dividend period, three-month LIBOR will be determined by the calculation agent on the second London Banking Day immediately preceding the first day of such dividend period in the following manner:

- Three-month LIBOR will be the offered rate per annum for three-month deposits in U.S. dollars, beginning on the first day of such period, as that rate appears on Moneyline Telerate Page 3750 as of 11:00 A.M., London time, on the second London Banking Day immediately preceding the first day of such dividend period.

- If the rate described above does not appear on Moneyline Telerate page 3750, three-month LIBOR will be determined on the basis of the rates, at approximately 11:00 A.M., London time, on the second London Banking Day immediately preceding the first day of such dividend period, at which deposits of the following kind are offered to prime banks in the London interbank market by four major banks in that market selected by USB:

[2] Following the cessation of representative three-month LIBOR, after June 30, 2023, this three-month LIBOR rate transitioned to three-month CME Term SOFR plus a tenor spread adjustment of 0.26161% in accordance with the LIBOR Act and LIBOR Rule.

three-month deposits in U.S. dollars, beginning on the first day of such dividend period, and in a principal amount of not less than $1,000,000. The calculation agent will request the principal London office of each of these banks to provide a quotation of its rate. If at least two quotations are provided, three-month LIBOR for the second London Banking Day immediately preceding the first day of such dividend period will be the arithmetic mean of the quotations.

- If fewer than two quotations are provided as described above, three-month LIBOR for the second London Banking Day immediately preceding the first day of such dividend period will be the arithmetic mean of the rates for loans of the following kind to leading European banks quoted, at approximately 11:00 A.M. New York City time on the second London Banking Day immediately preceding the first day of such dividend period, by three major banks in New York City selected by USB: three-month loans of U.S. dollars, beginning on the first day of such dividend period, and in a principal amount of not less than $1,000,000.

- If fewer than three banks selected by USB are quoting as described above, three-month LIBOR for the new dividend period will be three-month LIBOR in effect for the prior dividend period.

The calculation agent's establishment of three-month LIBOR and calculation of the amount of dividends for each dividend period will be on file at USB's principal offices, will be made available to any holder of Series B Preferred Stock upon request and will be final and binding in the absence of manifest error.

The term "Moneyline Telerate Page" means the display on Moneyline Telerate, Inc., or any successor service, on the page or pages referred to above or any replacement page or pages on that service.

The right of holders of the Series B Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series B Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series B Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series B Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series B Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series B Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series B Preferred Stock that may be in arrears.

Redemption —The Series B Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions.

The Series B Preferred Stock is redeemable at USB's option, in whole or in part, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

If shares of the Series B Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series B Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series B Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series B Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series B Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series B Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series B Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series B Preferred Stock, such shares of Series B Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series B Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series B Preferred Stock is subject to prior approval of the Federal Reserve Board.

Additionally, the Series B Preferred Stock is subject to a "Replacement Capital Covenant," which will limit USB's right to redeem the Series B Preferred Stock. In the Replacement Capital Covenant, USB covenants to redeem or repurchase shares of Series B Preferred Stock only if and to the extent that (a) the total redemption or repurchase price is equal to or less than the sum, as of the date of redemption or repurchase, of (i) 133.33% of the aggregate net cash proceeds USB or its subsidiaries have received during the 180 days prior to such date from the issuance and sale of Common Stock plus (ii) 100% of the aggregate net cash proceeds USB or its subsidiaries have received during the 180 days prior to such date from the issuance of certain other specified securities that (A) have equity-like characteristics that satisfy the requirements of the Replacement Capital Covenant, which means generally that such other securities have characteristics that are the same as, or more equity-like than, the applicable characteristics of the Series B Preferred Stock at that time, and (B) qualify as tier 1 capital of USB under the risk-based capital guidelines of the Federal Reserve Board; and (b) USB has obtained the prior approval of the Federal Reserve Board, if such approval is then required by the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series B Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series B Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series B Preferred Stock and all stock ranking equal to the Series B Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series B Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series B Preferred Stock will have no voting rights.

Whenever dividends on any shares of the Series B Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods, whether consecutive or not, the holders of the Series B Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series B Preferred Stock, a special meeting of the holders of Series B Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series B Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series B Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series B Preferred Stock as to payment of dividends for at least four consecutive dividend periods following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive dividend periods following a Nonpayment on the Series B Preferred Stock and any other class or series of Parity Stock, the holders of the Series B Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series

B Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series B Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series B Preferred Stock become entitled to vote for the election of directors, the Series B Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series B Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series B Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series B Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series B Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series B Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series B Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series B Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series B Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series B Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other

series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series B Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series B Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series B Preferred Stock to effect such redemption.

Series J Preferred Stock

General — The depositary is the sole holder of the Series J Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series J Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series J Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series J Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series J Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series J Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series J Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series J Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series J Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series J Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series J Preferred Stock has preference or priority in the payment of dividends or

in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series J Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series J Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series J Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for such dividend period on all outstanding shares of Series J Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series J Preferred Stock will not be mandatory. Holders of Series J Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series J Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to (1) from the date of issuance of the Series J Preferred Stock to but excluding April 15, 2027 at a rate per annum equal to 5.300% payable semi-annually in arrears on each April 15 and October 15, through and including, April 15, 2027 and (2) from and including April 15, 2027, at a rate per annum equal to three-month LIBOR[3] (computed as provided below) plus 2.914% payable quarterly in arrears on each January 15, April 15, July 15 and October 15, commencing on July 15, 2027. In the case that any date or on prior April 15, 2027 on which dividends are payable on the Series J Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such

[3] Following the cessation of representative three-month LIBOR, after June 30, 2023, this three-month LIBOR rate transitioned to three-month CME Term SOFR plus a tenor spread adjustment of 0.26161% in accordance with the LIBOR Act and LIBOR Rule.

delay, and if any date after April 15, 2027 on which dividends otherwise would be payable is not a business day, then payment of any dividend otherwise payable on that date will be made on the next succeeding business day unless that day falls in the next calendar month, in which case payment of any dividend otherwise payable on that date will be the immediately preceding business day, and dividends will accrue to the actual payment date. The record date for payment of dividends on the Series J Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any period prior to April 15, 2027 will be computed on the basis of a 360-day year consisting of twelve 30-day months and dividends for periods thereafter will be computed on the basis of a 360-day year and the actual number of days elapsed. For purposes of the Series J Preferred Stock, the term "business day" means, for dividend periods prior to April 15, 2027, each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York, and for dividend periods on and after April 15, 2027, it means any date that would be considered a Business Day for dividend periods prior to April 15, 2027 that is also a London Banking Day. Dividends on the Series J Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

For any dividend period beginning on or after April 15, 2027, three-month LIBOR will be determined by the calculation agent on the second London Banking Day immediately preceding the first day of such dividend period in the following manner:

- Three-month LIBOR will be the offered rate per annum for three-month deposits in U.S. dollars, beginning on the first day of such period, as that rate appears on the Designated LIBOR Page as of 11:00 A.M., London time, on the second London Banking Day immediately preceding the first day of such dividend period.

- If the rate described above does not appear on the Designated LIBOR Page, three-month LIBOR will be determined on the basis of the rates at which deposits in U.S. dollars for a three-month period commencing on the first day of that dividend period and in a principal amount of not less than $1,000,000 are offered to prime banks in the London interbank market by four major banks in the London interbank market selected by USB, at approximately 11:00 a.m. (London time), on the second London Banking Day preceding the first day of that dividend period. The calculation agent will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, three-month LIBOR with respect to that dividend period will be the arithmetic mean of such quotations.

- If fewer than two quotations are provided as described above, three-month LIBOR will be the arithmetic mean of the rates quoted by three major banks in New York, New York, selected by the calculation agent, at approximately 11:00 a.m. (New York City time), on the first day of that dividend period for loans in U.S. dollars to leading European banks for a three-month period commencing on the first day of that dividend period and in a principal amount of not less than $1,000,000.

- If fewer than three banks are not quoting as described above, three-month LIBOR for the new dividend period will be three-month LIBOR in effect for the prior dividend period or, in the case of the first dividend period beginning on or after April 15, 2027, the most recent rate that could have been determined had the dividend rate been a floating rate during the period prior to April 15, 2027.

The calculation agent's establishment of three-month LIBOR and calculation of the amount of dividends for each dividend period will be on file at USB's principal offices, will be made available to any holder of Series J Preferred Stock upon request and will be final and binding in the absence of manifest error.

The term "Designated LIBOR Page" means the display on Bloomberg Page BBAM (or any successor or substitute page of such service, or any successor to such service selected by USB), for the purpose of displaying the London interbank offered rates for U.S. dollars.

The right of holders of the Series J Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series J Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series J Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series J Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series J Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series J Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series J Preferred Stock that may be in arrears.

Redemption **—**The Series J Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series J Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after April 15, 2027 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series J Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series J Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series J Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series J Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series J Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series J Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series J Preferred Stock is outstanding.

If shares of the Series J Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series J Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series J Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series J Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series J Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series J Preferred Stock has been duly

given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series J Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series J Preferred Stock, such shares of Series J Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series J Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series J Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series J Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series J Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series J Preferred Stock and all stock ranking equal to the Series J Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series J Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series J Preferred Stock will have no voting rights.

Whenever dividends on any shares of the Series J Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series J Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series J Preferred Stock, a special meeting of the holders of Series J Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series J Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series J Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series J Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series J Preferred Stock and any other class or series of Parity Stock, the holders of the Series J Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series J Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director

(other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series J Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series J Preferred Stock become entitled to vote for the election of Preferred Directors, the Series J Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series J Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series J Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series J Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series J Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series J Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series J Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series J Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series J Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series J Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series J Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series J Preferred Stock have been redeemed or called for redemption upon proper notice and

sufficient funds have been set aside by USB for the benefit of the holders of the Series J Preferred Stock to effect such redemption.

Series K Preferred Stock

General — The depositary is the sole holder of the Series K Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series K Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series K Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series K Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series K Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series K Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series K Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series K Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series J Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series K Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series K Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series K Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series K Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series K Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series K Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for such dividend period on all outstanding shares of Series K Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series K Preferred Stock will not be mandatory. Holders of Series K Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series K Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to 5.50% payable quarterly in arrears on each January 15, April 15, July 15 and October 15. If any day on which dividends are payable on the Series K Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such delay. The record date for payment of dividends on the Series K Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. For purposes of the Series K Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York. Dividends on the Series K Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

The right of holders of the Series K Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series K Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series K Preferred Stock will have no right to receive any dividend or a full dividend, as the case

may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series K Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series K Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series K Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series K Preferred Stock that may be in arrears.

Redemption **—**The Series K Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series K Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after October 15, 2023 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series K Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series K Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series K Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series K Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series K Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series K Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series K Preferred Stock is outstanding.

If shares of the Series K Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series K Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series K Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series K Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series K Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series K Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series K Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series K Preferred Stock, such shares of Series K Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series K Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series K Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series K Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series K Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series K Preferred

Stock and all stock ranking equal to the Series K Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series K Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series K Preferred Stock will have no voting rights.

Whenever dividends on any shares of the Series K Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series K Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series K Preferred Stock, a special meeting of the holders of Series K Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series K Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series K Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series K Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series K Preferred Stock and any other class or series of Parity Stock, the holders of the Series K Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series K Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series K Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series K Preferred Stock become entitled to vote for the election of Preferred Directors, the Series K Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series K Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series K Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series K Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series K Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series K Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series K Preferred Stock at the time outstanding, voting separately as a class, will be

required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series K Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series K Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series K Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series K Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series K Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series K Preferred Stock to effect such redemption.

Series L Preferred Stock

General — The depositary is the sole holder of the Series L Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series L Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series L Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series L Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series L Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series L Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series L Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series L Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series J Preferred Stock, the Series K Preferred, the Series M Preferred Stock, the

Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series L Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series L Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series L Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series L Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series L Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, and other than through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series L Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for such dividend period on all outstanding shares of Series L Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series L Preferred Stock will not be mandatory. Holders of Series L Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series L Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to 3.75% payable quarterly in arrears on each January 15, April 15, July 15 and October 15. If any day on which dividends are payable on the Series L Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such delay. The record date for payment of dividends on the Series L Preferred Stock will be the last day of the immediately preceding calendar month during which

the dividend payment date falls. The amount of dividends payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. For purposes of the Series L Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York. Dividends on the Series L Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

The right of holders of the Series L Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series L Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series L Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series L Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series L Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series L Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series L Preferred Stock that may be in arrears.

Redemption **—**The Series L Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series L Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after January 15, 2026 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series L Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series L Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by

USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series L Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series L Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series L Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series L Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series L Preferred Stock is outstanding.

If shares of the Series L Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series L Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series L Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series L Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series L Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series L Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series L Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series L Preferred Stock, such shares of Series L Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series L Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series L Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series L Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series L Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series L Preferred Stock and all stock ranking equal to the Series L Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series L Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series L Preferred Stock will have no voting rights.

Whenever dividends on any shares of the Series L Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series L Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or

any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series L Preferred Stock, a special meeting of the holders of Series L Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series L Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series L Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series L Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series L Preferred Stock and any other class or series of Parity Stock, the holders of the Series L Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series L Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series L Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series L Preferred Stock become entitled to vote for the election of Preferred Directors, the Series L Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series L Preferred Stock may become subject to regulations under the Bank Holding Company

Act and/or certain acquisitions of the Series L Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series L Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series L Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series L Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series L Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series L Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series L Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series L Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series L Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series L Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series L Preferred Stock to effect such redemption.

Series M Preferred Stock

General — The depositary is the sole holder of the Series M Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series M Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series M Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series M Preferred Stock have no

preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series M Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series M Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series M Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series M Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series J Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series N Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series M Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series M Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series M Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series M Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series M Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than (i) as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, (ii) through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock, (iii) purchases of shares of Junior Stock pursuant to a contractually binding requirement to buy such Junior Stock existing prior to the commencement of the then-current dividend period, including under a contractually binding stock repurchase plan, (iv) any purchase, redemption or other acquisition

of Junior Stock pursuant to any employee, consultant or director incentive or benefit plans or arrangements of USB's or any of USB's subsidiaries (including any employment, severance or consulting arrangements adopted before or after the issuance of the Series M Preferred Stock) and (v) in connection with any underwriting, stabilization, market-making or similar transactions in USB's capital stock by an investment banking subsidiary of USB in the ordinary course of such subsidiary's business), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series M Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for the most recently completed dividend period on all outstanding shares of Series M Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series M Preferred Stock will not be mandatory. Holders of Series M Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series M Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to 4.00% payable quarterly in arrears on each January 15, April 15, July 15 and October 15. If any day on which dividends are payable on the Series M Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such delay. The record date for payment of dividends on the Series M Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to three decimal places, with $0.0005 being rounded upward. For purposes of the Series M Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York. Dividends on the Series M Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

The right of holders of the Series M Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series M Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series M Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay

full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series M Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series M Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series M Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series M Preferred Stock that may be in arrears.

Redemption **—**The Series M Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series M Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after April 15, 2026 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series M Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series M Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series M Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series M Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series M Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series M Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series M Preferred Stock is outstanding.

If shares of the Series M Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series M Preferred Stock to be redeemed, mailed not less than 30 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series M Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series M Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series M Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series M Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series M Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series M Preferred Stock, such shares of Series M Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series M Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series M Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series M Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series M Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series M Preferred

Stock and all stock ranking equal to the Series M Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series M Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series M Preferred Stock have no voting rights.

Whenever dividends on any shares of the Series M Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series M Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series M Preferred Stock, a special meeting of the holders of Series M Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series M Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series M Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series M Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series M Preferred Stock and any other class or series of Parity Stock, the holders of the Series M Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series M Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series M Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series M Preferred Stock become entitled to vote for the election of Preferred Directors, the Series M Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series M Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series M Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series M Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series M Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series M Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series M Preferred Stock at the time outstanding, voting separately as a class, will be

required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series M Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series M Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series M Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series M Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series M Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series M Preferred Stock to effect such redemption.

Series N Preferred Stock

General — The depositary is the sole holder of the Series N Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series N Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series N Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series N Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series N Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series N Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series N Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series N Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series J Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock,

the Series M Preferred Stock and the Series O Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series N Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series N Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series N Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series N Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series N Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than (i) as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, (ii) through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock, (iii) purchases of shares of Junior Stock pursuant to a contractually binding requirement to buy such Junior Stock existing prior to the commencement of the then-current dividend period, including under a contractually binding stock repurchase plan, (iv) any purchase, redemption or other acquisition of Junior Stock pursuant to any employee, consultant or director incentive or benefit plans or arrangements of USB's or any of USB's subsidiaries (including any employment, severance or consulting arrangements adopted before or after the issuance of the Series N Preferred Stock) and (v) in connection with any underwriting, stabilization, market-making or similar transactions in USB's capital stock by an investment banking subsidiary of USB in the ordinary course of such subsidiary's business), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series N Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for the most recently completed dividend period on all outstanding shares of Series N Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series N Preferred Stock will not be mandatory. Holders of Series N Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally

available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series N Preferred Stock will accrue on the liquidation preference amount of $25,000 per share, payable quarterly in arrears on each January 15, April 15, July 15 and October 15 (each, a "dividend payment date"). Dividends declared will accrue (i) from the original issue date to, but excluding, January 15, 2027 (the "first reset date"), at a rate per annum of 3.70% and (ii) from and including the first reset date, during each reset period (as defined below), at a rate per annum equal to the five-year treasury rate (as defined below) as of the most recent reset dividend determination date (as defined below), plus a spread of 2.541%. In the event that USB issues additional shares of Series N Preferred Stock after the original issue date, dividends on such shares may accrue from the original issue or any other date specified by USB at the time such additional shares are issued.

As used herein:

"dividend period" is the period from, and including, a dividend payment date to, but excluding, the next dividend payment date, except that the initial dividend period will commence on and include the original issue date of the Series N Preferred Stock.

"five-year treasury rate" will be determined by the calculation agent on the applicable reset dividend determination date as the average of the yields on actively traded U.S. treasury securities adjusted to constant maturity, for five-year maturities, for the five business days preceding the applicable reset dividend determination date appearing (or, if fewer than five business days so appear, for such number of business days appearing) under the caption "Treasury Constant Maturities" in the most recently published H.15.

Notwithstanding the foregoing, if USB or USB's designee (which may be an affiliate of USB), after consulting with USB, determines on the relevant reset dividend determination date that the then-current reference rate (which as of the original issue date of the Series N Preferred Stock is the five-year treasury rate) cannot be determined in the manner applicable for such reference rate (a "rate substitution event"), USB or such designee, after consulting with USB, may determine whether there is an industry-accepted successor rate to the then-applicable reference rate (such successor rate, the "replacement rate"). If USB or such designee, after consultation with USB, determines there is such a replacement rate, then the replacement rate will replace the then-current reference rate for all purposes relating to the Series N Preferred Stock (including the dividend rate) on such reset dividend determination date and thereafter. In addition, if a replacement rate is selected, USB or USB's designee (which may be an affiliate of USB), after consulting with USB, may then adopt and make changes to (i) the reset date, the reset period, the reset dividend determination date, the day count convention, the business day convention, the definition of business day and the rounding conventions to be used and (ii) any

other relevant methodology or definition for determining or otherwise calculating such replacement rate, including any spread or adjustment factor needed to make such replacement rate comparable to the then-current reference rate (which as of the original issue date of the Series N Preferred Stock is the five-year treasury rate), in each case in a manner that is substantially consistent with industry-accepted practices for the use of such replacement rate (the "adjustments"). If USB or USB's designee (which may be an affiliate of USB), after consulting with USB, determines that there is no such replacement rate, then the reference rate for the applicable reset dividend determination date will be deemed to be the same rate determined for the prior reset dividend determination date or, in the case of the first reset dividend determination date, 3.70%.

"H.15" means the daily statistical release designated as such, or any successor publication, published by the Federal Reserve Board or any successor.

"reference rate" means, initially, the five-year treasury rate; provided that if a rate substitution event has occurred with respect to the five-year treasury rate or the then-current reference rate, then "reference rate" means the applicable replacement rate.

"reset date" means the first reset date and each date falling on the fifth anniversary of the preceding reset date, subject to adjustment as provided above. Reset dates, including the first reset date, will not be adjusted for business days.

"reset dividend determination date" means, in respect of any reset period, the day falling three business days prior to the beginning of such reset period.

"reset period" means the period from and including the first reset date to, but excluding, the next following reset date and thereafter each period from, and including, each reset date to, but excluding, the next following reset date, subject to adjustment as provided above.

The applicable dividend rate for each reset period from and including the first reset date will be determined by the calculation agent, as of the applicable reset dividend determination date. Promptly upon such determination, the calculation agent will notify USB of the dividend rate for the reset period. Any calculation or determination by the calculation agent with respect to the dividend rate will be made in the calculation agent's sole discretion and will be conclusive and binding absent manifest error.

Any determination, decision or selection that may be made by USB or USB's designee pursuant to the provisions of the Series N Preferred Stock (including provisions relating to a rate substitution event, such as any determination with respect to tenor, rate or adjustment, or of the

occurrence or non-occurrence of an event, circumstance or date, and any decision to take or refrain from taking any action or make or refrain from making any selection) will be made in USB's or such designee's sole discretion, will be conclusive and binding absent manifest error and will become effective without consent from the holders of the Series N Preferred Stock.

If any day on which dividends are payable on the Series N Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such delay. The record date for payment of dividends on the Series N Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to three decimal places, with $0.0005 being rounded upward. For purposes of the Series N Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York. Dividends on the Series N Preferred Stock will not be declared, paid or set aside for payment to the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

The right of holders of the Series N Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series N Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series N Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series N Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series N Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series N Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series N Preferred Stock that may be in arrears.

Redemption —The Series N Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series N Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after January 15, 2027 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series N Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series N Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series N Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series N Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the initial issuance of any share of Series N Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series N Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series N Preferred Stock is outstanding.

If shares of the Series N Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series N Preferred Stock to be redeemed, mailed not less than 10 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series N Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series N Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series N Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series N Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series N Preferred Stock so called for redemption, then, on

and after the redemption date, dividends will cease to accrue on such shares of Series N Preferred Stock, such shares of Series N Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series N Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series N Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series N Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series N Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series N Preferred Stock and all stock ranking equal to the Series N Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series N Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series N Preferred Stock have no voting rights.

Whenever dividends on any shares of the Series N Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series N Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series N Preferred Stock, a special meeting of the holders of Series N Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series N Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series N Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series N Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series N Preferred Stock and any other class or series of Parity Stock, the holders of the Series N Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series N Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series N Preferred Stock (together with holders of any

and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series N Preferred Stock become entitled to vote for the election of Preferred Directors, the Series N Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series N Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series N Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series N Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series N Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series N Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series N Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series N Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series N Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series N Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series N Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series N Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series N Preferred Stock to effect such redemption.

Series O Preferred Stock

General — The depositary is the sole holder of the Series O Preferred Stock, as described below under the section entitled "—Description of Depositary Shares," and all references herein to the holders of the Series O Preferred Stock mean the depositary. However, the holders of depositary shares will be entitled, through the depositary, to exercise the rights and preferences of the holders of the Series O Preferred Stock, as described below under "—Description of Depositary Shares." The holders of the Series O Preferred Stock have no preemptive rights with respect to any shares of USB's capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

The holders of Series O Preferred Stock will be entitled to receive non-cumulative cash dividends when, as and if declared out of assets legally available for payment of dividends. In the event USB does not declare dividends or does not pay dividends in full on the Series O Preferred Stock on any date on which dividends are due, then such unpaid dividends will not cumulate and will no longer accrue and be payable.

The Series O Preferred Stock is perpetual and will not be convertible into shares of USB's Common Stock or any other class or series of USB's capital stock, and will not be subject to any sinking fund or other obligation for their repurchase or retirement.

Rank — With respect to the payment of dividends and amounts upon liquidation, the Series O Preferred Stock ranks equally with the Series A Preferred Stock, the Series B Preferred Stock, the Series J Preferred Stock, the Series K Preferred Stock, the Series L Preferred Stock, the Series M Preferred Stock and the Series N Preferred Stock and with any future class or series of USB's capital stock that ranks on a par with the Series O Preferred Stock in the payment of dividends and in the distribution of assets on USB's liquidation, dissolution or winding up. With respect to the payment of dividends and amounts upon liquidation, the Series O Preferred Stock ranks senior to USB's Common Stock and any other future class or series of USB's capital stock over which the Series O Preferred Stock has preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up. USB may not issue any class of series of capital stock having a preference or priority in the payment of dividends or in the distribution of assets on USB's liquidation, dissolution or winding up over the Series O Preferred Stock without the affirmative vote or consent of the holders of at least 66-2/3% of all of the shares of the Series O Preferred Stock and all other Parity Stock, at the time outstanding, voting as a single class without regard to series.

In particular, during a dividend period and subject to certain exceptions, no dividend will be paid or declared and no distribution will be made on any Junior Stock, other than a dividend

payable solely in Junior Stock, no shares of Junior Stock may be repurchased, redeemed or otherwise acquired for consideration by USB, directly or indirectly (other than (i) as a result of reclassification of Junior Stock for or into Junior Stock, or the exchange or conversion of one share of Junior Stock for or into another share of Junior Stock, (ii) through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock, (iii) purchases of shares of Junior Stock pursuant to a contractually binding requirement to buy such Junior Stock existing prior to the commencement of the then-current dividend period, including under a contractually binding stock repurchase plan, (iv) any purchase, redemption or other acquisition of Junior Stock pursuant to any employee, consultant or director incentive or benefit plans or arrangements of USB's or any of USB's subsidiaries (including any employment, severance or consulting arrangements adopted before or after the issuance of the Series O Preferred Stock) and (v) in connection with any underwriting, stabilization, market-making or similar transactions in USB's capital stock by an investment banking subsidiary of USB in the ordinary course of such subsidiary's business), nor will any monies be paid to or made available for a sinking fund for the redemption of any such securities by USB, and no shares of Parity Stock may be purchased, redeemed or otherwise acquired for consideration by USB otherwise than pursuant to pro rata offers to purchase all, or a pro rata portion, of the Series O Preferred Stock and such Parity Stock except by conversion into or exchange for Junior Stock, unless full dividends for the most recently completed dividend period on all outstanding shares of Series O Preferred Stock have been paid or declared and a sum sufficient for the payment thereof set aside.

Dividends — Dividends on shares of the Series O Preferred Stock will not be mandatory. Holders of Series O Preferred Stock will be entitled to receive, when, as and if declared by USB's board of directors or a duly authorized committee of the board, out of assets legally available for the payment of dividends under Delaware law, non-cumulative cash dividends. Dividends on each share of Series O Preferred Stock will accrue on the liquidation preference amount of $25,000 per share at a rate per annum equal to 4.50% payable quarterly in arrears on each January 15, April 15, July 15 and October 15. If any day on which dividends are payable on the Series O Preferred Stock is not a business day, then payment of the dividend payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of such delay. The record date for payment of dividends on the Series O Preferred Stock will be the last day of the immediately preceding calendar month during which the dividend payment date falls. The amount of dividends payable for any period will be computed on the basis of a 360-day year consisting of twelve 30-day months. Dollar amounts resulting from that calculation will be rounded to three decimal places, with $0.0005 being rounded upward. For purposes of the Series O Preferred Stock, the term "business day" means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions are not authorized or obligated by law, regulation or executive order to close in New York, New York. Dividends on the Series O Preferred Stock will not be declared, paid or set aside for payment to

the extent such act would cause USB to fail to comply with any applicable laws and regulations, including applicable capital adequacy guidelines.

The right of holders of the Series O Preferred Stock to receive dividends is non-cumulative. If USB's board of directors does not declare a dividend on the Series O Preferred Stock or declares less than a full dividend in respect of any dividend period, the holders of the Series O Preferred Stock will have no right to receive any dividend or a full dividend, as the case may be, for that dividend period, and USB will have no obligation to pay a dividend or to pay full dividends for that dividend period, whether or not dividends are declared and paid for any future dividend period with respect to the Series O Preferred Stock, Parity Stock, Junior Stock or any other class or series of USB's authorized Preferred Stock.

When dividends are not paid in full upon the Series O Preferred Stock and any other Parity Stock, dividends upon that stock will be declared on a proportional basis so that the amount of dividends declared per share will bear to each other the same ratio that accrued dividends for the current dividend period per share on the Series O Preferred Stock, and accrued dividends, including any accumulations, on such Parity Stock, bear to each other. No interest will be payable in respect of any dividend payment on the Series O Preferred Stock that may be in arrears.

Redemption **—**The Series O Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provision.

The Series O Preferred Stock will be redeemable at USB's option, in whole or in part, at any time on or after April 15, 2027 at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends.

In addition, within 90 days following the occurrence of a Regulatory Capital Treatment Event, USB, at its option, subject to the approval of the Appropriate Federal Banking Agency, may redeem, at any time, all (but not less than all) of the shares of Series O Preferred Stock at the time outstanding, at a redemption price equal to $25,000 per share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. For purposes of the Series O Preferred Stock, "Regulatory Capital Treatment Event" means the good faith determination by USB that, as a result of (i) any amendment to, or change in, the laws or regulations of the United States or any political subdivision of or in the United States that is enacted or becomes effective after the initial issuance of any share of Series O Preferred Stock, (ii) any proposed change in those laws or regulations that is announced after the initial issuance of any share of Series O Preferred Stock, or (iii) any official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is

announced after the initial issuance of any share of Series O Preferred Stock, there is more than an insubstantial risk that USB will not be entitled to treat the full liquidation value of the shares of Series O Preferred Stock then outstanding as "additional tier 1 capital" (or its equivalent) for purposes of the capital adequacy guidelines of the Federal Reserve Board (or, as and if applicable, the capital adequacy guidelines or regulations of any successor Appropriate Federal Banking Agency), as then in effect and applicable, for as long as any share of Series O Preferred Stock is outstanding.

If shares of the Series O Preferred Stock are to be redeemed, the notice of redemption will be given by first class mail to the holders of record of the Series O Preferred Stock to be redeemed, mailed not less than 10 days nor more than 60 days prior to the date fixed for redemption thereof (provided that, if the depositary shares representing the Series O Preferred Stock are held in book-entry form through DTC, USB may give such notice in any manner permitted by the DTC). Each notice of redemption will include a statement setting forth: (i) the redemption date, (ii) the number of shares of the Series O Preferred Stock to be redeemed and, if less than all the shares held by such holder are to be redeemed, the number of such shares to be redeemed from such holder, (iii) the redemption price, (iv) the place or places where the certificates evidencing shares of Series O Preferred Stock are to be surrendered for payment of the redemption price and (v) that dividends on the shares to be redeemed will cease to accrue on the redemption date. If notice of redemption of any shares of Series O Preferred Stock has been duly given and if the funds necessary for such redemption have been set aside by USB for the benefit of the holders of any shares of Series O Preferred Stock so called for redemption, then, on and after the redemption date, dividends will cease to accrue on such shares of Series O Preferred Stock, such shares of Series O Preferred Stock will no longer be deemed outstanding and all rights of the holders of such shares will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the shares of the Series O Preferred Stock at the time outstanding, the shares to be redeemed will be selected either pro rata or in such other manner as USB may determine to be fair and equitable.

Under the Federal Reserve Board's risk-based capital guidelines applicable to bank holding companies, any redemption of the Series O Preferred Stock is subject to prior approval of the Federal Reserve Board.

Rights Upon Liquidation, Dissolution or Winding Up — In the event of USB's liquidation, dissolution or winding up, the holders of the Series O Preferred Stock at the time outstanding will be entitled to receive a liquidating distribution in the amount of the liquidation preference of $25,000 per share, plus any authorized, declared and unpaid dividends for the then-

current dividend period to the date of liquidation, out of USB's assets legally available for distribution to USB's stockholders, before any distribution is made to holders of USB's Common Stock or any Junior Stock and subject to the rights of the holders of any class or series of securities ranking senior to or on parity with the Series O Preferred Stock upon liquidation and the rights of USB's depositors and other creditors.

If the amounts available for distribution upon USB's liquidation, dissolution or winding up are not sufficient to satisfy the full liquidation rights of all the outstanding Series O Preferred Stock and all stock ranking equal to the Series O Preferred Stock, then the holders of each series of Preferred Stock will share ratably in any distribution of assets in proportion to the full respective preferential amount to which they are entitled. After the full amount of the liquidation preference is paid, the holders of Series O Preferred Stock will not be entitled to any further participation in any distribution of USB's assets.

For such purposes, USB's consolidation or merger with or into any other entity, the consolidation or merger of any other entity with or into USB, or the sale of all or substantially all of USB's property or business will not be deemed to constitute USB's liquidation, dissolution or winding up.

Voting Rights — Except as provided below, the holders of the Series O Preferred Stock have no voting rights.

Whenever dividends on any shares of the Series O Preferred Stock or any other class or series of Parity Stock have not been declared and paid for an amount equal to six or more quarterly dividend periods (whether consecutive or not) or their equivalent, the holders of the Series O Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) will be entitled to vote as a single class for the election of a total of two additional members of USB's board of directors, provided that the election of any such directors will not cause USB to violate the corporate governance requirement of the New York Stock Exchange (or any other exchange on which USB's securities may be listed) that listed companies must have a majority of independent directors and provided further that USB's board of directors will at no time include more than two Preferred Directors. In that event, the number of directors on USB's board of directors will automatically increase by two and, at the request of any holder of Series O Preferred Stock, a special meeting of the holders of Series O Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series O Preferred Stock as to payment of dividends and for which dividends have not been paid, will be called for the election of the two directors (unless such request is received less than 90 days before the date fixed for the next

annual or special meeting of the stockholders, in which event such election will be held at such next annual or special meeting of stockholders), followed by such election at each subsequent annual meeting. These voting rights will continue until full dividends have been paid regularly on the shares of the Series O Preferred Stock and any other class or series of Preferred Stock that ranks on parity with the Series O Preferred Stock as to payment of dividends for at least four consecutive quarterly dividend periods or their equivalent following the Nonpayment.

If and when full dividends have been regularly paid for at least four consecutive quarterly dividend periods or their equivalent following a Nonpayment on the Series O Preferred Stock and any other class or series of Parity Stock, the holders of the Series O Preferred Stock will be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment) and the term of office of each Preferred Director so elected will terminate and the number of directors on USB's board of directors will automatically decrease by two. Any Preferred Director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of the Series O Preferred Stock (together with holders of any and all other classes of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) when they have the voting rights described above. So long as a Nonpayment continues, any vacancy in the office of a Preferred Director (other than prior to the initial election of the Preferred Directors) may be filled by the written consent of the Preferred Director remaining in office, or if none remains in office, by a vote of the holders of the outstanding shares of Series O Preferred Stock (together with holders of any and all other class of USB's authorized Preferred Stock having equivalent voting rights, whether or not the holders of such Preferred Stock would be entitled to vote for the election of directors if such default in dividends did not exist) to serve until the next annual meeting of stockholders. The Preferred Directors will each be entitled to one vote per director on any matter.

If the holders of Series O Preferred Stock become entitled to vote for the election of Preferred Directors, the Series O Preferred Stock may be considered a class of voting securities under interpretations adopted by the Federal Reserve Board. As a result, certain holders of the Series O Preferred Stock may become subject to regulations under the Bank Holding Company Act and/or certain acquisitions of the Series O Preferred Stock may be subject to prior approval by the Federal Reserve Board.

So long as any shares of Series O Preferred Stock remain outstanding:

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series O Preferred Stock and all other Parity Stock at the time outstanding, voting as a single class without regard to series, will be required to issue, authorize or increase the

authorized amount of, or to issue or authorize any obligation or security convertible into or evidencing the right to purchase, any class or series of stock ranking senior to the Series O Preferred Stock and all other Parity Stock with respect to payment of dividends or the distribution of assets upon USB's liquidation, dissolution or winding up; and

- the affirmative vote or consent of the holders of at least two-thirds of all of the shares of the Series O Preferred Stock at the time outstanding, voting separately as a class, will be required to amend the provisions of USB's Certificate of Incorporation or the Certificate of Designations of the Series O Preferred Stock or any other series of Preferred Stock so as to materially and adversely affect the powers, preferences, privileges or rights of the Series O Preferred Stock, taken as a whole; provided, however, that any increase in the amount of the authorized or issued Series O Preferred Stock or authorized Preferred Stock or the creation and issuance, or an increase in the authorized or issued amount, of other series of Preferred Stock and/or Junior Stock will not be deemed to adversely affect the powers, preferences, privileges or rights of the Series O Preferred Stock.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such vote would otherwise be required will be effected, all outstanding shares of Series O Preferred Stock have been redeemed or called for redemption upon proper notice and sufficient funds have been set aside by USB for the benefit of the holders of the Series O Preferred Stock to effect such redemption.

Description of Depositary Shares

In this "Description of Capital Stock," references to "holders" of depositary shares mean those who own depositary shares registered in their own names, on the books that USB or the depositary maintain for this purpose, and not indirect holders who own beneficial interests in depositary shares registered in street name or issued in book-entry form through DTC.

This "Description of Capital Stock" summarizes specific terms and provisions of the depositary shares relating to USB's outstanding series of Preferred Stock. As described above, all of USB's outstanding series of Preferred Stock were offered as fractional interests in such shares of Preferred Stock in the form of depositary shares. Each depositary share represents a fractional ownership interest in a share of Preferred Stock, and will be evidenced by a depositary receipt. The shares of each series of Preferred Stock represented by depositary shares have been deposited under a deposit agreement among USB, U.S. Bank National Association, as depositary, and the holders from time to time of the depositary receipts evidencing the depositary shares. Subject to the terms of the deposit agreement, each holder of a depositary share will be entitled, through the depositary, in proportion to the applicable fraction of a share of Preferred

Stock represented by such depositary share, to all the rights and preferences of the applicable series of Preferred Stock represented thereby (including dividend, voting, redemption and liquidation rights).

The depositary will distribute any cash dividends or other cash distributions received in respect of the deposited Preferred Stock to the record holders of depositary shares relating to the underlying Preferred Stock in proportion to the number of depositary shares held by the holders. The depositary will distribute any property received by it other than cash to the record holders of depositary shares entitled to those distributions, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make a distribution. In that event, the depositary may, with USB's approval, sell the property and distribute the net proceeds from the sale to the holders of the depositary shares in proportion to the number of depositary shares they hold. Record dates for the payment of dividends and other matters relating to the depositary shares will be the same as the corresponding record dates for the applicable series of Preferred Stock. The amounts distributed to holders of depositary shares will be reduced by any amounts required to be withheld by the depositary or by USB on account of taxes or other governmental charges.

If USB redeems any shares of Preferred Stock represented by depositary shares, the corresponding depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption of the Preferred Stock held by the depositary. The redemption price per depositary share will be equal to the fraction of the share of Preferred Stock represented by the depositary share, plus any declared and unpaid dividends, without accumulation of any undeclared dividends. Whenever USB redeems shares of Preferred Stock held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing the shares of Preferred Stock so redeemed. In case of any redemption of less than all of the outstanding depositary shares, the depositary shares to be redeemed will be selected by the depositary pro rata or in such other manner determined by the depositary to be equitable. In any such case, USB will redeem depositary shares only in increments equal to the denominator of the fraction of the share of Preferred Stock represented by one depositary share.

When the depositary receives notice of any meeting at which the holders of the applicable series of Preferred Stock are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares relating to such Preferred Stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the applicable series of Preferred Stock, may instruct the depositary to vote the amount of the Preferred Stock represented by the holder's depositary shares. To the extent possible, the depositary will vote the amount of the Preferred Stock represented by depositary shares in accordance with the instructions it receives. USB will agree to take all reasonable

actions that the depositary determines are necessary to enable the depositary to vote as instructed. If the depositary does not receive specific instructions from the holders of any depositary shares, it will vote all depositary shares of that series held by it proportionately with instructions received.

Anti-Takeover Provisions

Provisions of federal banking law, the Delaware General Corporation Law and USB's Certificate of Incorporation and Bylaws described below may be deemed to have an anti-takeover effect and, together with the ability of USB's board of directors to issue shares of Preferred Stock and to set the voting rights, preferences and other terms of Preferred Stock, may discourage, delay or prevent takeover attempts not first approved by USB's board of directors. These provisions also could discourage, delay or prevent the removal of incumbent directors or the assumption of control by stockholders. USB believes that these provisions are appropriate to protect its interests and USB's stockholders.

Restrictions on Ownership. The Bank Holding Company Act requires a "bank holding company" (as defined in the Bank Holding Company Act) to obtain the approval of the Federal Reserve Board prior to acquiring more than five percent (5%) of USB's outstanding Common Stock. Any person, other than a bank holding company, is required to obtain prior approval of the Federal Reserve Board to acquire ten percent (10%) or more of USB's outstanding Common Stock under the Change in Bank Control Act. Any holder of twenty-five percent (25%) or more of USB's outstanding Common Stock, other than an individual, is subject to regulation as a bank holding company, under the Bank Holding Company Act.

Stockholder Action by Written Consent. USB's Certificate of Incorporation authorizes action by the stockholders of USB only pursuant to a meeting and not by a written consent.

Special Meetings of Stockholders. USB's Bylaws provide that special meetings of stockholders may be called only by USB's board of directors, USB's chief executive officer or by USB's secretary at the written request (a "Special Meeting Request") of holders of record of at least 25% of the voting power of the outstanding stock of USB entitled to vote on the matter or matters to be brought before the proposed special meeting (the "Requisite Percentage") (such percentage to be based on the number of outstanding voting shares of USB most recently disclosed prior to the date of the request for the special meeting by USB in its filings with the Securities and Exchange Commission (the "SEC")). A Special Meeting Request must be signed by each stockholder requesting the special meeting (each, a "Requesting Stockholder") and must be accompanied by a notice setting forth the information specified in USB's Bylaws. Requesting Stockholders who collectively hold at least the Requisite Percentage on the date the Special

Meeting Request is submitted to USB's secretary must: (i) continue to hold at least the number of shares of stock set forth in the Special Meeting Request with respect to each such Requesting Stockholder through the date of the special meeting; and (ii) submit a written certification (an "Ownership Certification") confirming the continuation of such holdings on the business day immediately preceding the special meeting, which Ownership Certification must include the information specified in USB's Bylaws.

A special meeting requested by stockholders will not be held if: (i) the Special Meeting Request does not comply with the requirements of USB's Bylaws; (ii) the Special Meeting Request relates to an item of business that is not a proper subject for stockholder action under applicable law; (iii) the Special Meeting Request is received by USB during the period commencing 90 days prior to the first anniversary of the date of the immediately preceding annual meeting of stockholders and ending on the date of the next annual meeting; (iv) an annual or special meeting of stockholders that included a substantially similar item of business ("Similar Business") (as determined in good faith by USB's board of directors) was held not more than 120 days before the Special Meeting Request was received by USB's secretary; *provided, however*, that this clause (iv) does not apply if a material corporate event relating to the item of business has occurred since the date of such prior annual or special meeting; (v) two or more special meetings of stockholders called pursuant to the request of stockholders have been held within the 12-month period before the Special Meeting Request was received by the secretary; (vi) USB's board of directors has called or calls for an annual or special meeting of stockholders to be held within 90 days after the Special Meeting Request is received by USB's secretary, and USB's board of directors determines in good faith that the business to be conducted at such meeting includes the Similar Business; (vii) such Special Meeting Request was made in a manner that involved a violation of the proxy rules of the SEC or other applicable law; or (viii) the Requesting Stockholders fail to own the Requisite Percentage at all times on and between the date of the Special Meeting Request and the date of the requested special meeting.

Advance Notice to Nominate Directors. Nominations of persons for election as directors at a meeting of stockholders called for the purpose of electing directors may be made: (i) as specified in the notice of meeting (or any supplement thereto) given by or at the direction of USB's board of directors, including nominations made as described below under "—Stockholder Nominations Included in USB's Proxy Materials" or nominations to be made pursuant to a Special Meeting Request; or (ii) by any stockholder in the following manner.

For any nomination to be properly made by a stockholder, other than nominations described below under "—Stockholder Nominations Included in USB's Proxy Materials" or nominations to be made pursuant to a Special Meeting Request, the stockholder must: (i) be a stockholder of record both at the time of giving of the notice referred to in the following clause

and at the time of the meeting of stockholders called for the purpose of electing directors and be entitled to vote at such meeting; and (ii) give written notice to USB's secretary so as to be received at USB's principal executive offices not less than (A) with respect to an annual meeting of stockholders, 120 days in advance of the anniversary of USB's previous year's annual meeting of stockholders, except that if no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than 30 days from such anniversary date, such notice must be so received by the later of: (1) the close of business on the date 90 days prior to the meeting date; or (2) the close of business on the tenth day following the date on which such meeting date is first publicly announced or disclosed; and (B) with respect to a special meeting of stockholders for the election of directors, the close of business on the seventh day following the date on which the notice of such meeting is first given to stockholders.

The required notice must contain the information specified in USB's Bylaws. To be eligible as a nominee for election or reelection as a director, an individual must deliver (in accordance with the time periods prescribed for delivery of notice under USB's Bylaws) to USB's secretary at USB's principal executive offices a completed written questionnaire with respect to the matters specified in USB's Bylaws and a written representation and agreement as to the matters specified in USB's Bylaws.

Stockholder Nominations Included in USB's Proxy Materials. If expressly requested in a Nomination Notice (as defined below), USB will, subject to certain exceptions specified in USB's Bylaws, include in its proxy statement for any annual meeting of stockholders specified information regarding person(s) nominated for election (the "Nominee(s)") by a Nominating Stockholder (as defined below), including any statement included in support of the election of the Nominee(s) to the board by the Nominating Stockholder in the Nomination Notice for inclusion in the proxy statement and other information that USB or its board of directors determines, in their discretion, to include in the proxy statement relating to the nomination of the Nominee(s), including a statement in opposition to the nomination. Any Nominee(s) will also be included on USB's form of proxy and ballot.

A Nomination Notice may only be submitted by an Eligible Holder (as defined below) or group of up to 20 Eligible Holders that has (individually and collectively, in the case of a group) satisfied, as determined by USB's board of directors, all applicable conditions and complied with all applicable procedures set forth in USB's Bylaws (such Eligible Holder or group of Eligible Holders being a "Nominating Stockholder"), including those described below.

USB is not be required to include in the proxy statement for an annual meeting of stockholders more Nominees than that number of directors constituting the greater of (A) two

and (B) 20% of the total number of USB directors on the last day on which a Nomination Notice may be submitted.

An "Eligible Holder" is a person who has either: (A) been a record holder of the Minimum Number (as defined below) of shares of Common Stock continuously throughout the three-year period preceding and including the date of submission of the Nomination Notice, and continues to own at least the Minimum Number of such shares of Common Stock through the date of the annual meeting; or (B) provides to the secretary, within the time period specified in USB's Bylaws, appropriate evidence of continuous ownership of such shares for such three-year period from one or more securities intermediaries.

An Eligible Holder or group of up to 20 Eligible Holders may submit a Nomination Notice only if the person or group (in the aggregate) has continuously owned at least 3% of the number of outstanding shares of Common Stock as of the most recent date for which such amount is given in any filing by USB with the SEC prior to the submission of the Nomination Notice (the "Minimum Number") for the three–year period specified above.

To nominate a Nominee (or Nominees), the Nominating Stockholder must, no earlier than 150 calendar days and no later than 120 calendar days before the anniversary of the date that USB mailed its proxy statement for the prior year's annual meeting of stockholders, submit to the secretary at USB's principal executive office a notice (the "Nomination Notice") containing all of the information and accompanied by the documents specified in USB's Bylaws; provided, however, that if the annual meeting is not scheduled to be held within a period that commences 30 days before the anniversary date of the prior year's annual meeting and ends 30 days after such anniversary date of the prior year's annual meeting (an annual meeting date outside such period being referred to herein as an "Other Meeting Date"), the Nomination Notice will be given in the manner provided herein by the later of the close of business on the date that is 180 days prior to such Other Meeting Date or the tenth day following the date such Other Meeting Date is first publicly announced.

Advance Notice of Other Proposals. For business other than a nomination for director to be properly brought before an annual meeting by a stockholder, the stockholder must have given written notice to the secretary so as to be received at USB's principal executive offices not less than 120 days in advance of the anniversary of the date on which USB's previous proxy statement was released to stockholders in connection with the previous year's annual meeting of stockholders, except that if no annual meeting was held in the previous year or the date of the annual meeting has been changed by more than 30 days from such anniversary date, such notice must be so received a reasonable time before the solicitation is made. Each such notice must set

forth as to each matter the stockholder proposes to bring before the annual meeting the information specified in USB's Bylaws.

DESCRIPTION OF NOTES

The following description of certain material terms of the Floating Rate Notes, Series CC (Senior), due May 21, 2028 (the "2028 Notes") and the 4.009% Fixed-to-Floating Rate Notes, Series CC (Senior), due May 21, 2032 (the "2032 Notes," and, together with the 2028 Notes, the "Notes") of USB was provided in the pricing supplement dated May 14, 2024 and filed with the Securities and Exchange Commission (the "Commission") on May 15, 2024 and the pricing supplement dated February 21, 2025 and filed with the Commission on February 24, 2025. The following description is qualified by reference to such pricing supplements and the description of the general terms and provisions of the Notes set forth in (i) USB's prospectus dated March 10, 2023, and filed with the Commission on March 10, 2023 and (ii) USB's prospectus supplement dated April 21, 2023 and filed with the Commission on April 21, 2023. The following description of specified provisions of the senior indenture, dated as of October 1, 1991, as amended by a first supplemental indenture, dated as of April 21, 2017, and as further amended or supplemented from time to time (the "Indenture"), between USB and Citibank, N.A., as trustee, and the Notes is qualified by reference to the actual provisions of the Indenture, including the definitions contained in the Indenture of some of the terms used below, and the Notes, copies of which are incorporated by reference as exhibits to USB's Form 8-A filed with the Commission on May 21, 2024.

General

Each series of Notes is a tranche of USB's Medium-Term Notes, Series CC (Senior) issued under the Indenture. As of December 31, 2025, the outstanding aggregate principal amount of the 2028 Notes was €500,000,000, and the outstanding aggregate principal amount of the 2032 Notes was €950,000,000.

The Notes were issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

USB may from time to time, without giving notice to or seeking the consent of the holders of the Notes, issue additional debt securities having the same terms and conditions as either series of Notes (except for the issue date, and, in some cases, the offering price and first interest payment date); *provided, however*, that USB will use a separate CUSIP for any such additional notes that are not fungible with the applicable outstanding Notes for U.S. federal income tax purposes.

The Notes are USB's unsecured, unsubordinated debt, rank equally with all of USB's other unsecured and unsubordinated debt from time to time outstanding and will constitute a single series of notes with USB's other Medium-Term Notes, Series CC (Senior), previously issued or issued in the future. The Notes will not be subject to any sinking fund provisions and will not be convertible into or exchangeable for any of USB's equity interests.

With respect to the Notes, "Business Day" means any day, other than a Saturday or Sunday, (i) that is neither a legal holiday nor a day on which banking institutions are authorized or required by law, regulation or executive order to close in the City of New York and (ii) that also is a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (T2) System (or any successor thereto) (the "T2 system"), is open (a "T2 Business Day").

Interest and Principal Payments

2028 Notes — The entire principal amount of the 2028 Notes will mature and become payable, together with unpaid interest, if any, accrued thereon, on May 21, 2028 unless redeemed earlier as described below under "— Optional Redemption" or "— Redemption for Tax Reasons." The principal of each 2028 Note payable at maturity or earlier redemption, together with unpaid interest, if any, will be paid in euro against presentation and surrender at the office or agency maintained for such purpose.

The 2028 Notes bear interest at the Euro interbank offered rate, or EURIBOR, determined on the applicable interest determination date plus 0.80% for each quarterly interest period calculated in accordance with the terms and provisions described below.

Interest on the 2028 Notes is payable quarterly in arrears on February 21, May 21, August 21 and November 21 of each year, commencing on August 21, 2024 and ending on the maturity date of the 2028 Notes.

The interest determination date for the 2028 Notes is the second T2 Business Day prior to the first day of each applicable interest period.

The term "interest period" with respect to the 2028 Notes means each quarterly period from, and including, an interest payment date (or, in the case of the first interest period, May 21, 2024) to, but excluding, the next interest payment date (or in the case of the final interest period, the maturity date of the 2028 Notes or, if the 2028 Notes are redeemed earlier, the redemption date).

Interest will be payable to the persons in whose name a 2028 Note is registered at the close of business on the regular record date (as defined below) next preceding each interest payment date; *provided, however*, that interest payable at the maturity date of the 2028 Notes or

earlier redemption date will be payable to the person to whom principal shall be payable. The regular record date for the 2028 Notes will be the fifteenth calendar day, whether or not a Business Day, immediately preceding the related interest payment date; *provided, however*, that so long as the relevant global note is held by or on behalf of a common depositary for Euroclear Bank SA/NV ("Euroclear"), Clearstream Banking S.A. ("Clearstream") or any other clearing system, "record date" shall be a day when Euroclear, Clearstream or such other clearing system, as the case may be, is open for business. Interest payable on an interest payment date with respect to the 2028 Notes will be computed on the basis of an Actual/360 day count convention.

If any interest payment date other than the maturity date of the 2028 Notes or any earlier redemption date would otherwise be a day that is not a Business Day, the interest payment date will be postponed to the next succeeding Business Day, *provided, that* if that next succeeding Business Day falls in the next calendar month, the interest payment date will be the immediately preceding Business Day. If the maturity date of the 2028 Notes or any redemption date is not a Business Day, the payment of principal, premium, if any, interest and other amounts otherwise due on such day will be made on the next succeeding Business Day with the same force and effect as if made on such specified date, and no interest on such payment will accrue for the period from and after such maturity date or redemption date, as the case may be.

Interest on the 2028 Notes will reset quarterly on each interest payment date. If any such interest reset date is not a Business Day, the interest reset date will be postponed to the next succeeding Business Day; *provided, that* if that next succeeding Business Day falls in the next calendar month, then the interest reset date instead will be the immediately preceding Business Day.

So long as the relevant global note is held on behalf of Euroclear, Clearstream or any other clearing system, notices to holders of 2028 Notes represented by the global note may be given by delivery of the relevant notice to Euroclear, Clearstream or such other clearing system, as the case may be.

2032 Notes — The entire principal amount of the 2032 Notes will mature and become payable, together with unpaid interest, if any, accrued thereon on May 21, 2032 unless redeemed earlier as described below under "— Optional Redemption" or "— Redemption for Tax Reasons." The principal of each 2032 Note payable at maturity or earlier redemption, together with unpaid interest, if any, will be paid in euro against presentation and surrender at the office or agency maintained for such purpose.

The 2032 Notes bear interest (i) from, and including, May 21, 2024 to, but excluding, May 21, 2031 (such date, the "Reset Date" and such period, the "Fixed Rate Period"), at a rate equal to 4.009% per annum, payable in arrears for each annual interest period (as defined below) on May 21 of each year, commencing on May 21, 2025 and ending on the Reset Date, and (ii) from, and including, the Reset Date to, but excluding, the maturity date of the 2032

Notes (the "Floating Rate Period"), at a floating rate per annum, reset quarterly, determined on the applicable interest determination date (as defined below) by reference to EURIBOR (calculated in accordance with the terms and provisions described below) plus 1.252% per annum, payable quarterly in arrears on February 21, May 21, August 21 and November 21 of each year, commencing on August 21, 2031, and ending on the maturity date of the 2032 Notes.

The interest determination date for the 2023 Notes with respect to each interest period during the Floating Rate Period is the second T2 Business Day prior to the first day of each applicable interest period.

The term "interest period" with respect to the 2032 Notes means (i) with respect to the Fixed Rate Period, each annual period from, and including, an interest payment date (or, in the case of the first interest period during the Fixed Rate Period, May 21, 2024) to, but excluding, the next interest payment date (or, in the case of the final interest period during the Fixed Rate Period, the Reset Date or, if the 2032 Notes are redeemed earlier, the redemption date); and (ii) with respect to the Floating Rate Period, each quarterly period from, and including, an interest payment date (or, in the case of the first interest period during the Floating Rate Period, the Reset Date) to, but excluding, the next interest payment date (or, in the case of the final interest period during the Floating Rate Period, the maturity date of the 2032 Notes or, if the 2032 Notes are redeemed earlier, the redemption date).

Interest will be payable to the persons in whose name a 2032 Note is registered at the close of business on the regular record date (as defined below) next preceding each interest payment date; *provided, however*, that interest payable at the maturity date or earlier redemption date will be payable to the person to whom principal shall be payable. The regular record date for the Notes will be the fifteenth calendar day, whether or not a Business Day, immediately preceding the related interest payment date; *provided, however*, that so long as the relevant global note is held by or on behalf of a common depositary for Euroclear, Clearstream or any other clearing system, "record date" shall be a day when Euroclear, Clearstream or such other clearing system, as the case may be, is open for business. Interest payable on an interest payment date with respect to the 2032 Notes will be computed on the basis of (i) with respect to the Fixed Rate Period, an Actual/Actual (ICMA) (as defined in the rulebook of the International Capital Market Association) day count convention, and (ii) with respect to the Floating Rate Period, an Actual/360 day count convention.

With respect to the Fixed Rate Period, if any interest payment date, the maturity date or earlier redemption date is not a Business Day, the related payment of principal, premium, if any, or interest will be made on the next succeeding Business Day as if made on the date the applicable payment was due, and no interest will accrue on the amount so payable for the period from and after such interest payment date, the maturity date or such redemption date, as the case may be.

With respect to the Floating Rate Period, if any interest payment date other than the maturity date or any earlier redemption date would otherwise be a day that is not a Business Day, the interest payment date will be postponed to the next succeeding Business Day, *provided, that* if that next succeeding Business Day falls in the next calendar month, the interest payment date will be the immediately preceding Business Day. If the maturity date or any redemption date is not a Business Day, the payment of principal, premium, if any, interest and other amounts otherwise due on such day will be made on the next succeeding Business Day with the same force and effect as if made on such specified date, and no interest on such payment will accrue for the period from and after such maturity date or redemption date, as the case may be.

Interest on the 2032 Notes will reset quarterly on each interest payment date commencing on the Reset Date. If any such interest reset date is not a Business Day, the interest reset date will be postponed to the next succeeding Business Day; *provided, that* if that next succeeding Business Day falls in the next calendar month, then the interest reset date instead will be the immediately preceding Business Day; *provided, further*, that the Reset Date shall not be adjusted for a non-Business Day.

So long as the relevant global note is held on behalf of Euroclear, Clearstream or any other clearing system, notices to holders of 2032 Notes represented by the global note may be given by delivery of the relevant notice to Euroclear, Clearstream or such other clearing system, as the case may be.

EURIBOR — EURIBOR means, with respect to any interest determination date relating to a series of Notes (a "EURIBOR interest determination date"), a base rate equal to the interest rate for deposits in euro designated as "EURIBOR" as sponsored, calculated and published by EMMI having the index maturity specified in the applicable pricing supplement, as that rate appears on Reuters Page EURIBOR01 (or any other page as may replace such page on such service) ("Reuters Page EURIBOR01") as of 11:00 a.m., Brussels time, on such EURIBOR interest determination date.

The following procedures will be followed if EURIBOR cannot be determined as described above:

- If the rate described above does not appear on Reuters Page EURIBOR01, EURIBOR will be determined on the basis of the rates, at approximately 11:00 a.m., Brussels time, on such EURIBOR interest determination date, at which deposits of the following kind are offered to prime banks in the euro-zone interbank market by the principal euro-zone office of each of four major banks in that market selected by the calculation agent, after consultation with us: euro deposits having such EURIBOR index maturity, beginning on such EURIBOR interest reset date, and in a representative amount. The calculation agent will request that the principal euro-zone office of each of these banks provide a quotation

of its rate. If at least two quotations are provided, EURIBOR for such EURIBOR interest determination date will be the arithmetic mean of those quotations.

- If fewer than two quotations are provided as described above, EURIBOR for such EURIBOR interest determination date will be the arithmetic mean of the rates for loans of the following kind to leading euro-zone banks quoted, at approximately 11:00 a.m., Brussels time on that interest determination date, by three major banks in the euro-zone selected by the calculation agent: loans of euro having such EURIBOR index maturity, beginning on such EURIBOR interest reset date, and in an amount that is representative of a single transaction in euro in that market at the time.

- If fewer than three banks selected by the calculation agent are quoting as described above, EURIBOR for the new interest period will be EURIBOR in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

Benchmark Discontinuation - Reference Rate Replacement – Notwithstanding the foregoing, and at any time during the application of the foregoing procedures, if USB or its designee determines that a Benchmark Event (as defined below) has occurred when any interest rate (or the relevant component part thereof) with respect to the Notes of a series remains to be determined by reference to EURIBOR, then the following provisions shall apply:

- USB will use reasonable efforts to appoint an Independent Financial Adviser (as defined below) for the determination (with USB's agreement) of a Successor Rate (as defined below) or, alternatively, if USB and the Independent Financial Adviser agree that there is no Successor Rate, an alternative rate (the "Alternative Benchmark Rate") and, in either case, an alternative screen page or source (the "Alternative Relevant Screen Page") and an Adjustment Spread (as defined below) (if applicable) no later than three business days prior to the relevant interest determination date relating to the next succeeding interest period (the "IA Determination Cut-off Date") for purposes of determining the interest rate applicable to the Notes of such series for all future interest periods;

- the Alternative Benchmark Rate will be such rate as USB and the Independent Financial Adviser agree has replaced the relevant reference rate in customary market usage for the purposes of determining the applicable interest rate or, if USB and the Independent Financial Adviser agree that there is no such rate, such other rate as USB and the Independent Financial Adviser agree is most comparable to the relevant reference rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

- if USB is unable to appoint an Independent Financial Adviser, or if USB and the Independent Financial Adviser cannot agree upon, or cannot select a Successor Rate or an

Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the IA Determination Cut-off Date in accordance with the clause immediately above, then USB may determine which (if any) rate has replaced the relevant reference rate in customary market usage for purposes of determining the applicable interest rate or, if USB determines that there is no such rate, which (if any) rate is most comparable to the relevant reference rate, and the Alternative Benchmark Rate will be the rate so determined by USB, and the Alternative Relevant Screen Page will be such page of an information service as displays the Alternative Benchmark Rate; *provided, however*, that if this clause applies and USB is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the interest determination date relating to the next succeeding interest period in accordance with this clause, the reference rate applicable to such interest period will be determined pursuant to the interest rate provisions for the Notes of such series and as outlined above;

- if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or such Alternative Benchmark Rate and such Alternative Relevant Screen Page will be the benchmark and the Relevant Screen Page in relation to the Notes of such series for all future interest periods;

- if USB determines, together with the Independent Financial Adviser, that (A) an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Benchmark Rate and (B) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread will be applied to the Successor Rate or the Alternative Benchmark Rate for each subsequent determination of a relevant interest rate and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or such Alternative Benchmark Rate;

- if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, USB may also specify additional changes applicable to the Notes of such series, and the method for determining the fallback rate in relation to the Notes of such series, to follow market practice in relation to the Successor Rate or the Alternative Benchmark Rate and/or the Adjustment Spread, which changes shall apply to the Notes of such series for all future interest periods; and

- USB will promptly, following the determination of any Successor Rate or any Alternative Benchmark Rate and any Alternative Relevant Screen Page and any Adjustment Spread (if any), give notice thereof and of any changes pursuant to the clause immediately above to the calculation agent, the Paying Agent and the holders of the Notes of such series.

"Adjustment Spread" means either a spread (which may be positive or negative) or a formula or methodology for calculating a spread, which USB determines should be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as applicable), as a result of the replacement of the relevant reference rate with the relevant Successor Rate or the relevant Alternative Benchmark Rate (as applicable), and is the spread, formula or methodology which:

- in the case of a Successor Rate, is recommended or formally provided as an option for parties to adopt, in relation to the replacement of the reference rate with the Successor Rate by any Relevant Nominating Body; or
- in the case of a Successor Rate for which no such recommendation has been made, or option provided, or in the case of an Alternative Benchmark Rate, the spread, formula or methodology which USB determines to be appropriate to reduce or eliminate, to the fullest extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to holders as a result of the replacement of the reference rate with the Successor Rate or the Alternative Benchmark Rate (as applicable).

"Benchmark Event" means:

- (a) the relevant reference rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (b) a public statement by the administrator of the relevant reference rate that it will cease publishing such reference rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such reference rate); or
- (c) a public statement by the supervisor of the administrator of the relevant reference rate that such reference rate has been or will be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the relevant reference rate that means that such reference rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or
- (e) a public statement by the supervisor of the administrator of the relevant reference rate that, in the view of such supervisor, such reference rate is no longer representative of an underlying market; or
- (f) it has or will become unlawful for the calculation agent or USB to calculate any payments due to be made to any holder using the relevant reference rate (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable),

provided that the Benchmark Event shall be deemed to occur only (i) in the case of paragraphs (b) and (c) above, on the date of the cessation of the relevant reference rate or the discontinuation of the reference rate, as the case may be, (ii) in the case of paragraph (d) above, on the date of prohibition of use of the reference rate and (iii) in the case of paragraph (e) above, on the date with effect from which the reference rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the public statement, and, in each case, not the date of the relevant public statement.

"euro-zone" means, at any time, the region comprised of the member states of the European Economic and Monetary Union that, as of that time, have adopted a single currency in accordance with the Treaty on European Union of February 1992.

"Independent Financial Adviser" means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by USB.

"Relevant Nominating Body" means, in respect of a benchmark or screen rate (as applicable):

- the European Union, the central bank, reserve bank, monetary authority or similar institution for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"Successor Rate" means the reference rate (and related alternative screen page or source, if available) that the Independent Financial Adviser (with USB's agreement) determines is a successor to or replacement of the relevant reference rate which is formally recommended by any Relevant Nominating Body.

Currency of Payment

Principal, premium, if any, and interest or any additional amounts in respect of the Notes, including any payments made upon any redemption of the Notes, will be paid in euro.

If the euro is unavailable in USB's good faith judgment for the payment of principal, premium, if any, or interest or any Additional Amounts (as defined below) with respect to the

Notes, including any payments made upon any redemption of the Notes, due to the imposition of exchange controls or other circumstances beyond USB's control, or the euro is no longer used by the member states of the European Monetary Union that have adopted the euro as their currency or is no longer used for the settlement of transactions by public institutions of or within the international banking community (and is not replaced by another currency) then all payments in respect of the Notes may be made in U.S. dollars until the euro is again available to USB or so used. In such circumstances, the amount payable on any date in euros will be converted by USB into U.S. dollars on the basis of the market exchange rate on the second Business Day before that payment is due, or if such rate is not then available, on the basis of the most recently available market exchange rate for the euro on or before the date that payment is due or as otherwise determined by USB in its sole discretion, if the foregoing is impracticable. Any payment in respect of the Notes so made in U.S. dollars will not constitute a default under the Notes or the Indenture. Neither the trustee nor the paying agent shall be responsible for obtaining exchange rates, effecting conversions or otherwise handling redenominations.

The "market exchange rate" means the noon dollar buying rate in the City of New York for cable transfers of euros as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

In the event that the euro is no longer used by the member states of the European Monetary Union that have adopted the euro as their currency or an official redenomination of the euro, USB's obligations with respect to payments on the Notes shall, in all cases, be regarded immediately following such redenomination as providing for the payment of that amount of euros representing the amount of such obligations immediately before such redenomination. The Notes do not provide for any adjustment to any amount payable under the Notes as a result of any change in the value of the euro relative to any other currency due solely to fluctuations in exchange rates.

All determinations referred to above made by USB and/or the exchange rate agent will be at USB's and such agent's sole discretion and will, in the absence of clear error, be conclusive for all purposes and binding on the holders of the Notes.

Optional Redemption

USB may redeem the 2028 Notes at its option (a) in whole, but not in part, on May 21, 2027 (one year prior to the maturity date of the 2028 Notes), or (b) in whole at any time or in part from time to time, on or after April 21, 2028 (one month prior to the maturity date of the 2028 Notes) and prior to the maturity date of the 2028 Notes, in each case at a redemption price equal to 100% of the principal amount of the 2028 Notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

USB may redeem the 2032 Notes at its option on or after November 17, 2024 (180 days after the issue date of the 2032 Notes) (or, if additional 2032 Notes are issued, beginning 180 days after the issue date of such additional 2032 Notes) and prior to the Reset Date (one year prior to the maturity date of the 2032 Notes), in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

(1) 100% of the principal amount of the 2032 Notes to be redeemed; and

(2) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the 2032 Notes to be redeemed matured on the Reset Date) on an annual basis (based on an ICMA Actual/Actual (as described in the rulebook of the International Capital Market Association) day count convention) at the Comparable Government Bond Rate plus 25.0 basis points less (b) interest accrued to, but excluding, the redemption date,

plus, in either case, accrued and unpaid interest thereon to, but excluding, the redemption date.

In addition, USB may redeem the 2032 Notes at its option (a) in whole, but not in part, on the Reset Date, or (b) in whole at any time or in part from time to time, on or after March 19, 2032 (two months prior to the maturity date of the 2032 Notes) and prior to the maturity date of the 2032 Notes, in each case at a redemption price equal to 100% of the principal amount of the 2032 Notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

Notwithstanding the foregoing, installments of interest on the Notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date.

“Comparable Government Bond” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an Independent Investment Banker, a Federal Government Bond of the Bundesrepublik Deutschland (a “German government bond”) whose maturity is closest to the maturity of the 2032 Notes to be redeemed (assuming that such 2032 Notes matured on the Reset Date), or if the Independent Investment Banker in its discretion determines that such similar bond is not in issue, such other German government bond as such Independent Investment Banker may, with the advice of the Reference Bond Dealers, determine to be appropriate for determining the Comparable Government Bond Rate.

“Comparable Government Bond Rate” means the price (i.e., yield), expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the 2032 Notes to be redeemed, if they were to be purchased at such

price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m.(London time) on such business day as determined by an Independent Investment Banker.

"Independent Investment Banker" means an independent investment bank of international standing that USB appoints to act as the Independent Investment Banker from time to time.

"Reference Bond Dealer" means three firms that are brokers of, and/or market makers in German government bonds (each a "Primary Bond Dealer") which USB specifies from time to time; provided, however, that if any of them ceases to be a Primary Bond Dealer, USB will substitute another Primary Bond Dealer.

USB and/or its designees' actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the procedures of the applicable depositary) at least 10 days but not more than 60 days before the redemption date to each holder of Notes to be redeemed.

In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the trustee in its sole discretion deems appropriate and fair and subject to and otherwise in accordance with the procedures of the applicable depositary. No Notes of a principal amount of €100,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the holder of the Note upon surrender for cancellation of the original Note. For so long as the Notes are held in book-entry form, the redemption of the Notes shall be done in accordance with the policies and procedures of the applicable depositary.

Unless USB defaults in payment of the redemption price, on and after any redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption. On or before the redemption date, USB will deposit with its paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

Any redemption or notice may, at USB's discretion, be subject to one or more conditions precedent and, at USB's discretion, the redemption date may be delayed until such time as any or all such conditions precedent included at USB's discretion shall be satisfied (or waived by USB) or the redemption date may not occur and such notice may be rescinded if all such conditions precedent included at USB's discretion shall not have been satisfied (or waived by USB).

To the extent then required by applicable laws or regulations, the Notes may not be redeemed prior to their stated maturity without any requisite prior approvals from applicable regulators.

The Notes also may be subject to redemption prior to the stated maturity date if certain changes in the tax laws of a Relevant Jurisdiction (as defined below) occur. If such changes occur, the Notes may be redeemed at a redemption price of 100% of their principal amount, together with accrued and unpaid interest on the Notes, if any, to, but excluding, the date fixed for redemption.

Payment of Additional Amounts

USB will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts ("Additional Amounts") as are necessary in order that the net amount of such payment of the principal of and interest on a Note to a holder who is a U.S. Alien (as such term is defined below), after deduction for any present or future tax, assessment or governmental charge of (a) the United States (as such term is defined below), or a political subdivision or authority thereof or therein or (b) any other jurisdiction in which any paying agent appointed by USB is organized or the location from which payment is made, or any political subdivision or authority thereof or therein (each of (a) and (b), a "Relevant Jurisdiction"), imposed by withholding with respect to the payment, will not be less than the amount provided for in such Note to be then due and payable. However, the foregoing obligation to pay Additional Amounts shall not apply:

- to any tax, assessment or governmental charge that would not have been so imposed but for the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or holder of power over, such holder, if such holder is an estate, trust, partnership or corporation) and a Relevant Jurisdiction, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or holder of a power) being considered as:
    - being or having been present or engaged in a trade or business in the Relevant Jurisdiction or having had a permanent establishment therein;
    - having a current or former relationship with the Relevant Jurisdiction, including a relationship as a citizen or resident or being treated as a resident thereof; or
    - being or having been, for United States federal income tax purposes, a "controlled foreign corporation," a "passive foreign investment company" (including a qualified electing fund), a corporation that has accumulated earnings to avoid United States federal income tax or a private foundation or other tax-exempt organization;

- to any tax, assessment or other governmental charge imposed by reason of the holder (i) owning or having owned, directly or indirectly, actually or constructively, 10% or more of the total combined voting power of all classes of stock of USB entitled to vote, (ii) receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code") or (iii) being a controlled foreign corporation with respect to the United States that is related to USB by actual or constructive stock ownership;
- to any holder who is a fiduciary or partnership or other than the sole beneficial owner of the Note, but only to the extent that a beneficiary or settlor with respect to such fiduciary or member of such partnership or a beneficial owner of the Note would not have been entitled to the payment of such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the holder of such Note;
- to any tax, assessment or governmental charge that would not have been imposed or withheld but for the failure of the holder to comply with certification, identification or information reporting requirements under the Relevant Jurisdiction's income tax laws, without regard to any tax treaty, with respect to the payment, concerning the nationality, residence, identity or connection with the Relevant Jurisdiction of the holder or a beneficial owner of such Note, if such compliance is required by the Relevant Jurisdiction's income tax laws, without regard to any tax treaty, as a precondition to relief or exemption from such tax, assessment or governmental charge;
- to any tax, assessment or governmental charge that would not have been so imposed or withheld but for the presentation by the holder of such Note for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- to any estate, inheritance, gift, sales, transfer, excise, wealth or personal property tax or any similar tax, assessment or governmental charge;
- to any tax, assessment or governmental charge that is payable otherwise than by withholding by USB or the paying agent from the payment of the principal of or interest on such Note;
- to any tax, assessment or governmental charge required to be withheld by any paying agent from such payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent;
- to any withholding or deduction on or in respect of any Note pursuant to sections 1471 through 1474 of the Code, and the regulations, administrative guidance and official interpretations promulgated thereunder ("FATCA"), any agreement between USB and the United States or any authority thereof entered into for FATCA purposes or any fiscal or

regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of FATCA; or

- to any tax imposed as a result of any combination of the above.

The term "United States" means the United States of America, the States thereof (including the District of Columbia) and any other political subdivision or taxing authority thereof or therein affecting taxation, and the term "U.S. Alien" means any beneficial owner of a Note other than a beneficial owner of a Note that is (A) a citizen or resident of the United States; (B) a corporation, partnership or other entity treated as a corporation or a partnership for U.S. federal income tax purposes created or organized in or under the laws of the United States, any of its states or the District of Columbia; (C) an estate whose income is subject to U.S. federal income tax regardless of its source; or (D) a trust which is subject to the supervision of a court within the United States and the control of one or more United States persons as described in Section 7701(a)(30) of the Code or that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

Redemption for Tax Reasons

If USB has or will become obliged to pay Additional Amounts with respect to the Notes of a series as a result of any change in (including any announced prospective change), or amendment to, the laws or regulations of a Relevant Jurisdiction affecting taxation, or any change in official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after May 14, 2024, and USB determines that such obligation cannot be avoided by the use of reasonable measures then available to it, USB may, at its option, at any time, having given not less than 10 nor more than 60 days' prior written notice to holders of the Notes of the applicable series, redeem, in whole, but not in part, the Notes of such series at a redemption price equal to 100% of their principal amount, together with accrued but unpaid interest, if any, thereon to, but excluding, the redemption date, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which USB would be obliged to pay such Additional Amounts if a payment in respect to the Notes of the applicable series were due on such date. Prior to the transmission or publication of any notice of redemption pursuant to this paragraph, USB will deliver to the trustee an officer's certificate stating that it is entitled to effect such redemption and setting forth a statement of facts and including a written opinion of independent counsel selected by USB showing that the conditions precedent to its right to so redeem the Notes of the applicable series has occurred.

Restrictive Covenants

Subject to the provisions described under the section "— Consolidation, Merger and Sale of Assets," the Indenture prohibits:

- the issuance, sale or other disposition of shares of or securities convertible into, or options, warrants or rights to subscribe for or purchase shares of, voting stock of a principal subsidiary bank;
- the merger or consolidation of a principal subsidiary bank with or into any other corporation; or
- the sale or other disposition of all or substantially all of the assets of a principal subsidiary bank,

if, after giving effect to the transaction and issuing the maximum number of shares of voting stock that can be issued after the conversion or exercise of the convertible securities, options, warrants or rights, USB would own, directly or indirectly, 80% or less of the shares of voting stock of the principal subsidiary bank or of the successor bank or the bank which acquires the assets.

In the Indenture, USB also agreed that it will not create, assume, incur or cause to exist any pledge, encumbrance or lien, as security for indebtedness for money borrowed on:

- any shares of or securities convertible into voting stock of a principal subsidiary bank that USB owns directly or indirectly; or
- options, warrants or rights to subscribe for or purchase shares of, voting stock of a principal subsidiary bank that USB owns directly or indirectly,

without providing that the senior debt securities of all series outstanding under the Indenture, including the Notes, will be equally secured if, after treating the pledge, encumbrance or lien as a transfer to the secured party, and after giving effect to the issuance of the maximum number of shares of voting stock issuable after conversion or exercise of the convertible securities, options, warrants or rights, USB would own, directly or indirectly 80% or less of the shares of voting stock of the principal subsidiary bank.

The Indenture defines the term "principal subsidiary bank" as U.S. Bank National Association. The Indenture does not contain covenants specifically designed to protect holders from a highly leveraged transaction in which USB is involved.

Events of Default

The only events that constitute events of default under the Indenture with respect to each series of the Notes are:

- USB's failure to pay any interest on any Note of such series when due and payable, which failure continues for a period of 30 days;
- USB's failure to pay any principal of (or premium, if any, on) any Note of such series when due, which failure continues for 30 days; and
- specified events of bankruptcy, insolvency or reorganization of USB.

No other defaults under or breaches of the Indenture with respect to the Notes of a series will result in an event of default, whether after notice, the passage of time or otherwise. For example, the bankruptcy, insolvency or reorganization of U.S. Bank National Association, USB's principal subsidiary bank, whether in a voluntary or involuntary proceeding, will not directly constitute a default or event of default under the Indenture. For purposes of this section, with respect to the Notes, "series" refers to notes having identical terms, except as to issue date, principal amount and, if applicable, the date from which interest begins to accrue.

However, certain events may give rise to a covenant breach. A "covenant breach" would occur under the Indenture with respect to the Notes of a series upon:

- USB's failure to make any sinking fund payment, when due, for a Note of any series, if applicable; or
- USB's failure to perform any other covenant in the Indenture (other than a covenant default that would constitute an event of default described above or other than included in the Indenture solely for the benefit of a series of senior debt securities other than the applicable series of Notes), which failure continues for 60 days after written notice.

A covenant breach is not an event of default with respect to any of the Notes issued under the Indenture. For the avoidance of doubt, neither the trustee nor any holder is entitled to accelerate the maturity date of any Note, nor is the maturity date of any Note of a series otherwise accelerated, as a result of a covenant breach.

If an event of default occurs and is continuing on the Notes of a series outstanding under the Indenture, then the trustee or the holders of at least 25% in aggregate principal amount of the outstanding Notes of such series may declare the principal amount (or, if any of the Notes of such series are original issue discount notes, the amount payable at acceleration of maturity of such Notes to such holders) of all of the Notes of such series to be due and payable immediately, by notice as provided in the Indenture. At any time after a declaration of acceleration has been

made on the Notes of a series, but before the trustee has obtained a judgment for payment, the holders of a majority in aggregate principal amount of the outstanding Notes of such series may, under some circumstances, rescind and annul this acceleration.

Subject to provisions in the Indenture relating to the duties of the trustee during a default, the trustee will not be under any obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of any Notes of a series then outstanding under the Indenture, unless the holders offer to the trustee reasonable indemnity. The holders of a majority in aggregate principal amount of the outstanding Notes of a series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee for such series, or exercising any trust or power conferred on such trustee.

USB must furnish to the trustee, annually, a statement regarding its performance on some of its obligations under the Indenture and any default in its performance, including any covenant breach.

Modification and Waiver

Except as otherwise specifically provided in the Indenture, modifications and amendments of the Indenture generally will be permitted only with the consent of the holders of at least a majority in aggregate principal amount of the outstanding Notes of a series affected by the modification or amendment. However, none of the following modifications are effective against any holder without the consent of the holders of each outstanding Note of a series affected by the modification or amendment:

- changing the stated maturity of the principal of or any installment of principal or interest on any debt security;
- reducing the principal amount of, or premium or interest on any debt security;
- changing any of USB's obligations to pay additional amounts;
- reducing the amount of principal of an original issue discount debt security that would be due and payable at declaration of acceleration of its maturity;
- changing the place for payment where, or coin or currency in which, any principal of, or premium or interest on, any debt security is payable;
- impairing the right to take legal action to enforce any payment of or related to any debt security;

- reducing the percentage in principal amount of outstanding debt securities of any series required to modify, amend, or waive compliance with some provisions of the Indenture or to waive some defaults; or

- modifying any of the above provisions.

The holders of at least a majority in aggregate principal amount of the outstanding Notes of each series can waive, as far as that series is concerned, USB's compliance with some restrictive provisions of the Indenture.

The holders of at least a majority in aggregate principal amount of the outstanding Notes of each series may waive any past default under the Indenture, including a covenant breach, except:

- a default in the payment of principal of, or premium, or interest on any senior debt security; or

- a default in a covenant or provision of the Indenture that cannot be modified or amended without the consent of the holder of each outstanding debt security of the series affected.

The Indenture provides that, in determining whether holders of the requisite principal amount of the outstanding Notes of a series have given any request, demand, authorization, direction, notice, consent or waiver, or whether a quorum is present at a meeting of holders of the Notes of such series:

- the principal amount of an original issue discount note considered to be outstanding will be the amount of the principal of that original issue discount debt security that would be due and payable as of the date that the principal is determined at declaration of acceleration of the maturity of that original issue discount note; and

- the principal amount of a note denominated in a foreign currency or currency unit that is deemed to be outstanding will be the U.S. dollar equivalent, determined on the date of original issuance for that note, of the principal amount (or, in the case of an original issue discount note, the U.S. dollar equivalent, determined on the date of original issuance for that debt security, of the amount determined as provided in the bullet point above).

Consolidation, Merger and Sale of Assets

Without the consent of the holders of the outstanding Notes of each series, USB cannot consolidate with or merge into another corporation, partnership or trust, or convey, transfer or lease substantially all of its properties and its assets, to a corporation, partnership or trust (other than any such conveyance, transfer or lease to one or more of its subsidiaries) unless:

- the successor entity is organized or validly existing under the laws of any domestic jurisdiction and assumes USB's obligations on the Notes and under the Indenture;
- immediately after the transaction, there would not be an event of default or covenant breach under the Indenture, and no event which, after notice or the lapse of time, would become an event of default or covenant breach under the Indenture, shall have occurred and be continuing; and
- other conditions are met.

Trustee, Paying Agent and Exchange Rate Agent

The trustee for each series of Notes is Citibank, N.A. USB has designated U.S. Bank Europe DAC, UK Branch as its paying agent and U.S. Bank Trust National Association as its exchange rate agent for the Notes.

Governing Law

The Indenture is, and the Notes are, governed by, and construed in accordance with, the laws of the State of New York.

Book-Entry Delivery and Settlement

Each series of Notes was issued in book-entry form represented by a master global note (each, a "global note," and together, the "global notes") in registered form deposited with, or on behalf of, a common depositary for Clearstream and Euroclear, and registered in the name of such common depositary or its nominee. Beneficial interests in any of the Notes will be shown on, and transfers will be effected only through, records maintained by Clearstream and Euroclear and their participants, and these beneficial interests may not be exchanged for certificated Notes, except in limited circumstances.

Exchange of Global Notes for Certificated Notes – Subject to certain conditions, the Notes of a series represented by global notes are exchangeable for Notes of the same series in definitive form of like tenor in minimum denominations of €100,000 principal amount and multiples of €1,000 in excess thereof if:

- Clearstream, Euroclear or any successor thereto notifies USB that it is unwilling to act as a clearing system for the Notes of such series or ceases to be a clearing agency registered under the Exchange Act;
- USB, at its option, notifies the trustee in writing that it elects to cause the issuance of certificated Notes for such series; or

- there has occurred and is continuing an event of default with respect to the applicable series of Notes.

In all cases, definitive notes delivered in exchange for any global note or beneficial interest therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the common depositary (in accordance with its customary procedures).

EXHIBIT 10.21(b)

Amendment of U.S. Bancorp 2024 Stock Incentive Plan

RESOLVED, that effective January 27, 2026 the lead in clause to Section 2(g) of the U.S. Bancorp 2024 Stock Incentive Plan (as has been and may be further amended, the "Stock Plan") is hereby amended to read as follows:

(g) "Change in Control" shall mean (except as otherwise provided in an Award Agreement):

FURTHER RESOLVED, that save and except as expressly amended above, the Stock Plan shall continue in full force and effect.

EXHIBIT 10.30

U.S. BANCORP
PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT, together with Exhibit A which is incorporated herein by reference (collectively, the "***Agreement***"), is effective as of the date of grant specified in Participant's Fidelity NetBenefits account (the "***Grant Date***") upon Participant's acceptance, , sets forth the terms and conditions of a performance restricted stock unit award (the "***PSU Award***") representing the right to receive the number of shares of common stock of U.S. Bancorp (the "***Company***"), par value $0.01 per share (the "***Common Stock***"), specified in Participant's Fidelity NetBenefits account.

Receipt of the PSU Award is subject to Participant's acknowledgement and acceptance of all the terms and conditions of the PSU Award through the Workday online acceptance process within 90 days of Participant's receipt of this Agreement through Workday. A failure to acknowledge and accept the PSU Award within this time period may result in forfeiture of the PSU Award, effective as of the Grant Date.

The grant of this PSU Award is made pursuant to the Company's 2024 Stock Incentive Plan, which was approved by shareholders on April 16, 2024 (as has been and may be further amended, the "***Plan***") and is subject to the terms of the Agreement and the Plan. Capitalized terms that are not defined in the Agreement shall have the meaning ascribed to such terms in the Plan.

The Company and Participant, intending to be legally bound, agree as follows:

1. **Award**

Subject to the terms and conditions of the Plan and the Agreement, the Company grants to Participant a PSU Award entitling Participant to the number of performance restricted stock units (the "***Units***" and, such number of units, the "***Target Award Number***") specified in Participant's Fidelity NetBenefits account. The Target Award Number shall be adjusted upward or downward as provided in Exhibit A. The number of Units that Participant will receive under the Agreement, after giving effect to such adjustment, is referred to herein as the "***Final Award Number***". Each Unit represents the right to receive one share of Common Stock, subject to the vesting requirements and distribution provisions of the Agreement and the terms of the Plan. The shares of Common Stock distributable to Participant with respect to the Units granted hereunder are referred to as the "***Shares***". Exhibit A sets forth (a) the performance period over which the Final Award Number will be determined (the "***Performance Period***"), and (b) the date on which the Final Award Number will be determined (the "***Determination Date***").

2. **Vesting; Forfeiture**

(a) *Forfeiture if No Confidentiality and Non-solicitation Agreement on File or Breach of Agreement*. The PSU Award is conditioned on (i) Participant having executed, and the Company having on file, a Confidentiality and Non-Solicitation Agreement between the

Company or an Affiliate and Participant, in a form acceptable to the Company (a "***CNS Agreement***") in connection with the grant of this PSU Award, and (ii) continued compliance with the CNS Agreement. On or before the 90th day following receipt of this Agreement through Workday, Participant must execute and deliver to the Company a CNS Agreement in a form satisfactory to the Company. If a CNS Agreement is not on file with the Company on or before the 90th day following receipt of this Agreement through Workday, all Units may be immediately and irrevocably forfeited, and Participant shall have no rights hereunder. Notwithstanding any other provisions in this Agreement, if Participant violates the terms of any confidentiality, non-solicitation, or other restrictive covenant agreement between the Company or an Affiliate (including the CNS Agreement), all Units that have not been settled previously shall be immediately and irrevocably forfeited.

(b) Subject to Sections 2(a), 2(c), 2(d), and 2(e), the Units shall vest pursuant to the following rules:

(i) *Time-Based Vesting Conditions*. Except as otherwise provided in subsections (ii) through (v) below, contingent on Participant remaining continuously employed by the Company or an Affiliate of the Company through the Scheduled Vesting Date as set forth in Exhibit A and, if applicable, Participant providing, prior to the Scheduled Vesting Date, an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that satisfies the requirements under Section 2(d), the number of Units equal to the Final Award Number shall become vested on the Scheduled Vesting Date and will be settled in accordance with Section 3(a).

(ii) *Continued Vesting Upon Separation from Service Due to Retirement or Disability*. If Participant remains continuously employed by the Company or an Affiliate of the Company through the date of his or her Separation from Service (as defined in Section 10) with the Company or the Affiliate by reason of Retirement (as defined in Section 10) or Disability (as defined in Section 10) prior to the Scheduled Vesting Date, the Final Award Number will be determined in accordance with Section 1 and a number of Units equal to the Final Award Number shall continue to vest on the Scheduled Vesting Date and will be settled in accordance with Section 3(a), provided in the case of Separation from Service by reason of Retirement, Participant does not engage in Competition (as defined in Section 10) prior to the Scheduled Vesting Date, subject to applicable law, and provides an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that satisfies the requirements under Section 2(d).

(iii) *Acceleration of Vesting Upon Death*. If, prior to the Scheduled Vesting Date, Participant (A) ceases to be an employee by reason of death while in the employ of the Company or any Affiliate, or (B) dies after a Separation from Service by reason of Retirement or Disability, then all Units will become vested in accordance with this subsection (iii). If such death occurs prior to the last day of the Performance Period, a number of Units equal to the Target Award Number will vest upon Participant's death. If the death occurs on or after the last day of the Performance Period, then a number of Units equal to the Final Award Number will

vest. Units that vest in accordance with this subsection (iii) shall be distributed to Participant in accordance with Section 3(c).

(iv) *Acceleration of Vesting Following a Qualifying Termination*. If Participant remains continuously employed by the Company or an Affiliate of the Company through the date of a Qualifying Termination prior to the Scheduled Vesting Date, then the Units will become vested in accordance with this subsection (iv). If the Qualifying Termination occurs prior to the last day of the Performance Period, a number of Units equal to the Target Award Number will vest upon Participant's Qualifying Termination. If the Qualifying Termination occurs on or after the last date of the Performance Period, then a number of Units equal to the Final Award Number will vest. Units that vest in accordance with this subsection (iv) shall be distributed to Participant in accordance with Section 3(b). Notwithstanding the foregoing, if in connection with a Change in Control the Units are adjusted, or units in the acquiring or surviving entity are substituted for the Units, or the Plan is terminated, in each case as permitted under the Plan and in accordance with Section 409A, then the terms of such adjustment, substitution or plan termination will govern the treatment of the Units.

(v) *Continued Vesting As a Result of Qualifying Severance*. If Participant has been continuously employed by the Company or any Affiliate from the Grant Date until the date of a Qualifying Severance (as defined in Section 10) and the Scheduled Vesting Date is on or before the second anniversary of the Qualifying Severance, then the Units will become vested such that the Final Award Number will be determined in accordance with Section 1 and a number of Units equal to the Final Award Number shall continue to vest on the Scheduled Vesting Date. Units that vest in accordance with this subsection (v) shall be distributed to Participant in accordance with Section 3(a).

Except as provided above in this Section 2(b), if Participant's employment with the Company or an Affiliate terminates, any Units that have not vested at the time of the termination shall be immediately and irrevocably forfeited.

(c) *Forfeiture if Engaging in Competition*. Notwithstanding any other provision of the Agreement, Units that have not become vested previously may also be immediately and irrevocably forfeited, to the fullest extent permissible under applicable law, if the Company determines that in the case of a Participant's Separation from Service as a result of Retirement, Participant has engaged in Competition prior to the Scheduled Vesting Date. In the event of a forfeiture under this provision, the amount required to be forfeited shall be deemed not to have been earned under the terms of the PSU Award, and the Company shall be entitled to recover from Participant the amount subject to such forfeiture. Notwithstanding anything in the Agreement to the contrary, if you primarily reside and work for the Company, or one of its Affiliates, in California, then the Competition restriction and the certification requirement described in this paragraph 2(c) will not apply to the PSU Award.

(d) *Forfeiture if Notice Period Not Satisfied*. Notwithstanding any other provision of this Agreement, if the Company determines that Participant failed to (i) provide an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that is no less than the greater of (x) the applicable Notice Period set forth in Section

10 or (y) the notice period specified in any incentive compensation plan to which the Participant is bound, or in any other written agreement between Participant and the Company or an Affiliate of the Company and (ii) continue to provide services to the Company or an Affiliate of the Company during the applicable notice period, Units that vest during the applicable notice period or have not become vested previously may be immediately and irrevocably forfeited, to the fullest extent permissible under applicable law. The Company, in its sole discretion, may waive or shorten the required notice period resulting in Participant's termination of employment on an earlier date, provided that such earlier date shall not be prior to the date Participant would have otherwise vested on the Scheduled Vesting Date or qualified for Retirement. In the event of a forfeiture under this provision, the amount required to be forfeited shall be deemed not to have been earned under the terms of the PSU Award, and the Company shall be entitled to recover from Participant the amount subject to such forfeiture.

(e) *Special Risk-Related Cancellation Provisions.* Notwithstanding any other provision of the Agreement, if at any time subsequent to the Grant Date the Committee determines, in its sole discretion, that Participant has subjected the Company to significant financial, reputational, or other risk by (i) failing to comply with Company policies and procedures, including the Code of Ethics and Business Conduct, (ii) violating any law or regulation, (iii) engaging in negligence or willful misconduct, or (iv) engaging in activity resulting in a significant or material control deficiency under the Sarbanes-Oxley Act of 2002, then all or part of the Units granted under the Agreement that have not been settled (and Shares delivered) at the time of such determination may be cancelled. If any Units are cancelled pursuant to this provision, Participant will have no rights with respect to the Units (including, without limitation, any rights to receive a distribution of Shares with respect to the Units and the right to receive Dividend Equivalents).

3. **Distribution of Shares with Respect to Units**

Following the vesting of the Units and in connection with the payment of any applicable withholding taxes pursuant to Section 7 hereof, the Company shall cause to be issued and delivered to Participant (including through book entry) Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, as follows:

(a) *Distribution on Schedule Vesting Date (Including for Retirement, Disability, and Qualifying Severance)*. As soon as administratively feasible following the Scheduled Vesting Date (but in no event later than December 31st of the year in which such Scheduled Vesting Date occurs), all Shares issuable pursuant to Units that become vested in accordance with subsections (i), (ii), and (v) of Section 2(b) shall be distributed to Participant.

(b) *Qualifying Termination Distributions*. As soon as administratively feasible following a Separation from Service in connection with a Qualifying Termination (and in any case no later than 60 days following such Separation from Service except as otherwise provided in this Section 3(b)), all Shares issuable pursuant to Units that become vested in accordance with Section 2(b)(iv) shall be distributed to Participant. Notwithstanding the foregoing, any Shares issuable to a Specified Employee (as defined in Section 10) as a result of a Separation from

Service in connection with a Qualifying Termination will not be delivered to such Specified Employee until the date that is six months and one day after the date of the Separation from Service. If in connection with a Change in Control the Units are adjusted, or units in the acquiring or surviving entity are substituted for the Units, or the Plan is terminated, in each case as permitted under the Plan and in accordance with Section 409A, then the terms of such adjustment, substitution or plan termination will govern the treatment of the Units, including the time and manner of settlement of the Units.

(c) *Distributions Following Death*. As soon as administratively feasible following the death of Participant (but in no event later than December 31st of the first calendar year following the calendar year in which the death occurred) all Shares issuable pursuant to Units that become vested pursuant to Section 2(b)(iii) shall be distributed to the representatives of Participant or to any Person to whom the Units have been transferred by will or the applicable laws of descent and distribution.

In the event that the number of Shares distributable pursuant to this Section 3 is a number that is not a whole number, then the number of Shares distributed shall be rounded down to the nearest whole number.

4. **Rights as Shareholder; Dividend Equivalents**

Prior to the distribution of Shares with respect to Units pursuant to Section 3 above, Participant shall not have ownership or rights of ownership of any Shares underlying the Units; provided, however, that Participant shall be entitled to accrue cash Dividend Equivalents on outstanding Units (i.e., Units that have not been forfeited, cancelled or settled), whether vested or unvested, if cash dividends on the Common Stock are declared by the Board on or after the Grant Date. Prior to the Determination Date, Participant will accrue cash Dividend Equivalents on Units equal to the Target Award Number. Specifically, when cash dividends are paid with respect to a share of outstanding Common Stock, an amount of cash per Unit equal to the cash dividend paid with respect to a share of outstanding Common Stock will be accrued with respect to each Unit in Participant's Target Award Number. On the Determination Date, the dollar amount of Participant's cumulative accrued Dividend Equivalents as of the Determination Date will be multiplied by Participant's Target Award Number Percentage to determine the amount of cash Dividend Equivalents that will be paid to Participant. Dividend Equivalents will be paid in cash as soon as administratively feasible following the date on which the underlying Units giving rise to the Dividend Equivalents are settled and paid out, but in no event later than December 31st of the year in which the underlying Units are distributed in accordance with Section 3. The Dividend Equivalents shall be treated as earnings on, and as a separate amount from, the Units for purposes of Section 409A of the Code.

5. **Restriction on Transfer**

Except for transfers by will or the applicable laws of descent and distribution, Units cannot be sold, assigned, transferred, gifted, pledged, or in any manner encumbered, alienated, attached or disposed of, and any purported sale, assignment, transfer, gift, pledge, alienation, attachment or encumbrance shall be void and unenforceable against the Company and its

Affiliates. No such attempt to transfer the Units, whether voluntary or involuntary, by operation of law or otherwise (except by will or laws of descent and distribution), shall vest the purported transferee with any interest or right in or with respect to the Units or the Shares issuable with respect to the Units.

6. **Securities Law Compliance**

The delivery of all or any of the Shares in accordance with the PSU Award shall be effective only at such time that the issuance of such Shares will not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of the Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares. The Company may, in its sole discretion, (i) delay the delivery of the Shares; or (ii) place restrictive legends on such Shares in order to ensure that the issuance of any Shares will be in compliance with federal or state securities laws and the rules of the New York Stock Exchange or any other exchange upon which the Common Stock is traded.

7. **Tax Withholding**

In order to comply with all applicable federal, state, local and foreign tax laws or regulations, the Company, or any of its applicable Affiliates, may take such action as it deems appropriate to ensure that all applicable amounts required to satisfy withholding, income or other tax obligations ("***Tax-Related Obligations***") are withheld or collected from Participant or any other person receiving or exercising Participant's rights under the PSU Award; provided that Participant acknowledges and agrees that Participant retains ultimate responsibility for the satisfaction of any applicable Tax-Related Obligations regardless of any actions that the Company or its Affiliates may take. Without limiting the foregoing, the Company and its Affiliates will require the satisfaction of all Tax-Related Obligations, in an amount determined in the sole discretion of the Company or its applicable Affiliate in accordance with applicable law, through net Share settlement at the time of delivery of Shares (i.e., the Company or the Affiliate withholds a portion of the Shares otherwise to be delivered with a Fair Market Value, as such term is defined in the Plan, equal to the amount of such Tax-Related Obligations).

8. **Miscellaneous**

(a) The Agreement is issued pursuant to the Plan and is subject to its terms. The Plan is available for inspection during business hours at the principal office of the Company. In addition, the Plan may be viewed on the Fidelity website at www.netbenefits.com (or the website of any other stock plan administrator selected by the Company in the future).

(b) The Agreement shall not confer on Participant any right with respect to continuance of employment with the Company or any Affiliate, nor will it interfere in any way with the right of the Company or any Affiliate to terminate such employment at any time.

(c) Participant acknowledges that the grant, vesting or any payment with respect to the PSU Award, and the sale or other taxable disposition of the Shares issued with respect to the Units hereunder may have tax consequences pursuant to the Code or under local, state or international tax laws. It is intended that the PSU Award shall comply with Section 409A of the

Code, and the provisions of the Agreement and the Plan shall be construed and administered accordingly. Any amendment or modification of the PSU Award (to the extent permitted under the terms of the Plan), will be undertaken in a manner intended to comply with Section 409A, to the extent applicable. Notwithstanding the foregoing, there is no guaranty or assurance as to the tax treatment of the PSU Award. Participant acknowledges that Participant is relying solely and exclusively on Participant's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company, its Affiliates, or any of their employees or representatives). Participant understands and agrees that any and all tax consequences resulting from the PSU Award and its grant, vesting, amendment, or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the PSU Award, is solely and exclusively the responsibility of Participant without any expectation or understanding that the Company, its Affiliates, or any of their employees or representatives will pay or reimburse Participant for such taxes or other items.

(d) Participant acknowledges and agrees that all amounts payable under the PSU Award are subject to the terms of any applicable clawback or recoupment policy, as in effect from time to time, whether approved before or after the effective date of the Agreement and, to the extent permitted by applicable law, including without limitation Section 409A of the Code, all amounts payable under the PSU Award are subject to offset in the event that Participant has an outstanding clawback, recoupment or forfeiture obligation to the Company under the terms of any such policy. In the event of a clawback, recoupment or forfeiture event under any such policy, the amount required to be clawed back, recouped or forfeited pursuant to such policy shall be deemed not to have been earned under the terms of the PSU Award, and the Company shall be entitled to recover from Participant the amount specified under the policy to be clawed back, recouped or forfeited.

(e) The Plan and the Agreement constitute the entire agreement between the parties hereto concerning the subject matter hereof and supersede all prior agreements, communications, proposals and undertakings, written or oral, among the parties with respect thereto.

(f) If any provision of the Agreement is held to be unenforceable, then the Agreement will be deemed amended to the extent necessary to render the otherwise unenforceable provision, and the rest of the Agreement, valid and enforceable. If a court declines to amend the Agreement as provided herein, the invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of the remaining provisions, which shall be enforced as if the offending provision had not been included in the Agreement.

(g) Any notice required to be given or delivered to either party under the terms of the Agreement shall be in writing and may be delivered by hand, intraoffice mail, fax, electronic mail or other electronic means, or via postal service, postage prepaid, and directed to the Company at its principal corporate office; and to Participant at the electronic mail or postal address as shown on the records of the Company from time to time or as otherwise determined appropriate by the Company, in its sole discretion.

9. **Venue; Governing Law**

The validity, construction and effect of the PSU Award shall be determined in accordance with the laws of the State of Delaware. Any claim or action brought with respect to the PSU Award shall be brought in a federal or state court located in Minneapolis, Minnesota, and the parties hereby waive any objection or defense based upon personal jurisdiction, venue or forum non conveniens.

10. **Definitions**

For purposes of the Agreement, the following terms shall have the definitions as set forth below:

(a) "**Cause**" means (i) the Participant's willful misconduct or gross negligence in the performance of the Participant's duties causing material financial or reputational harm to the Company; (ii) the Participant's failure or refusal to perform reasonably assigned duties consistent with the Participant's position; (iii) the Participant's breach, failure to perform or other violation of any contract, agreement or engagement between the Company or an Affiliate and the Participant; (iv) the Participant's conduct which exposes the Company to regulatory or other serious risk, including, but not limited to, any violation of the U.S. Bank Code of Ethics or policies, sales misconduct, fraud, theft or dishonesty; and (v) the Participant's ineligibility for employment under Section 19 of the Federal Deposit Insurance Act due to a covered offense (generally a conviction or pretrial diversion for a crime of dishonesty, breach of trust or money laundering) or the Participant's commission of or entering a plea of nolo contendere to any felony or any other crime (whether or not a felony) involving dishonesty, moral turpitude, fraud or theft, whether of the United States or any state thereof or any similar foreign law to which the Participant may be subject.

(b) "***Change in Control***" shall mean any of the following events:

(i) The acquisition by any person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (x) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this clause (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, or (C) any acquisition by a subsidiary of the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or a subsidiary of the Company (a "Company Entity"); or

(ii) Individuals who, as of the date a Participant submits a properly executed Participation Agreement in such manner as determined by the Company (the "Participation Date"), constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board (except as a result of the death, retirement or disability of one or more members of the Incumbent Board); provided, however, that any individual becoming a director subsequent to the Participation Date, whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, (x) any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or

consents by or on behalf of a person other than the Incumbent Board, (y) any director designated by or on behalf of a person who has entered into an agreement with the Company (or which is contemplating entering into an agreement) to effect a Business Combination (as defined in clause (iii) below) with one or more entities that are not Company Entities or (z) any director who serves in connection with the act of the Board of increasing the number of directors and filling vacancies in connection with, or in contemplation of, any such Business Combination; or

(iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (x) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, 60% or more of, respectively, the then outstanding shares of Outstanding Company Common Stock or the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (y) no person (excluding any Company Entity or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, shares representing 20% or more of, respectively, the then Outstanding Company Common Stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (z) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) Consummation of a complete liquidation or dissolution of the Company.

(c) "***Competition***" means Participant is affiliated, directly or indirectly, including but not limited to as a director, officer, employee, partner, consultant, independent contractor, agent or otherwise with another bank, financial services company or business enterprise that engages in business activities similar to some or all of the business activities of the Company and its Affiliates during Participant's employment, including firms publicly disclosed by the Company in its financial and compensation peer groups in the Company's most recent annual proxy statement. Notwithstanding anything in the Agreement to the contrary, the scope of Competition will only be as broad as allowed by applicable law. The Company may require Participant to provide a certification, in a form satisfactory to the Company, that Participant has not engaged in Competition prior to the Scheduled Vesting Date to the extent the Competition restriction in 2(c) above is applicable.

(d) "***Disability***" means leaving active employment and qualifying for and receiving disability benefits under the Company's long-term disability programs as in effect from time to time.

(e) "**Good Reason Resignation**" shall mean any retirement or termination of employment by a Participant that is not initiated by the Employer and that is caused by any one or more of the following events which occurs during the Change in Control Period:

(i) Without the Participant's written consent, a material diminution in the Participant's authority, duties or responsibilities as in effect immediately prior to the Change in Control;

(ii) Without the Participant's written consent, a material change in the geographic location at which the Participant must perform services to a location which is more than 50 miles from the Participant's principal place of business immediately preceding the Change in Control;

(iii) Without the Participant's written consent, a material diminution in the Participant's target total compensation (comprised of (1) the Participant's annual base salary as in effect immediately before the effective date of the Change in Control, (2) the Participant's "Target Award Level" as defined and determined by the Committee under the U.S. Bancorp Annual Executive Incentive Plan or other applicable Company annual discretionary incentive plan, and (3) the Participant's target long-term incentive award amount as defined and most recently determined by the Committee under the Plan or any other stock or long-term incentive plans that the Company may adopt from time to time for the Participant immediately before the effective date of the Change in Control, whether such awards are payable in equity, cash, or a combination thereof);

(iv) The Company fails to obtain a satisfactory agreement from any Successor to assume and agree to perform the Company's obligations to the Participant under the U.S. Bank Executive Change in Control Plan, as contemplated in Section 9.07 therein; or

(v) Any other action or inaction by the Employer or the Company that constitutes a material breach of this Plan.

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Resignation only if the Participant provides written notice to the Company or the applicable Affiliate specifying in reasonable detail the act or omission upon which the Participant is basing such Good Reason Resignation, within 30 business days after such act or omission; within 15 business days after notice has been received, the Company or applicable Affiliate fails to cure such act or omission; and the Company or applicable Affiliate terminates employment with the Company or an Affiliate within 30 business days after the expiration of the cure period.

(f) "***Notice Period***" means 120 calendar days advance written notice of intention to terminate employment with the Company or an Affiliate of the Company with respect to each of the Chief Executive Officer and the Chief Financial Officer or 90 days with respect to any other members of the Company's Managing Committee as required under Sections 2(b)(i) and 2(b)(ii) with such period measured beginning on the day after the date of the notice and ending on the last day of employment.

(g) "***Qualifying Severance***" means Participant's Separation from Service on or after September 1st of the calendar year in which the Grant Date occurs pursuant to which Participant is entitled (or would be entitled if Participant were a U.S. employee performing services in the U.S. for an eligible employer) to severance benefits under the U.S. Bank Severance Pay Program, including satisfying any requirements related to signing and not revoking a general release of claims and post-termination covenants; provided, however, that if the Separation from Service occurs immediately following a leave of absence, the Separation from Service shall constitute a Qualifying Severance only if the leave of absence ends within six months of its commencement.

(h) "***Qualifying Termination***" means:

(i) Participant's Separation from Service as a result of (a) the Company's termination of Participant's employment for any reason other than Cause or (b) the Participant's Good Reason Resignation, in each case during the 24-month period beginning on the date of a Change in Control;

(ii) Participant's Separation from Service as a result of Disability within 12 months following a Change in Control; or

(iii) Participant's Separation from Service (other than as a result of Participant's termination of employment by the Company for Cause) within 12 months following a Change in Control, if, at the time of such Separation from Service, Participant is age 55 or older and has had 10 or more years of employment with the Company or its Affiliates following Participant's most recent date of hire by the Company or its Affiliates.

For purposes of this definition, the term Company shall be deemed to include any Person that has assumed the PSU Award (or provided a substitute award to Participant) in connection with a Change in Control.

(i) "***Retirement***" means a Separation from Service (other than for Cause) on or after September 1st of the calendar year in which the Grant Date occurs by Participant who is age 55 or older and has had 10 or more years of employment with the Company or its Affiliates following Participant's most recent date of hire by the Company or its Affiliates.

(j) "***Separation from Service***" means Participant's separation from service with the Company and its affiliates, as determined under Treasury Regulation section 1.409A-1(h)(1), provided, that the term "affiliate" shall mean a business entity which is affiliated in ownership with the Company and that is treated as a single employer under the rules of section 414(b) and (c) of the Code (applying the eighty percent common ownership standard).

(k) "***Specified Employee***" means any Participant who is a specified employee for purposes of section 1.409A-1(i) of the U.S. Treasury Regulations, determined in accordance with the rules set forth in the separate document entitled "*U.S. Bank Specified Employee Determination*".

Florida Notice Period

Notwithstanding any other provision of this Agreement, if Participant's work location is in Florida or Participant is a Florida resident, any requirement to provide continued service during the notice period will be no more than 90 days of the notice period and, for any remaining portion of the notice period, Participant may engage in nonwork activities and with permission from the Company work for another employer. The Company must provide at least 30 days' advance notice before waiving or shortening the applicable notice period. Participant acknowledges that Participant has been provided with an opportunity to review this Agreement for no fewer than 7 days and has been advised of Participant's right, and encouraged, to consult legal counsel with respect to all matters relating to the PSU Award prior to accepting the PSU Award and that Participant has either consulted such counsel or voluntarily declined to consult such counsel.

EXHIBIT A TO

PERFORMANCE RESTRICTED STOCK UNIT AWARD AGREEMENT

This Exhibit A to the Performance Restricted Stock Unit Award Agreement sets forth the manner in which the Final Award Number will be determined for Participant.

Definitions

Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan, and the Performance Restricted Stock Unit Award Agreement. The following terms used in this Exhibit A shall have the meanings set forth below:

"***Company ROTCE Maximum***" means ____%.

"***Company ROTCE Minimum***" means ____%.

"***Company ROTCE Result***" means the annual ROTCE achieved by the Company during the Performance Period.

"***Company ROTCE Target***" means ____%.

"***Company TSR Result***" means Total Shareholder Return achieved by the Company during the Performance Period.

"***Determination Date***" means the date on which the Final Award Number is determined, which date shall not be later than 60 days after the last day of the Performance Period.

"***Final Award Number***" means the "Final Award Number" determined in accordance with this Exhibit A.

"***Peer Group Companies****"* means the following companies: ____.

"***Peer Group ROTCE Ranking Maximum***" means the ____ percentile.

"***Peer Group ROTCE Ranking Minimum***" means the ____ percentile.

"***Peer Group ROTCE Ranking Target***" means the ____ percentile.

"***Peer Group ROTCE***" means the annual ROTCE achieved by the Peer Group Companies during the Performance Period.

"***Peer Group ROTCE Ranking***" means the percentile rank of the Company ROTCE Result relative to Peer Group ROTCE.

"***Peer Group TSR***" means the TSR achieved by the Peer Group Companies during the Performance Period.

"***Peer Group TSR Ranking***" means the percentile rank of the Company TSR Result relative to Peer Group TSR.

"***Performance Period***" means the three-year period commencing on January 1, 20____ and ending December 31, 20____; provided, that performance shall be measured annually for ROTCE and cumulatively for TSR during the Performance Period.

"***ROTCE***" means the adjusted return on tangible common equity determined based on (a) net income applicable to the common shareholders of the company for the applicable calendar year during the Performance Period, adjusted by: (i) deducting the provision for credit losses determined under the Current Expected Credit Losses (CECL) methodology net of taxes for the Performance Period, (ii) adding net charge-offs net of taxes for the Performance Period, and (iii) excluding amortization of intangible assets on an after tax basis, the sum of which is divided by (b) that company's average tangible common shareholders' equity for the applicable calendar year during the Performance Period determined by subtracting average balances of preferred stock, non-controlling interests, intangibles and good will from total average equity.

"***ROTCE Performance Matrix***" means the ROTCE Performance Matrix set forth in this Exhibit A.

"***Scheduled Vesting Date***" means ____, 20____.

"***Target Award Number***" means the "Target Award Number" set forth in Participant's Performance Restricted Stock Unit Award Agreement.

"***Target Award Number Percentage***" means the "Target Award Number Percentage" determined in accordance with the ROTCE Performance Matrix and the related rules set forth in this Exhibit A.

"***TSR***", expressed as a percentage, means (a)(i) the company's average closing common stock price for the ____ trading day period ending with the last trading day of the Performance Period, minus (ii) the company's average closing common stock price for the ____ trading day period immediately preceding the first day of the Performance Period, with any dividends during the ____ trading day period assumed to be reinvested as of the ex-dividend date, *plus* (iii) the sum of any dividends paid on the applicable common stock during the Performance Period assuming dividend reinvestment as of the ex-dividend date, *divided by* (b) the company's average closing common stock price for the ____ trading day period immediately preceding the first day of the Performance Period, with any dividends during the ____ trading day period assumed to be reinvested as of the ex-dividend date.

"***TSR Modifier Factor***" means the factor determined in accordance with the TSR Modifier Table set forth in this Exhibit A.

"***TSR Modifier Percentage***" means the percentage determined in accordance with the TSR Modifier Table set forth in this Exhibit A.

"***TSR Modifier Table***" means the TSR Modifier Table set forth in this Exhibit A.

Determination of Final Award Number

Participant has been granted a number of Units equal to the Target Award Number. The Target Award Number will be adjusted upward or downward depending on (a) whether the Company ROTCE Result is greater or less than the Company ROTCE Target, (b) the Peer Group ROTCE Ranking and (c) the Peer Group TSR Ranking.

The Committee shall measure performance with respect to the ROTCE performance goals following each calendar year during the Performance Period by calculating the Target Award Number Percentage for the year in accordance with the ROTCE Performance Matrix and related rules below. At the end of the Performance Period, the Target Award Number Percentage for each of the three years in the Performance Period will be averaged and will be adjusted by the TSR Modifier Factor for the Performance Period as calculated in accordance with the TSR Modifier Table and related rules below.

The Final Award Number for Participant will be determined by (a) multiplying (i) the average of the three Target Award Number Percentages by (ii) the TSR Modifier Factor, and (b) multiplying the result of (a) by the Target Award Number.

The Final Award Number for Participant shall be determined by the Committee on the Determination Date. In no event shall the Final Award Number be greater than ____% of the Target Award Number.

The Target Award Number Percentage, the TSR Modifier Percentage and the TSR Modifier Factor shall be determined as set forth below.

Determination of Target Award Number Percentage

ROTCE PERFORMANCE MATRIX

		Target Award Number Percentage		
Company ROTCE Result (Vertical Axis)	Company ROTCE Maximum (_____%) or more	75%	125%	150%
	Company ROTCE Target (_____%)	50%	100%	125%
	Company ROTCE Minimum (_____%) or less (but greater than _____)	25%	50%	75%
	Company ROTCE is 0% or less	0%	0%	0%
		Peer Group ROTCE Ranking Minimum or below	Peer Group ROTCE Ranking Target	Peer Group ROTCE Ranking Maximum or above
		Peer Group ROTCE Ranking (Horizontal Axis)		

In determining the Target Award Number Percentage in accordance with the ROTCE Performance Matrix, the following rules will apply:

- If the Company ROTCE Result is greater than the Company ROTCE Minimum and less than the Company ROTCE Target, the Target Award Number Percentage on the vertical axis will be determined by interpolation of the Company ROTCE Result between the Company ROTCE Minimum and the Company ROTCE Target.

- If the Company ROTCE Result is greater than the Company ROTCE Target and less than the Company ROTCE Maximum, the Target Award Number Percentage on the vertical axis will be determined by interpolation of the Company ROTCE Result between the Company ROTCE Target and the Company ROTCE Maximum.

- If the Peer Group ROTCE Ranking is greater than the Peer Group ROTCE Ranking Minimum and less than the Peer Group ROTCE Ranking Target, the Target Award Number Percentage on the horizontal axis will be determined by interpolation of the Peer Group ROTCE Ranking between the Peer Group ROTCE Minimum and the Peer Group ROTCE Target.

- If the Peer Group ROTCE Ranking is greater than the Peer ROTCE Group Ranking Target and less than the Peer Group ROTCE Ranking Maximum, the Target Award Number Percentage on the horizontal axis will be determined by interpolation of the Peer Group ROTCE Ranking between the Peer Group ROTCE Target and the Peer Group ROTCE Maximum.

- After the Target Award Number Percentage on each of the vertical axis and horizontal axis has been determined, the actual Target Award Number Percentage will be determined by interpolation of the data points (*i.e.*, the percentages) set forth in the ROTCE Performance Matrix.

Determination of TSR Modifier Factor

TSR MODIFIER TABLE

Peer Group TSR Ranking	TSR Modifier Percentage	TSR Modifier Factor
Greater than 75th percentile Peer Group TSR (Maximum)	+_____%	_____
Less than 25th percentile Peer Group TSR (Minimum)	-_____%	_____

In determining the TSR Modifier Percentage and TSR Modifier Factor in accordance with the TSR Modifier Table, the positive TSR Modifier Percentage and resulting TSR Modifier Factor will not be applied if the Company's TSR is negative. No TSR Modifier Factor adjustment will be made if the Peer Group TSR Ranking is equal to or between the ____ percentile and ____ percentile of Peer Group TSR.

Committee Determinations

The Committee shall make all determinations necessary to arrive at the Final Award Number for Participant. The Committee shall determine the Company ROTCE Result by reference to the Company's audited financial statements as of and for each calendar year during the Performance Period. The Committee shall determine the Peer Group ROTCE Ranking by reference to publicly available financial information regarding the Peer Companies for each calendar year during the Performance Period. The Committee may adjust ROTCE as calculated for the Company and Peer Companies during each calendar year during the Performance Period to exclude the impact of any of the following events or occurrences which the Committee determines should appropriately be excluded: (a) asset write-downs and discontinued operations; (b) litigation, claims, judgments or settlements; (c) the effect of changes in tax law or other such laws or regulations affecting reported results; (d) acquisitions, mergers or restructuring costs; (e) any change in applicable accounting rules or principles or the Company's method of accounting; and (f) any other extraordinary or unusual items or events applied on a consistent basis. The Committee shall determine TSR, the Company TSR Result and the Peer Group TSR Ranking by reference to the closing price of one share as reported on the applicable exchange or market on the applicable day. The Committee may adjust TSR for stock splits, reverse stock splits, stock dividends, and other unusual, extraordinary or non-recurring transactions or events, or other similar changes in the capital structure of the company, as applicable. The Committee also may adjust the Peer Group Companies to account for members that cease to be a public company during the Performance Period (whether by merger, consolidation, liquidation or otherwise) and

include additional companies consistent with previously approved methodology for selecting Peer Group Companies. However, if any Peer Group Company files for bankruptcy, or enters into receivership, then such company shall remain a peer but shall be placed at the bottom for purposes of determining Peer Group ROTCE Ranking and Peer Group TSR Ranking. Any determination by the Committee pursuant to this Exhibit A will be binding upon Participant and the Company.

No Fractional Units

In the event the Final Award Number is a number of Units that is not a whole number, then the Final Award Number shall be rounded down to the nearest whole number.

EXHIBIT 10.31

U.S. BANCORP
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS AGREEMENT (this "***Agreement***") is effective as of the date of grant specified in Participant's Fidelity NetBenefits account (the "***Grant Date***") upon Participant's acceptance of a restricted stock unit award (the "***RSU Award***") representing the right to receive the number of shares of common stock of U.S. Bancorp (the "***Company***"), par value $0.01 per share (the "***Common Stock***"), specified in Participant's Fidelity NetBenefits account. This Agreement sets forth the terms and conditions of the RSU Award.

Receipt of the RSU Award is subject to Participant's acknowledgement and acceptance of all the terms and conditions of the RSU Award through the Workday online acceptance process within 90 days of Participant's receipt of this Agreement through Workday. A failure to acknowledge and accept the RSU Award within this time period may result in forfeiture of the RSU Award, effective as of the Grant Date.

The grant of the RSU Award is made pursuant to the Company's 2024 Stock Incentive Plan, which was approved by shareholders on April 16, 2024 (as may be further amended, the "***Plan***") and is subject to the terms of this Agreement and the Plan. Capitalized terms that are not defined in this Agreement shall have the meaning ascribed to such terms in the Plan.

The Company and Participant, intending to be legally bound, agree as follows:

1. **Award**

Subject to the terms and conditions of the Plan and this Agreement, the Company grants to Participant a RSU Award entitling Participant to the number of restricted stock units (the "***Units***") specified in Participant's Fidelity NetBenefits account. Each Unit represents the right to receive one share of Common Stock, subject to the vesting requirements and distribution provisions of this Agreement and the terms of the Plan. The shares of Common Stock distributable to Participant with respect to the Units granted hereunder are referred to as the "***Shares***".

2. **Vesting; Forfeiture**

(a) *Forfeiture if No Confidentiality and Non-solicitation Agreement on File or Breach of Agreement*. The RSU Award is conditioned on (i) Participant having executed, and the Company having on file, a Confidentiality and Non-Solicitation Agreement between the Company or an Affiliate and Participant, in a form acceptable to the Company (a "***CNS Agreement***") in connection with the grant of this RSU Award, and (ii) continued compliance with the CNS Agreement. On or before the 90th day following receipt of this Agreement through Workday, Participant must execute and deliver to the Company a CNS Agreement in a form satisfactory to the Company. If a CNS Agreement is not on file with the Company on or before the 90th day following receipt of this Agreement through Workday, all Units may be immediately and irrevocably forfeited, and Participant shall have no rights hereunder. Notwithstanding any

other provisions in this Agreement, if Participant violates the terms of any confidentiality, non-solicitation, or other restrictive covenant agreement between the Company or an Affiliate (including the CNS Agreement), all Units that have not been settled previously shall be immediately and irrevocably forfeited.

(b) Subject to Sections 2(a),2(c), 2(d) and 2(e), the Units shall vest pursuant to the following rules:

(i) *Time-Based Vesting Conditions*. Except as otherwise provided in subsections (ii) through (v) below, the Units shall vest in installments on the date or dates set forth in the vesting schedule (the "***Vesting Schedule***") detailed at the end of this Agreement in the Appendix: Vesting Schedule (the date(s) set forth of the Vesting Schedule, each, a "***Scheduled Vesting Date***") and will be settled in accordance with Section 3(a), contingent on Participant's continuous employment by the Company or any Affiliate through any applicable Scheduled Vesting Date and, if applicable, Participant providing, prior to the Scheduled Vesting Date, an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that satisfies the requirements under Section 2(d).

(ii) *Continued Vesting Upon Separation from Service Due to Retirement or Disability*. If Participant remains continuously employed by the Company or an Affiliate of the Company through the date of Participant's Separation from Service (as defined in Section 10) with the Company or the Affiliate by reason of Retirement (as defined in Section 10) or Disability (as defined in Section 10) prior to the Scheduled Vesting Date, the Units shall continue to vest on the remaining Scheduled Vesting Dates and will be settled in accordance with Section 3(a), provided in the case of Separation from Service by reason of Retirement, Participant does not engage in Competition (as defined in Section 10) prior to the Scheduled Vesting Date, subject to applicable law, and provides an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that satisfies the requirements under Section 2(d).

(iii) *Acceleration of Vesting upon Death*. If, prior to the Scheduled Vesting Date, Participant (A) ceases to be an employee by reason of death while in the employ of the Company or any Affiliate, or (B) dies after a Separation from Service by reason of Retirement or Disability, then the Units will become vested as of the date of death and will be settled in accordance with Section 3(c).

(iv) *Acceleration of Vesting Upon Qualifying Termination*. If Participant has been continuously employed by the Company or any Affiliate until the date Participant experiences a Qualifying Termination (as defined in Section 10) that occurs prior to a Scheduled Vesting Date, then, immediately upon such Qualifying Termination, the Units shall become vested and will be settled in accordance with Section 3(b).

(v) *Continued Vesting Upon Qualifying Severance*. If Participant has been continuously employed by the Company or any Affiliate from the Grant Date until the date of a Qualifying Severance (as defined in Section 10), then the Units that are not vested at the time of the Qualifying Severance and that would vest under subsection (i) if Participant remained

continuously employed through solely the second anniversary of the Qualifying Severance, shall continue to vest on the remaining Scheduled Vesting Dates that are on or before the second anniversary of the Qualifying Severance. Units vested in accordance with this subsection (v) will be settled in accordance with Section 3(a).

Except as provided above in this Section 2(b), if Participant's employment with the Company or an Affiliate terminates, any Units that have not vested at the time of the termination shall be immediately and irrevocably forfeited.

(c) *Forfeiture if Engaging in Competition*. Notwithstanding any other provision of this Agreement, Units that have not become vested previously may also be immediately and irrevocably forfeited, to the fullest extent permissible under applicable law, if the Company determines that in the case of a Participant's Separation from Service as a result of Retirement, Participant has engaged in Competition prior to the Scheduled Vesting Date. In the event of a forfeiture under this provision, the amount required to be forfeited shall be deemed not to have been earned under the terms of the RSU Award, and the Company shall be entitled to recover from Participant the amount subject to such forfeiture. Notwithstanding anything in the Agreement to the contrary, if you primarily reside and work for the Company, or one of its Affiliates, in California, then the Competition restriction and the certification requirement described in this paragraph 2(c) will not apply to the RSU Award.

(d) *Forfeiture if Notice Period Not Satisfied*. Notwithstanding any other provision of this Agreement, if the Company determines that Participant failed to (i) provide an advance written notice of intention to terminate employment with the Company or an Affiliate of the Company that is no less than the greater of (x) the applicable Notice Period set forth in Section 10 or (y) the notice period specified in any incentive compensation plan to which the Participant is bound, or in any other written agreement between Participant and the Company or an Affiliate of the Company and (ii) continue to provide services to the Company or an Affiliate of the Company during the applicable notice period, Units that vest during the applicable notice period or have not become vested previously may be immediately and irrevocably forfeited, to the fullest extent permissible under applicable law. The Company, in its sole discretion, may waive or shorten the required notice period resulting in Participant's termination of employment on an earlier date, provided that such earlier date shall not be prior to the date Participant would have otherwise vested on the Scheduled Vesting Date or qualified for Retirement. In the event of a forfeiture under this provision, the amount required to be forfeited shall be deemed not to have been earned under the terms of the RSU Award, and the Company shall be entitled to recover from Participant the amount subject to such forfeiture.

(e) *Special Risk-Related Cancellation Provisions.* Notwithstanding any other provision of this Agreement, if at any time subsequent to the Grant Date the Committee determines, in its sole discretion, that Participant has subjected the Company to significant financial, reputational, or other risk by (i) failing to comply with Company policies and procedures, including the Code of Ethics and Business Conduct, (ii) violating any law or regulation, (iii) engaging in negligence or willful misconduct, or (iv) engaging in activity resulting in a significant or material control deficiency under the Sarbanes-Oxley Act of 2002,

then all or part of the Units granted under this Agreement that have not been settled (and Shares delivered) at the time of such determination may be cancelled. If any Units are cancelled pursuant to this provision, Participant will have no rights with respect to the Units (including, without limitation, any rights to receive a distribution of Shares with respect to the Units and the right to receive Dividend Equivalents).

3. **Distribution of Shares with Respect to Units**

Following the vesting of the Units and in connection with the payment of any applicable withholding taxes pursuant to Section 7 hereof, the Company shall cause to be issued and delivered to Participant (including through book entry) Shares registered in the name of Participant or in the name of Participant's legal representatives, beneficiaries or heirs, as the case may be, as follows:

(a) *Distributions on Scheduled Vesting Dates (Including for Retirement, Disability, and Qualifying Severance)*. As soon as administratively feasible following each Scheduled Vesting Date (but in no event later than December 31st of the year in which such Scheduled Vesting Date occurs), all Shares issuable pursuant to Units that become vested pursuant to subsections (i), (ii), and (v) of Section 2(b) (and with respect to which Shares have not been distributed previously) shall be distributed to Participant.

(b) *Qualifying Termination Distributions*. As soon as administratively feasible following a Separation from Service in connection with a Qualifying Termination (and in any case no later than 60 days following such Separation from Service except as otherwise provided in this Section 3(b)), all Shares issuable pursuant to Units that become vested as a result of such Qualifying Termination (and with respect to which Shares have not been distributed previously) shall be distributed to Participant. Notwithstanding the foregoing, any Shares issuable to a Specified Employee (as defined in Section 10) as a result of a Separation from Service in connection with a Qualifying Termination will not be delivered to such Specified Employee until the date that is six months and one day after the date of the Separation from Service. If in connection with a Change in Control the Units are adjusted, or units in the acquiring or surviving entity are substituted for the Units, or the Plan is terminated, in each case as permitted under the Plan and in accordance with Section 409A, then the terms of such adjustment, substitution or plan termination will govern the treatment of the Units, including the time and manner of settlement of the Units.

(c) *Distributions Following Death*. As soon as administratively feasible following the death of Participant (but in no event later than December 31st of the first calendar year following the calendar year in which the death occurred) all Shares issuable pursuant to Units that become vested pursuant to Section 2(b)(iii) (and with respect to which Shares have not been distributed previously) shall be distributed to the representatives of Participant or to any Person to whom the Units have been transferred by will or the applicable laws of descent and distribution.

In the event that the number of Shares distributable pursuant to this Section 3 is a number that is not a whole number, then the number of Shares distributed shall be rounded down to the nearest whole number.

4. **Rights as Shareholder; Dividend Equivalents**

Prior to the distribution of Shares with respect to Units pursuant to Section 3 above, Participant shall not have ownership or rights of ownership of any Shares underlying the Units; provided, however, that Participant shall be entitled to receive cash Dividend Equivalents on outstanding Units (i.e., Units that have not been forfeited, cancelled or settled), whether vested or unvested, if cash dividends on the Common Stock are declared by the Board on or after the Grant Date. Such Dividend Equivalents will be in an amount of cash per Unit equal to the cash dividend paid with respect to a share of outstanding Common Stock. The Dividend Equivalents shall be treated as earnings on, and as a separate amount from, the Units for purposes of Section 409A of the Code and will be paid out as soon as administratively feasible following the Common Stock dividend payable date, but in no event later than December 31st of the year in which the payable date is declared. Dividend Equivalents paid with respect to dividends declared before the delivery of the Shares underlying the Units will be treated as compensation income for tax purposes and will be subject to income and payroll tax withholding by the Company.

5. **Restriction on Transfer**

Except for transfers by will or the applicable laws of descent and distribution, Units cannot be sold, assigned, transferred, gifted, pledged, or in any manner encumbered, alienated, attached or disposed of, and any purported sale, assignment, transfer, gift, pledge, alienation, attachment or encumbrance shall be void and unenforceable against the Company and its Affiliates. No such attempt to transfer the Units, whether voluntary or involuntary, by operation of law or otherwise (except by will or laws of descent and distribution), shall vest the purported transferee with any interest or right in or with respect to the Units or the Shares issuable with respect to the Units.

6. **Securities Law Compliance**

The delivery of all or any of the Shares in accordance with the RSU Award shall be effective only at such time that the issuance of such Shares will not violate any state or federal securities or other laws. The Company is under no obligation to effect any registration of the Shares under the Securities Act of 1933 or to effect any state registration or qualification of the Shares. The Company may, in its sole discretion, (i) delay the delivery of the Shares; or (ii) place restrictive legends on such Shares in order to ensure that the issuance of any Shares will be in compliance with federal or state securities laws and the rules of the New York Stock Exchange or any other exchange upon which the Common Stock is traded.

7. **Tax Withholding**

In order to comply with all applicable federal, state, local and foreign tax laws or regulations, the Company, or any of its applicable Affiliates, may take such action as it deems

appropriate to ensure that all applicable amounts required to satisfy withholding, income or other tax obligations ("***Tax-Related Obligations***") are withheld or collected from Participant or any other person receiving or exercising Participant's rights under the RSU Award; provided that Participant acknowledges and agrees that Participant retains ultimate responsibility for the satisfaction of any applicable Tax-Related Obligations regardless of any actions that the Company or its Affiliates may take. Without limiting the foregoing, the Company and its Affiliates will require the satisfaction of all Tax-Related Obligations, in an amount determined in the sole discretion of the Company or its applicable Affiliate in accordance with applicable law, through net Share settlement at the time of delivery of Shares (i.e., the Company or the Affiliate withholds a portion of the Shares otherwise to be delivered with a Fair Market Value, as such term is defined in the Plan, equal to the amount of such Tax-Related Obligations).

8. **Miscellaneous**

(a) This Agreement is issued pursuant to the Plan and is subject to its terms. The Plan is available for inspection during business hours at the principal office of the Company. In addition, the Plan may be viewed on the Fidelity website at www.netbenefits.com (or the website of any other stock plan administrator selected by the Company in the future).

(b) This Agreement shall not confer on Participant any right with respect to continuance of employment with the Company or any Affiliate, nor will it interfere in any way with the right of the Company or any Affiliate to terminate such employment at any time.

(c) Participant acknowledges that the grant, vesting or any payment with respect to the RSU Award, and the sale or other taxable disposition of the Shares issued with respect to the Units hereunder may have tax consequences pursuant to the Code or under local, state or international tax laws. It is intended that the RSU Award shall comply with Section 409A of the Code, and the provisions of this Agreement and the Plan shall be construed and administered accordingly. Any amendment or modification of the RSU Award (to the extent permitted under the terms of the Plan), will be undertaken in a manner intended to comply with Section 409A, to the extent applicable. Notwithstanding the foregoing, there is no guaranty or assurance as to the tax treatment of the RSU Award. Participant acknowledges that Participant is relying solely and exclusively on Participant's own professional tax and investment advisors with respect to any and all such matters (and is not relying, in any manner, on the Company, its Affiliates, or any of their employees or representatives). Participant understands and agrees that any and all tax consequences resulting from the RSU Award and its grant, vesting, amendment, or any payment with respect thereto, and the sale or other taxable disposition of the Shares acquired pursuant to the RSU Award, is solely and exclusively the responsibility of Participant without any expectation or understanding that the Company, its Affiliates, or any of their employees or representatives will pay or reimburse Participant for such taxes or other items.

(d) Participant acknowledges and agrees that all amounts payable under the RSU Award are subject to the terms of any applicable clawback or recoupment policy, as in effect from time to time, whether approved before or after the effective date of this Agreement and, to the extent permitted by applicable law, including without limitation Section 409A of the Code, all amounts payable under the RSU Award are subject to offset in the event that Participant has

an outstanding clawback, recoupment or forfeiture obligation to the Company under the terms of any such policy. In the event of a clawback, recoupment or forfeiture event under any such policy, the amount required to be clawed back, recouped or forfeited pursuant to such policy shall be deemed not to have been earned under the terms of the RSU Award, and the Company shall be entitled to recover from Participant the amount specified under the policy to be clawed back, recouped or forfeited.

(e) The Plan and this Agreement constitute the entire agreement between the parties hereto concerning the subject matter hereof and supersede all prior agreements, communications, proposals and undertakings, written or oral, among the parties with respect thereto.

(f) If any provision of the Agreement is held to be unenforceable, then the Agreement will be deemed amended to the extent necessary to render the otherwise unenforceable provision, and the rest of the Agreement, valid and enforceable. If a court declines to amend the Agreement as provided herein, the invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of the remaining provisions, which shall be enforced as if the offending provision had not been included in the Agreement.

(g) Any notice required to be given or delivered to either party under the terms of this Agreement shall be in writing and may be delivered by hand, intraoffice mail, fax, electronic mail or other electronic means, or via postal service, postage prepaid, and directed to the Company at its principal corporate office; and to Participant at the electronic mail or postal address as shown on the records of the Company from time to time or as otherwise determined appropriate by the Company, in its sole discretion.

9. **Venue; Governing Law**

The validity, construction and effect of the RSU Award shall be determined in accordance with the laws of the State of Delaware. Any claim or action brought with respect to the RSU Award shall be brought in a federal or state court located in Minneapolis, Minnesota, and the parties hereby waive any objection or defense based upon personal jurisdiction, venue or forum non conveniens.

10. **Definitions**

For purposes of this Agreement, the following terms shall have the definitions as set forth below:

(a) "**Cause**" means (i) the Participant's willful misconduct or gross negligence in the performance of the Participant's duties causing material financial or reputational harm to the Company; (ii) the Participant's failure or refusal to perform reasonably assigned duties consistent with the Participant's position; (iii) the Participant's breach, failure to perform or other violation of any contract, agreement or engagement between the Company or an Affiliate and the Participant; (iv) the Participant's conduct which exposes the Company to regulatory or other serious risk, including, but not limited to, any violation of the U.S. Bank Code of Ethics or policies, sales misconduct, fraud, theft or dishonesty; and (v) the Participant's ineligibility for employment under Section 19 of the Federal Deposit Insurance Act due to a covered offense

(generally a conviction or pretrial diversion for a crime of dishonesty, breach of trust or money laundering) or the Participant's commission of or entering a plea of nolo contendere to any felony or any other crime (whether or not a felony) involving dishonesty, moral turpitude, fraud or theft, whether of the United States or any state thereof or any similar foreign law to which the Participant may be subject.

(b) "***Change in Control***" means any of the following events:

(i) The acquisition by any person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (x) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (y) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this clause (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, or (C) any acquisition by a subsidiary of the Company or any employee benefit plan (or related trust) sponsored or maintained by the Company or a subsidiary of the Company (a "Company Entity"); or

(ii) Individuals who, as of the date a Participant submits a properly executed Participation Agreement in such manner as determined by the Company (the "Participation Date"), constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board (except as a result of the death, retirement or disability of one or more members of the Incumbent Board); provided, however, that any individual becoming a director subsequent to the Participation Date, whose election or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, (x) any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Incumbent Board, (y) any director designated by or on behalf of a person who has entered into an agreement with the Company (or which is contemplating entering into an agreement) to effect a Business Combination (as defined in clause (iii) below) with one or more entities that are not Company Entities or (z) any director who serves in connection with the act of the Board of increasing the number of directors and filling vacancies in connection with, or in contemplation of, any such Business Combination; or

(iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (x) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, 60% or more of, respectively, the then outstanding shares of Outstanding Company Common Stock or the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (y) no person (excluding any Company Entity or such corporation resulting from such Business Combination) beneficially

owns, directly or indirectly, shares representing 20% or more of, respectively, the then Outstanding Company Common Stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (z) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) Consummation of a complete liquidation or dissolution of the Company.

(c) ***"Competition"*** means Participant is affiliated, directly or indirectly, including but not limited to as a director, officer, employee, partner, consultant, independent contractor, agent or otherwise with another bank, financial services company or business enterprise that engages in business activities similar to some or all of the business activities of the Company and its Affiliates during Participant's employment, including firms publicly disclosed by the Company in its financial and compensation peer groups in the Company's most recent annual proxy statement. Notwithstanding anything in the Agreement to the contrary, the scope of Competition will only be as broad as allowed by applicable law. The Company may require Participant to provide a certification, in a form satisfactory to the Company, that Participant has not engaged in Competition prior to the Scheduled Vesting Date to the extent the Competition restriction in 2(c) above is applicable.

(d) "***Disability***" means leaving active employment and qualifying for and receiving disability benefits under the Company's long-term disability programs as in effect from time to time.

(e) "**Good Reason Resignation**" means any retirement or termination of employment by a Participant that is not initiated by the Company or its Affiliates and that is caused by any one or more of the following events which occurs during the 24-month period beginning on the date of the Change in Control:

(i) Without the Participant's written consent, a material diminution in the Participant's authority, duties or responsibilities as in effect immediately prior to the Change in Control;

(ii) Without the Participant's written consent, a material change in the geographic location at which the Participant must perform services to a location which is more than 50 miles from the Participant's principal place of business immediately preceding the Change in Control;

(iii) Without the Participant's written consent, a material diminution in the Participant's target total compensation (comprised of (1) the Participant's annual base salary as in effect immediately before the effective date of the Change in Control, (2) the Participant's "Target Award Level" as defined and determined by the Committee under the U.S. Bancorp Annual Executive Incentive Plan or other applicable Company annual discretionary incentive plan, and (3) the Participant's target long-term incentive award amount as defined and most

recently determined by the Committee under the Plan or any other stock or long-term incentive plans that the Company may adopt from time to time for the Participant immediately before the effective date of the Change in Control, whether such awards are payable in equity, cash, or a combination thereof);

(iv) The Company fails to obtain a satisfactory agreement from any successor to assume and agree to perform the Company's obligations to the Participant under the U.S. Bank Executive Change in Control Plan, as contemplated in Section 9.07 therein; or

(v) Any other action or inaction by the Company or its Affiliates that constitutes a material breach of the U.S. Bank Executive Change in Control Plan.

Notwithstanding the foregoing, the Participant shall be considered to have a Good Reason Resignation only if the Participant provides written notice to the Company or the applicable Affiliate specifying in reasonable detail the act or omission upon which the Participant is basing such Good Reason Resignation, within 30 business days after such act or omission; within 15 business days after notice has been received, the Company or applicable Affiliate fails to cure such act or omission; and the Company or applicable Affiliate terminates employment with the Company or an Affiliate within 30 business days after the expiration of the cure period.

(f) "***Notice Period***" means 120 calendar days advance written notice of intention to terminate employment with the Company or an Affiliate of the Company with respect to each of the Chief Executive Officer and the Chief Financial Officer or 90 days with respect to any other members of the Company's Managing Committee as required under Sections 2(b)(i) and 2(b)(ii) with such period measured beginning on the day after the date of the notice and ending on the last day of employment.

(g) "***Qualifying Severance***" means Participant's Separation from Service on or after September 1st of the calendar year in which the Grant Date occurs pursuant to which Participant is entitled (or would be entitled if Participant were a U.S. employee performing services in the U.S. for an eligible employer) to severance benefits under the U.S. Bank Severance Pay Program, including satisfying any requirements related to signing and not revoking a general release of claims and post-termination covenants; provided, however, that if the Separation from Service occurs immediately following a leave of absence, the Separation from Service shall constitute a Qualifying Severance only if the leave of absence ends within six months of its commencement.

(h) "***Qualifying Termination***" means:

(i) Participant's Separation from Service as a result of (a) the Company's termination of Participant's employment for any reason other than Cause or (b) the Participant's Good Reason Resignation, in each case during the 24-month period beginning on the date of a Change in Control;

(ii) Participant's Separation from Service as a result of Disability within 12 months following a Change in Control; or

(iii) Participant's Separation from Service (other than as a result of Participant's termination of employment by the Company for Cause) within 12 months following a Change in Control, if, at the time of such Separation from Service, Participant is age 55 or older and has had 10 or more years of employment with the Company or its Affiliates following Participant's most recent date of hire by the Company or its Affiliates.

For purposes of this definition, the term Company shall be deemed to include any Person that has assumed the RSU Award (or provided a substitute award to Participant) in connection with a Change in Control.

(i) "***Retirement***" means a Separation from Service (other than for Cause) on or after September 1st of the calendar year in which the Grant Date occurs of Participant who is age 55 or older and has had 10 or more years of employment with the Company or its Affiliates following Participant's most recent date of hire by the Company or its Affiliates.

(j) "***Separation from Service***" means Participant's separation from service with the Company and its affiliates, as determined under Treasury Regulation section 1.409A-1(h)(1), provided, that the term "affiliate" shall mean a business entity which is affiliated in ownership with the Company and that is treated as a single employer under the rules of section 414(b) and (c) of the Code (applying the eighty percent common ownership standard).

(k) "***Specified Employee***" means any Participant who is a specified employee for purposes of section 1.409A-1(i) of the U.S. Treasury Regulations, determined in accordance with the rules set forth in the separate document entitled "*U.S. Bank Specified Employee Determination*".

11. **Florida Notice Period**

Notwithstanding any other provision of this Agreement, if Participant's work location is in Florida or Participant is a Florida resident, any requirement to provide continued service during the notice period will be no more than 90 days of the notice period and, for any remaining portion of the notice period, Participant may engage in nonwork activities and with permission from the Company work for another employer. The Company must provide at least 30 days' advance notice before waiving or shortening the applicable notice period. Participant acknowledges that Participant has been provided with an opportunity to review this Agreement for no fewer than 7 days and has been advised of Participant's right, and encouraged, to consult legal counsel with respect to all matters relating to the RSU Award prior to accepting the RSU Award and that Participant has either consulted such counsel or voluntarily declined to consult such counsel.

Appendix
Vesting Schedule

Your RSU Award will vest in accordance with paragraph 2(b)(i) *Time-Based Vesting Conditions*, as shown in the schedule below.

The following information appears in accordance with the Private Securities Litigation Reform Act of 1995:

This report contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, future economic conditions and the anticipated future revenue, expenses, financial condition, asset quality, capital and liquidity levels, plans, prospects, targets, initiatives and operations of U.S. Bancorp. Forward-looking statements often use words such as “anticipates,” “targets,” “expects,” “hopes,” “estimates,” “projects,” “forecasts,” “intends,” “plans,” “goals,” “believes,” “continue” and other similar expressions or future or conditional verbs such as “will,” “may,” “might,” “should,” “would” and “could.”

Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those set forth in forward-looking statements, including the following risks and uncertainties:

Deterioration in general business, political and economic conditions or turbulence in domestic or global financial markets, which could adversely affect U.S. Bancorp’s revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility;

Changes to statutes, regulations, or regulatory policies or practices, including capital and liquidity requirements and any credit card interest rate caps, and the enforcement and interpretation of such laws and regulations, and U.S. Bancorp’s ability to address or satisfy those requirements and other requirements or conditions imposed by regulatory entities;

Changes in trade policy, including the imposition of tariffs or the impacts of retaliatory tariffs;

Changes in interest rates;

Increases in unemployment rates;

Deterioration in the credit quality of U.S. Bancorp's loan portfolios or in the value of the collateral securing those loans;

Changes in commercial real estate occupancy rates;

Increases in Federal Deposit Insurance Corporation (“FDIC”) assessments, including due to bank failures;

Actions taken by governmental agencies to stabilize or reform the financial system and the effectiveness of such actions;

Turmoil and volatility in the financial services industry;

Risks related to originating and selling mortgages, including repurchase and indemnity demands, and related to U.S. Bancorp’s role as a loan servicer;

Impacts of current, pending or future litigation and governmental proceedings;

Increased competitive pressure;

Effects of climate change and related physical and transition risks;

Changes in customer behavior and preferences and the ability to implement technological changes to respond to customer needs and meet competitive demands;

Breaches in data security;

Failures or disruptions in or breaches of U.S. Bancorp’s operational, technology or security systems or infrastructure, or those of third parties, including as a result of cybersecurity incidents;

Failures to safeguard personal information;

Impacts of pandemics, natural disasters, terrorist activities, civil unrest, international hostilities and geopolitical events;

Impacts of supply chain disruptions, rising inflation, slower growth or a recession;

Failure to execute on strategic or operational plans;

- Effects of mergers and acquisitions, such as the pending acquisition of Condor Trading LP and its subsidiaries, including BTIG, LLC (collectively, “BTIG”), and related integration, including that the expected benefits may take longer than anticipated to achieve or may not be achieved in entirety or at all and the costs relating to the combination may be greater than expected;
- Effects of critical accounting policies and judgments;
- Effects of changes in or interpretations of tax laws and regulations;
- Management’s ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk and liquidity risk; and
- The risks and uncertainties more fully discussed in the section entitled “Risk Factors” of this report.

Factors other than these risks also could adversely affect U.S. Bancorp’s results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

Table of Contents

22 Management’s Discussion and Analysis
- **22** Overview
- **24** Statement of Income Analysis
- **27** Balance Sheet Analysis
- **31** Corporate Risk Profile
  - **31** Overview
  - **32** Credit Risk Management
  - **44** Residual Value Risk Management
  - **44** Operational Risk Management
  - **44** Compliance Risk Management
  - **44** Strategic Risk Management
  - **45** Interest Rate Risk Management
  - **46** Market Risk Management
  - **47** Liquidity Risk Management
  - **50** Capital Management
- **53** Business Segment Financial Review
- **54** Non-GAAP Financial Measures
- **57** Accounting Changes
- **57** Critical Accounting Policies
- **59** Controls and Procedures

60 Reports of Management and Independent Accountants

64 Consolidated Financial Statements and Notes

133 Consolidated Daily Average Balance Sheet and Related Yields and Rates

134 Supplemental Financial Data

135 Company Information

135 Risk Factors

151 Managing Committee

153 Directors

Management's Discussion and Analysis

Overview

U.S. Bancorp and its subsidiaries (the "Company") achieved new business momentum in 2025 and continued to demonstrate its well-diversified business model. Financial results for 2025 included fee revenue growth, prudent expense management, and stable credit quality and capital levels, which led to strong earnings per share growth compared to the prior year. During 2025, the Company continued to expand interconnectedness across its businesses, resulting in strong organic growth and deeper relationships with its customers.

Financial Performance The Company earned $7.6 billion in 2025 compared with $6.3 billion in 2024.

Financial performance for 2025, compared with 2024, included the following:

- Diluted earnings per common share of $4.62 in 2025, representing a 21.9 percent increase compared with 2024;
- Net interest income increased $360 million (2.2 percent) primarily due to loan growth, fixed asset repricing and lower rates paid on interest-bearing deposits;
- Noninterest income increased $845 million (7.6 percent) driven by higher revenue across most categories;
- Noninterest expense decreased $351 million (2.0 percent), reflecting the impact of merger and integration charges in the prior year, lower compensation and employee benefits expense and other noninterest expense, partially offset by higher technology and communications expense and marketing and business development expense;
- Average loans increased $6.4 billion (1.7 percent) driven by increases in commercial loans and credit card loans, partially offset by decreases in commercial real estate loans and other retail loans; and
- Average deposits decreased $397 million (0.1 percent), driven by decreases in noninterest-bearing deposits and time deposits, partially offset by an increase in total savings deposits.

Credit Quality The Company maintained stable credit quality during 2025.

- The allowance for credit losses was $7.9 billion at December 31, 2025, relatively flat compared to December 31, 2024. The ratio of the allowance for credit losses to period-end loans improved to 2.03 percent at December 31, 2025 compared to 2.09 percent at December 31, 2024.
- The provision for credit losses decreased $52 million (2.3 percent), reflecting improved credit quality and the impact of loan sales during the second quarter of 2025, partially offset by loan growth.
- Nonperforming assets were $1.6 billion at December 31, 2025, a decrease of $242 million (13.2 percent) compared with December 31, 2024, driven by lower nonperforming commercial real estate loans.
- Net charge-offs were $2.2 billion in 2025, reflecting a $12 million (0.6 percent) increase compared to 2024.
- Total loan net charge-offs as a percentage of average loans was 0.57 percent in 2025, compared with 0.58 percent in 2024.

Capital Management At December 31, 2025, all of the Company's regulatory capital ratios exceeded regulatory "well-capitalized" requirements.

- The Company's common equity tier 1 capital ratio was 10.8 percent at December 31, 2025, an increase of 20 basis points from December 31, 2024.
- The Company returned $3.7 billion of earnings to shareholders in 2025 through dividends and share repurchases.

Earnings Summary The Company reported net income attributable to U.S. Bancorp of $7.6 billion in 2025, or $4.62 per diluted common share, compared with $6.3 billion, or $3.79 per diluted common share, in 2024. Return on average assets and return on average common equity were 1.12 percent and 13.0 percent, respectively, in 2025, compared with 0.95 percent and 11.7 percent, respectively, in 2024. The results for 2024 included the impact of $400 million ($300 million net-of-tax) of notable items, including $155 million of merger and integration charges associated with the 2022 acquisition of MUFG Union Bank, N.A. ("MUB"), $136 million of incremental FDIC special assessment charges and $109 million of charges related to lease impairments and operational efficiency actions. Combined, these items decreased 2024 diluted earnings per common share by $0.19.

Total net revenue for 2025 was $1.2 billion (4.4 percent) higher than 2024, reflecting a 2.2 percent increase in net interest income and a 7.6 percent increase in noninterest income. The increase in net interest income from the prior year was primarily due to loan growth, fixed asset repricing and lower rates paid on interest-bearing deposits. The increase in noninterest income was driven by higher revenue across most categories.

Noninterest expense in 2025 was $351 million (2.0 percent) lower than 2024, primarily due to the impact of merger and integration charges in the prior year, lower compensation and employee benefits expense and other noninterest expense, partially offset by higher technology and communications expense and marketing and business development expense.

TABLE 1 Selected Financial Data

Year Ended December 31 (Dollars and Shares in Millions, Except Per Share Data)	2025	2024	2023
Condensed Income Statement			
Net interest income	$ 16,649	$ 16,289	$ 17,396
Taxable-equivalent adjustment[a]	116	120	131
Net interest income (taxable-equivalent basis)[b]	16,765	16,409	17,527
Noninterest income	11,891	11,046	10,617
Total net revenue	28,656	27,455	28,144
Noninterest expense	16,837	17,188	18,873
Provision for credit losses	2,186	2,238	2,275
Income before taxes	9,633	8,029	6,996
Income taxes and taxable-equivalent adjustment	2,037	1,700	1,538
Net income	7,596	6,329	5,458
Net (income) loss attributable to noncontrolling interests	(26)	(30)	(29)
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429
Net income applicable to U.S. Bancorp common shareholders	$ 7,194	$ 5,909	$ 5,051
Per Common Share			
Earnings per share	$ 4.62	$ 3.79	$ 3.27
Diluted earnings per share	4.62	3.79	3.27
Dividends declared per share	2.04	1.98	1.93
Book value per share[c]	37.55	33.19	31.13
Tangible book value per share[b]	29.12	24.63	22.30
Market value per share	53.36	47.83	43.28
Average diluted common shares outstanding	1,558	1,561	1,543
Financial Ratios			
Return on average assets	1.12 %	.95 %	.82 %
Return on average common equity	13.0	11.7	10.8
Return on tangible common equity[b]	18.1	17.2	16.9
Net interest margin (taxable-equivalent basis)[a]	2.72	2.70	2.90
Efficiency ratio[b]	58.6	62.3	66.7
Average Balances			
Loans	$ 380,260	$ 373,875	$ 381,275
Investment securities[d]	172,376	166,634	162,757
Assets	676,540	664,014	663,440
Deposits	509,118	509,515	505,663
Long-term debt	61,376	54,473	44,142
Period End Balances			
Loans	$ 391,335	$ 379,832	$ 373,835
Investment securities	167,008	164,626	153,751
Assets	692,345	678,318	663,491
Deposits	522,216	518,309	512,312
Long-term debt	60,764	58,002	51,480
Total U.S. Bancorp shareholders' equity	65,193	58,578	55,306
Credit Quality			
Allowance for credit losses	$ 7,947	$ 7,925	$ 7,839
Nonperforming assets	1,590	1,832	1,494
Net charge-offs as a percent of average loans outstanding	.57	.58	.50
Capital Ratios			
Common equity tier 1 capital	10.8 %	10.6 %	9.9 %
Tier 1 capital	12.3	12.2	11.5
Total risk-based capital	14.2	14.3	13.7
Leverage	8.7	8.3	8.1
Total leverage exposure	7.1	6.8	6.6
Tangible common equity to tangible assets[b]	6.7	5.8	5.3
Tangible common equity to risk-weighted assets[b]	9.4	8.5	7.7

(a) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.
(b) See Non-GAAP Financial Measures beginning on page 54.
(c) Calculated as U.S. Bancorp common shareholders' equity divided by common shares outstanding at end of the period.
(d) Excludes unrealized gains and losses on available-for-sale investment securities.

Results for 2024 Compared With 2023 For discussion related to changes in financial condition and results of operations for 2024 compared with 2023, refer to “Management’s Discussion and Analysis” in the Company’s Annual Report for the year ended December 31, 2024, included as Exhibit 13 to the Company’s Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 21, 2025.

Pending acquisition of BTIG In January 2026, the Company announced that it entered into a definitive agreement to acquire BTIG for a purchase price of up to $1 billion, consisting of a targeted amount of $725 million ($362.5 million of cash and 6,600,594 shares of the Company’s common stock) to be paid at closing and up to an additional $275 million of cash consideration payable over three years, subject to achievement of defined performance targets. BTIG is a global financial services firm specializing in institutional trading, investment banking, research and related brokerage services. The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals and satisfaction of applicable closing conditions.

Statement of Income Analysis

Net Interest Income Net interest income, on a taxable-equivalent basis, was $16.8 billion in 2025, compared with $16.4 billion in 2024. The $356 million (2.2 percent) increase in 2025 compared with 2024 was primarily due to loan growth, fixed asset repricing and lower rates paid on interest-bearing deposits. Average earning assets were $8.7 billion (1.4 percent) higher in 2025, compared with 2024, reflecting increases in loans, investment securities and other earning assets, partially offset by a decrease in interest-bearing deposits with banks. The net interest margin, on a taxable-equivalent basis, in 2025 was 2.72 percent, compared with 2.70 percent in 2024. The increase in the net interest margin in 2025, compared with 2024, was primarily due to improved asset mix and fixed asset repricing, partially offset by deposit mix. Refer to the “Interest Rate Risk Management” section for further information on the sensitivity of the Company’s net interest income to changes in interest rates.

TABLE 2 Analysis of Net Interest Income[(a)]

Year Ended December 31 (Dollars in Millions)	2025	2024	2023	2025 v 2024	2024 v 2023
Components of Net Interest Income					
Income on earning assets (taxable-equivalent basis)	$ 31,086	$ 31,789	$ 30,144	$ (703)	$ 1,645
Expense on interest-bearing liabilities (taxable-equivalent basis)	14,321	15,380	12,617	(1,059)	2,763
Net interest income (taxable-equivalent basis)[(b)]	$ 16,765	$ 16,409	$ 17,527	$ 356	$ (1,118)
Net interest income, as reported	$ 16,649	$ 16,289	$ 17,396	$ 360	$ (1,107)
Average Yields and Rates Paid					
Earning assets yield (taxable-equivalent basis)	5.05 %	5.24 %	4.98 %	(.19)%	.26 %
Rate paid on interest-bearing liabilities (taxable-equivalent basis)	2.82	3.09	2.65	(.27)	.44
Gross interest margin (taxable-equivalent basis)	2.23 %	2.15 %	2.33 %	.08 %	(.18)%
Net interest margin (taxable-equivalent basis)	2.72 %	2.70 %	2.90 %	.02 %	(.20)%
Average Balances					
Investment securities[(c)]	$ 172,376	$ 166,634	$ 162,757	$ 5,742	$ 3,877
Loans	380,260	373,875	381,275	6,385	(7,400)
Earning assets	615,360	606,641	605,199	8,719	1,442
Noninterest-bearing deposits	80,508	83,007	107,768	(2,499)	(24,761)
Interest-bearing deposits	428,610	426,508	397,895	2,102	28,613
Total deposits	509,118	509,515	505,663	(397)	3,852
Interest-bearing liabilities	508,331	498,182	476,178	10,149	22,004

(a) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent.
(b) See Non-GAAP Financial Measures beginning on page 54.
(c) Excludes unrealized gains and losses on available-for-sale investment securities.

Average total loans were $380.3 billion in 2025, compared with $373.9 billion in 2024. The $6.4 billion (1.7 percent) increase was primarily due to higher commercial loans and credit card loans, partially offset by lower commercial real estate loans and other retail loans. Average commercial loans increased $11.3 billion (8.5 percent), primarily due to growth in loans to financial institutions. Average credit card loans increased $1.4 billion (4.9 percent) primarily due to higher sales volume. Average commercial real estate loans decreased $3.1 billion (6.1 percent), primarily due to payoffs and loan workout activities. Average other retail loans decreased $2.3 billion (5.4 percent), driven by lower automobile loans, including the impact of a portfolio sale during the second quarter of 2025. Average residential mortgages decreased $882 million (0.8 percent), primarily due to a portfolio sale in the second quarter of 2025.

Average investment securities in 2025 were $5.7 billion (3.4 percent) higher than in 2024.

Average total deposits for 2025 were $397 million (0.1 percent) lower than 2024. Average noninterest-bearing deposits were $2.5 billion (3.0 percent) lower in 2025, compared with 2024, driven by lower balances within Consumer and Business Banking, as well as Wealth, Corporate, Commercial and Institutional Banking. Average time deposits for 2025 were $2.1 billion (3.6 percent) lower than 2024, primarily due to a decrease in Wealth, Corporate, Commercial and Institutional Banking balances. Changes in time deposits are primarily related to those deposits managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics. Average total savings deposits were $4.2 billion (1.1 percent) higher in 2025, compared with 2024, driven by an increase in Wealth, Corporate, Commercial and Institutional Banking balances.

TABLE 3 Net Interest Income — Changes Due to Rate and Volume[(a)]

	2025 v 2024			2024 v 2023		
Year Ended December 31 (Dollars in Millions)	Volume	Yield/Rate	Total	Volume	Yield/Rate	Total
Increase (decrease) in						
Interest Income						
Investment securities	$ 179	$ 106	$ 285	$ 109	$ 514	$ 623
Loans held for sale	26	(34)	(8)	5	21	26
Loans						
Commercial	738	(1,089)	(351)	(94)	149	55
Commercial real estate	(202)	(226)	(428)	(185)	127	(58)
Residential mortgages	(34)	113	79	41	231	272
Credit card	188	(62)	126	273	113	386
Other retail	(141)	69	(72)	(325)	345	20
Total loans	549	(1,195)	(646)	(290)	965	675
Interest-bearing deposits with banks	(389)	(488)	(877)	117	46	163
Other earning assets	176	367	543	130	28	158
Total earning assets	541	(1,244)	(703)	71	1,574	1,645
Interest Expense						
Interest-bearing deposits						
Interest checking	55	21	76	(41)	212	171
Money market savings	(728)	(1,292)	(2,020)	1,300	626	1,926
Savings accounts	81	754	835	(26)	101	75
Time deposits	(88)	(340)	(428)	375	366	741
Total interest-bearing deposits	(680)	(857)	(1,537)	1,608	1,305	2,913
Short-term borrowings	74	190	264	(981)	113	(868)
Long-term debt	327	(113)	214	436	282	718
Total interest-bearing liabilities	(279)	(780)	(1,059)	1,063	1,700	2,763
Increase (decrease) in net interest income	$ 820	$ (464)	$ 356	$ (992)	$ (126)	$ (1,118)

(a) This table shows the components of the change in net interest income by volume and rate on a taxable-equivalent basis based on a federal income tax rate of 21 percent. This table does not take into account the level of noninterest-bearing funding, nor does it fully reflect changes in the mix of assets and liabilities. The change in interest not solely due to changes in volume or rates has been allocated on a pro-rata basis to volume and yield/rate.

Provision for Credit Losses The provision for credit losses reflects changes in economic conditions and the size and credit quality of the entire portfolio of loans. The Company maintains an allowance for credit losses considered appropriate by management for expected losses, based on factors discussed in the "Analysis and Determination of the Allowance for Credit Losses" section.

The provision for credit losses was $2.2 billion in 2025, representing a $52 million (2.3 percent) decrease from 2024. The decrease from the prior year was primarily driven by improved credit quality and the impact of loan sales during the second quarter of 2025, partially offset by loan growth. Net charge-offs increased $12 million (0.6 percent) in 2025, compared with 2024, reflecting higher other retail loan net charge-offs, partially offset by lower commercial real estate loan net charge-offs.

Refer to "Corporate Risk Profile" for further information on the provision for credit losses, net charge-offs, nonperforming assets and other factors considered by the Company in assessing the credit quality of the loan portfolio and establishing the allowance for credit losses.

Noninterest Income Noninterest income in 2025 was $11.9 billion, compared with $11.0 billion in 2024. The $845 million (7.6 percent) increase in 2025 from 2024 reflected higher trust and investment management fees, payment services revenue, capital markets revenue, other noninterest income and lower losses on the sales of investment securities. Trust and investment management fees increased primarily due to business growth and favorable market conditions. Payment services revenue increased primarily driven by higher merchant processing services revenue and card revenue, both driven by higher sales volume. Capital markets revenue increased primarily due to higher syndication activity, commercial loan fees and trading revenue. Other noninterest income increased primarily due to higher tax credit investment activity.

TABLE 4 Noninterest Income

Year Ended December 31 (Dollars in Millions)	2025	2024	2023	2025 v 2024	2024 v 2023
Card revenue	$ 1,735	$ 1,679	$ 1,630	3.3 %	3.0 %
Corporate payment products revenue	765	773	759	(1.0)	1.8
Merchant processing services	1,792	1,714	1,659	4.6	3.3
Trust and investment management fees	2,869	2,660	2,459	7.9	8.2
Service charges	1,302	1,253	1,306	3.9	(4.1)
Capital markets revenue	1,633	1,523	1,372	7.2	11.0
Mortgage banking revenue	645	627	540	2.9	16.1
Investment products fees	375	330	279	13.6	18.3
Other	836	641	758	30.4	(15.4)
Total fee revenue	11,952	11,200	10,762	6.7	4.1
Securities gains (losses), net	(61)	(154)	(145)	60.4	(6.2)
Total noninterest income	$ 11,891	$ 11,046	$ 10,617	7.6 %	4.0 %

TABLE 5 Noninterest Expense

Year Ended December 31 (Dollars in Millions)	2025	2024	2023	2025 v 2024	2024 v 2023
Compensation and employee benefits	$ 10,327	$ 10,554	$ 10,416	(2.2)%	1.3 %
Net occupancy and equipment	1,227	1,246	1,266	(1.5)	(1.6)
Professional services	468	491	560	(4.7)	(12.3)
Marketing and business development	705	619	726	13.9	(14.7)
Technology and communications	2,211	2,074	2,049	6.6	1.2
Other intangibles	498	569	636	(12.5)	(10.5)
Other	1,401	1,480	2,211	(5.3)	(33.1)
Total before merger and integration charges	16,837	17,033	17,864	(1.2)	(4.7)
Merger and integration charges	—	155	1,009	*	(84.6)
Total noninterest expense	$ 16,837	$ 17,188	$ 18,873	(2.0)%	(8.9)%
Efficiency ratio[a]	58.6 %	62.3 %	66.7 %		

* *Not meaningful*

(a) See Non-GAAP Financial Measures beginning on page 54.

Noninterest Expense Noninterest expense in 2025 was $16.8 billion, compared with $17.2 billion in 2024. The $351 million (2.0 percent) decrease in noninterest expense in 2025, compared to 2024, reflected the impact of merger and integration charges in the prior year, lower compensation and employee benefits expense and other noninterest expense, partially offset by higher technology and communications expense and marketing and business development expense. Compensation and employee benefits expense decreased primarily due to cost savings from operational efficiencies, partially offset by merit increases. Other noninterest expense decreased primarily due to the impact in the prior year of the FDIC special assessment. Technology and communications expense increased primarily due to investments in infrastructure and technology development. Marketing and business development expense increased primarily due to increased initiatives in 2025.

Income Tax Expense The provision for income taxes was $1.9 billion (an effective rate of 20.2 percent) in 2025, compared with $1.6 billion (an effective rate of 20.0 percent) in 2024.

For further information on income taxes, refer to Note 18 of the Notes to Consolidated Financial Statements.

Balance Sheet Analysis

Average earning assets were $615.4 billion in 2025, compared with $606.6 billion in 2024. The increase in average earning assets of $8.7 billion (1.4 percent) was primarily due to increases in loans of $6.4 billion (1.7 percent), investment securities of $5.7 billion (3.4 percent) and other earning assets of $3.5 billion (28.0 percent), partially offset by a decrease in interest-bearing deposits with banks of $7.3 billion (14.2 percent). For average balance information, refer to "Net Interest Income" in the Statement of Income Analysis section and Consolidated Daily Average Balance Sheet and Related Yields and Rates on page 133.

Loans The Company's loan portfolio was $391.3 billion at December 31, 2025, compared with $379.8 billion at December 31, 2024. The increase of $11.5 billion (3.0 percent) was driven by higher commercial loans and credit card loans, partially offset by lower residential mortgages and other retail loans. Table 6 provides a summary of the loan distribution by product type, while Table 7 provides a summary of the selected loan maturity distribution by loan category.

Commercial loans increased $14.5 billion (10.4 percent) at December 31, 2025, compared with December 31, 2024, primarily due to growth in loans to financial institutions.

Credit card loans increased $1.9 billion (6.2 percent) at December 31, 2025, compared with December 31, 2024, primarily driven by higher sales volume.

Commercial real estate loans were $48.9 billion at December 31, 2025, relatively flat compared with December 31, 2024.

Residential mortgages held in the loan portfolio decreased $2.9 billion (2.5 percent) at December 31, 2025, compared to December 31, 2024, primarily driven by a portfolio sale in the second quarter of 2025. Residential mortgages originated and placed in the Company's loan portfolio include jumbo mortgages and branch-originated first lien home equity loans to borrowers with high credit quality.

Other retail loans decreased $2.0 billion (4.7 percent) at December 31, 2025, compared with December 31, 2024, primarily due to a decrease in automobile loans, including the impact of a portfolio sale during the second quarter of 2025.

The Company generally retains portfolio loans through maturity; however, the Company's intent may change over time based upon various factors such as ongoing asset/liability management activities, assessment of product profitability, credit risk, liquidity needs, and capital implications. If the Company's intent or ability to hold an existing portfolio loan changes, it is transferred to loans held for sale.

Loans Held for Sale Loans held for sale, consisting primarily of residential mortgages to be sold in the secondary market, were $2.5 billion at December 31, 2025, compared with $2.6 billion at December 31, 2024. Almost all of the residential mortgage loans the Company originates or purchases for sale follow guidelines that allow the loans to be sold into existing, highly liquid secondary markets, in particular in government agency transactions and to government sponsored enterprises ("GSEs").

TABLE 6 Loan Portfolio Distribution

At December 31 (Dollars in Millions)	2025 Amount	2025 Percent of Total	2024 Amount	2024 Percent of Total
Commercial				
Commercial	$ 149,522	38.2 %	$ 135,254	35.6 %
Lease financing	4,436	1.2	4,230	1.1
Total commercial	153,958	39.4	139,484	36.7
Commercial Real Estate				
Commercial mortgages	39,476	10.1	38,619	10.2
Construction and development	9,444	2.4	10,240	2.7
Total commercial real estate	48,920	12.5	48,859	12.9
Residential Mortgages				
Residential mortgages	110,788	28.3	112,806	29.7
Home equity loans, first liens	5,097	1.3	6,007	1.6
Total residential mortgages	115,885	29.6	118,813	31.3
Credit Card	32,234	8.2	30,350	8.0
Other Retail				
Retail leasing	3,524	.9	4,040	1.0
Home equity and second mortgages	14,025	3.6	13,565	3.6
Revolving credit	4,561	1.2	3,747	1.0
Installment	14,653	3.7	14,373	3.8
Automobile	3,575	.9	6,601	1.7
Total other retail	40,338	10.3	42,326	11.1
Total loans	$ 391,335	100.0 %	$ 379,832	100.0 %

TABLE 7 Selected Loan Maturity Distribution

At December 31, 2025 (Dollars in Millions)	One Year or Less	Over One Through Five Years	Over Five Through Fifteen Years	Over Fifteen Years	Total
Commercial	$ 39,316	$ 97,074	$ 17,220	$ 348	$ 153,958
Commercial real estate	13,820	21,572	4,914	8,614 [(a)]	48,920
Residential mortgages	265	2,967	5,794	106,859	115,885
Credit card	32,234	—	—	—	32,234
Other retail	1,453	6,531	14,263	18,091	40,338
Total loans	$ 87,088	$ 128,144	$ 42,191	$ 133,912	$ 391,335

Total of loans due after one year with:

	Predetermined Interest Rates	Floating Interest Rates
Commercial	$ 15,158	$ 99,484
Commercial real estate	10,493	24,607
Residential mortgages	57,173	58,447
Credit card	—	—
Other retail	25,502	13,383
Total	$ 108,326	$ 195,921

(a) Primarily represents construction loans for single-family residences or loans guaranteed by the Small Business Administration.

TABLE 8 Investment Securities

At December 31 (Dollars in Millions)	2025 Amortized Cost	2025 Fair Value	2025 Weighted-Average Maturity in Years	2025 Weighted-Average Yield[e]	2024 Amortized Cost	2024 Fair Value	2024 Weighted-Average Maturity in Years	2024 Weighted-Average Yield[e]
Held-to-Maturity								
U.S. Treasury and agencies	$ 648	$ 644	1.3	3.00 %	$ 1,296	$ 1,275	1.3	2.85 %
Mortgage-backed securities[a]	75,235	66,146	8.0	2.34	77,094	64,753	8.8	2.19
Other	287	289	1.5	2.63	244	247	2.2	2.73
Total held-to-maturity	$ 76,170	$ 67,079	7.9	2.34 %	$ 78,634	$ 66,275	8.7	2.20 %
Available-for-Sale								
U.S. Treasury and agencies	$ 30,098	$ 28,770	4.0	2.61 %	$ 30,467	$ 28,387	5.1	2.98 %
Mortgage-backed securities[a]	47,776	45,759	5.8	3.91	44,238	40,638	7.4	3.82
Asset-backed securities[a]	6,512	6,527	4.2	4.94	7,136	7,165	3.8	5.56
Obligations of state and political subdivisions[b][c]	10,387	9,514	9.7	3.66	10,690	9,552	11.7	3.72
Other	265	268	1.3	4.63	249	250	1.5	4.79
Total available-for-sale[d]	$ 95,038	$ 90,838	5.5	3.55 %	$ 92,780	$ 85,992	6.8	3.67 %

(a) Information related to asset and mortgage-backed securities included above is presented based upon weighted-average maturities that take into account anticipated future prepayments.
(b) Information related to obligations of state and political subdivisions is presented based upon yield to first optional call date if the security is purchased at a premium, and yield to maturity if the security is purchased at par or a discount.
(c) Maturity calculations for obligations of state and political subdivisions are based on the first optional call date for securities with a fair value above par and the contractual maturity date for securities with a fair value equal to or below par.
(d) Amortized cost excludes portfolio level basis adjustments of $185 million and $13 million at December 31, 2025 and 2024, respectively.
(e) Weighted-average yields for obligations of state and political subdivisions are presented on a fully-taxable equivalent basis based on a federal income tax rate of 21 percent. Yields on investment securities are computed based on amortized cost balances, excluding any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity.

Investment Securities The Company uses its investment securities portfolio to manage interest rate risk, provide liquidity (including the ability to meet regulatory requirements), generate interest and dividend income, and serve as collateral for public deposits and wholesale funding sources. While the Company intends to hold its investment securities indefinitely, it may sell available-for-sale investment securities in response to structural changes in the balance sheet and related interest rate risk and to meet liquidity requirements, among other factors.

Investment securities totaled $167.0 billion at December 31, 2025, compared with $164.6 billion at December 31, 2024. The $2.4 billion (1.4 percent) increase was primarily due to a favorable change in net unrealized gains (losses) on available-for-sale investment securities. Investment securities by type are shown in Table 8.

The Company's available-for-sale investment securities are carried at fair value with changes in fair value reflected in other comprehensive income (loss) unless a portion of a security's unrealized loss is related to credit and an allowance for credit losses is necessary. At December 31, 2025, the Company's net unrealized losses on available-for-sale investment securities were $4.4 billion ($3.3 billion net-of-tax), compared with net unrealized losses of $6.8 billion ($5.1 billion net-of-tax) at December 31, 2024. The favorable change in net unrealized gains (losses) was primarily due to increases in the fair value of U.S. treasury and mortgage-backed securities as a result of changes in interest rates. Gross unrealized losses on available-for-sale investment securities totaled $4.7 billion at December 31, 2025, compared with $6.9 billion at December 31, 2024.

When evaluating credit losses, the Company considers various factors such as the nature of the investment security, the credit ratings or financial condition of the issuer, the extent of the unrealized loss, expected cash flows of the underlying collateral, the existence of any government or agency guarantees, and market conditions. At December 31, 2025, the Company had no plans to sell securities with unrealized losses, and believed it was more likely than not that it would not be required to sell such securities before recovery of their amortized cost.

Refer to Notes 4 and 21 in the Notes to Consolidated Financial Statements for further information on investment securities.

Deposits Total deposits were $522.2 billion at December 31, 2025, compared with $518.3 billion at December 31, 2024. The $3.9 billion (0.8 percent) increase in total deposits reflected an increase in total savings deposits, partially offset by a decrease in time deposits.

Total savings deposits increased $10.7 billion (2.8 percent) at December 31, 2025, compared with December 31, 2024. The increase was driven by higher savings account and interest checking deposit balances, partially offset by lower money market deposit balances. Savings account balances increased $20.3 billion (44.8 percent), driven by higher Consumer and Business Banking balances. Interest checking balances increased $5.0 billion (4.0 percent) primarily due to higher Wealth, Corporate, Commercial and Institutional Banking balances. Money market deposit balances decreased $14.7 billion (7.1 percent), primarily due to lower Consumer and Business Banking balances.

Time deposits decreased $6.7 billion (12.3 percent) at December 31, 2025 compared with December 31, 2024, driven by lower Treasury and Corporate Support balances. Changes in time deposits are primarily related to those deposits managed as an alternative to other funding sources, based largely on relative pricing and liquidity characteristics.

Noninterest-bearing deposits were $84.1 billion at December 31, 2025, relatively flat compared to December 31, 2024.

TABLE 9 Deposits

The composition of deposits was as follows:

	2025		2024	
At December 31 (Dollars in Millions)	Amount	Percent of Total	Amount	Percent of Total
Noninterest-bearing deposits	$ 84,116	16.1 %	$ 84,158	16.2 %
Interest-bearing deposits				
Interest checking	132,217	25.3	127,188	24.5
Money market savings	192,118	36.8	206,805	39.9
Savings accounts	65,733	12.6	45,389	8.8
Total savings deposits	390,068	74.7	379,382	73.2
Domestic time deposits less than $250,000	34,177	6.5	39,297	7.6
Domestic time deposits greater than $250,000	13,385	2.6	14,552	2.8
Foreign time deposits	470	.1	920	.2
Total interest-bearing deposits	438,100	83.9	434,151	83.8
Total deposits[(a)]	$ 522,216	100.0 %	$ 518,309	100.0 %

(a) Includes $273.5 billion and $259.9 billion of deposits at December 31, 2025 and 2024, respectively, that are not subject to any federal, state or foreign deposit insurance program.

The maturity of domestic time deposits in excess of the insurance limit and those time deposits not subject to any federal, state or foreign deposit insurance program at December 31, 2025 was as follows:

(Dollars in Millions)	Domestic Time Deposits Greater Than $250,000	Foreign Time Deposits	Total
Three months or less	$ 7,320	$ 470	$ 7,790
Three months through six months	4,958	—	4,958
Six months through one year	839	—	839
Thereafter	268	—	268
Total	$ 13,385	$ 470	$ 13,855

Borrowings The Company utilizes both short-term and long-term borrowings as part of its asset/liability management and funding strategies. Short-term borrowings, which include federal funds purchased, commercial paper, repurchase agreements, borrowings secured by high-grade assets and other short-term borrowings, were $17.2 billion at December 31, 2025, compared with $15.5 billion at December 31, 2024. The $1.6 billion (10.6 percent) increase in short-term borrowings at December 31, 2025, compared with December 31, 2024, was primarily due to increases in repurchase agreement balances and other short-term borrowing balances, partially offset by a decrease in short-term Federal Home Loan Bank (“FHLB”) advances.

Long-term debt was $60.8 billion at December 31, 2025, compared with $58.0 billion at December 31, 2024. The $2.8 billion (4.8 percent) increase was primarily due to $5.0 billion of medium-term note issuances, $2.0 billion of bank note issuances and $1.3 billion of credit-linked bank note issuances, partially offset by $3.8 billion of medium-term note and $2.5 billion of bank note repayments and maturities.

Refer to Notes 12 and 13 of the Notes to Consolidated Financial Statements for additional information regarding short-term borrowings and long-term debt, and the “Liquidity Risk Management” section for discussion of liquidity management of the Company.

Corporate Risk Profile

Overview Managing risks is an essential part of successfully operating a financial services company. The Company's Board of Directors has approved a risk management framework that establishes governance and risk management requirements for all risk-taking activities. This framework includes Company and business line risk appetite statements that set boundaries for the types and amount of risk that may be undertaken in pursuing business objectives and initiatives. The Board of Directors, primarily through its Risk Management Committee, oversees performance relative to the risk management framework, risk appetite statements, and other policy requirements.

The Executive Risk Committee ("ERC"), which is chaired by the Chief Risk Officer and includes the Chief Executive Officer and other members of the executive management team, oversees execution against the risk management framework and risk appetite statements. The ERC focuses on current and emerging risks, including strategic risk, by directing timely and comprehensive actions. Senior operating committees have also been established, each responsible for overseeing a specified category of risk.

The Company's most prominent risk exposures are credit, interest rate, market, liquidity, operational, compliance, strategic, and reputation. Credit risk is the risk of loss associated with a change in the credit profile or the failure of a borrower or counterparty to meet its contractual obligations. Interest rate risk is the current or prospective risk to earnings and capital, arising from the impact of changes in interest rates. Market risk is the risk associated with fluctuations in interest rates, foreign exchange rates, commodities and credit spreads that may result in changes in the values of financial instruments, such as trading securities, mortgage loans held for sale ("MLHFS") and mortgage servicing rights ("MSRs"). Liquidity risk is the risk that financial condition or overall safety and soundness is adversely affected by the Company's inability, or perceived inability, to meet its cash flow obligations in a timely and complete manner in either normal or stressed conditions. Operational risk is the risk to current or projected financial condition and resilience arising from inadequate or failed internal processes or systems, people (including human errors or misconduct), or adverse external events, including the risk of loss resulting from breaches in data security. Operational risk can also include the risk of loss due to failures by third parties with which the Company does business. Compliance risk is the risk that the Company may suffer legal or regulatory sanctions, financial losses, and damage to its brand if it fails to adhere to compliance requirements and the Company's compliance policies. Strategic risk is the risk to current or projected financial condition and resilience arising from adverse business decisions, poor implementation of business decisions, or lack of responsiveness to changes in the banking industry and operating environment. Reputation risk is the risk to current or projected financial condition and resilience arising from negative public opinion. In addition to the risks identified above, other risk factors exist that may impact the Company. Refer to "Risk Factors" beginning on page 135 for a detailed discussion of these factors.

The Company's Board and management-level governance committees are supported by a "three lines of defense" model for establishing effective checks and balances. The first line of defense, the business lines, manages risks in conformity with established limits and policy requirements. In turn, business line leaders and their risk officers establish programs to ensure conformity with these limits and policy requirements. The second line of defense, which includes the Chief Risk Officer's organization as well as policy and oversight activities of corporate support functions, translates risk appetite and strategy into actionable risk limits and policies. The second line of defense monitors first line of defense conformity with limits and policies and provides reporting and escalation of emerging risks and other concerns to senior management and the Risk Management Committee of the Board of Directors. The third line of defense, internal audit, is responsible for providing the Audit Committee of the Board of Directors and senior management with independent assessment and assurance regarding the effectiveness of the Company's governance, risk management and control processes.

Management regularly provides reports to the Risk Management Committee of the Board of Directors. The Risk Management Committee discusses with management the Company's risk management performance and provides a summary of key risks to the entire Board of Directors, covering the status of existing matters, areas of potential future concern and specific information on certain types of loss events. The Risk Management Committee considers quarterly reports by management assessing the Company's performance relative to the risk appetite statements and the associated risk limits, including:

- Macroeconomic environment and other qualitative considerations, such as regulatory and compliance changes, litigation developments, geopolitical events, and technology and cybersecurity;
- Credit measures, including adversely rated and nonperforming loans, leveraged transactions, credit concentrations and lending limits;
- Interest rate and market risk, including market value and net income simulation, and trading-related Value at Risk ("VaR");
- Liquidity risk, including funding projections under various stressed scenarios;
- Operational and compliance risk, including losses stemming from events such as fraud, processing errors, control breaches, breaches in data security or adverse business decisions, as well as reporting on technology performance, and various legal and regulatory compliance measures;
- Capital ratios and projections, including regulatory measures and stressed scenarios; and
- Strategic and reputation risk considerations, impacts and responses.

Credit Risk Management The Company's strategy for credit risk management includes well-defined, centralized credit policies, uniform underwriting criteria, and ongoing risk monitoring and review processes for all commercial and consumer credit exposures. The strategy also emphasizes diversification on a geographic, industry and customer level, regular credit examinations and management reviews of loans exhibiting deterioration of credit quality. The Risk Management Committee oversees the Company's credit risk management process.

In addition, credit quality ratings, as defined by the Company, are an important part of the Company's overall credit risk management and evaluation of its allowance for credit losses. Loans with a pass rating represent those loans not classified on the Company's rating scale for problem credits, as minimal credit risk has been identified. Loans with a special mention or classified rating encompass all loans held by the Company that it considers having a potential or well-defined weakness that may put full collection of contractual cash flows at risk. These are defined by individually graded credit quality ratings for larger corporate loans or scored based credit quality ratings in consumer lending and small business loans. Scored based credits classified as problem credits are typically 90 days or more past due and still accruing, nonaccrual loans or loans in a junior lien position that are current but are behind a first lien position on nonaccrual. Refer to Notes 1 and 5 in the Notes to Consolidated Financial Statements for further discussion of the Company's loan portfolios including internal credit quality ratings.

The Company categorizes its loan portfolio into two segments, which is the level at which it develops and documents a systematic methodology to determine the allowance for credit losses. The Company's two loan portfolio segments are commercial lending and consumer lending.

The commercial lending segment includes loans and leases made to small business, middle market, large corporate, commercial real estate, financial institution, non-profit and public sector customers. Key risk characteristics relevant to commercial lending segment loans include the industry and geography of the borrower's business, purpose of the loan, repayment source, borrower's debt capacity and financial flexibility, loan covenants, and nature of pledged collateral, if any, as well as macroeconomic factors such as unemployment rates, corporate bond spreads, commercial property prices and long-term interest rates. These risk characteristics, among others, are considered in determining estimates about the likelihood of default by the borrowers and the severity of loss in the event of default. The Company considers these risk characteristics in assigning internal risk ratings to, or forecasting losses on, these loans, which are the significant factors in determining the allowance for credit losses for loans in the commercial lending segment.

The consumer lending segment represents loans and leases made to consumer customers, including residential mortgages, credit card loans, and other retail loans such as revolving consumer lines, auto loans and leases and home equity loans and lines. Key risk characteristics relevant to consumer lending segment loans primarily relate to the borrowers' capacity and willingness to repay, customer payment history and credit scores and consider macroeconomic factors such as unemployment rates, asset and property prices, household debt levels, real disposable income, the effect of higher interest rates on variable rate or adjustable rate loans, and in some cases, updated loan-to-value ("LTV") information reflecting current market conditions on secured loans. These and other risk characteristics are reflected in forecasts of losses which are the primary factors in determining the allowance for credit losses for the consumer lending segment.

The Company further disaggregates its loan portfolio segments into various classes based on their underlying risk characteristics. The two classes within the commercial lending segment are commercial loans and commercial real estate loans. The three classes within the consumer lending segment are residential mortgages, credit card loans and other retail loans.

The Company utilizes a similar analysis by portfolio class to estimate its liability for unfunded credit commitments that are not unconditionally cancellable. The Company also engages in non-lending activities that may give rise to credit risk, including derivative transactions for balance sheet hedging purposes, foreign exchange transactions, deposit overdrafts, commodity contracts and interest rate contracts for customers, investments in securities and other financial assets, and settlement risk, including Automated Clearing House transactions and the processing of credit card transactions for merchants. These activities are subject to credit review, analysis and approval processes.

Credit Diversification The Company manages its credit risk, in part, through diversification of its loan portfolio which is achieved through limit setting by product type criteria, such as industry and geography, and identification of credit concentrations. As part of its normal business activities, the Company offers a broad array of traditional commercial lending products and specialized products such as asset-based lending, commercial lease financing, agricultural credit, warehouse mortgage lending, small business lending, commercial real estate lending, health care lending and correspondent banking financing. The Company also offers an array of consumer lending products, including residential mortgages, credit card loans, auto loans, retail leases, home equity loans and lines, revolving credit arrangements and other consumer loans. These consumer lending products are primarily offered through the branch office network, home mortgage and loan production offices, mobile and online banking, and indirect distribution channels, such as auto and recreational vehicle dealers. The Company monitors and manages the portfolio diversification by industry, customer and geography. The Company has significant loan exposure within California given its strategic position in those markets and size of the economy.

The commercial loan class is diversified among various industries with higher percentages in credit intermediaries, asset management and real estate related. The Company

finances the operations of real estate developers and other entities with operations related to real estate. These loans are not secured directly by real estate but have similar characteristics to commercial real estate loans. These loans are included in the commercial loan category and totaled $17.6 billion and $15.4 billion at December 31, 2025 and 2024, respectively. Table 10 provides a summary of significant industry groups of commercial loans outstanding at December 31, 2025 and 2024.

The commercial real estate loan class reflects the Company's focus on serving businesses within its core geographic footprint, as well as regional and national investment-based real estate owners and developers. Within the commercial real estate loan class, different property types have varying degrees of credit risk. Table 11 provides a summary of the significant property types and geographical locations of commercial real estate loans outstanding at December 31, 2025 and 2024. Commercial real estate loans are diversified among various property types with higher percentages in multi-family and business owner-occupied properties. The commercial real estate office sector, which represented 8.8 percent of commercial real estate loans at December 31, 2025, has pressured credit quality metrics in this loan class. The Company continued to monitor the commercial real estate office portfolio and maintained an allowance to loan coverage ratio of 9 percent at December 31, 2025, compared with 11 percent at December 31, 2024.

TABLE 10 Commercial Loans by Industry Group

At December 31 (Dollars in Millions)	2025 Loans	2025 Percent of Total	2024 Loans	2024 Percent of Total
Industry Group				
Credit intermediaries	$ 21,331	13.9 %	$ 17,473	12.5 %
Asset management	18,341	11.9	14,006	10.0
Real estate related	17,608	11.4	15,413	11.1
Services	9,253	6.0	9,742	7.0
Healthcare	7,375	4.8	6,871	4.9
Media and entertainment	6,645	4.3	6,267	4.5
Capital goods	5,844	3.8	4,673	3.4
Retail	5,481	3.6	5,191	3.7
Food and beverage	5,291	3.4	4,927	3.5
Autos	4,668	3.0	4,451	3.2
Power	4,538	3.0	3,952	2.8
Technology	4,431	2.9	3,693	2.7
Energy	4,062	2.6	3,577	2.6
Transportation	3,850	2.5	4,052	2.9
Building materials	3,732	2.4	3,029	2.2
Metals and mining	3,550	2.3	3,543	2.5
Other	27,958	18.2	28,624	20.5
Total	$ 153,958	100.0 %	$ 139,484	100.0 %

TABLE 11 Commercial Real Estate Loans by Property Type and Geography

At December 31 (Dollars in Millions)	2025 Loans	2025 Percent of Total	2024 Loans	2024 Percent of Total
Property Type				
Multi-family	$ 18,670	38.2 %	$ 17,678	36.2 %
Business owner occupied	10,044	20.5	10,500	21.5
Industrial	5,629	11.5	4,791	9.8
Office	4,307	8.8	5,601	11.5
Retail	4,185	8.6	3,498	7.2
Residential land and development	3,406	7.0	3,659	7.5
Lodging	1,155	2.4	1,156	2.4
Other	1,524	3.0	1,976	3.9
Total	$ 48,920	100.0 %	$ 48,859	100.0 %
Geography				
California	$ 17,900	36.6 %	$ 17,990	36.8 %
Washington	3,842	7.9	4,607	9.4
Texas	2,463	5.0	2,366	4.8
Florida	2,436	5.0	1,726	3.5
Oregon	1,592	3.3	1,673	3.4
Illinois	1,424	2.9	1,431	2.9
Colorado	1,350	2.8	1,515	3.1
Georgia	1,279	2.6	832	1.7
Wisconsin	1,250	2.6	1,177	2.4
New Jersey	1,230	2.5	932	2.0
All other states	14,154	28.8	14,610	30.0
Total	$ 48,920	100.0 %	$ 48,859	100.0 %

The Company's consumer lending segment originates consumer credit through several channels, including traditional branch lending, mobile and online banking, indirect lending, alliance partnerships and correspondent banks. Each distinct underwriting and origination process within consumer lending manages unique credit risk characteristics and prices its loan production commensurate with the differing risk profiles.

Residential mortgage originations are generally limited to prime borrowers and are performed through the Company's branches, loan production offices, mobile and online services, and a wholesale network of originators. The Company may retain residential mortgage loans it originates on its balance sheet or sell the loans into the secondary market while retaining the servicing rights and customer relationships. Utilizing the secondary markets enables the Company to effectively reduce its credit and other asset/liability risks. For residential mortgages that are retained in the Company's portfolio and for home equity and second mortgages, credit risk is managed by adherence to LTV and borrower credit criteria during the underwriting process.

The Company estimates updated LTV information on its outstanding residential mortgages quarterly, based on a method that combines automated valuation model updates and relevant home price indices. LTV is the ratio of the loan's outstanding principal balance to the current estimate of property value. For home equity and second mortgages, combined loan-to-value ("CLTV") is the combination of the first mortgage original principal balance and the second lien outstanding principal balance, relative to the current estimate of property value. Certain loans do not have an LTV or CLTV, primarily due to lack of available relevant automated valuation model and/or home price indices values, or lack of necessary valuation data on acquired loans.

The following tables provide summary information of residential mortgages and home equity and second mortgages by LTV at December 31, 2025:

Residential Mortgages (Dollars in Millions)	Interest Only	Amortizing	Total	Percent of Total
Loan-to-Value				
Less than or equal to 80%	$ 11,996	$ 89,299	$ 101,295	87.4 %
Over 80% through 90%	224	5,256	5,480	4.7
Over 90% through 100%	22	918	940	.8
Over 100%	5	413	418	.4
No LTV available	—	6	6	—
Loans purchased from GNMA mortgage pools[(a)]	—	7,746	7,746	6.7
Total	$ 12,247	$ 103,638	$ 115,885	100.0 %

(a) Represents loans purchased and loans that could be purchased from Government National Mortgage Association ("GNMA") mortgage pools under delinquent loan repurchase options whose payments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

Home Equity and Second Mortgages (Dollars in Millions)	Lines	Loans	Total	Percent of Total
Loan-to-Value / Combined Loan-to-Value				
Less than or equal to 80%	$ 10,502	$ 2,752	$ 13,254	94.5 %
Over 80% through 90%	512	141	653	4.7
Over 90% through 100%	60	17	77	.5
Over 100%	19	6	25	.2
No LTV/CLTV available	16	—	16	.1
Total	$ 11,109	$ 2,916	$ 14,025	100.0 %

Credit card and other retail loans are diversified across customer segments and geographies. Diversification in the credit card portfolio is achieved with broad customer relationship distribution through the Company's and financial institution partners' branches, retail and affinity partners, and digital channels.

The following table provides a summary of the Company's credit card loan balances disaggregated based upon updated credit score at December 31, 2025:

	Percent of Total[(a)]
Credit score > 660	87 %
Credit score < 660	13
No credit score	—

(a) Credit score distribution excludes loans serviced by others.

Tables 12, 13 and 14 provide a geographical summary of the residential mortgage, credit card and other retail loan portfolios, respectively.

TABLE 12 Residential Mortgages by Geography

At December 31 (Dollars in Millions)	2025 Loans	2025 Percent of Total	2024 Loans	2024 Percent of Total
California	$ 50,536	43.6 %	$ 53,682	45.2 %
Washington	6,899	6.0	6,829	5.8
Florida	4,028	3.5	3,947	3.3
Colorado	3,546	3.1	3,737	3.1
New York	3,508	3.0	3,129	2.6
Texas	3,388	2.9	3,312	2.8
Illinois	3,374	2.9	3,452	2.9
Minnesota	3,115	2.7	3,357	2.9
Arizona	3,071	2.7	3,088	2.6
Massachusetts	2,770	2.4	2,737	2.3
All other states	31,650	27.2	31,543	26.5
Total	$ 115,885	100.0 %	$ 118,813	100.0 %

TABLE 13 Credit Card Loans by Geography

At December 31 (Dollars in Millions)	2025 Loans	2025 Percent of Total	2024 Loans	2024 Percent of Total
California	$ 3,656	11.3 %	$ 3,289	10.8 %
Texas	1,950	6.0	1,819	6.0
Illinois	1,687	5.2	1,557	5.1
Florida	1,597	5.0	1,479	4.9
Ohio	1,550	4.8	1,468	4.8
Minnesota	1,436	4.5	1,371	4.5
Wisconsin	1,277	4.0	1,220	4.0
Missouri	1,026	3.2	960	3.2
Washington	1,019	3.2	947	3.1
Michigan	954	3.0	933	3.1
All other states	16,082	49.8	15,307	50.5
Total	$ 32,234	100.0 %	$ 30,350	100.0 %

TABLE 14 Other Retail Loans by Geography

At December 31 (Dollars in Millions)	2025 Loans	2025 Percent of Total	2024 Loans	2024 Percent of Total
California	$ 8,687	21.5 %	$ 9,179	21.7 %
Florida	2,818	7.0	2,675	6.3
Texas	2,594	6.4	2,995	7.1
Washington	1,772	4.4	1,746	4.1
Minnesota	1,548	3.8	1,742	4.1
Ohio	1,411	3.5	1,520	3.6
Illinois	1,318	3.3	1,435	3.4
Colorado	1,295	3.2	1,340	3.2
Oregon	1,259	3.1	1,259	3.0
New York	1,208	3.0	1,329	3.1
All other states	16,428	40.8	17,106	40.4
Total	$ 40,338	100.0 %	$ 42,326	100.0 %

TABLE 15 Delinquent Loan Ratios as a Percent of Ending Loan Balances

At December 31 90 days or more past due	2025	2024
Commercial		
Commercial	.07 %	.07 %
Lease financing	—	—
Total commercial	.06	.07
Commercial Real Estate		
Commercial mortgages	—	—
Construction and development	.13	.09
Total commercial real estate	.03	.02
Residential Mortgages[(a)]	.25	.17
Credit Card	1.26	1.43
Other Retail		
Retail leasing	.06	.05
Home equity and second mortgages	.18	.25
Other	.11	.11
Total other retail	.13	.15
Total loans	.22 %	.21 %

At December 31 90 days or more past due and nonperforming loans	2025	2024
Commercial	.53 %	.55 %
Commercial real estate	1.09	1.70
Residential mortgages[(a)]	.38	.30
Credit card	1.26	1.43
Other retail	.53	.50
Total loans	.61 %	.69 %

(a) Delinquent loan ratios exclude $3.5 billion and $2.3 billion at December 31, 2025 and 2024, respectively, of loans purchased and loans that could be purchased from GNMA mortgage pools under delinquent loan repurchase options whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs. Including these loans, the ratio of residential mortgages 90 days or more past due and nonperforming to total residential mortgages was 3.37 percent and 2.28 percent at December 31, 2025 and 2024, respectively.

Loan Delinquencies Trends in delinquency ratios are an indicator, among other considerations, of credit risk within the Company's loan portfolios. The entire balance of a loan account is considered delinquent if the minimum payment contractually required to be made is not received by the date specified on the billing statement. Delinquent loans purchased and loans that could be purchased from GNMA mortgage pools under delinquent loan repurchase options, whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs, are excluded from delinquency statistics.

Accruing loans 90 days or more past due totaled $853 million at December 31, 2025, compared with $810 million at December 31, 2024. Accruing loans 90 days or more past due are not included in nonperforming assets and continue to accrue interest because they are adequately secured by collateral, are in the process of collection and are reasonably expected to result in repayment or restoration to current status, or are managed in homogeneous portfolios with specified charge-off timeframes adhering to regulatory guidelines. The ratio of accruing loans 90 days or more past due to total loans was 0.22 percent at December 31, 2025, compared with 0.21 percent at December 31, 2024.

The following table provides summary delinquency information for residential mortgages, credit card and other retail loans included in the consumer lending segment:

At December 31 (Dollars in Millions)	Amount		As a Percent of Ending Loan Balances	
	2025	2024	2025	2024
Residential Mortgages[a]				
30-89 days	$ 214	$ 188	.18 %	.16 %
90 days or more	285	206	.25	.17
Nonperforming	151	152	.13	.13
Total	$ 650	$ 546	.56 %	.46 %
Credit Card				
30-89 days	$ 419	$ 428	1.30 %	1.41 %
90 days or more	405	435	1.26	1.43
Nonperforming	—	—	—	—
Total	$ 824	$ 863	2.56 %	2.84 %
Other Retail				
Retail Leasing				
30-89 days	$ 20	$ 25	.57 %	.62 %
90 days or more	2	2	.06	.05
Nonperforming	7	7	.20	.17
Total	$ 29	$ 34	.82 %	.84 %
Home Equity and Second Mortgages				
30-89 days	$ 57	$ 61	.41 %	.45 %
90 days or more	25	34	.18	.25
Nonperforming	136	121	.97	.89
Total	$ 218	$ 216	1.55 %	1.59 %
Other[b]				
30-89 days	$ 110	$ 143	.48 %	.58 %
90 days or more	25	28	.11	.11
Nonperforming	18	19	.08	.08
Total	$ 153	$ 190	.67 %	.77 %

(a) Excludes $606 million of loans 30-89 days past due and $3.5 billion of loans 90 days or more past due at December 31, 2025, purchased and that could be purchased from GNMA mortgage pools under delinquent loan repurchase options that continue to accrue interest, compared with $660 million and $2.3 billion at December 31, 2024, respectively.

(b) Includes revolving credit, installment and automobile loans.

Modified Loans The Company may modify loan terms to support borrowers facing financial hardship, typically through interest rate reductions, maturity extensions or other concessions. Modified loans accrue interest if borrowers meet revised terms over time. Modifications are assessed case-by-case across loan types, with commercial loans often involving maturity extensions and collateral adjustments, and residential mortgages modified under federal and internal programs to improve affordability. Credit card and retail loan modifications follow structured programs. Refer to Notes 1 and 5 of the Notes to Consolidated Financial Statements for further information on loan modifications to borrowers experiencing financial difficulty.

The Company also makes short-term modifications, in limited circumstances, to assist borrowers experiencing temporary hardships. Short-term consumer lending modification programs include payment reductions, deferrals of up to three past due payments, and the ability to return to current status if the borrower makes required payments. The Company may also make short-term modifications to commercial lending loans, with the most common modification being an extension of the maturity date of three months or less. Such extensions generally are used when the maturity date is imminent and the borrower is experiencing some level of financial stress, but the Company believes the borrower will pay all contractual amounts owed.

Nonperforming Assets The level of nonperforming assets represents another indicator of the Company's risk within the loan portfolio. Nonperforming assets include nonaccrual loans, modified loans not performing in accordance with modified terms and not accruing interest, modified loans that have not met the performance period required to return to accrual status, other real estate owned ("OREO") and other nonperforming assets owned by the Company. Interest payments collected from assets on nonaccrual status are generally applied against the principal balance and not recorded as income. However, interest income may be recognized for interest payments received if the remaining carrying amount of the loan is believed to be collectible.

At December 31, 2025, total nonperforming assets were $1.6 billion, compared to $1.8 billion at December 31, 2024. The $242 million (13.2 percent) decrease in nonperforming assets was primarily due to the resolution of nonperforming commercial real estate loans. The ratio of total nonperforming assets to total loans and other real estate was 0.41 percent at December 31, 2025, compared with 0.48 percent at December 31, 2024.

OREO was $24 million at December 31, 2025, compared with $21 million at December 31, 2024, and was related to foreclosed properties that previously secured loan balances. These balances exclude foreclosed GNMA loans whose repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

TABLE 16 Nonperforming Assets[a]

At December 31 (Dollars in Millions)	2025	2024
Commercial		
Commercial	$ 695	$ 644
Lease financing	22	26
Total commercial	717	670
Commercial Real Estate		
Commercial mortgages	504	789
Construction and development	14	35
Total commercial real estate	518	824
Residential Mortgages[b]	151	152
Credit Card	—	—
Other Retail		
Retail leasing	7	7
Home equity and second mortgages	136	121
Other	18	19
Total other retail	161	147
Total nonperforming loans[1]	1,547	1,793
Other Real Estate[c]	24	21
Other Assets	19	18
Total nonperforming assets	$ 1,590	$ 1,832
Accruing loans 90 days or more past due[b]	$ 853	$ 810
Period-end loans[2]	$ 391,335	$ 379,832
Nonperforming loans to total loans[1][2]	.40 %	.47 %
Nonperforming assets to total loans plus other real estate[c]	.41 %	.48 %

Changes in Nonperforming Assets

(Dollars in Millions)	Commercial and Commercial Real Estate	Residential Mortgages, Credit Card and Other Retail	Total
Balance December 31, 2024	$ 1,494	$ 338	$ 1,832
Additions to nonperforming assets			
New nonaccrual loans and foreclosed properties	1,217	187	1,404
Advances on loans	78	1	79
Total additions	1,295	188	1,483
Reductions in nonperforming assets			
Paydowns, payoffs	(931)	(51)	(982)
Net sales	(39)	(23)	(62)
Return to performing status	(92)	(71)	(163)
Charge-offs[d]	(492)	(26)	(518)
Total reductions	(1,554)	(171)	(1,725)
Net additions to (reductions in) nonperforming assets	(259)	17	(242)
Balance December 31, 2025	$ 1,235	$ 355	$ 1,590

(a) Throughout this document, nonperforming assets and related ratios do not include accruing loans 90 days or more past due.

(b) Excludes $3.5 billion and $2.3 billion at December 31, 2025 and 2024, respectively, of loans purchased and loans that could be purchased from GNMA mortgage pools under delinquent loan repurchase options that are 90 days or more past due that continue to accrue interest, as their repayments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

(c) Foreclosed GNMA loans of $65 million and $46 million at December 31, 2025 and 2024, respectively, continue to accrue interest and are recorded as other assets and excluded from nonperforming assets because they are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

(d) Charge-offs exclude actions for certain card products and loan sales that were not classified as nonperforming at the time the charge-off occurred.

TABLE 17 Net Charge-offs as a Percent of Average Loans Outstanding

Year Ended December 31 (Dollars in Millions)	2025 Average Loan Balance	2025 Net Charge-offs	2025 Percent	2024 Average Loan Balance	2024 Net Charge-offs	2024 Percent	2023 Average Loan Balance	2023 Net Charge-offs	2023 Percent
Commercial									
Commercial	$ 140,474	$ 528	.38 %	$ 129,235	$ 523	.40 %	$ 130,544	$ 293	.22 %
Lease financing	4,242	22	.52	4,177	29	.69	4,339	21	.48
Total commercial	144,716	550	.38	133,412	552	.41	134,883	314	.23
Commercial Real Estate									
Commercial mortgages	38,475	152	.40	40,513	163	.40	42,894	265	.62
Construction	10,046	1	.01	11,144	2	.02	11,752	(2)	(.02)
Total commercial real estate	48,521	153	.32	51,657	165	.32	54,646	263	.48
Residential Mortgages	116,144	(4)	—	117,026	(9)	(.01)	115,922	109	.09
Credit Card	30,093	1,223	4.06	28,683	1,227	4.28	26,570	849	3.20
Other Retail									
Retail leasing	3,786	57	1.51	4,097	21	.51	4,665	6	.13
Home equity and second mortgages	13,734	(2)	(.01)	13,181	(1)	(.01)	12,829	(2)	(.02)
Other	23,266	187	.80	25,819	197	.76	31,760	366	1.15
Total other retail	40,786	242	.59	43,097	217	.50	49,254	370	.75
Total loans	$ 380,260	$ 2,164	.57 %	$ 373,875	$ 2,152	.58 %	$ 381,275	$ 1,905	.50 %

Analysis of Loan Net Charge-offs Total loan net charge-offs were $2.2 billion in 2025, reflecting an increase of $12 million (0.6 percent) compared with 2024. The increase in total net charge-offs reflected higher other retail loan net charge-offs, partially offset by lower commercial real estate loan net charge-offs. The ratio of total loan net charge-offs to average loans outstanding was 0.57 percent in 2025, compared with 0.58 percent in 2024.

Analysis and Determination of the Allowance for Credit Losses The allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, net of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs.

Management evaluates the appropriateness of the allowance for credit losses on a quarterly basis. Multiple economic scenarios are considered over a three-year reasonable and supportable forecast period, which includes increasing consideration of historical loss experience over years two and three. These economic scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses. After the forecast period, the Company fully reverts to long-term historical loss experience, adjusted for expected prepayments and characteristics of the current loan and lease portfolio, to estimate losses over the remaining life of the portfolio. The economic scenarios are updated at least quarterly and are designed to provide a range of reasonable estimates, both better and worse than current expectations. Scenarios are weighted based on the Company's expectation of economic conditions for the foreseeable future and reflect significant judgment and consideration of economic forecast uncertainty. Final loss estimates also consider factors affecting credit losses not reflected in the scenarios, due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to, changes in borrower behavior or conditions in specific lending segments, loan servicing practices, regulatory guidance, fiscal and monetary policy actions, and/or other emerging risks which may impact the portfolio.

Because business processes and credit risks associated with unfunded credit commitments are essentially the same as for loans, the Company utilizes similar processes to estimate its liability for unfunded credit commitments, which is included in other liabilities in the Consolidated Balance Sheet. Both the allowance for loan losses and the liability for unfunded credit commitments are included in the Company's analysis of credit losses and reported reserve ratios.

The allowance recorded for credit losses utilizes forward-looking expected loss models to consider a variety of factors affecting lifetime credit losses. These factors are aligned to the key risk characteristics of the commercial and consumer lending segments and include, but are not limited to, macroeconomic variables, loan characteristics and borrower characteristics, For each loan portfolio, including those loans modified under various loan modification programs, model estimates are adjusted as necessary to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices, economic conditions or other

factors that may affect the accuracy of the model. Expected credit loss estimates also include consideration of expected cash recoveries on loans previously charged-off or expected recoveries on collateral-dependent loans where recovery is expected through sale of the collateral at fair value less selling costs.

For loans and leases that do not share similar risk characteristics with a pool of loans, the Company establishes individually assessed reserves. Reserves for larger individual nonperforming loans in the commercial lending segment are analyzed utilizing expected cash flows discounted using the original effective interest rate, the observable market price of the loan, or the fair value of the collateral, less selling costs, for collateral-dependent loans as appropriate.

When a loan portfolio is purchased, the acquired loans are divided into those considered purchased with more than insignificant credit deterioration ("PCD") and those not considered PCD. An allowance is established for each population and considers product mix, risk characteristics of the portfolio and delinquency status and refreshed LTV ratios when possible. Considerations for PCD loans include whether the loan has experienced a charge-off, bankruptcy or significant deterioration since origination. The allowance established for purchased loans not considered PCD is recognized through provision expense upon acquisition, whereas the allowance established for loans considered PCD at acquisition is offset by an increase in the basis of the acquired loans. Any subsequent increases and decreases in the allowance related to purchased loans, regardless of PCD status, are recognized through provision expense, with charge-offs charged to the allowance. The Company had a total net book balance of $1.5 billion of loans assigned a PCD status, primarily related to the MUB acquisition, included in its loan portfolio at December 31, 2025.

The Company's methodology for determining the appropriate allowance for credit losses also considers the imprecision inherent in the methodologies used and allocated to the various loan portfolios. As a result, amounts determined under the methodologies described above are adjusted by management to consider the potential impact of other qualitative factors not captured in quantitative model adjustments which include, but are not limited to, the following: model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the economic environment that are affecting specific portfolios, or changes in portfolio concentrations over time that may affect model performance. The consideration of these items results in adjustments to allowance amounts included in the Company's allowance for credit losses for each loan portfolio.

The results of the analysis are evaluated quarterly to confirm the estimates are appropriate for each loan portfolio. Table 18 shows the amount of the allowance for credit losses by loan class and underlying portfolio category.

Although the Company determined the amount of each element of the allowance separately and considers this process to be an important credit management tool, the entire allowance for credit losses is available for the entire loan portfolio. The actual amount of losses can vary significantly from the estimated amounts.

At December 31, 2025, the allowance for credit losses was $7.9 billion, reflecting an increase of $22 million (0.3 percent) compared with December 31, 2024. The increase from the prior year was primarily driven by loan portfolio growth, partially offset by improved credit quality. The Company continued to monitor economic uncertainty related to interest rates, inflationary pressures, including those related to changing trade policy, geopolitical events, and other economic factors that may affect the financial strength of corporate and consumer borrowers.

The ratio of the allowance for credit losses to period-end loans was 2.03 percent at December 31, 2025, compared with 2.09 percent at December 31, 2024. The ratio of the allowance for credit losses to nonperforming loans was 514 percent at December 31, 2025, compared with 442 percent at December 31, 2024. The ratio of the allowance for credit losses to annual loan net charge-offs at December 31, 2025, was 367 percent, compared with 368 percent at December 31, 2024.

The allowance for credit losses related to commercial lending segment loans decreased $84 million during the year ended December 31, 2025, reflecting improved credit quality and portfolio mix, partially offset by commercial loan growth.

The allowance for credit losses related to consumer lending segment loans increased $106 million during the year ended December 31, 2025, due to credit card portfolio growth, partially offset by the impact of loan sales during the second quarter of 2025.

Economic forecasts considered in estimating the allowance for credit losses at December 31, 2025 included changes in projected gross domestic product and unemployment levels. These factors were evaluated through a combination of quantitative calculations using multiple economic scenarios and additional qualitative assessments that considered the degree of economic uncertainty in the current environment. The projected unemployment rates considered in the estimate ranged from 3.7 percent to 9.4 percent, with a peak weighted-average unemployment rate of 5.9 percent.

The following table summarizes the baseline forecast for key economic variables the Company used in its estimate of the allowance for credit losses at December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
United States unemployment rate for the three months ending[(a)]		
December 31, 2025	4.5 %	4.3 %
June 30, 2026	4.5	4.4
December 31, 2026	4.4	4.3
United States real gross domestic product for the three months ending[(b)]		
December 31, 2025	1.7 %	1.7 %
June 30, 2026	1.8	2.0
December 31, 2026	1.8	2.2

(a) Reflects quarterly average of forecasted reported United States unemployment rate.
(b) Reflects year-over-year growth rates.

TABLE 18 Allocation of the Allowance for Credit Losses

	Allowance Amount		Allowance as a Percent of Loans	
At December 31 (Dollars in Millions)	2025	2024	2025	2024
Commercial				
Commercial	$ 2,245	$ 2,090	1.50 %	1.55 %
Lease financing	66	85	1.49	2.01
Total commercial	2,311	2,175	1.50	1.56
Commercial Real Estate				
Commercial mortgages	885	1,016	2.24	2.63
Construction and development	403	492	4.27	4.80
Total commercial real estate	1,288	1,508	2.63	3.09
Residential Mortgages	747	783	.64	.66
Credit Card	2,769	2,640	8.59	8.70
Other Retail				
Retail leasing	108	93	3.06	2.30
Home equity and second mortgages	262	255	1.87	1.88
Other	462	471	2.03	1.91
Total other retail	832	819	2.06	1.93
Total allowance	$ 7,947	$ 7,925	2.03 %	2.09 %

TABLE 19 Summary of Allowance for Credit Losses

(Dollars in Millions)	2025	2024	2023
Balance at beginning of year	$ 7,925	$ 7,839	$ 7,404
Change in accounting principle[a]	—	—	(62)
Allowance for acquired credit losses[b]	—	—	127
Charge-Offs			
Commercial			
Commercial	638	615	357
Lease financing	32	37	32
Total commercial	670	652	389
Commercial real estate			
Commercial mortgages	208	218	278
Construction and development	2	11	3
Total commercial real estate	210	229	281
Residential mortgages	15	13	129
Credit card	1,461	1,406	1,014
Other retail			
Retail leasing	72	35	18
Home equity and second mortgages	7	9	12
Other	258	269	448
Total other retail	337	313	478
Total charge-offs[c]	2,693	2,613	2,291
Recoveries			
Commercial			
Commercial	110	92	64
Lease financing	10	8	11
Total commercial	120	100	75
Commercial real estate			
Commercial mortgages	56	55	13
Construction and development	1	9	5
Total commercial real estate	57	64	18
Residential mortgages	19	22	20
Credit card	238	179	165
Other retail			
Retail leasing	15	14	12
Home equity and second mortgages	9	10	14
Other	71	72	82
Total other retail	95	96	108
Total recoveries	529	461	386
Net Charge-Offs			
Commercial			
Commercial	528	523	293
Lease financing	22	29	21
Total commercial	550	552	314
Commercial real estate			
Commercial mortgages	152	163	265
Construction and development	1	2	(2)
Total commercial real estate	153	165	263
Residential mortgages	(4)	(9)	109
Credit card	1,223	1,227	849
Other retail			
Retail leasing	57	21	6
Home equity and second mortgages	(2)	(1)	(2)
Other	187	197	366
Total other retail	242	217	370
Total net charge-offs	2,164	2,152	1,905
Provision for credit losses[d]	2,186	2,238	2,275
Balance at end of year	$ 7,947	$ 7,925	$ 7,839
Components			
Allowance for loan losses	$ 7,605	$ 7,583	$ 7,379
Liability for unfunded credit commitments	342	342	460
Total allowance for credit losses[1]	$ 7,947	$ 7,925	$ 7,839
Period-end loans[2]	$ 391,335	$ 379,832	$ 373,835
Nonperforming loans[3]	1,547	1,793	1,449
Allowance for Credit Losses as a Percentage of			
Period-end loans[1][2]	2.03 %	2.09 %	2.10 %
Nonperforming loans[1][3]	514	442	541
Nonperforming and accruing loans 90 days or more past due	331	304	365
Nonperforming assets	500	433	525

Net charge-offs	367	368	411

(a) Effective January 1, 2023, the Company adopted accounting guidance which removed the separate recognition and measurement of troubled debt restructurings.
(b) Allowance for purchased credit deteriorated and charged-off loans acquired from MUB.
(c) 2023 includes $91 million of charge-offs related to uncollectible amounts on acquired loans, as well as $309 million of charge-offs related to balance sheet repositioning and capital management actions.
(d) 2023 includes provision for credit losses of $243 million related to balance sheet repositioning and capital management actions.

Residual Value Risk Management The Company manages its risk to changes in the residual value of leased vehicles, office and business equipment, and other assets through disciplined residual valuation at the inception of a lease, diversification of its leased assets, regular residual asset valuation reviews and monitoring of residual value gains or losses upon the disposition of assets. Lease originations are subject to the same well-defined underwriting standards referred to in the “Credit Risk Management” section, which includes an evaluation of the residual value risk. Retail lease residual value risk is mitigated further by effective end-of-term marketing of off-lease vehicles.

Included in the retail leasing portfolio was approximately $2.7 billion of retail leasing residuals at December 31, 2025, compared with $3.1 billion at December 31, 2024. The Company monitors concentrations of leases by manufacturer and vehicle type. As of December 31, 2025, vehicle lease residuals related to sport utility vehicles were 53.2 percent of the portfolio, while auto and truck classes represented approximately 21.9 percent and 17.2 percent of the portfolio, respectively. At year-end 2025, the individual vehicle model with the largest residual value outstanding represented 17.4 percent of the aggregate residual value of all vehicles in the portfolio. At December 31, 2025 and 2024, the weighted-average origination term of the portfolio was 41 months. At December 31, 2025, the commercial leasing portfolio had $473 million of residuals, compared with $484 million at December 31, 2024. At year-end 2025, lease residuals related to trucks and other transportation equipment represented 37.4 percent of the total residual portfolio, while business and office equipment represented 27.7 percent.

Operational Risk Management The Company operates in many different businesses in diverse markets and relies on the ability of its employees and systems to process a high number of transactions. Operational risk is inherent in all business activities, and the management of this risk is important to the achievement of the Company’s objectives. Business lines have direct and primary responsibility and accountability for identifying, controlling, and monitoring operational risks embedded in their business activities, including those additional or increased risks created by economic and financial disruptions.

The Company maintains a system of controls with the objectives of providing proper transaction authorization and execution, proper system operations and proper oversight of third parties with whom it does business, safeguarding of assets from misuse or theft, and ensuring the reliability and security of financial and other data. The Company also maintains a cybersecurity risk program which provides centralized planning and management of related and interdependent work with a focus on risks from cybersecurity threats. The Company's cybersecurity risk program is integrated into the Company's overall business and operational strategies and requires that the Company allocate appropriate resources to maintain the program. Refer to “Item 1C. Cybersecurity” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, for further discussion on the Company's cybersecurity risk program.

Business continuation and disaster recovery planning is also critical to effectively managing operational risks. Each business unit of the Company is required to develop, maintain and test these plans at least annually to ensure that recovery activities, if needed, can support mission critical functions, including technology, networks and data centers supporting customer applications and business operations.

While the Company strives to design processes to minimize operational risks, the Company has experienced and may continue to experience business disruptions and operational losses from external events and internal control breakdowns. On an ongoing basis, management makes process changes and investments to enhance its systems of internal controls and business continuity and disaster recovery plans.

Compliance Risk Management The Company may suffer legal or regulatory sanctions, material financial loss, or damage to its brand if it fails to comply with laws, regulations, rules, standards of good practice, and codes of conduct, including those related to compliance with Bank Secrecy Act/anti-money laundering requirements, sanctions compliance requirements as administered by the Office of Foreign Assets Control, consumer protection and other requirements. The Company has controls and processes in place for the assessment, identification, monitoring, management and reporting of compliance risks and issues, including those created or increased by economic and financial disruptions. Refer to “Supervision and Regulation” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, for further discussion of the regulatory framework applicable to bank holding companies and their subsidiaries.

Strategic Risk Management The Board of Directors oversees the Company’s strategic direction and approves the strategic plan. Senior management develops and executes strategic objectives, assessing internal capabilities, market conditions, emerging risks, and regulatory developments as part of the annual strategic planning cycle. Strategic Risk Management (“SRM”), operating as the second line of defense, provides independent oversight of strategic initiatives and associated risk exposures. SRM evaluates strategic proposals, monitors key internal and external risk drivers, and performs review and challenge of business lines to ensure strategy execution aligns with the Company’s risk appetite and governance expectations. The Company conducts ongoing monitoring of strategic risk through periodic reporting to senior management and the Board of Directors. Reporting includes updates on strategic initiatives, operating environment changes, risk indicators, and emerging risks. Strategic risk insights are integrated into enterprise risk assessments, risk appetite monitoring, and strategic performance reviews. The Company continuously enhances its strategic risk management

practices to reflect changes in the operating environment and evolving governance expectations.

Interest Rate Risk Management In the banking industry, changes in interest rates are a significant risk that can impact earnings as well as the safety and soundness of an entity. The Company manages its exposure to changes in interest rates through asset and liability management activities within guidelines established by its Asset Liability Management Committee ("ALCO") and approved by the Board of Directors. The ALCO has the responsibility for approving and overseeing compliance with the ALCO management policies, including interest rate risk exposure. One way the Company measures and analyzes its interest rate risk is through analysis of net interest income sensitivities across a range of scenarios.

Net interest income sensitivity analysis includes evaluating all of the Company's assets and liabilities and off-balance sheet instruments, inclusive of new business activity, under various interest rate scenarios that differ in the direction, amount and speed of change over time, as well as the overall shape of the yield curve. The balance sheet includes assumptions regarding loan and deposit volumes and pricing which are based on quantitative analysis, historical trends and management outlook and strategies. Deposit balances, mix and pricing are dynamic across interest rate scenarios and will change both with the absolute level of rates as well as the assumed interest rate shock. Deposit pricing changes, commonly referred to as the deposit beta, represents the amount by which the Company's interest-bearing deposit rates have or will change given a change in short-term market rates. Base case and net interest income sensitivities are reviewed monthly by the ALCO and are used to guide asset/liability management strategies.

The Company also manages interest rate sensitivity by utilizing market value of equity modeling, which measures the degree to which the market values of the Company's assets and liabilities and off-balance sheet instruments will change given a change in interest rates. Management measures the impact of changes in market values due to interest rates under a number of scenarios, including immediate and sustained parallel shifts, and flattening or steepening of the yield curve. The Company manages its interest rate risk position by holding assets with desired interest rate risk characteristics on its balance sheet, executing certain pricing strategies for loans and deposits and deploying investment portfolio, funding and derivative strategies.

Table 20 summarizes the projected impact to net interest income over the next 12 months of various potential interest rate changes. The sensitivity of the projected impact to net interest income over the next 12 months is dependent on balance sheet growth, product mix, customer behavior, deposit pricing and funding decisions. From December 31, 2024 to December 31, 2025, changes in net interest income sensitivities reflect updates to the interest rate outlook, both the actual and projected balance sheet, investment and hedging activities, as well as enhancements to behavioral models made in the third quarter of 2025. The Company periodically assesses interest rate risk scenarios and behavioral assumptions, such as deposit rotation, pricing sensitivity and mortgage prepayment speeds, based on historical experience and projected through-the-cycle dynamics. As of December 31, 2025, the Company remains relatively neutral to a parallel 50 basis point shift in interest rates, as asset and liability repricing remains closely aligned. Under more significant rate shock scenarios, certain assets and liabilities, particularly mortgage assets and deposit products, are expected to exhibit non-linear behavior, resulting in varying impacts to net interest income. In higher rate scenarios, the analysis anticipates deposit disintermediation and a mix shift into higher yielding products, along with reduced mortgage prepayments. Conversely, in lower rate scenarios, the analysis assumes that deposits will shift into lower yielding products, while mortgage paydowns accelerate. While the Company's interest rate risk models incorporate historical data and expected customer behaviors, actual outcomes may differ significantly due to changes in macroeconomic conditions, competitive dynamics and customer preferences.

TABLE 20 Sensitivity of Net Interest Income

	December 31, 2025				December 31, 2024			
	Down 50 bps Immediate	Up 50 bps Immediate	Down 200 bps Immediate	Up 200 bps Immediate	Down 50 bps Immediate	Up 50 bps Immediate	Down 200 bps Immediate	Up 200 bps Immediate
Net interest income	(.02)%	(.07)%	(1.83)%	.80 %	.25 %	.17 %	.01 %	1.05 %

Use of Derivatives to Manage Interest Rate and Other Risks To manage the sensitivity of earnings and capital to interest rate, prepayment, credit, price and foreign currency fluctuations (asset and liability management positions), the Company enters into derivative transactions. The Company uses derivatives for asset and liability management purposes primarily in the following ways:

- To convert fixed-rate debt and available-for-sale investment securities from fixed-rate payments to floating-rate payments;
- To convert floating-rate loans and debt from floating-rate payments to fixed-rate payments;
- To mitigate changes in value of the Company's unfunded mortgage loan commitments, funded MLHFS and MSRs;
- To mitigate remeasurement volatility of foreign currency denominated balances; and
- To mitigate the volatility of the Company's net investment in foreign operations driven by fluctuations in foreign currency exchange rates.

In addition, the Company enters into interest rate, foreign exchange and commodity derivative contracts to support the business requirements of its customers (customer-related positions). The Company minimizes the market, funding and liquidity risks of customer-related positions by either entering into similar offsetting positions with broker-dealers, or on a portfolio basis by entering into other derivative or non-derivative financial instruments that partially or fully offset the exposure from these customer-related positions. The Company may enter into derivative contracts that are either exchange-traded, centrally cleared through clearinghouses or over-the-counter. The Company does not utilize derivatives for speculative purposes.

The Company does not designate all of the derivatives that it enters into for risk management purposes as accounting hedges because of the inefficiency of applying the associated accounting requirements and may instead elect fair value accounting for the related hedged items. In particular, the Company enters into interest rate swaps, swaptions, forward commitments to buy to-be-announced securities ("TBAs"), U.S. Treasury and Secured Overnight Financing Rate ("SOFR") futures and options on U.S. Treasury futures to mitigate fluctuations in the value of its MSRs, but does not designate those derivatives as accounting hedges. Refer to Note 9 of the Notes to Consolidated Financial Statements for additional information regarding MSRs, including management of the changes in fair value.

Additionally, the Company uses forward commitments to sell TBAs and other commitments to sell residential mortgage loans at specified prices to economically hedge the interest rate risk in its residential mortgage loan production activities. The forward commitments to sell and the unfunded mortgage loan commitments on loans intended to be sold are considered derivatives under the accounting guidance related to accounting for derivative instruments and hedging activities. The Company has elected the fair value option for the MLHFS.

Derivatives are subject to credit risk associated with counterparties to the contracts. Credit risk associated with derivatives is measured by the Company based on the probability of counterparty default. The Company manages the credit risk of its derivative positions by diversifying its positions among various counterparties, by entering into master netting arrangements, and, where possible, by requiring collateral arrangements. The Company may also transfer counterparty credit risk related to interest rate swaps to third parties through the use of risk participation agreements. In addition, certain interest rate swaps, interest rate forwards and credit contracts are required to be centrally cleared through clearinghouses to further mitigate counterparty credit risk. The Company also mitigates the credit risk of its derivative positions, as well as the credit risk on loans or lending portfolios, through the use of credit contracts.

For additional information on derivatives and hedging activities, refer to Notes 19 and 20 in the Notes to Consolidated Financial Statements.

Market Risk Management In addition to interest rate risk, the Company is exposed to other forms of market risk, principally related to trading activities which support customers' strategies to manage their own foreign currency, interest rate risk, commodities risk and funding activities. For purposes of its internal capital adequacy assessment process, the Company considers risk arising from its trading activities, as well as the remeasurement volatility of foreign currency denominated balances included on its Consolidated Balance Sheet (collectively, "Covered Positions"), employing methodologies consistent with the requirements of regulatory rules for market risk. The Company's Market Risk Committee ("MRC"), within the framework of the ALCO, oversees market risk management. The MRC monitors and reviews the Company's Covered Positions and establishes policies for market risk management, including exposure limits for each portfolio. The Company uses a VaR approach to measure general market risk. Theoretically, VaR represents the statistical risk of loss the Company has to adverse market movements over a one-day time horizon. The Company uses the historical simulation method to calculate VaR for its Covered Positions measured at the ninety-ninth percentile using a one-year look-back period for distributions derived from past market data. The market factors used in the calculations include those pertinent to market risks inherent in the underlying trading portfolios, principally those that affect the Company's corporate bond trading business, foreign currency transaction business, client derivatives business, loan trading business and municipal securities business, as well as those inherent in the Company's foreign denominated balances and the derivatives used to mitigate the related measurement volatility. On average, the Company expects the one-day VaR to be exceeded by actual losses two to three times per year related to these positions. The Company monitors the accuracy of internal VaR models and modeling processes by back-testing model performance, regularly updating the historical data used by the VaR models and regular model validations to assess the accuracy of the models' input, processing, and reporting components. All models are required to be independently reviewed and approved prior to being

placed in use. If the Company were to experience market losses in excess of the estimated VaR more often than expected, the VaR models and associated assumptions would be analyzed and adjusted.

The average, high, low and period-end one-day VaR amounts for the Company's Covered Positions were as follows:

Year Ended December 31 (Dollars in Millions)	2025	2024
Average	$ 4	$ 3
High	22	4
Low	2	2
Period-end	4	2

The Company did not experience any actual losses for its combined Covered Positions that exceeded VaR during the years ended December 31, 2025 and 2024. The Company stress tests its market risk measurements to provide management with perspectives on market events that may not be captured by its VaR models, including worst case historical market movement combinations that have not necessarily occurred on the same date.

The Company calculates Stressed VaR using the same underlying methodology and model as VaR, except that a historical continuous one-year look-back period is utilized that reflects a period of significant financial stress appropriate to the Company's Covered Positions. The period selected by the Company includes the significant market volatility of the last four months of 2008.

The average, high, low and period-end one-day Stressed VaR amounts for the Company's Covered Positions were as follows:

Year Ended December 31 (Dollars in Millions)	2025	2024
Average	$ 14	$ 10
High	64	16
Low	9	7
Period-end	14	11

Valuations of positions in client derivatives and foreign currency activities are based on discounted cash flow or other valuation techniques using market-based assumptions. These valuations are compared to third-party quotes or other market prices to determine if there are significant variances. Significant variances are approved by senior management in the Company's corporate functions. Valuation of positions in the corporate bond trading, loan trading, asset-backed securities and municipal securities businesses are based on trader marks. These trader marks are evaluated against third-party prices, with significant variances approved by senior management in the Company's corporate functions.

The Company also measures the market risk of its hedging activities related to residential MLHFS and MSRs using the historical simulation method. The VaRs are measured at the ninety-ninth percentile and employ factors pertinent to the market risks inherent in the valuation of the assets and hedges. A one-year look-back period is used to obtain past market data for the models.

The average, high and low VaR amounts for the residential MLHFS and related hedges and the MSRs and related hedges were as follows:

Year Ended December 31 (Dollars in Millions)	2025	2024
Residential Mortgage Loans Held For Sale and Related Hedges		
Average	$ 1	$ 2
High	2	3
Low	—	1
Mortgage Servicing Rights and Related Hedges		
Average	$ 2	$ 2
High	5	3
Low	1	1

Liquidity Risk Management The Company's liquidity risk management process is designed to identify, measure, and manage the Company's funding and liquidity risk to meet its daily funding needs and to address expected and unexpected changes in its funding requirements. The Company engages in various activities to manage its liquidity risk. These activities include diversifying its funding sources, stress testing, and holding readily-marketable assets which can be used as a source of liquidity if needed. In addition, the Company's profitable operations, sound credit quality and strong credit ratings and capital position have enabled it to develop a large and reliable base of core deposit funding within its market areas and in domestic and global capital markets.

The Company's Board of Directors approves the Company's liquidity policy and liquidity risk appetite. The Risk Management Committee of the Company's Board of Directors oversees the Company's liquidity risk management process and approves the Company's contingency funding plan. The ALCO reviews the Company's liquidity policy and limits, and regularly assesses the Company's ability to meet funding requirements arising from adverse company-specific or market events.

The Company maintains diversified wholesale funding sources to avoid maturity, entity and market concentrations. The Company operates a Cayman Islands branch for issuing Eurodollar time deposits. In addition, the Company has relationships with dealers to issue national market retail and institutional savings certificates and short-term and medium-term notes. The Company also maintains a significant correspondent banking network and relationships. Accordingly, the Company has access to national federal funds, funding through repurchase agreements and sources of stable certificates of deposit and commercial paper.

The Company regularly projects its funding needs under various stress scenarios and generally has access to diversified sources of funding in both normal and potentially

adverse environments. The Company also maintains a contingency funding plan and tests its capabilities to access contingency funding through different channels. The Company's primary liquidity sources include cash at the Federal Reserve Bank and certain European central banks, unencumbered liquid assets, and capacity to borrow from the FHLB and at the Federal Reserve Bank's Discount Window. Unencumbered liquid assets in the Company's investment securities portfolio provide asset liquidity through the Company's ability to sell the securities or pledge and borrow against them. Refer to Note 4 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on investment securities maturities and trends. Asset liquidity is further enhanced by the Company's practice of pledging loans to access secured borrowing facilities through the FHLB and Federal Reserve Bank.

The following table summarizes the Company's total available liquidity from cash, available investment securities and secured borrowing capacity:

(Dollars in Millions)	December 31, 2025	December 31, 2024
Cash held at the Federal Reserve Bank and other central banks	$ 39,206	$ 47,434
Available investment securities	56,366	67,910
Borrowing capacity from the Federal Reserve Bank and FHLB	205,120	171,226
Total available liquidity	$ 300,692	$ 286,570

The Company's diversified deposit base provides a sizeable source of relatively stable and low-cost funding, while reducing the Company's reliance on the wholesale markets. Total deposits were $522.2 billion at December 31, 2025, compared with $518.3 billion at December 31, 2024. Average total deposits in 2025 and 2024 funded approximately 75 percent and 77 percent of the Company's total assets for these same periods, respectively. Refer to Note 11 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on the maturities, terms and trends of the Company's deposits.

Additional funding is provided by long-term debt and short-term borrowings. Long-term debt was $60.8 billion at December 31, 2025, and is an important funding source because of its multi-year borrowing structure. Refer to Note 13 of the Notes to Consolidated Financial Statements for information on the terms and maturities of the Company's long-term debt issuances and "Balance Sheet Analysis" for discussion on long-term debt trends. Short-term borrowings were $17.2 billion at December 31, 2025, and supplement the Company's other funding sources. Refer to Note 12 of the Notes to Consolidated Financial Statements and "Balance Sheet Analysis" for further information on the terms and trends of the Company's short-term borrowings.

The Company's ability to raise negotiated funding at competitive prices is influenced by rating agencies' views of the Company's credit quality, liquidity, capital and earnings. Table 21 details the rating agencies' most recent assessments as of December 31, 2025.

TABLE 21 Credit Ratings

	Moody's	S&P Global Ratings	Fitch Ratings	DBRS Morningstar
U.S. Bancorp				
Long-term issuer rating	A3	A	A+	AA (low)
Short-term issuer rating	N/A	A-1	F1	R-1 (middle)
Senior unsecured debt	A3	A	A	AA (low)
Subordinated debt	A3	A-	A-	A (high)
Junior subordinated debt	Baa1	N/A	N/A	N/A
Preferred stock	Baa2	BBB	BBB	A (low)
Commercial paper	P-2	N/A	F1	R-1 (middle)
U.S. Bank National Association				
Long-term issuer rating	A2	A+	A+	AA
Short-term issuer rating	P-1	A-1	F1	R-1 (high)
Long-term deposits	Aa3	N/A	AA-	AA
Short-term deposits	P-1	N/A	F1+	N/A
Senior unsecured debt	A2	A+	A+	AA
Subordinated debt	A2	A	N/A	AA (low)
Commercial paper	P-1	A-1	N/A	R-1 (high)
Counterparty risk assessment	A1(cr)/P-1(cr)			
Counterparty risk rating	A2/P-1			
Baseline credit assessment	a2			

In addition to assessing liquidity risk on a consolidated basis, the Company monitors the parent company's liquidity. The parent company's routine funding requirements consist primarily of operating expenses, dividends paid to shareholders, debt service, repurchases of common stock and funds used for acquisitions. The parent company obtains funding to meet its obligations from dividends collected from its subsidiaries and the issuance of debt and capital securities. The Company establishes limits for the minimal number of months into the future where the parent company can meet existing and forecasted obligations with cash and securities held that can be readily monetized. The Company measures and manages this limit in both normal and adverse conditions. The Company maintains sufficient funding to meet expected capital and debt service obligations for 24 months without the support of dividends from subsidiaries and assuming access to the wholesale markets is maintained. The Company maintains sufficient liquidity to meet its capital and debt service obligations for 12 months under adverse conditions without the support of dividends from subsidiaries or access to the wholesale markets. The parent company is currently in excess of required liquidity minimums.

Under SEC rules, the parent company is classified as a "well-known seasoned issuer," which allows it to file a registration statement that does not have a limit on issuance capacity. "Well-known seasoned issuers" generally include those companies with outstanding common securities with a market value of at least $700 million held by non-affiliated parties or those companies that have issued at least $1 billion in aggregate principal amount of non-convertible securities, other than common equity, in the last three years. However, the parent company's ability to issue debt and other securities under a registration statement filed with the SEC under these rules is limited by the debt issuance authority granted by the Company's Board of Directors and/or the ALCO policy.

At December 31, 2025, parent company long-term debt outstanding was $37.1 billion, compared with $35.3 billion at December 31, 2024. The increase was primarily due to $5.0 billion of medium-term note issuances, partially offset by $3.8 billion of medium-term note repayments. As of December 31, 2025, there was $2.5 billion of parent company debt scheduled to mature in 2026. Future debt maturities may be met through medium-term note and capital security issuances and dividends from subsidiaries, as well as from parent company cash and cash equivalents.

Dividend payments to the Company by its subsidiary bank are subject to regulatory review and statutory limitations and, in some instances, regulatory approval. In general, dividends to the parent company from its banking subsidiary are limited by rules which compare dividends to net income for regulatorily-defined periods. For further information, see Note 24 of the Notes to Consolidated Financial Statements.

The Company is subject to a regulatory Liquidity Coverage Ratio ("LCR") requirement which requires large banking organizations to maintain an adequate level of unencumbered high quality liquid assets to meet estimated liquidity needs over a 30-day stressed period. The Company's average daily LCR was 106.5 percent and 106.6 percent, respectively, for the three months ended December 31, 2025 and 2024. The Company was compliant with this requirement for both of these periods.

The Company is also subject to a regulatory Net Stable Funding Ratio ("NSFR") requirement which requires large banking organizations to maintain a minimum level of stable funding based on the liquidity characteristics of their assets, commitments, and derivative exposures over a one-year time horizon. The Company was compliant with this requirement at December 31, 2025 and December 31, 2024.

European Exposures The Company provides merchant processing and corporate trust services in Europe either directly or through banking affiliations in Europe. Revenue generated from sources in Europe represented approximately 2 percent of the Company's total net revenue for 2025. Operating cash for these businesses is deposited on a short-term basis typically with certain European central banks. For deposits placed at other European banks, exposure is mitigated by the Company placing deposits at multiple banks and managing the amounts on deposit at any bank based on institution-specific deposit limits. At December 31, 2025, the Company had an aggregate amount on deposit with European banks of approximately $6.4 billion, predominately with the Central Bank of Ireland and Bank of England.

In addition, the Company provides financing to domestic multinational corporations that generate revenue from customers in European countries, transacts with various European banks as counterparties to certain derivative-related activities, and through a subsidiary, manages money market funds that hold certain investments in European sovereign debt. Any deterioration in economic conditions in Europe, including the impacts resulting from the Russia-Ukraine conflict, is not expected to have a significant effect on the Company related to these activities.

Commitments, Contingent Liabilities and Other Contractual Obligations The Company participates in many different contractual arrangements which may or may not be recorded on its balance sheet, with unrelated or consolidated entities, under which the Company has an obligation to pay certain amounts, provide credit or liquidity enhancements or provide market risk support. These arrangements also include any obligation related to a variable interest held in an unconsolidated entity that provides financing, liquidity, credit enhancement or market risk support.

In the ordinary course of business, the Company enters into contractual obligations that may require future cash payments, including funding for customer loan requests, customer deposit maturities and withdrawals, debt service, leases for premises and equipment, and other cash commitments. Refer to Notes 6, 11, 13, 16 and 22 in the Notes to Consolidated Financial Statements for information on the Company's operating lease obligations, deposits,

long-term debt, benefit obligations and guarantees and other commitments, respectively.

Commitments to extend credit are legally binding and generally have fixed expiration dates or other termination clauses. Many of the Company's commitments to extend credit expire without being drawn and, therefore, total commitment amounts do not necessarily represent future liquidity requirements or the Company's exposure to credit loss. Commitments to extend credit also include consumer credit lines that are cancellable upon notification to the consumer. Total contractual amounts of commitments to extend credit at December 31, 2025 were $444.7 billion. The Company also issues and confirms various types of letters of credit, including standby and commercial. Total contractual amounts of letters of credit at December 31, 2025 were $11.3 billion. For more information on the Company's commitments to extend credit and letters of credit, refer to Note 22 in the Notes to Consolidated Financial Statements.

The Company's off-balance sheet arrangements with unconsolidated entities primarily consist of private investment funds or partnerships that make equity investments, provide debt financing or support community-based investments in tax-advantaged projects. In addition to providing investment returns, these arrangements in many cases assist the Company in complying with requirements of the Community Reinvestment Act. The investments in these entities generate a return primarily through the realization of federal and state income tax credits and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods. The entities in which the Company invests are generally considered variable interest entities ("VIEs"). The Company's recorded investment in these entities, net of contractual equity investment commitments of $5.8 billion, was $4.0 billion at December 31, 2025.

The Company also has non-controlling financial investments in private funds and partnerships considered VIEs. The Company's recorded investment in these entities was approximately $312 million at December 31, 2025, and the Company had unfunded commitments to invest an additional $127 million. For more information on the Company's interests in unconsolidated VIEs, refer to Note 7 in the Notes to Consolidated Financial Statements.

Guarantees are contingent commitments issued by the Company to customers or other third parties requiring the Company to perform if certain conditions exist or upon the occurrence or nonoccurrence of a specified event, such as a scheduled payment to be made under contract. The Company's primary guarantees include commitments from securities lending activities in which indemnifications are provided to customers; indemnification or buy-back provisions related to sales of loans and tax credit investments; and merchant charge-back guarantees through the Company's involvement in providing merchant processing services. For certain guarantees, the Company may have access to collateral to support the guarantee, or through the exercise of other recourse provisions, be able to offset some or all of any payments made under these guarantees.

The Company and certain of its subsidiaries, along with other Visa U.S.A. Inc. member banks, have a contingent guarantee obligation to indemnify Visa Inc. for potential losses arising from antitrust lawsuits challenging the practices of Visa U.S.A. Inc. and MasterCard International. The indemnification by the Company and other Visa U.S.A. Inc. member banks has no maximum amount. Refer to Note 22 in the Notes to Consolidated Financial Statements for further details regarding guarantees, other commitments, and contingent liabilities, including maximum potential future payments and current carrying amounts.

Capital Management The Company is committed to a balanced capital management approach in order to maintain strong protection for depositors and creditors, provide shareholder benefit and to exceed regulatory capital requirements for banking organizations. To achieve its capital goals, the Company employs a variety of capital management tools, including dividends, common share repurchases, and the issuance of subordinated debt, non-cumulative perpetual preferred stock, common stock and other capital instruments.

The Company announced on September 9, 2025 that its Board of Directors had approved a regular quarterly dividend of $0.52 per common share. This represented a 4 percent increase over the previous dividend rate per common share of $0.50 per quarter.

The Company announced on September 12, 2024 that its Board of Directors authorized a share repurchase program to repurchase up to $5.0 billion of its common stock, effective September 13, 2024. Capital distributions, including dividends and stock repurchases, are subject to the approval of the Company's Board of Directors and compliance with regulatory requirements. For a more complete analysis of activities impacting shareholders' equity and capital management programs, refer to Note 14 of the Notes to Consolidated Financial Statements.

Total U.S. Bancorp shareholders' equity was $65.2 billion at December 31, 2025, compared with $58.6 billion at December 31, 2024. The increase was primarily the result of corporate earnings and changes in unrealized gains and losses on available-for-sale investment securities included in accumulated other comprehensive income (loss), partially offset by dividends paid.

The regulatory capital requirements effective for the Company follow Basel III, with the Company being subject to calculating its capital adequacy as a percentage of risk-weighted assets under the standardized approach. Under Basel III, banking regulators define minimum capital requirements for banks and financial services holding companies. These requirements are expressed in the form of a minimum common equity tier 1 capital ratio, tier 1 capital ratio, total risk-based capital ratio, tier 1 leverage ratio and a tier 1 total leverage exposure, or supplementary leverage ratio. The Company's minimum required capital ratios included a stress capital buffer of 2.6 percent at December 31, 2025. The Company targets its regulatory capital levels, at both the bank and bank holding company level, to exceed the "well-capitalized" threshold under the FDIC Improvement Act prompt corrective action provisions. Refer to Note 14 of the Notes to Consolidated Financial

Statements for further detail on the Company's minimum required capital ratios and the minimum "well-capitalized" thresholds under the prompt corrective action framework.

Beginning in 2022, the Company began to phase into its regulatory capital requirements the cumulative deferred impact of its 2020 adoption of the accounting guidance related to the impairment of financial instruments based on the current expected credit losses ("CECL") methodology plus 25 percent of its quarterly credit reserve increases during 2020 and 2021. This cumulative deferred impact was phased into the Company's regulatory capital during 2022 through 2024. Beginning January 1, 2025, the regulatory capital requirements reflect the full implementation of the CECL methodology.

Table 22 provides a summary of statutory regulatory capital ratios in effect for the Company at December 31, 2025 and 2024. All regulatory ratios exceeded regulatory "well-capitalized" requirements. As of December 31, 2025, U.S. Bank National Association ("USBNA") also met all regulatory capital ratios to be considered "well-capitalized". There are no conditions or events since December 31, 2025 that management believes have changed the risk-based category of USBNA.

In July 2023, the U.S. federal bank regulatory authorities proposed a rule to refine the Basel III capital framework for financial institutions. The proposal incorporates elements of the international Basel Committee's post-crisis reforms, including the Fundamental Review of the Trading Book to replace the existing market risk rule, and introduces new standardized approaches for credit risk, operational risk and credit valuation adjustment (CVA) risk. However, the federal banking regulators have indicated they expect to issue a revised proposal, which is expected to modify aspects of the July 2023 proposal, including those described above. The proposal's finalization could revise the risk-based capital measures applicable to the Company; however, until the proposal is finalized the exact impacts are unknown.

The Company believes certain other capital ratios are useful in evaluating its capital utilization and adequacy. Refer to "Non-GAAP Financial Measures" beginning on page 54 for further information on these other capital ratios.

As an approved mortgage seller and servicer, USBNA, through its mortgage banking division, is required to maintain various levels of shareholder's equity, as specified by various agencies, including the United States Department of Housing and Urban Development, Government National Mortgage Association, Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. At December 31, 2025, USBNA met these requirements.

TABLE 22 Regulatory Capital Ratios

At December 31 (Dollars in Millions)	2025	2024
Basel III standardized approach:		
Common shareholders' equity	$ 58,385	$ 51,770
Less intangible assets		
Goodwill (net of deferred tax liability)	(11,603)	(11,508)
Other disallowed intangible assets (net of deferred tax liability)	(1,507)	(1,846)
Other[(a)]	6,390	9,461
Common equity tier 1 capital	51,665	47,877
Qualifying preferred stock	6,808	6,808
Noncontrolling interests eligible for tier 1 capital	450	450
Other	(6)	(6)
Tier 1 capital	58,917	55,129
Eligible portion of allowance for credit losses	5,970	5,616
Subordinated debt and noncontrolling interests eligible for tier 2 capital	3,200	3,630
Tier 2 capital	9,170	9,246
Total risk-based capital	$ 68,087	$ 64,375
Risk-weighted assets	$ 480,382	$ 450,498
Common equity tier 1 capital as a percent of risk-weighted assets	10.8 %	10.6 % (b)
Tier 1 capital as a percent of risk-weighted assets	12.3	12.2
Total risk-based capital as a percent of risk-weighted assets	14.2	14.3
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	8.7	8.3
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)	7.1	6.8

(a) Includes the impact of items included in other comprehensive income (loss), such as unrealized gains (losses) on available-for-sale securities, accumulated net gains on cash flow hedges, pension liability adjustments, and the portion of deferred tax assets related to net operating loss and tax credit carryforwards not eligible for common equity tier 1 capital.

(b) The Company's common equity tier 1 capital to risk-weighted assets ratio, reflecting the full implementation of the CECL methodology, was 10.5 percent at December 31, 2024. See Non-GAAP Financial Measures beginning on page 54.

TABLE 23 Business Segment Financial Performance

Year Ended December 31 (Dollars in Millions)	Wealth, Corporate, Commercial and Institutional Banking			Consumer and Business Banking			Payment Services		
	2025	2024	Percent Change	2025	2024	Percent Change	2025	2024	Percent Change
Condensed Income Statement									
Net interest income (taxable-equivalent basis)	$ 7,214	$ 7,613	(5.2)%	$ 7,248	$ 7,625	(4.9)%	$ 3,048	$ 2,831	7.7 %
Noninterest income	4,869	4,538	7.3	1,625	1,606	1.2	4,359	4,195	3.9
Total net revenue	12,083	12,151	(.6)	8,873	9,231	(3.9)	7,407	7,026	5.4
Noninterest expense	5,368	5,417	(.9)	6,337	6,532	(3.0)	4,126	3,962	4.1
Income (loss) before provision and income taxes	6,715	6,734	(.3)	2,536	2,699	(6.0)	3,281	3,064	7.1
Provision for credit losses	546	385	41.8	238	182	30.8	1,570	1,614	(2.7)
Income (loss) before income taxes	6,169	6,349	(2.8)	2,298	2,517	(8.7)	1,711	1,450	18.0
Income taxes and taxable-equivalent adjustment	1,543	1,588	(2.8)	575	630	(8.7)	429	363	18.2
Net income (loss)	4,626	4,761	(2.8)	1,723	1,887	(8.7)	1,282	1,087	17.9
Net (income) loss attributable to noncontrolling interests	—	—	—	—	—	—	—	—	—
Net income (loss) attributable to U.S. Bancorp	$ 4,626	$ 4,761	(2.8)	$ 1,723	$ 1,887	(8.7)	$ 1,282	$ 1,087	17.9
Average Balance Sheet									
Loans	$ 183,254	$ 172,517	6.2	$ 148,543	$ 155,039	(4.2)	$ 42,689	$ 41,080	3.9
Goodwill	4,826	4,825	—	4,326	4,326	—	3,444	3,357	2.6
Other intangible assets	794	981	(19.1)	4,222	4,539	(7.0)	254	277	(8.3)
Assets	213,156	201,415	5.8	162,080	168,862	(4.0)	48,007	47,166	1.8
Noninterest-bearing deposits	55,920	56,814	(1.6)	19,461	20,770	(6.3)	2,524	2,685	(6.0)
Interest-bearing deposits	216,953	216,083	.4	201,223	199,155	1.0	95	95	—
Total deposits	272,873	272,897	—	220,684	219,925	.3	2,619	2,780	(5.8)
Total U.S. Bancorp shareholders' equity	22,018	21,440	2.7	13,478	14,424	(6.6)	10,310	10,005	3.0

Year Ended December 31 (Dollars in Millions)	Treasury and Corporate Support			Consolidated Company		
	2025	2024	Percent Change	2025	2024	Percent Change
Condensed Income Statement						
Net interest income (taxable-equivalent basis)	$ (745)	$ (1,660)	55.1 %	$ 16,765	$ 16,409	2.2 %
Noninterest income	1,038	707	46.8	11,891	11,046	7.6
Total net revenue	293	(953)	*	28,656	27,455	4.4
Noninterest expense	1,006	1,277	(21.2)	16,837	17,188	(2.0)
Income (loss) before provision and income taxes	(713)	(2,230)	68.0	11,819	10,267	15.1
Provision for credit losses	(168)	57	*	2,186	2,238	(2.3)
Income (loss) before income taxes	(545)	(2,287)	76.2	9,633	8,029	20.0
Income taxes and taxable-equivalent adjustment	(510)	(881)	42.1	2,037	1,700	19.8
Net income (loss)	(35)	(1,406)	97.5	7,596	6,329	20.0
Net (income) loss attributable to noncontrolling interests	(26)	(30)	13.3	(26)	(30)	13.3
Net income (loss) attributable to U.S. Bancorp	$ (61)	$ (1,436)	95.8	$ 7,570	$ 6,299	20.2
Average Balance Sheet						
Loans	$ 5,774	$ 5,239	10.2	$ 380,260	$ 373,875	1.7
Goodwill	—	—	—	12,596	12,508	.7
Other intangible assets	7	9	(22.2)	5,277	5,806	(9.1)
Assets	253,297	246,571	2.7	676,540	664,014	1.9
Noninterest-bearing deposits	2,603	2,738	(4.9)	80,508	83,007	(3.0)
Interest-bearing deposits	10,339	11,175	(7.5)	428,610	426,508	.5
Total deposits	12,942	13,913	(7.0)	509,118	509,515	(.1)
Total U.S. Bancorp shareholders' equity	16,145	11,337	42.4	61,951	57,206	8.3

* *Not meaningful*

Business Segment Financial Review

The Company's major business segments are Wealth, Corporate, Commercial and Institutional Banking, Consumer and Business Banking, Payment Services, and Treasury and Corporate Support.

Basis for Financial Presentation Business segment results are derived from the Company's business unit profitability reporting systems by specifically attributing managed balance sheet assets, deposits and other liabilities and their related income or expense. Refer to Note 23 of the Notes to Consolidated Financial Statements for further information on the business segments' basis for financial presentation.

Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company's diverse customer base. During 2025 and 2024, certain organization and methodology changes were made, including revising the Company's business segment funds transfer-pricing methodology related to deposits and loans during the second quarter of 2024. Prior period results were recast and presented on a comparable basis.

Wealth, Corporate, Commercial and Institutional Banking Wealth, Corporate, Commercial and Institutional Banking provides core banking, specialized lending, transaction and payment processing, capital markets, asset management, and brokerage and investment related services to wealth, middle market, large corporate, commercial real estate, government and institutional clients. Wealth, Corporate, Commercial and Institutional Banking contributed $4.6 billion of the Company's net income in 2025, or a decrease of $135 million (2.8 percent), compared with 2024.

Net revenue decreased $68 million (0.6 percent) in 2025, compared with 2024. Net interest income, on a taxable-equivalent basis, decreased $399 million (5.2 percent) in 2025, compared with 2024, primarily due to higher funding costs. Noninterest income increased $331 million (7.3 percent) in 2025, compared with 2024, primarily due to business growth and favorable market conditions impacting trust and investment management fees, and higher service charges due to an increase in treasury management fees.

Noninterest expense decreased $49 million (0.9 percent) in 2025, compared with 2024, primarily due to lower net shared services expense. The provision for credit losses increased $161 million (41.8 percent) in 2025, compared with 2024, primarily due to loan growth and increased reserves on certain assets.

Consumer and Business Banking Consumer and Business Banking comprises consumer banking, small business banking and consumer lending. Products and services are delivered through banking offices, telephone servicing and sales, online services, direct mail, ATMs, mobile devices, distributed mortgage loan officers, and intermediary relationships including auto dealerships, mortgage banks, and strategic business partners. Consumer and Business Banking contributed $1.7 billion of the Company's net income in 2025, or a decrease of $164 million (8.7 percent), compared with 2024.

Net revenue decreased $358 million (3.9 percent) in 2025, compared with 2024. Net interest income, on a taxable-equivalent basis, decreased $377 million (4.9 percent) in 2025, compared with 2024, primarily due to changes in deposit mix, along with the impact of loan sales in the second quarter of 2025. Noninterest income increased $19 million (1.2 percent) in 2025, compared with 2024, primarily due to higher mortgage banking revenue driven by gain on sale activity.

Noninterest expense decreased $195 million (3.0 percent) in 2025, compared with 2024, primarily due to lower compensation and employee benefits expense. The provision for credit losses increased $56 million (30.8 percent) in 2025, compared with 2024, primarily due to less favorable trends in housing prices and higher net charge-offs.

Payment Services Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate, government and purchasing card services and merchant processing. Payment Services contributed $1.3 billion of the Company's net income in 2025, or an increase of $195 million (17.9 percent), compared with 2024.

Net revenue increased $381 million (5.4 percent) in 2025, compared with 2024. Net interest income, on a taxable-equivalent basis, increased $217 million (7.7 percent) in 2025, compared with 2024, primarily due to higher average loan balances, higher loan fees and lower funding costs. Noninterest income increased $164 million (3.9 percent) in 2025, compared with 2024, driven by higher merchant processing services and card revenue mainly due to higher sales volume.

Noninterest expense increased $164 million (4.1 percent) in 2025, compared with 2024, reflecting higher marketing and business development expense and net shared services expense. The provision for credit losses decreased $44 million (2.7 percent) in 2025, compared with 2024, primarily due to improved portfolio mix and stabilizing credit quality.

Treasury and Corporate Support Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management, interest rate risk management, income taxes not allocated to the business lines, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis. Treasury and Corporate Support recorded a net loss of $61 million in 2025, compared with a net loss of $1.4 billion in 2024.

Net revenue increased $1.2 billion in 2025, compared with 2024. Net interest income, on a taxable-equivalent basis, increased $915 million (55.1 percent) in 2025, compared with 2024, primarily due to lower funding costs as well as the impact of fixed asset repricing in the investment securities portfolio. Noninterest income increased $331 million (46.8 percent) in 2025, compared

with 2024, primarily due to higher capital markets revenue, higher tax credit investment activity and lower net securities losses.

Noninterest expense decreased $271 million (21.2 percent) in 2025, compared with 2024, primarily due to the impacts in 2024 of merger and integration charges and the FDIC special assessment charges, along with lower compensation and employee benefits expense in 2025. The provision for credit losses was $225 million lower in 2025, compared with 2024, primarily due to stabilizing economic conditions.

Income taxes are assessed to each business segment at a managerial tax rate of 25.0 percent with the residual tax expense or benefit to arrive at the consolidated effective tax rate included in Treasury and Corporate Support.

Non-GAAP Financial Measures

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
- Tangible common equity to risk-weighted assets,
- Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the CECL methodology,
- Tangible book value per common share, and
- Return on tangible common equity.

These capital measures are viewed by management as useful additional methods of evaluating the Company's utilization of its capital held and the level of capital available to withstand unexpected negative market or economic conditions. Additionally, presentation of these measures allows investors, analysts and banking regulators to assess the Company's capital position and use of capital relative to other financial services companies. These capital measures are not defined in generally accepted accounting principles ("GAAP") or in banking regulations. In addition, certain capital measures related to prior periods are presented on the same basis as those in the current period. The effective capital ratios defined by banking regulations for these periods were subject to certain transitional provisions for the implementation of accounting guidance related to impairment of financial instruments based on the CECL methodology. As a result, these capital measures disclosed by the Company may be considered non-GAAP financial measures. Management believes this information helps investors assess trends in the Company's capital utilization and adequacy.

The Company also discloses net interest income and related ratios and analysis on a taxable-equivalent basis, which may also be considered non-GAAP financial measures. The Company believes this presentation to be the preferred industry measurement of net interest income as it provides a relevant comparison of net interest income arising from taxable and tax-exempt sources. In addition, certain performance measures utilize net interest income on a taxable-equivalent basis, including the efficiency ratio and net interest margin.

The Company also discloses percent of net revenue for its business lines excluding Treasury and Corporate Support to highlight the contributions to net revenue from the Company's core revenue-producing businesses.

Adjusted noninterest expense, adjusted net income, adjusted diluted earnings per common share, and adjusted operating leverage exclude notable items. Management uses these measures in their analysis of the Company's performance and believes these measures provide a greater understanding of ongoing operations and enhance comparability of results with prior periods.

There may be limits in the usefulness of these measures to investors. As a result, the Company encourages readers to consider the consolidated financial statements and other financial information contained in this report in their entirety, and not to rely on any single financial measure.

The following tables show the Company's calculation of these non-GAAP financial measures:

At December 31 (Dollars in Millions)	2025	2024	2023
Total equity	$ 65,651	$ 59,040	$ 55,771
Preferred stock	(6,808)	(6,808)	(6,808)
Noncontrolling interests	(458)	(462)	(465)
Common equity[1]	58,385	51,770	48,498
Goodwill (net of deferred tax liability)[a]	(11,603)	(11,508)	(11,480)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,507)	(1,846)	(2,278)
Tangible common equity[2]	45,275	38,416	34,740
Common equity tier 1 capital, determined in accordance with transitional regulatory capital requirements related to the CECL methodology implementation		47,877	44,947
Adjustments[b]		(433)	(866)
Common equity tier 1 capital, reflecting the full implementation of the CECL methodology[3]		47,444	44,081
Total assets[4]	692,345	678,318	663,491
Goodwill (net of deferred tax liability)[a]	(11,603)	(11,508)	(11,480)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,507)	(1,846)	(2,278)
Tangible assets[5]	679,235	664,964	649,733
Risk-weighted assets, determined in accordance with prescribed regulatory capital requirements effective for the Company[6]	480,382	450,498	453,390
Adjustments[c]		(368)	(736)
Risk-weighted assets, reflecting the full implementation of the CECL methodology[7]		450,130	452,654
Ratios			
Common equity to assets[1]/[4]	8.4 %	7.6 %	7.3 %
Tangible common equity to tangible assets[2]/[5]	6.7	5.8	5.3
Tangible common equity to risk-weighted assets[2]/[6]	9.4	8.5	7.7
Common equity tier 1 capital to risk-weighted assets, reflecting the full implementation of the CECL methodology[3]/[7]		10.5	9.7

(a) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.
(b) Includes the estimated increase in the allowance for credit losses related to the adoption of the CECL methodology net of deferred taxes.
(c) Includes the impact of the estimated increase in the allowance for credit losses related to the adoption of the CECL methodology.

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Net interest income	$ 16,649	$ 16,289	$ 17,396
Taxable-equivalent adjustment[a]	116	120	131
Net interest income, on a taxable-equivalent basis	16,765	16,409	17,527
Net interest income, on a taxable-equivalent basis (as calculated above)	16,765	16,409	17,527
Noninterest income	11,891	11,046	10,617
Less: Securities gains (losses), net	(61)	(154)	(145)
Total net revenue, excluding net securities gains (losses)[1]	28,717	27,609	28,289
Noninterest expense[2]	16,837	17,188	18,873
Efficiency ratio[2]/[1]	58.6 %	62.3 %	66.7 %

(a) Based on federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.

Year Ended December 31, 2025 (Dollars in Millions)	Net Revenue	Net Revenue as a Percent of the Consolidated Company	Net Revenue as a Percent of the Consolidated Company Excluding Treasury and Corporate Support
Wealth, Corporate, Commercial and Institutional Banking	$ 12,083	42 %	43 %
Consumer and Business Banking	8,873	31	31
Payment Services	7,407	26	26
Treasury and Corporate Support	293	1	
Consolidated Company	28,656	100 %	
Less: Treasury and Corporate Support	293		
Consolidated Company excluding Treasury and Corporate Support	$ 28,363		100 %

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Net income applicable to U.S. Bancorp common shareholders	$ 7,194	$ 5,909	$ 5,051
Intangible amortization (net-of-tax)	393	450	502
Net income applicable to U.S. Bancorp common shareholders, excluding intangibles amortization[1]	7,587	6,359	5,553
Average total equity	62,409	57,668	54,125
Average preferred stock	(6,808)	(6,808)	(6,808)
Average noncontrolling interests	(458)	(462)	(465)
Average goodwill (net of deferred tax liability)[a]	(11,566)	(11,485)	(11,485)
Average intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,691)	(2,040)	(2,480)
Average tangible common equity[2]	41,886	36,873	32,887
Return on tangible common equity[1][2]	18.1 %	17.2 %	16.9 %

(a) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.

At December 31 (Dollars in Millions, Except Per Share Data)	2025	2024	2023
Common equity	$ 58,385	$ 51,770	$ 48,498
Goodwill (net of deferred tax liability)[a]	(11,603)	(11,508)	(11,480)
Intangible assets (net of deferred tax liability), other than mortgage servicing rights	(1,507)	(1,846)	(2,278)
Tangible common equity[1]	45,275	38,416	34,740
Common shares outstanding[2]	1,555	1,560	1,558
Tangible book value per common share[1][2]	$ 29.12	$ 24.63	$ 22.30

(a) Includes goodwill related to certain investments in unconsolidated financial institutions per prescribed regulatory requirements.

Year Ended December 31 (Dollars in Millions)	2025	2024	Percent Change
Net income applicable to U.S. Bancorp common shareholders[1]	$ 7,194	$ 5,909	
Less: Notable items, including the impact of earnings allocated to participating stock awards[a]	—	(298)	
Net income applicable to U.S. Bancorp common shareholders, excluding notable items[2]	7,194	6,207	
Average diluted common shares outstanding[3]	1,558	1,561	
Diluted earnings per common share[1][3]	$ 4.62	$ 3.79	21.9 %
Diluted earnings per common share, excluding notable items[2][3]	$ 4.62	$ 3.98	16.1 %

(a) Notable items of $400 million ($300 million net-of-tax) for the year ended December 31, 2024 included $109 million of lease impairments and operational efficiency actions, $155 million of merger and integration-related charges and $136 million for the increase in the FDIC special assessment instituted in 2023.

Year Ended December 31 (Dollars in Millions)	2025	2024	Percent Change
Net interest income	$ 16,649	$ 16,289	
Taxable-equivalent adjustment[a]	116	120	
Net interest income, on a taxable-equivalent basis	16,765	16,409	
Net interest income, on a taxable-equivalent basis (as calculated above)	16,765	16,409	
Noninterest income	11,891	11,046	
Total net revenue	28,656	27,455	4.4 % (1)
Less: Securities gains (losses), net	(61)	(154)	
Total net revenue, excluding securities gains (losses), net	28,717	27,609	4.0 % (2)
Noninterest expense	16,837	17,188	(2.0)% (3)
Less: Notable items[b]	—	400	
Total noninterest expense, excluding notable items	16,837	16,788	.3 % (4)
Operating leverage[(1)-(3)]	6.4%		
Operating leverage, excluding securities gains (losses) and notable items[(2)-(4)]	3.7%		

(a) Based on a federal income tax rate of 21 percent for those assets and liabilities whose income or expense is not included for federal income tax purposes.
(b) Notable items of $400 million ($300 million net-of-tax) for the year-ended December 31, 2024 included $109 million of lease impairments and operational efficiency actions, $155 million of merger and integration-related charges and $136 million for the increase in the FDIC special assessment instituted in 2023.

Accounting Changes

Note 2 of the Notes to Consolidated Financial Statements discusses accounting standards recently issued but not yet required to be adopted and the expected impact of these changes in accounting standards. To the extent the adoption of new accounting standards materially affects the Company's financial condition or results of operations, the impacts are discussed in the applicable section(s) of Management's Discussion and Analysis and the Notes to Consolidated Financial Statements.

Critical Accounting Policies

The accounting and reporting policies of the Company comply with accounting principles generally accepted in the United States and conform to general practices within the banking industry. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions. The Company's financial position and results of operations can be affected by these estimates and assumptions, which are integral to understanding the Company's financial statements. Critical accounting policies are those policies management believes are the most important to the portrayal of the Company's financial condition and results, and require management to make estimates that are difficult, subjective or complex. Most accounting policies are not considered by management to be critical accounting policies. Several factors are considered in determining whether or not a policy is critical in the preparation of financial statements. These factors include, among other things, whether the estimates are significant to the financial statements, the nature of the estimates, the ability to readily validate the estimates with other information (including third-party sources or available prices), sensitivity of the estimates to changes in economic conditions and whether alternative accounting methods may be utilized under GAAP.

Management has discussed the development and the selection of critical accounting policies with the Company's Audit Committee.

Significant accounting policies are discussed in Note 1 of the Notes to Consolidated Financial Statements. Those policies considered to be critical accounting policies are described below.

Allowance for Credit Losses Management's evaluation of the appropriate allowance for credit losses is often the most critical of all the accounting estimates for a banking institution. It is an inherently subjective process impacted by many factors as discussed throughout the Management's Discussion and Analysis section of the Annual Report.

The methods utilized to estimate the allowance for credit losses, key assumptions and quantitative and qualitative information considered by management in determining the appropriate allowance for credit losses at December 31, 2025 are discussed in the "Credit Risk Management" section. Although methodologies utilized to determine each element of the allowance reflect management's assessment of credit risk, imprecision exists in these measurement tools due in part to subjective judgments involved and an inherent lag in the data available to quantify current conditions and events that affect credit loss reserve estimates.

Given the many quantitative variables and subjective factors affecting the credit portfolio, changes in the allowance for credit losses may not directly coincide with changes in risk ratings or delinquency status within loan and lease portfolios. This is in part due to the timing of the risk rating process in relation to changes in the business cycle, the exposure and mix of loans within risk rating categories, levels of nonperforming loans and the timing of charge-offs and expected recoveries. The allowance for credit losses measures the expected loss content on the remaining portfolio exposure, while nonperforming loans

and net charge-offs are measures of specific impairment events that have already been confirmed. Therefore, the degree of change in the forward-looking expected loss in the allowance may differ from the level of changes in nonperforming loans and net charge-offs. Management maintains an appropriate allowance for credit losses by updating allowance rates to reflect changes in expected losses, including expected changes in economic or business cycle conditions. Some factors considered in determining the appropriate allowance for credit losses are more readily quantifiable while other factors require extensive qualitative judgment in determining the overall level of the allowance for credit losses.

The Company considers a range of economic scenarios in its determination of the allowance for credit losses. These scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses, and also the expectation that conditions will eventually normalize over the longer run. Scenarios worse than the Company's expected outcome at December 31, 2025 include risks of persisting inflationary pressures, continued elevated interest rates, declines in residential and commercial real estate prices, high unemployment rates, supply shortages, changing fiscal policy and geopolitical risks, which could all precipitate a moderate to severe recession and result in increased credit losses.

Under the range of economic scenarios considered, the allowance for credit losses would have been lower by $1.0 billion or higher by $2.5 billion. This range reflects the sensitivity of the allowance for credit losses specifically related to the scenarios and weights considered as of December 31, 2025, and does not consider other potential adjustments that could increase or decrease loss estimates calculated using alternative economic scenarios.

Because several quantitative and qualitative factors are considered in determining the allowance for credit losses, these sensitivity analyses do not necessarily reflect the nature and extent of future changes in the allowance for credit losses. They are intended to provide insights into the impact of adverse changes in the economy on the Company's modeled loss estimates for the loan portfolio and do not imply any expectation of future deterioration in the risk rating or loss rates. Given current processes employed by the Company, management believes the risk ratings and loss model estimates currently assigned are appropriate. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions that could be significant to the Company's financial statements. Refer to the "Analysis and Determination of the Allowance for Credit Losses" section for further information.

Fair Value Estimates A portion of the Company's assets and liabilities are carried at fair value on the Consolidated Balance Sheet, with changes in fair value recorded either through earnings or other comprehensive income (loss) in accordance with applicable accounting principles generally accepted in the United States. These include all of the Company's available-for-sale investment securities, derivatives and other trading instruments, MSRs, certain time deposits and structured long-term notes and substantially all MLHFS. The estimation of fair value also affects other loans held for sale, which are recorded at the lower-of-cost-or-fair value. The determination of fair value is important for certain other assets that are periodically evaluated for impairment using fair value estimates, including goodwill.

Fair value is defined as the exchange price at which an asset or liability could be exchanged in a current transaction between willing, unrelated parties, other than in a forced or liquidation sale. Fair value is based on quoted market prices in an active market, or if market prices are not available, is estimated using models employing techniques such as matrix pricing or discounting expected cash flows. The significant assumptions used in the models, which include assumptions for interest rates, discount rates, prepayments and credit losses, are independently verified against observable market data where possible. Where observable market data is not available, the estimate of fair value becomes more subjective and involves a high degree of judgment. In this circumstance, fair value is estimated based on management's judgment regarding the value that market participants would assign to the asset or liability. This valuation process takes into consideration factors such as market illiquidity. Imprecision in estimating these factors can impact the amount recorded on the balance sheet for a particular asset or liability with related impacts to earnings or other comprehensive income (loss).

When available, trading and available-for-sale securities are valued based on quoted market prices. However, certain securities are traded less actively and, therefore, quoted market prices may not be available. The determination of fair value may require benchmarking to similar instruments or performing a discounted cash flow analysis using estimates of future cash flows and prepayment, interest and default rates. For more information on investment securities, refer to Note 4 of the Notes to Consolidated Financial Statements.

As few derivative contracts are listed on an exchange, the majority of the Company's derivative positions are valued using valuation techniques that use readily observable market inputs. Certain derivatives, however, must be valued using techniques that include unobservable inputs. For these instruments, the significant assumptions must be estimated and, therefore, are subject to judgment. Note 19 of the Notes to Consolidated Financial Statements provides a summary of the Company's derivative positions.

Refer to Note 21 of the Notes to Consolidated Financial Statements for additional information regarding estimations of fair value.

Mortgage Servicing Rights MSRs are capitalized as separate assets when loans are sold and servicing is retained or if they are purchased from others. The Company records MSRs at fair value. Because MSRs do not trade in an active market with readily observable prices, the Company determines the fair value by estimating the present value of the asset's future cash flows utilizing market-based prepayment rates, option adjusted spread,

and other assumptions validated through comparison to trade information, industry surveys and independent third-party valuations. Changes in the fair value of MSRs are recorded in earnings during the period in which they occur. Risks inherent in the valuation of MSRs include higher than expected prepayment rates and/or delayed receipt of cash flows. The Company utilizes derivatives, including interest rate swaps, swaptions, forward commitments to buy TBAs, U.S. Treasury and SOFR futures and options on U.S. Treasury futures, to mitigate the valuation risk. Refer to Notes 9 and 21 of the Notes to Consolidated Financial Statements for additional information on the assumptions used in determining the fair value of MSRs and an analysis of the sensitivity to changes in interest rates of the fair value of the MSRs portfolio and the related derivative instruments used to mitigate the valuation risk.

Income Taxes The Company estimates income tax expense based on amounts expected to be owed to the various tax jurisdictions in which it operates, including federal, state and local domestic jurisdictions, and an insignificant amount to foreign jurisdictions. The estimated income tax expense is reported in the Consolidated Statement of Income. Accrued taxes are reported in other assets or other liabilities on the Consolidated Balance Sheet and represent the net estimated amount due to or to be received from taxing jurisdictions either currently or deferred to future periods. Deferred taxes arise from differences between assets and liabilities measured for financial reporting purposes versus income tax reporting purposes. Deferred tax assets are recognized if, in management's judgment, their realizability is determined to be more likely than not. Uncertain tax positions that meet the more likely than not recognition threshold are measured to determine the amount of benefit to recognize. An uncertain tax position is measured at the largest amount of benefit management believes is more likely than not to be realized upon settlement. In estimating accrued taxes, the Company assesses the relative merits and risks of the appropriate tax treatment considering statutory, judicial and regulatory guidance in the context of the tax position. Because of the complexity of tax laws and regulations, interpretation can be difficult and subject to legal judgment given specific facts and circumstances. It is possible that others, given the same information, may at any point in time reach different reasonable conclusions regarding the estimated amounts of accrued taxes.

Changes in the estimate of accrued taxes occur periodically due to changes in tax rates, interpretations of tax laws, the status of examinations being conducted by various taxing authorities, and newly enacted statutory, judicial and regulatory guidance that impacts the relative merits and risks of tax positions. These changes, when they occur, affect accrued taxes and can be significant to the operating results of the Company. Refer to Note 18 of the Notes to Consolidated Financial Statements for additional information regarding income taxes.

Controls and Procedures

Under the supervision and with the participation of the Company's management, including its principal executive officer and principal financial officer, the Company has evaluated the effectiveness of the design and operation of its disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based upon this evaluation, the principal executive officer and principal financial officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective.

During the fourth quarter of 2025, there was no change made in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The annual report of the Company's management on internal control over financial reporting is provided on page 60. The audit report of Ernst & Young LLP, the Company's independent accountants, regarding the Company's internal control over financial reporting is provided on page 61.

Report of Management

Responsibility for the financial statements and other information presented throughout this Annual Report rests with the management of U.S. Bancorp. The Company believes the consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States and present the substance of transactions based on the circumstances and management's best estimates and judgment.

In meeting its responsibilities for the reliability of the financial statements, management is responsible for establishing and maintaining an adequate system of internal control over financial reporting as defined by Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. The Company's system of internal control is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of publicly filed financial statements in accordance with accounting principles generally accepted in the United States.

To test compliance, the Company carries out an extensive audit program. This program includes a review for compliance with written policies and procedures and a comprehensive review of the adequacy and effectiveness of the system of internal control. Although control procedures are designed and tested, it must be recognized that there are limits inherent in all systems of internal control, and, therefore, errors and irregularities may nevertheless occur. Projection of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Board of Directors of the Company has an Audit Committee composed of directors who are independent of U.S. Bancorp. The Audit Committee meets periodically with management, the internal auditors and the independent accountants to consider audit results and to discuss internal accounting control, auditing and financial reporting matters.

Management assessed the effectiveness of the Company's system of internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in its Internal Control—Integrated Framework (2013 framework). Based on its assessment and those criteria, management believes the Company maintained effective internal control over financial reporting as of December 31, 2025.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their accompanying report appearing on page 61.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of U.S. Bancorp

Opinion on Internal Control Over Financial Reporting

We have audited U.S. Bancorp's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, U.S. Bancorp (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 23, 2026, expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A 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 generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Minneapolis, Minnesota
February 23, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of U.S. Bancorp

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of U.S. Bancorp (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 23, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses

Description of the Matter

The Company's loan and lease portfolio and the associated allowance for credit losses (ACL), were $391.3 billion and $7.9 billion as of December 31, 2025, respectively. The provision for credit losses was $2.2 billion for the year ended December 31, 2025. As discussed in Notes 1 and 5 to the financial statements, the ACL is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments, by utilizing forward-looking expected loss models. When determining expected losses, the Company uses multiple probability weighted economic scenarios over a reasonable and supportable forecast period and then fully reverts to historical loss experience to estimate losses over the remaining asset lives. Model estimates are adjusted to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices, economic conditions or other factors that would affect the accuracy of the model. Additionally, management may adjust the ACL for other qualitative factors such as model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the environment that are affecting specific portfolio segments, or changes in portfolio concentrations.

Auditing management's ACL estimate and related provision for credit losses was complex due to the nature of the expected credit loss models and related model adjustments and the subjectivity and judgment inherent in the evaluation of the probability weighted economic scenarios and qualitative factor adjustments.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over the ACL process, including management's controls over: 1) development of baseline economic scenario and selection of alternative economic scenarios, implementation of these scenarios and selection of the probability weights assigned to them; 2) expected loss models, including model validation, implementation, performance monitoring, the completeness and accuracy of key inputs and assumptions used in the models, and management's assessment of model estimates and related adjustments; 3) adjustments to reflect management's consideration of qualitative factors; 4) the ACL methodology and governance process.

With the support of specialists, we assessed the economic scenarios and related probability weights by, among other procedures, evaluating management's methodology and agreeing a sample of key economic variables used to external sources. We also performed and considered the results of various sensitivity analyses and analytical procedures, including comparison of a sample of the key economic variables to alternative external sources, historical statistics and peer bank information.

With respect to expected loss models, with the support of specialists, we evaluated model calculation design and reperformed the calculation for a sample of models. We also tested the appropriateness of key inputs and assumptions used in these models by agreeing a sample of inputs to internal and external sources. As to model adjustments, with the support of specialists, we evaluated management's estimate methodology and assessment of factors that could potentially impact the accuracy of expected loss models. We also recalculated a sample of model adjustments and tested internal and external data used by agreeing a sample of inputs to internal and external sources.

Regarding the completeness of qualitative factors identified and incorporated into measuring the ACL, with the support of specialists, we evaluated the potential impact of imprecision in the expected loss models and economic scenario assumptions; emerging risks related to changes in the environment impacting specific portfolio segments and portfolio concentrations. We also evaluated and tested internal and external data used in the qualitative adjustments by agreeing significant inputs and underlying data to internal and external sources.

We evaluated the overall ACL amount, including model estimates and adjustments, qualitative factors adjustments, and whether the recorded ACL appropriately reflects expected credit losses on the loan and lease portfolio and unfunded credit commitments. We reviewed historical loss statistics, peer-bank information, subsequent events and transactions and considered whether they corroborate or contradict the Company's measurement of the ACL. We searched for and evaluated information that corroborates or contradicts management's forecasted assumptions and related probability weights as well as identification and measurement of adjustments to model estimates and qualitative factors.



We have served as the Company's auditor since 2003.

Minneapolis, Minnesota
February 23, 2026

Consolidated Financial Statements and Notes Table of Contents

Consolidated Financial Statements

Consolidated Balance Sheet 65
Consolidated Statement of Income 66
Consolidated Statement of Comprehensive Income 67
Consolidated Statement of Shareholders' Equity 68
Consolidated Statement of Cash Flows 69

Notes to Consolidated Financial Statements

Note 1 — Significant Accounting Policies 70
Note 2 — Accounting Changes 76
Note 3 — Restrictions on Cash and Due From Banks 77
Note 4 — Investment Securities 78
Note 5 — Loans and Allowance for Credit Losses 81
Note 6 — Leases 89
Note 7 — Accounting for Transfers and Servicing of Financial Assets and Variable Interest Entities 91
Note 8 — Premises and Equipment 92
Note 9 — Mortgage Servicing Rights 93
Note 10 — Intangible Assets 94
Note 11 — Deposits 95
Note 12 — Short-Term Borrowings 96
Note 13 — Long-Term Debt 96
Note 14 — Shareholders' Equity 97
Note 15 — Earnings Per Share 102
Note 16 — Employee Benefits 102
Note 17 — Stock-Based Compensation 106
Note 18 — Income Taxes 107
Note 19 — Derivative Instruments 110
Note 20 — Netting Arrangements for Certain Financial Instruments and Securities Financing Activities 115
Note 21 — Fair Values of Assets and Liabilities 118
Note 22 — Guarantees and Contingent Liabilities 124
Note 23 — Business Segments 127
Note 24 — U.S. Bancorp (Parent Company) 131
Note 25 — Subsequent Events 132

U.S. Bancorp
Consolidated Balance Sheet

At December 31 (Dollars in Millions)	2025	2024
Assets		
Cash and due from banks	$ 46,890	$ 56,502
Investment securities		
Held-to-maturity (fair value $67,079 and $66,275, respectively)	76,170	78,634
Available-for-sale ($294 and $320 pledged as collateral, respectively)[(a)]	90,838	85,992
Loans held for sale (including $2,353 and $2,251 of mortgage loans carried at fair value, respectively)	2,538	2,573
Loans		
Commercial	153,958	139,484
Commercial real estate	48,920	48,859
Residential mortgages	115,885	118,813
Credit card	32,234	30,350
Other retail	40,338	42,326
Total loans	391,335	379,832
Less allowance for loan losses	(7,605)	(7,583)
Net loans	383,730	372,249
Premises and equipment	3,768	3,565
Goodwill	12,635	12,536
Other intangible assets	4,904	5,547
Other assets (including $2,585 and $7,501 of trading securities at fair value pledged as collateral, respectively)[(a)]	70,872	60,720
Total assets	$ 692,345	$ 678,318
Liabilities and Shareholders' Equity		
Deposits		
Noninterest-bearing	$ 84,116	$ 84,158
Interest-bearing (including $718 and $5,754 of time deposits carried at fair value, respectively)	438,100	434,151
Total deposits	522,216	518,309
Short-term borrowings	17,162	15,518
Long-term debt (including $1,414 and $391 of long-term debt carried at fair value, respectively)	60,764	58,002
Other liabilities	26,552	27,449
Total liabilities	626,694	619,278
Shareholders' equity		
Preferred stock	6,808	6,808
Common stock, $.01 par value per share, authorized: 4,000,000,000 shares; issued: 2025 and 2024 —2,125,725,742 shares	21	21
Capital surplus	8,728	8,715
Retained earnings	80,906	76,863
Less cost of common stock in treasury: 2025 — 570,328,105 shares; 2024 — 565,929,654 shares	(24,283)	(24,065)
Accumulated other comprehensive income (loss)	(6,987)	(9,764)
Total U.S. Bancorp shareholders' equity	65,193	58,578
Noncontrolling interests	458	462
Total equity	65,651	59,040
Total liabilities and equity	$ 692,345	$ 678,318

(a) Includes only collateral pledged by the Company where counterparties have the right to sell or pledge the collateral.
See Notes to Consolidated Financial Statements.

U.S. Bancorp
Consolidated Statement of Income

Year Ended December 31 (Dollars and Shares in Millions, Except Per Share Data)	2025	2024	2023
Interest Income			
Loans	$ 22,368	$ 23,009	$ 22,324
Loans held for sale	165	173	147
Investment securities	5,398	5,111	4,485
Other interest income	3,039	3,373	3,051
Total interest income	30,970	31,666	30,007
Interest Expense			
Deposits	10,151	11,688	8,775
Short-term borrowings	1,373	1,107	1,971
Long-term debt	2,797	2,582	1,865
Total interest expense	14,321	15,377	12,611
Net interest income	16,649	16,289	17,396
Provision for credit losses	2,186	2,238	2,275
Net interest income after provision for credit losses	14,463	14,051	15,121
Noninterest Income			
Card revenue	1,735	1,679	1,630
Corporate payment products revenue	765	773	759
Merchant processing services	1,792	1,714	1,659
Trust and investment management fees	2,869	2,660	2,459
Service charges	1,302	1,253	1,306
Capital markets revenue	1,633	1,523	1,372
Mortgage banking revenue	645	627	540
Investment products fees	375	330	279
Securities gains (losses), net	(61)	(154)	(145)
Other	836	641	758
Total noninterest income	11,891	11,046	10,617
Noninterest Expense			
Compensation and employee benefits	10,327	10,554	10,416
Net occupancy and equipment	1,227	1,246	1,266
Professional services	468	491	560
Marketing and business development	705	619	726
Technology and communications	2,211	2,074	2,049
Other intangibles	498	569	636
Merger and integration charges	—	155	1,009
Other	1,401	1,480	2,211
Total noninterest expense	16,837	17,188	18,873
Income before income taxes	9,517	7,909	6,865
Applicable income taxes	1,921	1,580	1,407
Net income	7,596	6,329	5,458
Net (income) loss attributable to noncontrolling interests	(26)	(30)	(29)
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429
Net income applicable to U.S. Bancorp common shareholders	$ 7,194	$ 5,909	$ 5,051
Earnings per common share	$ 4.62	$ 3.79	$ 3.27
Diluted earnings per common share	$ 4.62	$ 3.79	$ 3.27
Average common shares outstanding	1,557	1,560	1,543
Average diluted common shares outstanding	1,558	1,561	1,543

See Notes to Consolidated Financial Statements.

U.S. Bancorp
Consolidated Statement of Comprehensive Income

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Net income	$ 7,596	$ 6,329	$ 5,458
Other Comprehensive Income (Loss)			
Changes in unrealized gains (losses) on investment securities available-for-sale	2,355	(60)	1,500
Changes in unrealized gains (losses) on derivative hedges	400	(676)	(252)
Changes in debit valuation adjustments	(15)	1	—
Foreign currency translation	1	18	21
Changes in unrealized gains (losses) on retirement plans	212	245	(262)
Reclassification to earnings of realized (gains) losses	777	910	748
Income taxes related to other comprehensive income (loss)	(953)	(106)	(444)
Total other comprehensive income (loss)	2,777	332	1,311
Comprehensive income (loss)	10,373	6,661	6,769
Comprehensive (income) loss attributable to noncontrolling interests	(26)	(30)	(29)
Comprehensive income (loss) attributable to U.S. Bancorp	$ 10,347	$ 6,631	$ 6,740

See Notes to Consolidated Financial Statements.

U.S. Bancorp
Consolidated Statement of Shareholders' Equity

(Dollars and Shares in Millions, Except Per Share Data)	U.S. Bancorp Shareholders									
	Common Shares Outstanding	Preferred Stock	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total U.S. Bancorp Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance December 31, 2022	1,531	$ 6,808	$ 21	$ 8,712	$ 71,901	$ (25,269)	$ (11,407)	$ 50,766	$ 466	$ 51,232
Change in accounting principle[a]					46			46		46
Net income (loss)					5,429			5,429	29	5,458
Other comprehensive income (loss)							1,311	1,311		1,311
Preferred stock dividends[b]					(350)			(350)		(350)
Common stock dividends ($1.93 per share)					(3,000)			(3,000)		(3,000)
Issuance of common and treasury stock	28			(264)		1,205		941		941
Purchase of treasury stock	(1)					(62)		(62)		(62)
Distributions to noncontrolling interests								—	(29)	(29)
Net other changes in noncontrolling interests								—	(1)	(1)
Stock option and restricted stock grants				225				225		225
Balance December 31, 2023	1,558	$ 6,808	$ 21	$ 8,673	$ 74,026	$ (24,126)	$ (10,096)	$ 55,306	$ 465	$ 55,771
Net income (loss)					6,299			6,299	30	6,329
Other comprehensive income (loss)							332	332		332
Preferred stock dividends[c]					(352)			(352)		(352)
Common stock dividends ($1.98 per share)					(3,110)			(3,110)		(3,110)
Issuance of common and treasury stock	6			(199)		234		35		35
Purchase of treasury stock	(4)					(173)		(173)		(173)
Distributions to noncontrolling interests								—	(30)	(30)
Net other changes in noncontrolling interests								—	(3)	(3)
Stock option and restricted stock grants				241				241		241
Balance December 31, 2024	1,560	$ 6,808	$ 21	$ 8,715	$ 76,863	$ (24,065)	$ (9,764)	$ 58,578	$ 462	$ 59,040
Net income (loss)					7,570			7,570	26	7,596
Other comprehensive income (loss)							2,777	2,777		2,777
Preferred stock dividends[d]					(329)			(329)		(329)
Common stock dividends ($2.04 per share)					(3,198)			(3,198)		(3,198)
Issuance of common and treasury stock	6			(226)		272		46		46
Purchase of treasury stock	(11)					(490)		(490)		(490)
Distributions to noncontrolling interests								—	(26)	(26)
Net other changes in noncontrolling interests								—	(4)	(4)
Stock option and restricted stock grants				239				239		239
Balance December 31, 2025	1,555	$ 6,808	$ 21	$ 8,728	$ 80,906	$ (24,283)	$ (6,987)	$ 65,193	$ 458	$ 65,651

(a) Effective January 1, 2023, the Company adopted accounting guidance which removed the separate recognition and measurement of troubled debt restructurings. Upon adoption, the Company reduced its allowance for credit losses and increased retained earnings net of deferred taxes through a cumulative-effect adjustment.

(b) Reflects dividends declared per share on the Company's Series A, Series B, Series J, Series K, Series L, Series M, Series N, and Series O Non-Cumulative Perpetual Preferred Stock of $6,439.904, $1,503.518, $1,325.00, $1,375.00, $937.50, $1,000.00, $925.00, and $1,125.00, respectively.

(c) Reflects dividends declared per share on the Company's Series A, Series B, Series J, Series K, Series L, Series M, Series N, and Series O Non-Cumulative Perpetual Preferred Stock of $6,537.806, $1,527.702, $1,325.00, $1,375.00, $937.50, $1,000.00, $925.00, and $1,125.00, respectively.

(d) Reflects dividends declared per share on the Company's Series A, Series B, Series J, Series K, Series L, Series M, Series N and Series O Non-Cumulative Perpetual Preferred Stock of $5,551.953, $1,281.530, $1,325.00, $1,375.00, $937.50, $1,000.00, $925.00, and $1,125.00, respectively.

See Notes to Consolidated Financial Statements.

U.S. Bancorp
Consolidated Statement of Cash Flows

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Operating Activities			
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429
Adjustments to reconcile net income to net cash provided by operating activities			
Provision for credit losses	2,186	2,238	2,275
Depreciation and amortization of premises and equipment	377	370	382
Amortization of intangibles	498	569	636
(Gain) loss on sale of loans held for sale	(257)	(184)	7
(Gain) loss on sale of securities and other assets	1	123	119
Loans originated for sale, net of repayments	(22,116)	(24,225)	(26,936)
Proceeds from sales of loans held for sale	22,019	24,008	26,686
Other, net	(2,308)	2,152	(205)
Net cash provided by operating activities	7,970	11,350	8,393
Investing Activities			
Proceeds from sales of available-for-sale investment securities	7,118	13,125	11,209
Proceeds from maturities of held-to-maturity investment securities	6,940	6,161	6,164
Proceeds from maturities of available-for-sale investment securities	6,981	6,006	6,314
Purchases of held-to-maturity investment securities	(3,956)	(246)	(932)
Purchases of available-for-sale investment securities	(15,858)	(35,886)	(8,342)
Net (increase) decrease in loans outstanding	(18,043)	(7,278)	3,829
Proceeds from sales of loans	6,797	645	5,707
Purchases of loans	(1,532)	(1,264)	(1,106)
Net increase in securities purchased under agreements to resell	(5,988)	(3,859)	(2,404)
Net cash paid for acquisitions	(36)	(103)	(330)
Other, net	(2,961)	(1,835)	(1,184)
Net cash (used in) provided by investing activities	(20,538)	(24,534)	18,925
Financing Activities			
Net increase (decrease) in deposits	3,330	6,251	(12,567)
Net increase (decrease) in short-term borrowings	1,644	239	(16,508)
Proceeds from issuance of long-term debt	10,360	12,017	15,583
Principal payments or redemption of long-term debt	(9,052)	(6,042)	(4,084)
Proceeds from issuance of common stock	45	32	951
Repurchase of common stock	(489)	(173)	(62)
Cash dividends paid on preferred stock	(334)	(356)	(341)
Cash dividends paid on common stock	(3,168)	(3,092)	(2,970)
Other, net	(86)	(55)	—
Net cash provided by (used in) financing activities	2,250	8,821	(19,998)
Effect of exchange rate changes on cash and due from banks	706	(327)	330
Change in cash and due from banks	(9,612)	(4,690)	7,650
Cash and due from banks at beginning of period	56,502	61,192	53,542
Cash and due from banks at end of period	$ 46,890	$ 56,502	$ 61,192
Supplemental Cash Flow Disclosures			
Cash paid for income taxes	$ 544	$ 499	$ 645
Cash paid for interest	14,388	15,382	12,282
Net noncash transfers to foreclosed property	27	24	26
Acquisitions			
Assets acquired (sold)	$ 43	$ 106	$ (83)
Liabilities (assumed) sold	(7)	(3)	413
Net	$ 36	$ 103	$ 330

See Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

NOTE 1 Significant Accounting Policies

U.S. Bancorp is a financial services holding company headquartered in Minneapolis, Minnesota, serving millions of local, national and global customers. U.S. Bancorp and its subsidiaries (the "Company") provide a full range of financial services, including lending and depository services through banking offices principally in the Midwest and West regions of the United States, through online services, over mobile devices and through other distribution channels. The Company also engages in credit card, merchant, and ATM processing, mortgage banking, cash management, capital markets, insurance, trust and investment management, brokerage, and leasing activities, principally in domestic markets.

Basis of Presentation The consolidated financial statements include the accounts of the Company and its subsidiaries and all VIEs for which the Company has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance, and the obligation to absorb losses or right to receive benefits of the VIE that could potentially be significant to the VIE. Consolidation eliminates intercompany accounts and transactions. Certain items in prior periods have been reclassified to conform to the current period presentation.

Uses of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual experience could differ from those estimates and assumptions.

Securities

Realized gains or losses on securities are determined on a trade date basis based on the specific amortized cost of the investments sold.

Trading Securities Securities held for resale are classified as trading securities and are included in other assets and reported at fair value. Changes in fair value and realized gains or losses are reported in noninterest income.

Available-for-sale Securities Debt securities that are not trading securities but may be sold before maturity in response to changes in the Company's interest rate risk profile, funding needs, demand for collateralized deposits by public entities or other reasons are carried at fair value with unrealized net gains or losses reported within other comprehensive income (loss). Declines in fair value related to credit, if any, are recorded through the establishment of an allowance for credit losses.

Held-to-maturity Securities Debt securities for which the Company has the positive intent and ability to hold to maturity are reported at historical cost adjusted for amortization of premiums and accretion of discounts. Expected credit losses, if any, are recorded through the establishment of an allowance for credit losses.

Securities Purchased Under Agreements to Resell and Securities Sold Under Agreements to Repurchase Securities purchased under agreements to resell and securities sold under agreements to repurchase are accounted for as collateralized financing transactions with a receivable or payable recorded at the amounts at which the securities were acquired or sold, plus accrued interest. Collateral requirements are continually monitored and additional collateral is received or provided as required. The Company records a receivable or payable for cash collateral paid or received.

Equity Investments

Equity investments in entities where the Company has a significant influence (generally between 20 percent and 50 percent ownership), but does not control the entity, are accounted for using the equity method. Investments in limited partnerships and similarly structured limited liability companies where the Company's ownership interest is greater than 5 percent are accounted for using the equity method. Equity investments not using the equity method are accounted for at fair value with changes in fair value and realized gains or losses reported in noninterest income, unless fair value is not readily determinable, in which case the investment is carried at cost subject to adjustments for any observable market transactions on the same or similar instruments of the investee. Most of the Company's equity investments do not have readily determinable fair values. All equity investments are evaluated for impairment at least annually and more frequently if certain criteria are met.

Loans

The Company offers a broad array of lending products and categorizes its loan portfolio into two segments, which is the level at which it develops and documents a systematic methodology to determine the allowance for credit losses. The Company's two loan portfolio segments are commercial lending and consumer lending. The Company further disaggregates its loan portfolio segments into various classes based on their underlying risk characteristics. The two classes within the commercial lending segment are commercial loans and commercial real estate loans. The three classes within the consumer lending segment are residential mortgages, credit card loans and other retail loans.

Originated Loans Held for Investment Loans the Company originates as held for investment are reported at the principal amount outstanding, net of unearned interest income and deferred fees and costs, and any direct principal charge-offs. Interest income is accrued on the unpaid principal balances as earned. Loan and commitment fees and certain direct loan origination costs

are deferred and recognized over the life of the loan and/or commitment period as yield adjustments.

Purchased Loans All purchased loans are recorded at fair value at the date of purchase and those acquired on or after January 1, 2020 are divided into those considered PCD and those not considered PCD. An allowance for credit losses is established for each population and considers product mix, risk characteristics of the portfolio, delinquency status and refreshed loan-to-value ratios when possible. The allowance established for purchased loans not considered PCD is recognized through provision expense upon acquisition, whereas the allowance established for loans considered PCD at acquisition is offset by an increase in the basis of the acquired loans. Any subsequent increases and decreases in the allowance related to purchased loans, regardless of PCD status, are recognized through provision expense, with charge-offs charged to the allowance.

Commitments to Extend Credit Unfunded commitments for residential mortgage loans intended to be held for sale are considered derivatives and recorded in other assets and other liabilities on the Consolidated Balance Sheet at fair value with changes in fair value recorded in noninterest income. All other unfunded loan commitments are not considered derivatives and are not reported on the Consolidated Balance Sheet. Reserves for credit exposure on all other unfunded credit commitments are recorded in other liabilities.

Allowance for Credit Losses The allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, net of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs. Management evaluates the appropriateness of the allowance for credit losses on a quarterly basis.

Multiple economic scenarios are considered over a three-year reasonable and supportable forecast period, which includes increasing consideration of historical loss experience over years two and three. These economic scenarios are constructed with interrelated projections of multiple economic variables, and loss estimates are produced that consider the historical correlation of those economic variables with credit losses. After the forecast period, the Company fully reverts to long-term historical loss experience, adjusted for expected prepayments and characteristics of the current loan and lease portfolio, to estimate losses over the remaining life of the portfolio. The economic scenarios are updated at least quarterly and are designed to provide a range of reasonable estimates, both better and worse than current expectations. Scenarios are weighted based on the Company's expectation of economic conditions for the foreseeable future and reflect significant judgment and consideration of economic forecast uncertainty. Final loss estimates also consider factors affecting credit losses not reflected in the scenarios, due to the unique aspects of current conditions and expectations. These factors may include, but are not limited to, loan servicing practices, regulatory guidance, and/or fiscal and monetary policy actions.

The allowance recorded for credit losses utilizes forward-looking expected loss models to consider a variety of factors affecting lifetime credit losses. These factors include, but are not limited to, macroeconomic variables such as unemployment rates, real estate prices, gross domestic product levels, inflation, interest rates and corporate bonds spreads, as well as loan and borrower characteristics, such as internal risk ratings on commercial loans and consumer credit scores, delinquency status, collateral type and available valuation information, consideration of end-of-term losses on lease residuals, and the remaining term of the loan, adjusted for expected prepayments. For each loan portfolio, including those loans modified under various loan modification programs, model estimates are adjusted as necessary to consider any relevant changes in portfolio composition, lending policies, underwriting standards, risk management practices, economic conditions or other factors that would affect the accuracy of the model. Expected credit loss estimates also include consideration of expected cash recoveries on loans previously charged-off or expected recoveries on collateral dependent loans where recovery is expected through sale of the collateral at fair value less selling costs. Where loans do not exhibit similar risk characteristics, an individual analysis is performed to consider expected credit losses. For loans and leases that do not share similar risk characteristics with a pool of loans, the Company establishes individually assessed reserves. Reserves for larger individual nonperforming loans in the commercial lending segment are analyzed utilizing expected cash flows discounted using the original effective interest rate, the observable market price of the loan, or the fair value of the collateral, less selling costs, for collateral-dependent loans as appropriate. For smaller commercial loans collectively evaluated for impairment, historical loss experience is also incorporated into the allowance methodology applied to this category of loans.

The Company's methodology for determining the appropriate allowance for credit losses also considers the imprecision inherent in the methodologies used and allocated to the various loan portfolios. As a result, amounts determined under the methodologies described above are adjusted by management to consider the potential impact of other qualitative factors not captured in the quantitative model adjustments which include, but are not limited to, the following: model imprecision, imprecision in economic scenario assumptions, and emerging risks related to either changes in the environment that are affecting specific portfolios, or changes in portfolio concentrations over time that may affect model performance. The consideration of these items results in adjustments to allowance amounts included in the Company's allowance for credit losses for each loan portfolio.

The Company also assesses the credit risk associated with off-balance sheet loan commitments and letters of credit. The liability for off-balance sheet credit exposure related to loan commitments and other credit guarantees is

included in other liabilities. Because business processes and credit risks associated with unfunded credit commitments are essentially the same as for loans, the Company utilizes similar processes to estimate its liability for unfunded credit commitments.

The results of the analysis are evaluated quarterly to confirm the estimates are appropriate for each specific loan portfolio, as well as the entire loan portfolio, as the entire allowance for credit losses is available for the entire loan portfolio.

Credit Quality The credit quality of the Company's loan portfolios is assessed as a function of net credit losses, levels of nonperforming assets and delinquencies, and credit quality ratings as defined by the Company.

For all loan portfolio classes, loans are considered past due based on the number of days delinquent except for monthly amortizing loans which are classified delinquent based upon the number of contractually required payments not made (for example, two missed payments is considered 30 days delinquent). When a loan is placed on nonaccrual status, unpaid accrued interest is reversed, reducing interest income in the current period.

Commercial lending segment loans are generally placed on nonaccrual status when the collection of principal and interest has become 90 days past due or is otherwise considered doubtful. Commercial lending segment loans are generally fully charged down if unsecured by collateral or partially charged down to the fair value of the collateral securing the loan, less costs to sell, when the loan is placed on nonaccrual.

Consumer lending segment loans are generally charged-off at a specific number of days or payments past due. Residential mortgages and other retail loans secured by 1-4 family properties are generally charged down to the fair value of the collateral securing the loan, less costs to sell, at 180 days past due. Residential mortgage loans and lines in a first lien position are placed on nonaccrual status in instances where a partial charge-off occurs unless the loan is well secured and in the process of collection. Residential mortgage loans and lines in a junior lien position secured by 1-4 family properties are placed on nonaccrual status at 120 days past due or when they are behind a first lien that has become 180 days or greater past due or placed on nonaccrual status. Any secured consumer lending segment loan whose borrower has had debt discharged through bankruptcy, for which the loan amount exceeds the fair value of the collateral, is charged down to the fair value of the related collateral and the remaining balance is placed on nonaccrual status. Credit card loans continue to accrue interest until the account is charged-off. Credit cards are charged-off at 180 days past due. Other retail loans not secured by 1-4 family properties are charged-off at 120 days past due, and revolving consumer lines are charged-off at 180 days past due. Similar to credit cards, other retail loans are generally not placed on nonaccrual status because of the relative short period of time to charge-off. Certain retail customers having financial difficulties may have the terms of their credit card and other loan agreements modified to require only principal payments and, as such, are reported as nonaccrual.

For all loan classes, interest payments received on nonaccrual loans are generally recorded as a reduction to a loan's carrying amount while a loan is on nonaccrual and are recognized as interest income upon payoff of the loan. However, interest income may be recognized for interest payments if the remaining carrying amount of the loan is believed to be collectible. In certain circumstances, loans in any class may be restored to accrual status, such as when a loan has demonstrated sustained repayment performance or no amounts are past due and prospects for future payment are no longer in doubt or when the loan becomes well secured and is in the process of collection. Loans where there has been a partial charge-off may be returned to accrual status if all principal and interest (including amounts previously charged-off) is expected to be collected and the loan is current.

The Company classifies its loan portfolio classes using internal credit quality ratings on a quarterly basis. These ratings include pass, special mention and classified, and are an important part of the Company's overall credit risk management process and evaluation of the allowance for credit losses. Loans with a pass rating represent those loans not classified on the Company's rating scale for problem credits, as minimal credit risk has been identified. Special mention loans are those loans that have a potential weakness deserving management's close attention. Classified loans are those loans where a well-defined weakness has been identified that may put full collection of contractual cash flows at risk. It is possible that others, given the same information, may reach different reasonable conclusions regarding the credit quality rating classification of specific loans.

Loan Modifications In certain circumstances, the Company may modify the terms of a loan to maximize the collection of amounts due when a borrower is experiencing financial difficulties or is expected to experience difficulties in the near-term. The Company recognizes interest on modified loans if full collection of contractual principal and interest is expected. The effects of modifications on credit loss expectations, such as improved payment capacity, longer expected lives and other factors, are considered when measuring the allowance for credit losses. Modification performance, including redefault rates and how these compare to historical losses, are also considered. Modifications generally do not result in significant changes to the Company's allowance for credit losses.

For the commercial lending segment, modifications generally result in the Company working with borrowers on a case-by-case basis. Commercial and commercial real estate modifications generally include extensions of the maturity date and may be accompanied by an increase or decrease to the interest rate. In addition, the Company may work with the borrower in identifying other changes that mitigate loss to the Company, which may include additional collateral or guarantees to support the loan. To a lesser extent, the Company may provide an interest rate reduction.

Modifications for the consumer lending segment are generally part of programs the Company has initiated. The Company modifies residential mortgage loans under Federal Housing Administration, United States Department of Veterans Affairs, or its own internal programs. Under these programs, the Company offers qualifying homeowners the opportunity to permanently modify their loan and achieve more affordable monthly payments. These modifications may include adjustments to interest rates, conversion of adjustable rates to fixed rates, extension of maturity dates or deferrals of payments, capitalization of accrued interest and/or outstanding advances, or in limited situations, partial forgiveness of loan principal. In some instances, participation in residential mortgage loan modification programs requires the customer to complete a short-term trial period. A permanent loan modification is contingent on the customer successfully completing the trial period arrangement, and the loan documents are not modified until that time.

Credit card and other retail loan modifications are generally part of distinct modification programs providing customers experiencing financial difficulty with modifications whereby balances may be amortized up to 60 months, and generally include waiver of fees and reduced interest rates.

Leases The Company, as a lessor, originates retail and commercial leases either directly to the consumer or indirectly through dealer networks. Retail leases, primarily automobiles, have terms up to 5 years. Commercial leases may include high dollar assets such as aircraft or lower cost items such as office equipment. At lease inception, retail lease customers may be provided with an end-of-term purchase option, which is based on the contractual residual value of the automobile at the expiration of the lease. Automobile leases do not typically contain options to extend or terminate the lease. Equipment leases may contain various types of purchase options. Some option amounts are a stated value, while others are determined using the fair market value at the time of option exercise.

Residual values on leased assets are reviewed regularly for impairment. Residual valuations for retail leases are based on independent assessments of expected used automobile sale prices at the end of the lease term. Impairment tests are conducted based on these valuations considering the probability of the lessee returning the asset to the Company, re-marketing efforts, insurance coverage and ancillary fees and costs. Valuations for commercial leases are based upon external or internal management appraisals. The Company manages its risk to changes in the residual value of leased vehicles, office and business equipment, and other assets through disciplined residual valuation setting at the inception of a lease, diversification of its leased assets, regular residual asset valuation reviews and monitoring of residual value gains or losses upon the disposition of assets. Retail lease residual value risk is mitigated further by the purchase of residual value insurance coverage and effective end-of-term marketing of off-lease vehicles.

The Company, as lessee, leases certain assets for use in its operations. Leased assets primarily include retail branches, operations centers and other corporate locations, and, to a lesser extent, office and computer equipment. For each lease with an original term greater than 12 months, the Company records a lease liability and a corresponding right of use (“ROU”) asset. The Company accounts for the lease and non-lease components in the majority of its lease contracts as a single lease component, with the determination of the lease liability at lease inception based on the present value of the consideration to be paid under the contract. The discount rate used by the Company is determined at commencement of the lease using a secured rate for a similar term as the period of the lease. The Company’s leases do not include significant variable lease payments.

Certain of the Company’s real estate leases include options to extend. Lease extension options are generally exercisable at market rates. Option periods that the Company is reasonably certain that it will exercise are included in the calculation of its ROU assets and lease liabilities.

Other Real Estate OREO is included in other assets, and is property acquired through foreclosure or other proceedings on defaulted loans. OREO is initially recorded at fair value, less estimated selling costs. The fair value of OREO is evaluated regularly and any decreases in value along with holding costs, such as taxes and insurance, are reported in noninterest expense.

Loans Held For Sale

Loans held for sale (“LHFS”) represent mortgage loans intended to be sold in the secondary market and other loans that management has an active plan to sell. LHFS are carried at the lower-of-cost-or-fair value as determined on an aggregate basis by type of loan with the exception of loans for which the Company has elected fair value accounting, which are carried at fair value. Any writedowns to fair value upon the transfer of loans to LHFS are reflected in loan charge-offs.

Where an election is made to carry the LHFS at fair value, any change in fair value is recognized in noninterest income. Where an election is made to carry LHFS at lower-of-cost-or-fair value, any further decreases are recognized in noninterest income and increases in fair value above the loan cost basis are not recognized until the loans are sold. Fair value elections are made at the time of origination or purchase based on the Company’s fair value election policy. The Company has elected fair value accounting for substantially all its MLHFS.

Derivative Financial Instruments

In the ordinary course of business, the Company enters into derivative transactions to manage various risks and to accommodate the business requirements of its customers. Derivative instruments are reported in other assets or other liabilities at fair value. Changes in a derivative’s fair value are recognized currently in earnings unless specific hedge accounting criteria are met.

All derivative instruments that qualify and are designated for hedge accounting are recorded at fair value

and classified as either a hedge of the fair value of a recognized asset or liability (“fair value hedge”); a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (“cash flow hedge”); or a hedge of the volatility of a net investment in foreign operations driven by changes in foreign currency exchange rates (“net investment hedge”). Changes in the fair value of a derivative that is highly effective and designated as a fair value hedge, and the offsetting changes in the fair value of the hedged item, are recorded in earnings. Changes in the fair value of a derivative that is highly effective and designated as a cash flow hedge are recorded in other comprehensive income (loss) until cash flows of the hedged item are realized. Changes in the fair value of net investment hedges that are highly effective are recorded in other comprehensive income (loss). The Company performs an assessment, at inception and, at a minimum, quarterly thereafter, to determine the effectiveness of the derivative in offsetting changes in the value or cash flows of the hedged item(s).

If a derivative designated as a cash flow hedge is terminated or ceases to be highly effective, the gain or loss in other comprehensive income (loss) is amortized to earnings over the period the forecasted hedged transactions impact earnings. If a hedged forecasted transaction is no longer probable, hedge accounting is ceased and any gain or loss included in other comprehensive income (loss) is reported in earnings immediately, unless the forecasted transaction is at least reasonably possible of occurring, whereby the amounts remain within other comprehensive income (loss).

Revenue Recognition

In the ordinary course of business, the Company recognizes income derived from various revenue generating activities. Certain revenues are generated from contracts where they are recognized when, or as services or products are transferred to customers for amounts the Company expects to be entitled. Revenue generating activities related to financial assets and liabilities are also recognized, including mortgage servicing fees, loan commitment fees, foreign currency remeasurements, and gains and losses on securities, equity investments and unconsolidated subsidiaries. Certain specific policies include the following:

Card Revenue Card revenue includes interchange from credit, debit and stored-value cards processed through card association networks, annual fees, and other transaction and account management fees. Interchange rates are generally set by the card associations and based on purchase volumes and other factors. The Company records interchange as services are provided. Transaction and account management fees are recognized as services are provided, except for annual fees which are recognized over the applicable period. Costs for rewards programs and certain payments to partners and card associations are also recorded within card revenue when services are provided. The Company predominately records card revenue within the Payment Services business segment.

Corporate Payment Products Revenue Corporate payment products revenue primarily includes interchange from commercial card products processed through card association networks and revenue from proprietary network transactions. The Company records corporate payment products revenue as services are provided. Certain payments to card associations and customers are also recorded within corporate payment products revenue as services are provided. Corporate payment products revenue is recorded within the Payment Services business segment.

Merchant Processing Services Merchant processing services revenue consists principally of merchant discount and other transaction and account management fees charged to merchants for the electronic processing of card association network transactions, less interchange paid to the card-issuing bank, card association assessments, and revenue sharing amounts. All of these are recognized at the time the merchant’s services are performed. The Company may enter into revenue sharing agreements with referral partners or in connection with purchases of merchant contracts from sellers. The revenue sharing amounts are determined primarily on sales volume processed or revenue generated for a particular group of merchants. Merchant processing revenue also includes revenues related to point-of-sale equipment recorded as sales when the equipment is shipped or as earned for equipment rentals. The Company records merchant processing services revenue within the Payment Services business segment.

Trust and Investment Management Fees Trust and investment management fees are recognized over the period in which services are performed and are based on a percentage of the fair value of the assets under management or administration, fixed based on account type, or transaction-based fees. Services provided to clients include trustee, transfer agent, custodian, fiscal agent, escrow, fund accounting and administration services. Services provided to mutual funds may include selling, distribution and marketing services. Trust and investment management fees are predominately recorded within the Wealth, Corporate, Commercial and Institutional Banking business segment.

Service Charges Service charges include fees received on deposit accounts under depository agreements with customers to provide access to deposited funds, serve as a custodian of funds, and when applicable, pay interest on deposits. Checking or savings accounts may contain fees for various services used on a day-to-day basis by a customer. Fees are recognized as services are delivered to and consumed by the customer, or as fees are charged. Service charges also include revenue generated from ATM transaction processing and settlement services which is recognized at the time the services are performed. Certain payments to partners and card associations related to ATM processing services are also recorded within service charges as services are provided. Further, revenue generated from treasury management services are included in service charges and include fees for a broad

range of products and services that enable customers to manage their cash more efficiently. These products and services include cash and investment management, receivables management, disbursement services, funds transfer services, and information reporting. Treasury management revenue is recognized as products and services are provided to customers. The Company reflects a discount calculated on monthly average collected customer balances. Service charges are reported primarily within the Wealth, Corporate, Commercial and Institutional Banking, and Consumer and Business Banking business segments.

Capital Markets Revenue Capital markets revenue primarily includes revenue related to ancillary services provided to Wealth, Corporate, Commercial and Institutional Banking, and Consumer and Business Banking customers, including underwriting fees, standby letter of credit fees, non-yield related loan fees, loan and syndication fees, and revenue recognized on customer-related derivatives and sales of direct financing leases. The Company charges underwriting fees when leading or participating with a group of underwriters in raising investment capital on behalf of securities issuers. These fees are recognized at securities issuance. The Company, in its role as lead underwriter, arranges deal structuring and use of outside vendors for the underwriting group. The Company recognizes only those fees and expenses related to its underwriting commitment. Sales of direct financing leases are recognized at point of sale.

Mortgage Banking Revenue Mortgage banking revenue includes revenue derived from mortgages originated and subsequently sold, generally with servicing retained. The primary components include: gains and losses on mortgage sales; servicing revenue; changes in fair value for mortgage loans originated with the intent to sell and measured at fair value under the fair value option; changes in fair value for derivative commitments to purchase and originate mortgage loans; changes in the fair value of MSRs; and the impact of risk management activities associated with the mortgage origination pipeline, funded loans and MSRs. Net interest income from mortgage loans is recorded in interest income. Refer to Other Significant Policies in Note 1, as well as Note 9 and Note 21 for a further discussion of MSRs. Mortgage banking revenue is reported within the Consumer and Business Banking business segment.

Investment Products Fees Investment products fees include commissions related to the execution of requested security trades, distribution fees from sale of mutual funds, and investment advisory fees. Commissions and investment advisory fees are recognized as services are delivered to and utilized by the customer. Distribution fees are received over time, are dependent on the consumer maintaining their mutual fund asset position and the value of such position. These revenues are estimated and recognized at the point a significant reversal of revenue becomes remote. Investment products fees are predominately reported within the Wealth, Corporate, Commercial and Institutional Banking business segment.

Other Noninterest Income Other noninterest income is primarily related to financial assets including income on unconsolidated subsidiaries and equity method investments, gains on sale of other investments and corporate owned life insurance proceeds. The Company reports other noninterest income across all business segments.

Other Significant Policies

Goodwill and Other Intangible Assets Goodwill is recorded on acquired businesses if the purchase price exceeds the fair value of the net assets acquired. Goodwill is not amortized but is subject, at a minimum, to annual tests for impairment at a reporting unit level. In certain situations, an interim impairment test may be required if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Determining the amount of goodwill impairment, if any, includes assessing whether the carrying value of a reporting unit exceeds its fair value. Other intangible assets are recorded at their fair value upon completion of a business acquisition or certain other transactions, and include core deposits benefits and the value of customer contracts or relationships. Other intangible assets are amortized over their estimated useful lives, using straight-line and accelerated methods and are reviewed for impairment when indicators of impairment are present. Determining the amount of other intangible asset impairment, if any, includes assessing the present value of the estimated future cash flows associated with the intangible asset and comparing it to the carrying amount of the asset.

Income Taxes Deferred taxes are recorded to reflect the tax consequences on future years of differences between the tax basis of assets and liabilities and their financial reporting carrying amounts. The Company uses the deferral method of accounting on investments that generate investment tax credits. Under this method, the investment tax credits are recognized as a reduction to the related asset. For investments in qualified affordable housing projects and certain other tax-advantaged investments, the Company presents the expense in tax expense rather than noninterest expense.

Mortgage Servicing Rights MSRs are capitalized as separate assets when loans are sold and servicing is retained or if they are purchased from others. MSRs are recorded at fair value. The Company determines the fair value by estimating the present value of the asset's future cash flows utilizing market-based prepayment rates, option adjusted spread, and other assumptions validated through comparison to trade information, industry surveys and independent third-party valuations. Changes in the fair value of MSRs are recorded in earnings as mortgage banking revenue during the period in which they occur.

Pensions For purposes of its pension plans, the Company utilizes its fiscal year-end as the measurement date. At the measurement date, plan assets are determined based on fair value, generally representing observable market prices

or the net asset value provided by the funds' trustee or administrator. The actuarial cost method used to compute the pension liabilities and related expense is the projected unit credit method. The projected benefit obligation is principally determined based on the present value of projected benefit distributions at an assumed discount rate. The discount rate utilized is based on the investment yield of high quality corporate bonds available in the marketplace with maturities equal to projected cash flows of future benefit payments as of the measurement date. Periodic pension expense (or income) includes service costs, interest costs based on the assumed discount rate, the expected return on plan assets based on an actuarially derived market-related value and amortization of actuarial gains and losses. Service cost is included in compensation and employee benefits expense on the Consolidated Statement of Income, with all other components of periodic pension expense included in other noninterest expense on the Consolidated Statement of Income.

Pension accounting reflects the long-term nature of benefit obligations and the investment horizon of plan assets, and can have the effect of reducing earnings volatility related to short-term changes in interest rates and market valuations. Actuarial gains and losses include the impact of plan amendments and various unrecognized gains and losses which are deferred, and to the extent exceed 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets, are amortized over the future service periods of active employees or the remaining life expectancies of inactive participants. The market-related value utilized to determine the expected return on plan assets is based on fair value adjusted for the difference between expected returns and actual performance of plan assets. The unrealized difference between actual experience and expected returns is included in expense over a period of approximately 15 years for active employees and approximately 30 years for inactive participants. The overfunded or underfunded status of each plan is recorded as an asset or liability on the Consolidated Balance Sheet, with changes in that status recognized through other comprehensive income (loss).

Premises and Equipment Premises and equipment are stated at cost less accumulated depreciation and depreciated primarily on a straight-line basis over the estimated life of the assets. Estimated useful lives range up to 40 years for newly constructed buildings and from 3 to 25 years for furniture and equipment.

The Company, as lessee, records an ROU asset for each lease with an original term greater than 12 months. ROU assets are included in premises and equipment, with the corresponding lease liabilities included in long-term debt and other liabilities.

Capitalized Software The Company capitalizes certain costs associated with the acquisition or development of internal-use software. Once the software is ready for its intended use, these costs are amortized on a straight-line basis over the software's expected useful life and reviewed for impairment on an ongoing basis. Estimated useful lives are generally 3 to 5 years, but may range up to 7 years. Capitalized software costs are included in other assets.

Stock-Based Compensation The Company grants stock-based awards, which may include restricted stock, restricted stock units and options to purchase common stock of the Company. Restricted stock and restricted stock unit grants are awarded at no cost to the recipient. Stock option grants are for a fixed number of shares to employees and directors with an exercise price equal to the fair value of the shares at the date of grant. Stock-based compensation for awards is recognized in the Company's results of operations over the vesting period. The Company accelerates recognition of compensation cost on awards to employees that meet retirement status, despite their continued active employment. Previously recognized compensation on forfeited awards is reversed in the period the awards are forfeited. As compensation expense is recognized, a deferred tax asset is recorded that represents an estimate of the future tax deduction from exercise or release of restrictions. At the time stock-based awards are exercised, cancelled, expire, or restrictions are released, the Company may be required to recognize an adjustment to tax expense, depending on the market price of the Company's common stock at that time.

Per Share Calculations Earnings per common share is calculated using the two-class method under which earnings are allocated to common shareholders and holders of participating securities. Unvested stock-based compensation awards that contain nonforfeitable rights to dividends or dividend equivalents are considered participating securities under the two-class method. Net income applicable to U.S. Bancorp common shareholders is then divided by the weighted-average number of common shares outstanding to determine earnings per common share. Diluted earnings per common share is calculated by adjusting income and outstanding shares, assuming conversion of all potentially dilutive securities.

NOTE 2 Accounting Changes

Income Taxes – Improvements to Income Tax Disclosures Effective with the 2025 annual reporting period, the Company adopted guidance on a retrospective basis, issued by the Financial Accounting Standards Board ("FASB") in December 2023, related to income tax disclosures. This guidance requires additional information in income tax rate reconciliation disclosures and additional disclosures about income taxes paid. The adoption of this guidance was not material to the Company's financial statements.

Hedge Accounting Improvements In November 2025, the FASB issued guidance, effective for the Company for annual reporting periods beginning after December 15, 2026, related to hedge accounting. This guidance seeks to align hedge accounting with the economics of an entity's risk management activities. The guidance is to be adopted on a prospective basis with an election to adopt the guidance for hedging relationships that exist on the date of

adoption. The Company expects the adoption of this guidance will not be material to its financial statements.

Accounting for Credit Losses on Purchased Loans In November 2025, the FASB issued guidance, effective for the Company for annual reporting periods beginning after December 15, 2026, related to accounting for credit losses on purchased loans. This guidance requires the allowance established for certain loans that are acquired without credit deterioration, excluding credit cards, be offset by an increase in the basis of the acquired loans at acquisition. The guidance is to be adopted on a prospective basis to loans that are acquired on or after the adoption date.

Targeted Improvements to the Accounting for Internal-Use Software In September 2025, the FASB issued guidance, effective for the Company for annual reporting periods beginning after December 15, 2027, related to accounting for internal-use software. This guidance makes targeted improvements to modernize accounting for software costs, including when determining the starting point for capitalization. The guidance allows adoption using several transition methods. The Company expects the adoption of this guidance will not be material to its financial statements.

NOTE 3 Restrictions on Cash and Due from Banks

Banking regulators require bank subsidiaries to maintain minimum average reserve balances, either in the form of vault cash or reserve balances held with central banks or other financial institutions. The amount of required reserve balances were approximately $51 million and $53 million at December 31, 2025 and 2024, respectively. The Company held balances at central banks and other financial institutions of $40.4 billion and $48.4 billion at December 31, 2025 and 2024, respectively, to meet these requirements and for other purposes. These balances are included in cash and due from banks on the Consolidated Balance Sheet.

NOTE 4 Investment Securities

The Company's held-to-maturity investment securities are carried at historical cost, adjusted for amortization of premiums and accretion of discounts. The Company's available-for-sale investment securities are carried at fair value with unrealized net gains or losses reported within accumulated other comprehensive income (loss) in shareholders' equity.

The amortized cost, gross unrealized holding gains and losses, and fair value of held-to-maturity and available-for-sale investment securities at December 31 were as follows:

	2025				2024			
(Dollars in Millions)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Held-to-Maturity								
U.S. Treasury and agencies	$ 648	$ —	$ (4)	$ 644	$ 1,296	$ —	$ (21)	$ 1,275
Mortgage-backed securities								
Residential agency	73,591	72	(9,184)	64,479	75,392	3	(12,317)	63,078
Commercial agency	1,644	25	(2)	1,667	1,702	—	(27)	1,675
Other	287	2	—	289	244	3	—	247
Total held-to-maturity	$ 76,170	$ 99	$ (9,190)	$ 67,079	$ 78,634	$ 6	$ (12,365)	$ 66,275
Available-for-Sale								
U.S. Treasury and agencies	$ 30,098	$ 32	$ (1,360)	$ 28,770	$ 30,467	$ 1	$ (2,081)	$ 28,387
Mortgage-backed securities								
Residential agency	39,066	286	(1,342)	38,010	35,558	13	(2,290)	33,281
Commercial								
Agency	8,703	—	(961)	7,742	8,673	—	(1,322)	7,351
Non-agency	7	—	—	7	7	—	(1)	6
Asset-backed securities	6,512	16	(1)	6,527	7,136	30	(1)	7,165
Obligations of state and political subdivisions	10,387	11	(884)	9,514	10,690	13	(1,151)	9,552
Other	265	3	—	268	249	1	—	250
Total available-for-sale, excluding portfolio level basis adjustments	95,038	348	(4,548)	90,838	92,780	58	(6,846)	85,992
Portfolio level basis adjustments[(a)]	185	—	(185)	—	13	—	(13)	—
Total available-for-sale	$ 95,223	$ 348	$ (4,733)	$ 90,838	$ 92,793	$ 58	$ (6,859)	$ 85,992

(a) Represents fair value hedge basis adjustments related to active portfolio layer method hedges of available-for-sale investment securities, which are not allocated to individual securities in the portfolio. For additional information, refer to Note 19.

Investment securities with a fair value of $17.2 billion at December 31, 2025, and $18.8 billion at December 31, 2024, were pledged to secure public, private and trust deposits, repurchase agreements and for other purposes required by contractual obligation or law. Included in these amounts were securities where the Company and certain counterparties have agreements granting the counterparties the right to sell or pledge the securities. Investment securities securing these types of arrangements had a fair value of $294 million at December 31, 2025, and $320 million at December 31, 2024.

The following table provides information about the amount of interest income from taxable and non-taxable investment securities:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Taxable	$ 5,101	$ 4,808	$ 4,171
Non-taxable	297	303	314
Total interest income from investment securities	$ 5,398	$ 5,111	$ 4,485

The following table provides information about the amount of gross gains and losses realized through the sales of available-for-sale investment securities:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Realized gains	$ 21	$ 147	$ 74
Realized losses	(82)	(301)	(219)
Net realized gains (losses)	$ (61)	$ (154)	$ (145)
Income tax expense (benefit) on net realized gains (losses)	$ (15)	$ (39)	$ (37)

The Company conducts a regular assessment of its available-for-sale investment securities with unrealized losses to determine whether all or some portion of a security's unrealized loss is related to credit and an allowance for credit losses is necessary. If the Company intends to sell or it is more likely than not the Company will be required to sell an investment security, the amortized cost of the security is written down to fair value. When evaluating credit losses, the Company considers various factors such as the nature of the investment security, the credit ratings or financial condition of the issuer, the extent of the unrealized loss, expected cash flows of underlying collateral, the existence of any government or agency guarantees, and market conditions. The Company measures the allowance for credit losses using market information where available and discounting the cash flows at the original effective rate of the investment security. The allowance for credit losses is adjusted each period through earnings and can be subsequently recovered. The allowance for credit losses on the Company's available-for-sale investment securities was immaterial at December 31, 2025 and December 31, 2024.

At December 31, 2025, certain investment securities had a fair value below amortized cost. The following table shows the gross unrealized losses excluding portfolio level basis adjustments and fair value of the Company's available-for-sale investment securities with unrealized losses, aggregated by investment category and length of time the individual investment securities have been in continuous unrealized loss positions, at December 31, 2025:

	Less Than 12 Months		12 Months or Greater		Total	
(Dollars in Millions)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury and agencies	$ 200	$ —	$ 17,884	$ (1,360)	$ 18,084	$ (1,360)
Mortgage-backed securities						
Residential agency	841	(1)	17,248	(1,341)	18,089	(1,342)
Commercial						
Agency	—	—	7,742	(961)	7,742	(961)
Non-agency	—	—	7	—	7	—
Asset-backed securities	907	(1)	—	—	907	(1)
Obligations of state and political subdivisions	307	(5)	8,138	(879)	8,445	(884)
Total investment securities	$ 2,255	$ (7)	$ 51,019	$ (4,541)	$ 53,274	$ (4,548)

These unrealized losses primarily relate to changes in interest rates and market spreads subsequent to purchase of these available-for-sale investment securities. U.S. Treasury and agencies securities and agency mortgage-backed securities are issued, guaranteed or otherwise supported by the United States government. The Company's obligations of state and political subdivisions are generally high grade. Accordingly, the Company does not consider these unrealized losses to be credit-related and an allowance for credit losses is not necessary. In general, the issuers of the investment securities are contractually prohibited from prepayment at less than par, and the Company did not pay significant purchase premiums for these investment securities. At December 31, 2025, the Company had no plans to sell investment securities with unrealized losses, and believes it is more likely than not it would not be required to sell such investment securities before recovery of their amortized cost.

During the years ended December 31, 2025 and 2024, the Company did not purchase any investment securities that had more-than-insignificant credit deterioration.

Predominantly all of the Company's held-to-maturity investment securities are U.S. Treasury and agencies securities and highly rated agency mortgage-backed securities that are guaranteed or otherwise supported by the United States government and have no history of credit losses. Accordingly the Company does not expect to incur any credit losses on held-to-maturity investment securities and has no allowance for credit losses recorded for these securities.

The following table provides information about the amortized cost, fair value and yield by maturity date of the investment securities outstanding at December 31, 2025:

(Dollars in Millions)	Amortized Cost	Fair Value	Weighted-Average Maturity in Years	Weighted-Average Yield[e]
Held-to-Maturity				
U.S. Treasury and agencies				
Maturing in one year or less	$ —	$ —	—	— %
Maturing after one year through five years	648	644	1.3	3.00
Maturing after five years through ten years	—	—	—	—
Maturing after ten years	—	—	—	—
Total	$ 648	$ 644	1.3	3.00 %
Mortgage-backed securities[a]				
Maturing in one year or less	$ 224	$ 226	0.7	4.80 %
Maturing after one year through five years	4,283	4,356	3.6	5.12
Maturing after five years through ten years	70,721	61,557	8.3	2.16
Maturing after ten years	7	7	18.1	1.81
Total	$ 75,235	$ 66,146	8.0	2.34 %
Other				
Maturing in one year or less	$ 73	$ 73	0.6	2.71 %
Maturing after one year through five years	214	216	1.8	2.63
Maturing after five years through ten years	—	—	—	—
Maturing after ten years	—	—	—	—
Total	$ 287	$ 289	1.5	2.63 %
Total held-to-maturity[b]	$ 76,170	$ 67,079	7.9	2.34 %
Available-for-Sale				
U.S. Treasury and agencies				
Maturing in one year or less	$ 1,725	$ 1,701	0.8	1.88 %
Maturing after one year through five years	20,649	20,175	3.3	2.79
Maturing after five years through ten years	7,724	6,894	6.7	2.30
Maturing after ten years	—	—	—	—
Total	$ 30,098	$ 28,770	4.0	2.61 %
Mortgage-backed securities[a]				
Maturing in one year or less	$ 361	$ 357	0.5	1.94 %
Maturing after one year through five years	20,522	19,967	4.2	3.95
Maturing after five years through ten years	26,713	25,260	7.0	3.91
Maturing after ten years	180	175	10.8	5.06
Total	$ 47,776	$ 45,759	5.8	3.91 %
Asset-backed securities[a]				
Maturing in one year or less	$ —	$ —	—	— %
Maturing after one year through five years	2,596	2,606	2.4	4.80
Maturing after five years through ten years	3,916	3,921	5.4	5.03
Maturing after ten years	—	—	—	—
Total	$ 6,512	$ 6,527	4.2	4.94 %
Obligations of state and political subdivisions[c][d]				
Maturing in one year or less	$ 959	$ 957	0.5	4.14 %
Maturing after one year through five years	2,188	2,171	2.2	4.30
Maturing after five years through ten years	1,279	1,212	7.4	3.39
Maturing after ten years	5,961	5,174	14.3	3.41
Total	$ 10,387	$ 9,514	9.7	3.66 %
Other				
Maturing in one year or less	$ 109	$ 109	0.3	4.96 %
Maturing after one year through five years	156	159	2.1	4.40
Maturing after five years through ten years	—	—	—	—
Maturing after ten years	—	—	—	—
Total	$ 265	$ 268	1.3	4.63 %
Total available-for-sale[b][f]	$ 95,038	$ 90,838	5.5	3.55 %

(a) Information related to asset and mortgage-backed securities included above is presented based upon weighted-average maturities that take into account anticipated future prepayments.

(b) The weighted-average maturity of total held-to-maturity investment securities was 8.7 years at December 31, 2024, with a corresponding weighted-average yield of 2.20 percent. The weighted-average maturity of total available-for-sale investment securities was 6.8 years at December 31, 2024, with a corresponding weighted-average yield of 3.67 percent.

(c) Information related to obligations of state and political subdivisions is presented based upon yield to first optional call date if the security is purchased at a premium, and yield to maturity if the security is purchased at par or a discount.

(d) Maturity calculations for obligations of state and political subdivisions are based on the first optional call date for securities with a fair value above par and the contractual maturity date for securities with a fair value equal to or below par.

(e) Weighted-average yields for obligations of state and political subdivisions are presented on a fully-taxable equivalent basis based on a federal income tax rate of 21 percent. Yields on investment securities are computed based on amortized cost balances, excluding any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to maturity.

(f) Amortized cost excludes portfolio level basis adjustments of $185 million.

NOTE 5 Loans and Allowance for Credit Losses

The composition of the loan portfolio at December 31, by class and underlying specific portfolio type, was as follows:

(Dollars in Millions)	2025	2024
Commercial		
Commercial	$ 149,522	$ 135,254
Lease financing	4,436	4,230
Total commercial	153,958	139,484
Commercial Real Estate		
Commercial mortgages	39,476	38,619
Construction and development	9,444	10,240
Total commercial real estate	48,920	48,859
Residential Mortgages		
Residential mortgages	110,788	112,806
Home equity loans, first liens	5,097	6,007
Total residential mortgages	115,885	118,813
Credit Card	32,234	30,350
Other Retail		
Retail leasing	3,524	4,040
Home equity and second mortgages	14,025	13,565
Revolving credit	4,561	3,747
Installment	14,653	14,373
Automobile	3,575	6,601
Total other retail	40,338	42,326
Total loans	$ 391,335	$ 379,832

The Company had loans of $127.8 billion at December 31, 2025, and $127.6 billion at December 31, 2024, pledged at the FHLB, and loans of $90.0 billion at December 31, 2025, and $85.1 billion at December 31, 2024, pledged at the Federal Reserve Bank.

The Company offers a broad array of lending products to consumer and commercial customers, in various industries, across several geographical locations, predominately in the states in which it has Consumer and Business Banking offices. Collateral for commercial and commercial real estate loans may include marketable securities, accounts receivable, inventory, equipment, real estate, or the related property.

Originated loans are reported at the principal amount outstanding, net of unearned interest and deferred fees and costs, and any partial charge-offs recorded. Purchased loans are recorded at fair value at the date of purchase. Net unearned interest and deferred fees and costs on originated loans and unamortized premiums and discounts on purchased loans amounted to $2.0 billion at December 31, 2025 and $2.5 billion at December 31, 2024. The Company evaluates purchased loans for more-than-insignificant deterioration at the date of purchase in accordance with applicable authoritative accounting guidance. Purchased loans that have experienced more-than-insignificant deterioration from origination are considered purchased credit deteriorated loans. All other purchased loans are considered non-purchased credit deteriorated loans.

Allowance for Credit Losses The allowance for credit losses is established for current expected credit losses on the Company's loan and lease portfolio, including unfunded credit commitments. The allowance considers expected losses for the remaining lives of the applicable assets, inclusive of expected recoveries. The allowance for credit losses is increased through provisions charged to earnings and reduced by net charge-offs.

Activity in the allowance for credit losses by portfolio class was as follows:

(Dollars in Millions)	Commercial	Commercial Real Estate	Residential Mortgages	Credit Card	Other Retail	Total Loans
Balance at December 31, 2024	$ 2,175	$ 1,508	$ 783	$ 2,640	$ 819	$ 7,925
Add						
Provision for credit losses	686	(67)	(40)	1,352	255	2,186
Deduct						
Loans charged-off	670	210	15	1,461	337	2,693
Less recoveries of loans charged-off	(120)	(57)	(19)	(238)	(95)	(529)
Net loan charge-offs (recoveries)	550	153	(4)	1,223	242	2,164
Balance at December 31, 2025	$ 2,311	$ 1,288	$ 747	$ 2,769	$ 832	$ 7,947
Balance at December 31, 2023	$ 2,119	$ 1,620	$ 827	$ 2,403	$ 870	$ 7,839
Add						
Provision for credit losses	608	53	(53)	1,464	166	2,238
Deduct						
Loans charged-off	652	229	13	1,406	313	2,613
Less recoveries of loans charged-off	(100)	(64)	(22)	(179)	(96)	(461)
Net loan charge-offs (recoveries)	552	165	(9)	1,227	217	2,152
Balance at December 31, 2024	$ 2,175	$ 1,508	$ 783	$ 2,640	$ 819	$ 7,925
Balance at December 31, 2022	$ 2,163	$ 1,325	$ 926	$ 2,020	$ 970	$ 7,404
Add						
Change in accounting principle[(a)]	—	—	(31)	(27)	(4)	(62)
Allowance for acquired credit losses[(b)]	—	127	—	—	—	127
Provision for credit losses	270	431	41	1,259	274	2,275
Deduct						
Loans charged-off	389	281	129	1,014	478	2,291
Less recoveries of loans charged-off	(75)	(18)	(20)	(165)	(108)	(386)
Net loan charge-offs (recoveries)	314	263	109	849	370	1,905
Balance at December 31, 2023	$ 2,119	$ 1,620	$ 827	$ 2,403	$ 870	$ 7,839

(a) Effective January 1, 2023, the Company adopted accounting guidance which removed the separate recognition and measurement of troubled debt restructurings.
(b) Represents allowance for credit deteriorated and charged-off loans acquired from MUB.

The increase in the allowance for credit losses from December 31, 2024 to December 31, 2025, was primarily driven by loan portfolio growth.

The following table provides a summary of loans charged-off by portfolio class and year of origination for the years ended December 31:

(Dollars in Millions)	Commercial	Commercial Real Estate[a]	Residential Mortgage[b]	Credit Card[c]	Other Retail[d]	Total Loans
2025						
Originated in 2025	$ 46	$ —	$ —	$ —	$ 8	$ 54
Originated in 2024	151	44	—	—	44	239
Originated in 2023	60	55	—	—	65	180
Originated in 2022	58	99	2	—	48	207
Originated in 2021	17	1	1	—	43	62
Originated prior to 2021	44	5	12	—	34	95
Revolving	294	6	—	1,461	95	1,856
Total charge-offs	$ 670	$ 210	$ 15	$ 1,461	$ 337	$ 2,693
2024						
Originated in 2024	$ 30	$ 117	$ —	$ —	$ 13	$ 160
Originated in 2023	84	51	—	—	47	182
Originated in 2022	178	55	3	—	52	288
Originated in 2021	32	1	—	—	40	73
Originated in 2020	12	1	—	—	21	34
Originated prior to 2020	41	4	10	—	35	90
Revolving	275	—	—	1,406	105	1,786
Total charge-offs	$ 652	$ 229	$ 13	$ 1,406	$ 313	$ 2,613
2023						
Originated in 2023	$ 48	$ 63	$ —	$ —	$ 57	$ 168
Originated in 2022	63	88	1	—	130	282
Originated in 2021	30	69	6	—	83	188
Originated in 2020	17	2	8	—	38	65
Originated in 2019	15	3	16	—	31	65
Originated prior to 2019	53	56	98	—	31	238
Revolving	163	—	—	1,014	80	1,257
Revolving converted to term	—	—	—	—	28	28
Total charge-offs	$ 389	$ 281	$ 129	$ 1,014	$ 478	$ 2,291

Note: Year of origination is based on the origination date of a loan, or for existing loans the date when the maturity date, pricing or commitment amount is amended. Predominantly all current year and near term loan origination years for gross charge-offs relate to existing loans that have had recent maturity date, pricing or commitment amount amendments.

(a) Includes $91 million of 2023 charge-offs related to uncollectible amounts on acquired loans.

(b) Includes $117 million of 2023 charge-offs related to balance sheet repositioning and capital management actions.

(c) Predominantly all credit card loans are considered revolving loans. Includes an immaterial amount of charge-offs related to revolving converted to term loans

(d) Includes $192 million of 2023 charge-offs related to balance sheet repositioning and capital management actions..

Credit Quality The credit quality of the Company's loan portfolios is assessed as a function of net credit losses, levels of nonperforming assets and delinquencies, and credit quality ratings as defined by the Company. These credit quality ratings are an important part of the Company's overall credit risk management process and evaluation of the allowance for credit losses.

The following table provides a summary of loans by portfolio class, including the delinquency status of those that continue to accrue interest, and those that are nonperforming:

	Accruing				
(Dollars in Millions)	Current	30-89 Days Past Due	90 Days or More Past Due	Nonperforming[b]	Total
December 31, 2025					
Commercial	$ 152,704	$ 439	$ 98	$ 717	$ 153,958
Commercial real estate	48,340	49	13	518	48,920
Residential mortgages[a]	115,235	214	285	151	115,885
Credit card	31,410	419	405	—	32,234
Other retail	39,938	187	52	161	40,338
Total loans	$ 387,627	$ 1,308	$ 853	$ 1,547	$ 391,335
December 31, 2024					
Commercial	$ 138,362	$ 356	$ 96	$ 670	$ 139,484
Commercial real estate	47,948	78	9	824	48,859
Residential mortgages[a]	118,267	188	206	152	118,813
Credit card	29,487	428	435	—	30,350
Other retail	41,886	229	64	147	42,326
Total loans	$ 375,950	$ 1,279	$ 810	$ 1,793	$ 379,832

(a) At December 31, 2025, $606 million of loans 30–89 days past due and $3.5 billion of loans 90 days or more past due purchased and that could be purchased from GNMA mortgage pools under delinquent loan repurchase options whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs, were classified as current, compared with $660 million and $2.3 billion at December 31, 2024, respectively.

(b) The Company recognized interest income on nonperforming loans of $22 million and $29 million for the years ended December 31, 2025 and 2024, respectively, compared to what would have been recognized at the original contractual terms of the loans of $55 million and $66 million, respectively.

At December 31, 2025, total nonperforming assets held by the Company were $1.6 billion, compared with $1.8 billion at December 31, 2024. Total nonperforming assets included $1.5 billion of nonperforming loans, $24 million of OREO and $19 million of other nonperforming assets owned by the Company at December 31, 2025, compared with $1.8 billion, $21 million and $18 million, respectively, at December 31, 2024.

At December 31, 2025, the amount of foreclosed residential real estate held by the Company, and included in OREO, was $24 million, compared with $21 million at December 31, 2024. These amounts excluded $65 million and $46 million at December 31, 2025 and December 31, 2024, respectively, of foreclosed residential real estate related to mortgage loans whose payments are primarily insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs. In addition, the amount of residential mortgage loans secured by residential real estate in the process of foreclosure at December 31, 2025 and December 31, 2024, was $705 million and $576 million, respectively, of which $458 million and $354 million, respectively, related to loans purchased and that could be purchased from GNMA mortgage pools under delinquent loan repurchase options whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs.

The following table provides a summary of loans by portfolio class and the Company's internal credit quality rating:

	December 31, 2025					December 31, 2024				
		Criticized					Criticized			
(Dollars in Millions)	Pass	Special Mention	Classified[a]	Total Criticized	Total	Pass	Special Mention	Classified[a]	Total Criticized	Total
Commercial										
Originated in 2025	$ 72,408	$ 219	$ 762	$ 981	$ 73,389	$ —	$ —	$ —	$ —	$ —
Originated in 2024	24,342	168	637	805	25,147	57,578	503	1,034	1,537	59,115
Originated in 2023	7,532	47	278	325	7,857	19,128	173	564	737	19,865
Originated in 2022	10,044	23	287	310	10,354	19,718	231	370	601	20,319
Originated in 2021	2,848	2	11	13	2,861	4,677	60	92	152	4,829
Originated prior to 2021	4,083	21	73	94	4,177	6,812	76	143	219	7,031
Revolving[b]	29,227	484	462	946	30,173	27,344	169	812	981	28,325
Total commercial	150,484	964	2,510	3,474	153,958	135,257	1,212	3,015	4,227	139,484
Commercial real estate										
Originated in 2025	15,466	143	981	1,124	16,590	—	—	—	—	—
Originated in 2024	6,368	88	338	426	6,794	9,652	261	1,772	2,033	11,685
Originated in 2023	3,232	65	444	509	3,741	5,213	42	760	802	6,015
Originated in 2022	5,211	242	613	855	6,066	9,047	661	913	1,574	10,621
Originated in 2021	4,543	99	134	233	4,776	6,515	100	196	296	6,811
Originated prior to 2021	8,241	202	424	626	8,867	10,822	148	608	756	11,578
Revolving	1,991	82	7	89	2,080	2,078	—	68	68	2,146
Revolving converted to term	5	—	1	1	6	3	—	—	—	3
Total commercial real estate	45,057	921	2,942	3,863	48,920	43,330	1,212	4,317	5,529	48,859
Residential mortgages[c]										
Originated in 2025	11,917	—	1	1	11,918	—	—	—	—	—
Originated in 2024	7,249	—	14	14	7,263	10,291	—	—	—	10,291
Originated in 2023	7,758	—	35	35	7,793	8,764	—	11	11	8,775
Originated in 2022	24,620	—	61	61	24,681	28,484	—	43	43	28,527
Originated in 2021	30,991	—	57	57	31,048	34,694	—	35	35	34,729
Originated prior to 2021	32,900	—	282	282	33,182	36,211	—	280	280	36,491
Total residential mortgages	115,435	—	450	450	115,885	118,444	—	369	369	118,813
Credit card[d]	31,829	—	405	405	32,234	29,915	—	435	435	30,350
Other retail										
Originated in 2025	6,290	—	4	4	6,294	—	—	—	—	—
Originated in 2024	5,075	—	10	10	5,085	7,398	—	3	3	7,401
Originated in 2023	2,720	—	11	11	2,731	3,966	—	9	9	3,975
Originated in 2022	2,571	—	11	11	2,582	4,085	—	11	11	4,096
Originated in 2021	3,937	—	9	9	3,946	6,537	—	14	14	6,551
Originated prior to 2021	3,938	—	17	17	3,955	5,543	—	21	21	5,564
Revolving	14,780	—	123	123	14,903	13,846	—	120	120	13,966
Revolving converted to term	799	—	43	43	842	731	—	42	42	773
Total other retail	40,110	—	228	228	40,338	42,106	—	220	220	42,326
Total loans	$ 382,915	$ 1,885	$ 6,535	$ 8,420	$ 391,335	$ 369,052	$ 2,424	$ 8,356	$ 10,780	$ 379,832
Total outstanding commitments	$ 828,343	$ 3,094	$ 8,348	$ 11,442	$ 839,785	$ 778,155	$ 3,875	$ 10,441	$ 14,316	$ 792,471

Note: Year of origination is based on the origination date of a loan, or for existing loans the date when the maturity date, pricing or commitment amount is amended. Predominantly all current year and nearer term loan origination years for criticized loans relate to existing loans that have had recent maturity date, pricing or commitment amount amendments.

(a) Classified rating on consumer loans primarily based on delinquency status.

(b) Includes an immaterial amount of revolving converted to term loans.

(c) At December 31, 2025, $3.5 billion of GNMA loans 90 days or more past due and $1.3 billion of modified GNMA loans whose repayments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs were classified with a pass rating, compared with $2.3 billion and $1.4 billion at December 31, 2024, respectively.

(d) Predominately all credit card loans are considered revolving loans. Includes an immaterial amount of revolving converted to term loans.

Loan Modifications In certain circumstances, the Company may modify the terms of a loan to maximize the collection of amounts due when a borrower is experiencing financial difficulties or is expected to experience difficulties in the near-term. The following table provides a summary of period-end balances of loans modified during the periods presented, by portfolio class and modification granted:

Year Ended December 31 (Dollars in Millions)	Interest Rate Reduction	Payment Delay	Term Extension	Multiple Modifications[a]	Total Modifications	Percent of Class Total
2025						
Commercial	$ 93	$ 2	$ 595	$ 64	$ 754	.5 %
Commercial real estate	—	—	824	31	855	1.7
Residential mortgages[b]	—	303	14	26	343	.3
Credit card	449	12	—	—	461	1.4
Other retail	6	9	90	6	111	.3
Total loans, excluding loans purchased from GNMA mortgage pools	548	326	1,523	127	2,524	.6
Loans purchased from GNMA mortgage pools[b]	—	1,057	397	420	1,874	1.6
Total loans	$ 548	$ 1,383	$ 1,920	$ 547	$ 4,398	1.1 %
2024						
Commercial	$ 77	$ 2	$ 526	$ —	$ 605	.4 %
Commercial real estate	43	—	1,107	70	1,220	2.5
Residential mortgages[b]	—	79	17	23	119	.1
Credit card	414	11	—	—	425	1.4
Other retail	7	3	125	4	139	.3
Total loans, excluding loans purchased from GNMA mortgage pools	541	95	1,775	97	2,508	.7
Loans purchased from GNMA mortgage pools[b]	1	1,215	292	407	1,915	1.6
Total loans	$ 542	$ 1,310	$ 2,067	$ 504	$ 4,423	1.2 %
2023						
Commercial	$ 46	$ —	$ 286	$ 33	$ 365	.3 %
Commercial real estate	—	—	645	72	717	1.3
Residential mortgages[b]	—	234	26	20	280	.2
Credit card	349	1	—	—	350	1.2
Other retail	7	21	144	3	175	.4
Total loans, excluding loans purchased from GNMA mortgage pools	402	256	1,101	128	1,887	.5
Loans purchased from GNMA mortgage pools[b]	—	1,263	255	321	1,839	1.6
Total loans	$ 402	$ 1,519	$ 1,356	$ 449	$ 3,726	1.0 %

(a) Includes $239 million of total loans receiving a payment delay and term extension, $243 million of total loans receiving an interest rate reduction and term extension and $65 million of total loans receiving an interest rate reduction, payment delay and term extension for the year ended December 31, 2025, compared with $310 million, $155 million and $39 million for the year ended December 31, 2024, respectively, and $329 million, $112 million, and $8 million for the year ended December 31, 2023, respectively.

(b) Percent of class total amounts expressed as a percent of total residential mortgage loan balances.

Loan modifications included in the table above exclude trial period arrangements offered to customers and secured loans to consumer borrowers that have had debt discharged through bankruptcy where the borrower has not reaffirmed the debt during the periods presented. At December 31, 2025, the balance of loans modified in trial period arrangements was $449 million, while the balance of secured loans to consumer borrowers that have had debt discharged through bankruptcy was not material.

The following table summarizes the effects of loan modifications made to borrowers on loans modified:

Year Ended December 31	Weighted-Average Interest Rate Reduction	Weighted-Average Months of Term Extension
2025		
Commercial[(a)]	11.8 %	13
Commercial real estate	2.7	12
Residential mortgages	1.2	86
Credit card	16.1	—
Other retail	6.4	7
Loans purchased from GNMA mortgage pools	.4	103
2024		
Commercial[(a)]	20.3	11
Commercial real estate	3.2	13
Residential mortgages	1.1	90
Credit card	16.4	—
Other retail	7.7	5
Loans purchased from GNMA mortgage pools	.6	110
2023		
Commercial[(a)]	13.0	12
Commercial real estate	3.5	11
Residential mortgages	1.2	98
Credit card	15.4	—
Other retail	7.9	4
Loans purchased from GNMA mortgage pools	.6	103

Note: The weighted-average payment deferral for all portfolio classes was less than $1 million for the years ended December 31, 2025, 2024, and 2023. Forbearance payments are required to be paid at the end of the original term loan.
(a) The weighted-average interest rate reduction was primarily driven by commercial cards.

Loans that receive a forbearance plan generally remain in default until they are no longer delinquent as the result of the payment of all past due amounts or the borrower receiving a term extension or modification. Therefore, loans only receiving forbearance plans are not included in the table below.

The following table provides a summary of loan balances as of December 31, which were modified during the prior twelve months, by portfolio class and delinquency status:

(Dollars in Millions)	Current	30-89 Days Past Due	90 Days or More Past Due	Total
2025				
Commercial	$ 598	$ 19	$ 134	$ 751
Commercial real estate	842	—	12	854
Residential mortgages[(a)]	1,289	4	10	1,303
Credit card	328	79	42	449
Other retail	83	14	6	103
Total loans	$ 3,140	$ 116	$ 204	$ 3,460
2024				
Commercial	$ 395	$ 26	$ 167	$ 588
Commercial real estate	875	26	319	1,220
Residential mortgages[(a)]	1,469	4	6	1,479
Credit card	302	73	39	414
Other retail	112	19	6	137
Total loans	$ 3,153	$ 148	$ 537	$ 3,838

(a) At December 31, 2025, $371 million of loans 30-89 days past due and $386 million of loans 90 days or more past due purchased and that could be purchased from GNMA mortgage pools under delinquent loan repurchase options whose payments are insured by the Federal Housing Administration or guaranteed by the United States Department of Veterans Affairs, were classified as current, compared with $442 million and $324 million at December 31, 2024, respectively.

The following table provides a summary of loans that defaulted (fully or partially charged-off or became 90 days or more past due) that were modified within twelve months prior to default.

Year Ended December 31 (Dollars in Millions)	Interest Rate Reduction	Payment Delay	Term Extension	Multiple Modifications[(a)]
2025				
Commercial	$ 40	$ —	$ 9	$ 14
Commercial real estate	—	—	—	—
Residential mortgages	—	—	2	4
Credit card	141	—	—	—
Other retail	2	—	19	—
Total loans, excluding loans purchased from GNMA mortgage pools	183	—	30	18
Loans purchased from GNMA mortgage pools	—	144	119	148
Total loans	$ 183	$ 144	$ 149	$ 166
2024				
Commercial	$ 30	$ —	$ 45	$ —
Commercial real estate	43	—	137	—
Residential mortgages	—	3	—	3
Credit card	128	—	—	—
Other retail	2	—	20	—
Total loans, excluding loans purchased from GNMA mortgage pools	203	3	202	3
Loans purchased from GNMA mortgage pools	1	168	78	89
Total loans	$ 204	$ 171	$ 280	$ 92

(a) Includes $79 million of total loans receiving a payment delay and term extension, $77 million of total loans receiving an interest rate reduction and term extension and $10 million of total loans receiving an interest rate reduction, payment delay and term extension for the year ended December 31, 2025, compared with $81 million, $8 million and $3 million for the year ended December 31, 2024, respectively.

The following table provides a summary of loans that defaulted (fully or partially charged-off or became 90 days or more past due) that were modified on or after January 1, 2023, the date the Company adopted accounting guidance which removed the separate recognition and measurement of troubled debt restructurings, through December 31, 2023:

Year Ended December 31 (Dollars in Millions)	Interest Rate Reduction	Payment Delay	Term Extension	Multiple Modifications[(a)]
2023				
Commercial	$ 7	$ —	$ —	$ —
Commercial real estate	—	—	1	—
Residential mortgages	—	8	2	1
Credit card	35	—	—	—
Other retail	1	1	11	—
Total loans, excluding loans purchased from GNMA mortgage pools	43	9	14	1
Loans purchased from GNMA mortgage pools	—	67	30	37
Total loans	$ 43	$ 76	$ 44	$ 38

(a) Represents loans receiving a payment delay and term extension.

As of December 31, 2025, the Company had $410 million of commitments to lend additional funds to borrowers whose terms of their outstanding owed balances have been modified.

NOTE 6 Leases

The Company, as a lessor, originates retail and commercial leases either directly to the consumer or indirectly through dealer networks. Retail leases consist primarily of automobiles, while commercial leases may include high dollar assets such as aircraft or lower cost items such as office equipment.

The components of the net investment in sales-type and direct financing leases, at December 31, were as follows:

(Dollars in Millions)	2025	2024
Lease receivables	$ 7,277	$ 7,328
Unguaranteed residual values accruing to the lessor's benefit	653	911
Total net investment in sales-type and direct financing leases	$ 7,930	$ 8,239

The Company, as a lessor, recorded $792 million, $775 million and $738 million of revenue on its Consolidated Statement of Income for the years ended December 31, 2025, 2024 and 2023, respectively, primarily consisting of interest income on sales-type and direct financing leases.

The contractual future lease payments to be received by the Company, at December 31, 2025, were as follows:

(Dollars in Millions)	Sales-type and Direct Financing Leases	Operating Leases
2026	$ 2,611	$ 145
2027	2,524	123
2028	1,612	93
2029	735	63
2030	294	41
Thereafter	342	67
Total lease payments	8,118	$ 532
Amounts representing interest	(841)	
Lease receivables	$ 7,277	

The Company, as lessee, leases certain assets for use in its operations. Leased assets primarily include retail branches, operations centers and other corporate locations, and, to a lesser extent, office and computer equipment. For each lease with an original term greater than 12 months, the Company records a lease liability and a corresponding ROU asset. At December 31, 2025, the Company's ROU assets included in premises and equipment and lease liabilities included in long-term debt and other liabilities were $1.5 billion and $1.5 billion, respectively, compared with $1.4 billion of ROU assets and $1.5 billion of lease liabilities at December 31, 2024, respectively.

Total costs incurred by the Company, as a lessee, were $446 million, $529 million and $496 million for the years ended December 31, 2025, 2024 and 2023, respectively, and principally related to contractual lease payments on operating leases and included in net occupancy and equipment expense. The Company's leases do not impose significant covenants or other restrictions on the Company.

The following table presents amounts relevant to the Company's assets leased for use in its operations for the years ended December 31:

(Dollars in Millions)	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	$ 339	$ 389	$ 409
Operating cash flows from finance leases	7	7	7
Financing cash flows from finance leases	51	62	49
Right of use assets obtained in exchange for new operating lease liabilities	275	268	230
Right of use assets obtained in exchange for new finance lease liabilities	14	59	25

The following table presents the weighted-average remaining lease terms and discount rates of the Company's assets leased for use in its operations at December 31:

	2025	2024
Weighted-average remaining lease term of operating leases (in years)	7.1	6.7
Weighted-average remaining lease term of finance leases (in years)	8.4	8.1
Weighted-average discount rate of operating leases	4.1 %	4.0 %
Weighted-average discount rate of finance leases	6.7 %	7.3 %

The contractual future lease obligations of the Company at December 31, 2025, were as follows:

(Dollars in Millions)	Operating Leases	Finance Leases
2026	$ 326	$ 43
2027	304	31
2028	266	20
2029	225	12
2030	164	9
Thereafter	463	27
Total lease payments	1,748	142
Amounts representing interest	(329)	(17)
Lease liabilities	$ 1,419	$ 125

NOTE 7 Accounting for Transfers and Servicing of Financial Assets and Variable Interest Entities

The Company transfers financial assets in the normal course of business. The majority of the Company's financial asset transfers are residential mortgage loan sales primarily to GSEs, transfers of tax-advantaged investments, commercial loan sales through participation agreements, and other individual or portfolio loan and securities sales. In accordance with the accounting guidance for asset transfers, the Company considers any ongoing involvement with transferred assets in determining whether the assets can be derecognized from the balance sheet. Guarantees provided to certain third parties in connection with the transfer of assets are further discussed in Note 22.

For loans sold under participation agreements, the Company also considers whether the terms of the loan participation agreement meet the accounting definition of a participating interest. With the exception of servicing and certain performance-based guarantees, the Company's continuing involvement with financial assets sold is minimal and generally limited to market customary representation and warranty clauses. Any gain or loss on sale depends on the previous carrying amount of the transferred financial assets, the consideration received, and any liabilities incurred in exchange for the transferred assets. Upon transfer, any servicing assets and other interests that continue to be held by the Company are initially recognized at fair value. For further information on MSRs, refer to Note 9. On a limited basis, the Company may acquire and package high-grade corporate bonds for select corporate customers, in which the Company generally has no continuing involvement with these transactions. The Company also is an authorized GNMA issuer and issues GNMA securities on a regular basis. Additionally, the Company originated auto loans that were sold and securitized through an off-balance sheet special purpose vehicle. In connection with the auto securitization, the Company is the sponsor of the transaction, retains a risk retention security in compliance with SEC rules, and is the servicer for the auto loans that were sold and securitized. The Company has no other asset securitizations or similar asset-backed financing arrangements that are off-balance sheet.

The Company is involved in various entities that are considered to be VIEs. The Company's investments in VIEs are primarily related to investments promoting affordable housing, community development and renewable energy sources. Some of these tax-advantaged investments support the Company's regulatory compliance with the Community Reinvestment Act. The Company's investments in these entities generate a return primarily through the realization of federal and state income tax credits, and other tax benefits, such as tax deductions from operating losses of the investments, over specified time periods. These tax credits are recognized as a reduction of tax expense or, for investments qualifying as investment tax credits, as a reduction to the related investment asset. The Company recognized federal and state income tax credits related to its affordable housing and other tax-advantaged investments in tax expense of $643 million, $585 million and $576 million for the years ended December 31, 2025, 2024 and 2023, respectively. The Company recognized $599 million, $573 million and $582 million of expenses related to all of these investments for the years ended December 31, 2025, 2024 and 2023, respectively, which were primarily included in tax expense.

The Company is not required to consolidate VIEs in which it has concluded it does not have a controlling financial interest, and thus is not the primary beneficiary. In such cases, the Company does not have both the power to direct the entities' most significant activities and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIEs. The assets of each unconsolidated VIE can only be used to settle the VIE's obligations and if the VIE defaults on its obligations, creditors do not have general recourse to the Company.

The Company's investments in these unconsolidated VIEs are carried in other assets on the Consolidated Balance Sheet. The Company's unfunded capital and other commitments related to these unconsolidated VIEs are generally carried in other liabilities on the Consolidated Balance Sheet. The Company's maximum exposure to loss from these unconsolidated VIEs include the investment recorded on the Company's Consolidated Balance Sheet, net of unfunded capital commitments, and previously recorded tax credits which remain subject to recapture by taxing authorities based on compliance features required to be met at the project level. While the Company believes potential losses from these investments are remote, the maximum exposure was determined by assuming a scenario where the community-based business and housing projects completely fail and do not meet certain government compliance requirements resulting in recapture of the related tax credits.

The following table provides a summary of investments in community development and tax-advantaged VIEs that the Company has not consolidated:

At December 31 (Dollars in Millions)	2025	2024
Investment carrying amount	$ 9,712	$ 8,107
Unfunded capital and other commitments	5,761	5,032
Maximum exposure to loss	9,338	8,435

The Company also has noncontrolling financial investments in private investment funds and partnerships considered to be VIEs, which are not consolidated. The Company's recorded investment in these entities, carried in other assets on the Consolidated Balance Sheet, was approximately $312 million at December 31, 2025 and $264 million at December 31, 2024. The maximum exposure to loss related to these VIEs was $439 million at December 31, 2025 and $382 million at December 31, 2024, representing the Company's investment balance and its unfunded commitments to invest additional amounts.

The Company also held senior notes of $1.7 billion as available-for-sale investment securities at December 31, 2025, compared with $3.2 billion at December 31, 2024. These senior notes were issued by third-party securitization vehicles that held $1.9 billion at December 31, 2025 and $3.6 billion at December 31, 2024 of indirect auto loans that collateralize the senior notes. These VIEs are not consolidated by the Company.

The Company's individual net investments in unconsolidated VIEs, which exclude any unfunded capital commitments, ranged from less than $1 million to $299 million at December 31, 2025, compared with less than $1 million to $79 million at December 31, 2024.

The Company is required to consolidate VIEs in which it has concluded it has a controlling financial interest. The Company sponsors entities to which it transfers its interests in tax-advantaged investments to third parties. At December 31, 2025, approximately $6.2 billion of the Company's assets and $3.8 billion of its liabilities included on the Consolidated Balance Sheet were related to community development and tax-advantaged investment VIEs which the Company has consolidated, primarily related to these transfers. These amounts compared to $6.4 billion and $4.2 billion, respectively, at December 31, 2024. The majority of the assets of these consolidated VIEs are reported in other assets, and the liabilities are reported in long-term debt and other liabilities. The assets of a particular VIE are the primary source of funds to settle its obligations. The creditors of the VIEs do not have recourse to the general credit of the Company. The Company's exposure to the consolidated VIEs is generally limited to the carrying value of its variable interests plus any related tax credits previously recognized or transferred to others with a guarantee.

NOTE 8 Premises and Equipment

Premises and equipment at December 31 consisted of the following:

(Dollars in Millions)	2025	2024
Land	$ 471	$ 498
Buildings and improvements	3,221	3,121
Furniture, fixtures and equipment	3,199	3,010
Right of use assets on operating leases	1,195	1,114
Right of use assets on finance leases	317	314
Construction in progress	68	96
Total premises and equipment, gross	8,471	8,153
Less accumulated depreciation and amortization	(4,703)	(4,588)
Total premises and equipment, net	$ 3,768	$ 3,565

NOTE 9 Mortgage Servicing Rights

The Company capitalizes MSRs as separate assets when loans are sold and servicing is retained. MSRs may also be purchased from others. The Company carries MSRs at fair value, with changes in the fair value recorded in earnings during the period in which they occur. The Company serviced $216.3 billion of residential mortgage loans for others at December 31, 2025, and $216.6 billion at December 31, 2024, including subserviced mortgages with no corresponding MSR asset. Included in mortgage banking revenue are the MSR fair value changes arising from market rate and model assumption changes, net of the value change in derivatives used to economically hedge MSRs. These changes resulted in net losses of $1 million, $2 million and $41 million for the years ended December 31, 2025, 2024 and 2023, respectively. Loan servicing and ancillary fees, not including valuation changes, included in mortgage banking revenue were $682 million, $699 million and $733 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Changes in fair value of capitalized MSRs are summarized as follows:

(Dollars in Millions)	2025	2024	2023
Balance at beginning of period	$ 3,369	$ 3,377	$ 3,755
Rights purchased	—	1	5
Rights capitalized	276	276	373
Rights sold	(131)	(188)	(440)
Changes in fair value of MSRs			
Due to fluctuations in market interest rates[a]	(6)	235	66
Due to revised assumptions or models[b]	15	43	12
Other changes in fair value[c]	(364)	(375)	(394)
Balance at end of period	$ 3,159	$ 3,369	$ 3,377

(a) Includes changes in MSR value associated with changes in market interest rates, including estimated prepayment rates and anticipated earnings on escrow deposits.
(b) Includes changes in MSR value not caused by changes in market interest rates, such as changes in assumed cost to service, ancillary income and option adjusted spread, as well as the impact of any model changes.
(c) Primarily the change in MSR value from passage of time and cash flows realized (decay), but also includes the impact of changes to expected cash flows not associated with changes in market interest rates, such as the impact of delinquencies.

The estimated sensitivity to changes in interest rates of the fair value of the MSR portfolio and the related derivative instruments as of December 31 follows:

	2025						2024					
(Dollars in Millions)	Down 100 bps	Down 50 bps	Down 25 bps	Up 25 bps	Up 50 bps	Up 100 bps	Down 100 bps	Down 50 bps	Down 25 bps	Up 25 bps	Up 50 bps	Up 100 bps
MSR portfolio	$ (369)	$ (176)	$ (86)	$ 81	$ 155	$ 284	$ (310)	$ (144)	$ (69)	$ 63	$ 120	$ 217
Derivative instrument hedges	397	188	89	(79)	(153)	(297)	325	147	69	(61)	(118)	(220)
Net sensitivity	$ 28	$ 12	$ 3	$ 2	$ 2	$ (13)	$ 15	$ 3	$ —	$ 2	$ 2	$ (3)

The fair value of MSRs and their sensitivity to changes in interest rates is influenced by the mix of the servicing portfolio and characteristics of each segment of the portfolio. The Company's servicing portfolio consists of the distinct portfolios of government-insured mortgages, conventional mortgages and Housing Finance Agency ("HFA") mortgages. The servicing portfolios are predominantly comprised of fixed-rate agency loans with limited adjustable-rate or jumbo mortgage loans. The HFA servicing portfolio is comprised of loans originated under state and local housing authority program guidelines which assist purchases by first-time or low- to moderate-income homebuyers through a favorable rate subsidy, down payment and/or closing cost assistance on government- and conventional-insured mortgages.

A summary of the Company's MSRs and related characteristics by portfolio as of December 31 follows:

	2025				2024			
(Dollars in Millions)	HFA	Government	Conventional[d]	Total	HFA	Government	Conventional[d]	Total
Servicing portfolio[a]	$ 56,993	$ 23,630	$ 126,614	$ 207,237	$ 52,807	$ 25,139	$ 138,428	$ 216,374
Fair value	$ 849	$ 465	$ 1,845	$ 3,159	$ 856	$ 512	$ 2,001	$ 3,369
Value (bps)[b]	149	197	146	152	162	204	145	156
Weighted-average servicing fees (bps)	35	45	25	30	35	45	25	30
Multiple (value/servicing fees)	4.22	4.41	5.75	5.03	4.57	4.56	5.69	5.17
Weighted-average note rate	5.17 %	4.41 %	4.04 %	4.39 %	4.92 %	4.35 %	3.87 %	4.18 %
Weighted-average age (in years)	4.8	6.8	5.7	5.6	4.5	6.1	5.0	5.0
Weighted-average expected prepayment (constant prepayment rate)	10.2 %	10.1 %	8.2 %	9.0 %	9.9 %	10.2 %	7.8 %	8.6 %
Weighted-average expected life (in years)	7.4	6.7	7.2	7.2	7.5	6.8	7.4	7.4
Weighted-average option adjusted spread[c]	7.3 %	6.9 %	5.1 %	5.9 %	5.8 %	6.2 %	5.6 %	5.7 %

(a) Represents principal balance of mortgages having corresponding MSR asset.
(b) Calculated as fair value divided by the servicing portfolio.
(c) Option adjusted spread is the incremental spread added to the risk-free rate to reflect optionality and other risk inherent in the MSRs.
(d) Represents loans sold primarily to GSEs.

NOTE 10 Intangible Assets

Intangible assets consisted of the following:

At December 31 (Dollars in Millions)	2025	2024
Goodwill	$ 12,635	$ 12,536
Core deposit benefits	1,319	1,702
Mortgage servicing rights	3,159	3,369
Other identified intangibles	426	476
Total	$ 17,539	$ 18,083

Aggregate amortization expense consisted of the following:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Core deposit benefits	$ 383	$ 432	$ 481
Other identified intangibles	115	137	155
Total	$ 498	$ 569	$ 636

The estimated amortization expense for the next five years is as follows:

(Dollars in Millions)	
2026	$ 435
2027	366
2028	302
2029	235
2030	172

The following table reflects the changes in the carrying value of goodwill for the years ended December 31, 2025, 2024 and 2023:

(Dollars in Millions)	Wealth, Corporate, Commercial and Institutional Banking	Consumer and Business Banking	Payment Services	Treasury and Corporate Support	Consolidated Company
Balance at December 31, 2022	$ 4,589	$ 4,465	$ 3,319	$ —	$ 12,373
Goodwill acquired	235	(139)	—	—	96
Foreign exchange translation and other	1	—	19	—	20
Balance at December 31, 2023	$ 4,825	$ 4,326	$ 3,338	$ —	$ 12,489
Goodwill acquired	—	—	80	—	80
Foreign exchange translation and other	(2)	—	(31)	—	(33)
Balance at December 31, 2024	$ 4,823	$ 4,326	$ 3,387	$ —	$ 12,536
Goodwill acquired	—	—	46	—	46
Foreign exchange translation and other	3	—	50	—	53
Balance at December 31, 2025	$ 4,826	$ 4,326	$ 3,483	$ —	$ 12,635

NOTE 11 Deposits

The composition of deposits at December 31 was as follows:

(Dollars in Millions)	2025	2024
Noninterest-bearing deposits	$ 84,116	$ 84,158
Interest-bearing deposits		
Interest checking	132,217	127,188
Money market savings	192,118	206,805
Savings accounts	65,733	45,389
Time deposits	48,032	54,769
Total interest-bearing deposits	438,100	434,151
Total deposits	$ 522,216	$ 518,309

The maturities of time deposits outstanding at December 31, 2025 were as follows:

(Dollars in Millions)	
2026	$ 46,873
2027	638
2028	178
2029	117
2030	222
Thereafter	4
Total	$ 48,032

NOTE 12 Short-Term Borrowings

Short-term borrowings at December 31 consisted of the following:

(Dollars in Millions)	2025	2024
Federal funds purchased	$ 285	$ 252
Securities sold under agreements to repurchase	9,228	7,642
Commercial paper	4,341	4,288
Other short-term borrowings	3,308	3,336
Total	$ 17,162	$ 15,518

NOTE 13 Long-Term Debt

Long-term debt (debt with original maturities of more than one year) at December 31 consisted of the following:

(Dollars in Millions)	Rate Type	Rate[a]	Maturity Date	2025	2024
U.S. Bancorp (Parent Company)					
Subordinated notes	Fixed	7.500 %	2026	$ 199	$ 199
	Fixed	3.100 %	2026	1,000	1,000
	Fixed	3.000 %	2029	1,000	1,000
	Fixed	4.967 %	2033	1,300	1,300
	Fixed	2.491 %	2036	1,300	1,300
Medium-term notes	Fixed	1.375% - 6.787%	2026 - 2045	29,285	27,939
	Floating	2.866 %	2028	588	519
Other[b]				2,385	2,000
Subtotal				37,057	35,257
Subsidiaries					
Federal Home Loan Bank advances	Fixed	1.860% - 5.260%	2026 - 2027	11,550	12,550
	Floating	4.130% - 4.590%	2026 - 2027	3,500	3,000
Bank notes	Fixed	3.966% - 5.550%	2027 - 2032	3,097	3,405
	Floating	—% - 4.564%	2027 - 2065	2,892	1,813
Other[c]				2,668	1,977
Subtotal				23,707	22,745
Total				$ 60,764	$ 58,002

(a) Weighted-average interest rates of medium-term notes, Federal Home Loan Bank advances and bank notes were 4.60 percent, 4.41 percent and 3.44 percent, respectively.
(b) Includes $2.3 billion and $2.2 billion at December 31, 2025 and 2024, respectively, of discounted noninterest-bearing additional cash received by the Company upon close of its 2022 acquisition of MUB from Mitsubishi UFJ Financial Group ("MUFG") to be delivered to MUFG on or prior to December 1, 2027, discounted at the Company's 5-year unsecured borrowing rate as of the acquisition date, as well as debt issuance fees and unrealized gains and losses and deferred amounts relating to derivative instruments.
(c) Includes consolidated community development and tax-advantaged investment VIEs, finance lease obligations, debt issuance fees, and unrealized gains and losses and deferred amounts relating to derivative instruments.

The Company has arrangements with the Federal Home Loan Bank and Federal Reserve Bank whereby the Company could have borrowed an additional $205.1 billion and $171.2 billion at December 31, 2025 and 2024, respectively.

Maturities of long-term debt outstanding at December 31, 2025, were:

(Dollars in Millions)	Parent Company	Consolidated
2026	$ 2,428	$ 15,402
2027	5,355	11,645
2028	4,001	5,773
2029	4,571	4,554
2030	4,244	4,264
Thereafter	16,458	19,126
Total	$ 37,057	$ 60,764

NOTE 14 Shareholders' Equity

At December 31, 2025 and 2024, the Company had authority to issue 4 billion shares of common stock and 50 million shares of preferred stock. The Company had 1.6 billion shares of common stock outstanding at December 31, 2025 and 2024. The Company had 52 million shares reserved for future issuances, primarily under its stock incentive plans at December 31, 2025.

The number of shares issued and outstanding and the carrying amount of each outstanding series of the Company's preferred stock at December 31 were as follows:

	2025				2024			
(Dollars in Millions)	Shares Issued and Outstanding	Liquidation Preference	Discount	Carrying Amount	Shares Issued and Outstanding	Liquidation Preference	Discount	Carrying Amount
Series A	12,510	$ 1,251	$ 145	$ 1,106	12,510	$ 1,251	$ 145	$ 1,106
Series B	40,000	1,000	—	1,000	40,000	1,000	—	1,000
Series J	40,000	1,000	7	993	40,000	1,000	7	993
Series K	23,000	575	10	565	23,000	575	10	565
Series L	20,000	500	14	486	20,000	500	14	486
Series M	30,000	750	21	729	30,000	750	21	729
Series N	60,000	1,500	8	1,492	60,000	1,500	8	1,492
Series O	18,000	450	13	437	18,000	450	13	437
Total preferred stock[(a)]	243,510	$ 7,026	$ 218	$ 6,808	243,510	$ 7,026	$ 218	$ 6,808

(a) The par value of all shares issued and outstanding at December 31, 2025 and 2024, was $1.00 per share.

During 2022, the Company issued depositary shares representing an ownership interest in 18,000 shares of Series O Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series O Preferred Stock"). The Series O Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 4.50 percent. The Series O Preferred Stock is redeemable at the Company's option, in whole or in part, on or after April 15, 2027. The Series O Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to April 15, 2027 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series O Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board").

During 2021, the Company issued depositary shares representing an ownership interest in 60,000 shares of Series N Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series N Preferred Stock"). The Series N Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 3.70 percent from the date of issuance to, but excluding, January 15, 2027, and thereafter will accrue and be payable quarterly at a floating rate per annum equal to the five-year treasury rate plus 2.541 percent. The Series N Preferred Stock is redeemable at the Company's option, in whole or in part, on or after January 15, 2027. The Series N Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to January 15, 2027 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series N Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2021, the Company issued depositary shares representing an ownership interest in 30,000 shares of Series M Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series M Preferred Stock"). The Series M Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 4.00 percent. The Series M Preferred Stock is redeemable at the Company's option, in whole or in part, on or after April 15, 2026. The Series M Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to April 15, 2026 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series M Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2020, the Company issued depositary shares representing an ownership interest in 20,000 shares of Series L Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series L Preferred Stock"). The Series L Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 3.75 percent. The Series L Preferred

Stock is redeemable at the Company's option, in whole or in part.

During 2018, the Company issued depositary shares representing an ownership interest in 23,000 shares of Series K Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series K Preferred Stock"). The Series K Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 5.50 percent. The Series K Preferred Stock is redeemable at the Company's option, in whole or in part.

During 2017, the Company issued depositary shares representing an ownership interest in 40,000 shares of Series J Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series J Preferred Stock"). The Series J Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable semiannually, in arrears, at a rate per annum equal to 5.30 percent from the date of issuance to, but excluding, April 15, 2027, and thereafter will accrue and be payable quarterly at a floating rate per annum equal to 2.914 percent above the three-month CME Term SOFR plus a credit spread adjustment of 0.26161 percent. The Series J Preferred Stock is redeemable at the Company's option, in whole or in part, on or after April 15, 2027. The Series J Preferred Stock is redeemable at the Company's option, in whole, but not in part, prior to April 15, 2027 within 90 days following an official administrative or judicial decision, amendment to, or change in the laws or regulations that would not allow the Company to treat the full liquidation value of the Series J Preferred Stock as Tier 1 capital for purposes of the capital adequacy guidelines of the Federal Reserve Board.

During 2010, the Company issued depositary shares representing an ownership interest in 5,746 shares of Series A Non-Cumulative Perpetual Preferred Stock (the "Series A Preferred Stock") to investors, in exchange for their portion of USB Capital IX Income Trust Securities. During 2011, the Company issued depositary shares representing an ownership interest in 6,764 shares of Series A Preferred Stock to USB Capital IX, thereby settling the stock purchase contract established between the Company and USB Capital IX as part of the 2006 issuance of USB Capital IX Income Trust Securities. The preferred shares were issued to USB Capital IX for the purchase price specified in the stock forward purchase contract. The Series A Preferred Stock has a liquidation preference of $100,000 per share, no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to the greater of 1.02 percent above three-month CME Term SOFR plus a credit spread adjustment of 0.26161 percent, or 3.50 percent. The Series A Preferred Stock is redeemable at the Company's option, subject to prior approval by the Federal Reserve Board.

During 2006, the Company issued depositary shares representing an ownership interest in 40,000 shares of Series B Non-Cumulative Perpetual Preferred Stock with a liquidation preference of $25,000 per share (the "Series B Preferred Stock"). The Series B Preferred Stock has no stated maturity and will not be subject to any sinking fund or other obligation of the Company. Dividends, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to the greater of 0.60 percent above three-month CME Term SOFR plus a credit spread adjustment of 0.26161 percent, or 3.50 percent. The Series B Preferred Stock is redeemable at the Company's option, subject to the prior approval of the Federal Reserve Board.

During 2025, 2024 and 2023, the Company repurchased shares of its common stock under various authorizations approved by its Board of Directors. As of December 31, 2025, the approximate dollar value of shares that may yet be purchased by the Company under the current Board of Directors approved authorization was $4.4 billion. Share repurchases are subject to the approval of the Company's Board of Directors and compliance with regulatory requirements.

The following table summarizes the Company's common stock repurchased in each of the last three years:

(Dollars and Shares in Millions)	Shares	Value
2025	11	$ 490
2024	4	173
2023	1	62

Shareholders' equity is affected by transactions and valuations of asset and liability positions that require adjustments to accumulated other comprehensive income (loss). The reconciliation of the transactions affecting accumulated other comprehensive income (loss) included in shareholders' equity for the years ended December 31, is as follows:

(Dollars in Millions)	Unrealized Gains (Losses) on Investment Securities Available-For-Sale	Unrealized Gains (Losses) on Investment Securities Transferred From Available-For-Sale to Held-To-Maturity	Unrealized Gains (Losses) on Derivative Hedges	Unrealized Gains (Losses) on Retirement Plans	Debit Valuation Adjustments	Foreign Currency Translation	Total
2025							
Balance at beginning of period	$ (5,078)	$ (3,165)	$ (553)	$ (955)	$ 1	$ (14)	$ (9,764)
Changes in unrealized gains (losses)	2,355	—	400	212	(15)	—	2,952
Foreign currency translation adjustment[(a)]	—	—	—	—	—	1	1
Reclassification to earnings of realized (gains) losses	61	470	251	(5)	—	—	777
Applicable income taxes	(616)	(121)	(167)	(53)	4	—	(953)
Balance at end of period	$ (3,278)	$ (2,816)	$ (69)	$ (801)	$ (10)	$ (13)	$ (6,987)
2024							
Balance at beginning of period	$ (5,151)	$ (3,537)	$ (242)	$ (1,138)	$ —	$ (28)	$ (10,096)
Changes in unrealized gains (losses)	(60)	—	(676)	245	1	—	(490)
Foreign currency translation adjustment[(a)]	—	—	—	—	—	18	18
Reclassification to earnings of realized (gains) losses	154	499	258	(1)	—	—	910
Applicable income taxes	(21)	(127)	107	(61)	—	(4)	(106)
Balance at end of period	$ (5,078)	$ (3,165)	$ (553)	$ (955)	$ 1	$ (14)	$ (9,764)
2023							
Balance at beginning of period	$ (6,378)	$ (3,933)	$ (114)	$ (939)	$ —	$ (43)	$ (11,407)
Changes in unrealized gains and losses	1,500	—	(252)	(262)	—	—	986
Foreign currency translation adjustment[(a)]	—	—	—	—	—	21	21
Reclassification to earnings of realized (gains) losses	145	530	80	(7)	—	—	748
Applicable income taxes	(418)	(134)	44	70	—	(6)	(444)
Balance at end of period	$ (5,151)	$ (3,537)	$ (242)	$ (1,138)	$ —	$ (28)	$ (10,096)

(a) Represents the impact of changes in foreign currency exchange rates on the Company's investment in foreign operations and related hedges.

Additional detail about the impact to net income for items reclassified out of accumulated other comprehensive income (loss) and into earnings for the years ended December 31 is as follows:

(Dollars in Millions)	Impact to Net Income 2025	2024	2023	Affected Line Item in the Consolidated Statement of Income
Unrealized gains (losses) on investment securities available-for-sale				
Realized gains (losses) on sales of investment securities	$ (61)	$ (154)	$ (145)	Securities gains (losses), net
	15	39	37	Applicable income taxes
	(46)	(115)	(108)	Net-of-tax
Unrealized gains (losses) on investment securities transferred from available-for-sale to held-to-maturity				
Amortization of unrealized gains (losses)	(470)	(499)	(530)	Interest income
	121	127	134	Applicable income taxes
	(349)	(372)	(396)	Net-of-tax
Unrealized gains (losses) on derivative hedges				
Realized gains (losses) on derivative hedges	(251)	(258)	(80)	Net interest income
	63	66	21	Applicable income taxes
	(188)	(192)	(59)	Net-of-tax
Unrealized gains (losses) on retirement plans				
Actuarial gains (losses) and prior service cost (credit) amortization	5	1	7	Other noninterest expense
	(1)	—	(2)	Applicable income taxes
	4	1	5	Net-of-tax
Total impact to net income	$ (579)	$ (678)	$ (558)	

Regulatory Capital The Company uses certain measures defined by bank regulatory agencies to assess its capital. The regulatory capital requirements effective for the Company follow Basel III, with the Company being subject to calculating its capital adequacy as a percentage of risk-weighted assets under the standardized approach.

Tier 1 capital is considered core capital and includes common shareholders' equity adjusted for the aggregate impact of certain items included in other comprehensive income (loss) ("common equity tier 1 capital"), plus qualifying preferred stock, trust preferred securities and noncontrolling interests in consolidated subsidiaries subject to certain limitations. Total risk-based capital includes Tier 1 capital and other items such as subordinated debt and the allowance for credit losses. Capital measures are stated as a percentage of risk-weighted assets, which are measured based on their perceived credit risks and include certain off-balance sheet exposures, such as unfunded loan commitments, letters of credit, and derivative contracts. Beginning in 2022, the Company began to phase into its regulatory capital requirements the cumulative deferred impact of its 2020 adoption of the accounting guidance related to the impairment of financial instruments based on the CECL methodology plus 25 percent of its quarterly credit reserve increases during 2020 and 2021. This cumulative deferred impact was phased into the Company's regulatory capital during 2022 through 2024. Beginning January 1, 2025, the regulatory capital requirements reflect the full implementation of the CECL methodology.

The Company is also subject to leverage ratio requirements, which is defined as Tier 1 capital as a percentage of adjusted average assets under the standardized approach and Tier 1 capital as a percentage of total on- and off-balance sheet leverage exposure under more risk-sensitive advanced approaches.

The following table provides a summary of the regulatory capital requirements in effect, along with the actual components and ratios for the Company and its bank subsidiaries:

At December 31 (Dollars in Millions)	U.S. Bancorp 2025	U.S. Bancorp 2024	U.S. Bank National Association 2025	U.S. Bank National Association 2024
Basel III Standardized Approach:				
Common equity tier 1 capital	$ 51,665	$ 47,877	$ 61,376	$ 59,866
Tier 1 capital	58,917	55,129	61,820	60,311
Total risk-based capital	68,087	64,375	71,277	69,947
Risk-weighted assets	480,382	450,498	471,419	443,426
Common equity tier 1 capital as a percent of risk-weighted assets	10.8 %	10.6 %	13.0 %	13.5 %
Tier 1 capital as a percent of risk-weighted assets	12.3	12.2	13.1	13.6
Total risk-based capital as a percent of risk-weighted assets	14.2	14.3	15.1	15.8
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	8.7	8.3	9.4	9.3
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)	7.1	6.8	7.6	7.6

December 31, 2025	U.S. Bancorp Minimum[a]	U.S. Bancorp Well-Capitalized[b]	U.S. Bank National Association Minimum[a]	U.S. Bank National Association Well-Capitalized[b]
Bank Regulatory Capital Requirements				
Common equity tier 1 capital as a percent of risk-weighted assets	7.1 %		7.0 %	6.5 %
Tier 1 capital as a percent of risk-weighted assets	8.6	6.0	8.5	8.0
Total risk-based capital as a percent of risk-weighted assets	10.6	10.0	10.5	10.0
Tier 1 capital as a percent of adjusted quarterly average assets (leverage ratio)	4.0		4.0	5.0
Tier 1 capital as a percent of total on- and off-balance sheet leverage exposure (total leverage exposure ratio)[b]	3.0		3.0	

(a) Banks and financial services holding companies must maintain minimum regulatory capital ratio requirements and meet their applicable capital buffer requirements to avoid limitations on capital distributions and certain discretionary compensation payments. As of December 31, 2025, U.S. Bancorp's minimum requirements included a stress capital buffer requirement of 2.6 percent, compared to 3.1 percent at December 31, 2024. U.S. Bank National Association was subject to a capital conservation buffer requirement of 2.5 percent at both December 31, 2025 and 2024.

(b) U.S. Bancorp is subject to the Federal Reserve's well-capitalized requirements at the tier 1 capital and total risk-based capital thresholds, while U.S. Bank National Association is subject to the Office of the Comptroller of the Currency's ("OCC") well-capitalized requirements for common equity tier 1 capital, tier 1 capital, total risk-based capital, and tier 1 leverage ratios.

Noncontrolling interests principally represent third-party investors' interests in consolidated entities, including preferred stock of consolidated subsidiaries. During 2006, the Company's banking subsidiary formed USB Realty Corp., a real estate investment trust, for the purpose of issuing 5,000 shares of Fixed-to-Floating Rate Exchangeable Non-cumulative Perpetual Series A Preferred Stock with a liquidation preference of $100,000 per share ("Series A Preferred Securities") to third-party investors. Dividends on the Series A Preferred Securities, if declared, will accrue and be payable quarterly, in arrears, at a rate per annum equal to 1.147 percent above three-month CME Term SOFR plus a credit spread adjustment of 0.26161 percent. If USB Realty Corp. has not declared a dividend on the Series A Preferred Securities before the dividend payment date for any dividend period, such dividend shall not be cumulative and shall cease to accrue and be payable, and USB Realty Corp. will have no obligation to pay dividends accrued for such dividend period, whether or not dividends on the Series A Preferred Securities are declared for any future dividend period.

The Series A Preferred Securities will be redeemable, in whole or in part, at the option of USB Realty Corp. on each fifth anniversary after the dividend payment date occurring in January 2012. Any redemption will be subject to the approval of the OCC. During 2016, the Company purchased 500 shares of the Series A Preferred Securities held by third-party investors. As of December 31, 2025, 4,500 shares of the Series A Preferred Securities remain outstanding.

NOTE 15 Earnings Per Share

The components of earnings per share were:

Year Ended December 31 (Dollars and Shares in Millions, Except Per Share Data)	2025	2024	2023
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429
Preferred dividends	(329)	(352)	(350)
Earnings allocated to participating stock awards	(47)	(38)	(28)
Net income applicable to U.S. Bancorp common shareholders	$ 7,194	$ 5,909	$ 5,051
Average common shares outstanding	1,557	1,560	1,543
Net effect of the exercise and assumed purchase of stock awards	1	1	—
Average diluted common shares outstanding	1,558	1,561	1,543
Earnings per common share	$ 4.62	$ 3.79	$ 3.27
Diluted earnings per common share	$ 4.62	$ 3.79	$ 3.27

Options outstanding at December 31, 2025, 2024 and 2023, to purchase 1 million, 1 million and 3 million common shares, respectively, were not included in the computation of diluted earnings per share for the years ended December 31, 2025, 2024 and 2023, because they were antidilutive.

NOTE 16 Employee Benefits

Employee Retirement Savings Plan The Company has a defined contribution retirement savings plan that covers substantially all its employees. Qualified employees are allowed to contribute up to 75 percent of their annual compensation, subject to Internal Revenue Service limits, through salary deductions under Section 401(k) of the Internal Revenue Code. Employee contributions are invested at their direction among a variety of investment alternatives. Employee contributions are 100 percent matched by the Company, up to four percent of each employee's eligible annual compensation. The Company's matching contribution vests immediately and is invested in the same manner as each employee's future contribution elections. Total expense for the Company's matching contributions was $249 million, $262 million and $254 million in 2025, 2024 and 2023, respectively.

Pension and Postretirement Welfare Plans The Company has tax qualified noncontributory defined benefit pension plans, nonqualified pension plans and a postretirement welfare plan.

Pension Plans The funded tax qualified noncontributory defined benefit pension plans provide benefits to substantially all the Company's employees. Participants receive annual cash balance pay credits based on eligible pay multiplied by a percentage determined by their age and/or years of service, as defined by the plan documents. Participants also receive an annual interest credit. Generally, employees become vested upon completing three years of vesting service. The Company did not contribute to its qualified pension plans in 2025 and 2024 and does not expect to contribute to the plans in 2026.

The Company also maintains two non-qualified plans that are unfunded and provide benefits to certain employees. The assumptions used in computing the accumulated benefit obligation, the projected benefit obligation and net pension expense are substantially consistent with those assumptions used for the funded qualified plans. In 2026, the Company expects to contribute approximately $55 million to its non-qualified pension plans, which equals the 2026 expected benefit payments.

Postretirement Welfare Plan In addition to providing pension benefits, the Company has a funded postretirement welfare plan available to certain eligible participants based on their hire or retirement date. The plan is closed to new participants. In 2026, the Company does not expect to contribute to its postretirement welfare plan.

The following table summarizes the changes in benefit obligations and plan assets for the years ended December 31, and the funded status and amounts recognized in the Consolidated Balance Sheet at December 31 for the pension plans:

(Dollars in Millions)	2025	2024
Change In Projected Benefit Obligation[a]		
Benefit obligation at beginning of measurement period	$ 7,069	$ 7,278
Service cost	213	219
Interest cost	409	376
Plan amendments	(261)	—
Actuarial (gain) loss	413	(443)
Lump sum settlements	(125)	(118)
Benefit payments	(258)	(243)
Benefit obligation at end of measurement period[b]	$ 7,460	$ 7,069
Change In Fair Value Of Plan Assets		
Fair value at beginning of measurement period	$ 7,834	$ 7,779
Actual return on plan assets	945	381
Employer contributions	39	35
Lump sum settlements	(125)	(118)
Benefit payments	(258)	(243)
Fair value at end of measurement period	$ 8,435	$ 7,834
Funded Status	$ 975	$ 765
Components Of The Consolidated Balance Sheet		
Noncurrent benefit asset	$ 1,575	$ 1,329
Current benefit liability	(53)	(48)
Noncurrent benefit liability	(547)	(516)
Recognized amount	$ 975	$ 765
Accumulated Other Comprehensive Income (Loss), Pretax		
Net actuarial loss	$ (1,407)	$ (1,359)
Net prior service credit	286	30
Recognized amount	$ (1,121)	$ (1,329)

Note: At December 31, 2025 and 2024, the postretirement welfare plan projected benefit obligation was $35 million and $41 million, respectively. At both December 31, 2025 and 2024, the fair value of plan assets was $47 million and the amount recognized in accumulated other comprehensive income (loss), pretax was $51 million.

(a) The increase in the projected benefit obligation for 2025 was primarily due to a lower discount rate, partially offset by the impact of plan amendments effective at the end of the year to align the benefit crediting formula of a subset of employees with that of all other employees. The decrease in the projected benefit obligation for 2024 was primarily due to a higher discount rate.

(b) At December 31, 2025 and 2024, the accumulated benefit obligation for all pension plans was $7.2 billion and $6.6 billion, respectively.

The following table provides information for pension plans with benefit obligations in excess of plan assets at December 31:

(Dollars in Millions)	2025	2024
Plans with Projected Benefit Obligations in Excess of Plan Assets		
Projected benefit obligation	$ 600	$ 564
Fair value of plan assets	—	—
Plans with Accumulated Benefit Obligations in Excess of Plan Assets		
Accumulated benefit obligation	$ 568	$ 525
Fair value of plan assets	—	—

The following table sets forth the components of net periodic pension cost and other amounts recognized in accumulated other comprehensive income (loss) for the years ended December 31 for the pension plans:

(Dollars in Millions)	2025	2024	2023
Components Of Net Periodic Pension Cost			
Service cost	$ 213	$ 219	$ 223
Interest cost	409	376	370
Expected return on plan assets	(586)	(585)	(546)
Prior service credit amortization	(4)	(4)	(1)
Actuarial loss amortization	5	9	5
Net periodic pension cost	$ 37	$ 15	$ 51
Other Changes In Plan Assets And Benefit Obligations Recognized In Other Comprehensive Income (Loss)			
Net actuarial (loss) gain arising during the year	$ (54)	$ 239	$ (286)
Net actuarial loss amortized during the year	5	9	5
Net prior service credit (cost) arising during the year	261	—	23
Net prior service credit amortized during the year	(4)	(4)	(1)
Total recognized in other comprehensive income (loss)	$ 208	$ 244	$ (259)
Total recognized in net periodic pension cost and other comprehensive income (loss)	$ 171	$ 229	$ (310)

Note: The net periodic benefit for the postretirement welfare plan was $6 million, $7 million and $10 million for the years end December 31, 2025, 2024 and 2023, respectively. The total of other amounts recognized as other comprehensive income (loss) netted to less than $1 million, $(1) million and $(10) million for the years ended December 31, 2025, 2024 and 2023, respectively.

The following table sets forth weighted-average assumptions used to determine the pension plans projected benefit obligations at December 31:

	2025	2024
Discount rate	5.44 %	5.77 %
Cash balance interest crediting rate	3.58	3.71
Rate of compensation increase[(a)]	4.00	3.52

(a) Determined on an active liability-weighted basis.

The following table sets forth weighted-average assumptions used to determine net periodic pension cost for the years ended December 31:

	2025	2024	2023
Discount rate	5.77 %	5.12 %	5.55 %
Cash balance interest crediting rate	3.71	3.04	3.36
Expected return on plan assets[(a)]	7.00	7.00	6.75
Rate of compensation increase[(b)]	3.52	3.72	4.13

(a) With the help of an independent pension consultant, the Company considers several sources when developing its expected long-term rates of return on plan assets assumptions, including, but not limited to, past returns and estimates of future returns given the plans' asset allocation, economic conditions, and peer group long-term rate of return information. The Company determines its expected long-term rates of return reflecting current economic conditions and plan assets.
(b) Determined on an active liability-weighted basis.

Investment Policies and Asset Allocation In establishing its investment policies and asset allocation strategies, the Company considers expected returns and the volatility associated with different strategies. An independent consultant performs modeling that projects numerous outcomes using a broad range of possible scenarios, including a mix of possible rates of inflation and economic growth. Starting with current economic information, the model bases its projections on past relationships between inflation, fixed income rates and equity returns when these types of economic conditions have existed over the previous 30 years, both in the United States and in foreign countries. Estimated future returns and other actuarially determined adjustments are also considered in calculating the estimated return on assets.

Generally, based on historical performance of the various investment asset classes, investments in equities have outperformed other investment classes but are subject to higher volatility. In an effort to minimize volatility, while recognizing the long-term up-side potential of investing in equities, the Company's Compensation and Human Resources Committee has determined that a target asset allocation of 35 percent long duration bonds, 30 percent global equities, 10 percent real assets, 10 percent private equity funds, 5 percent domestic mid-small cap equities, 5 percent emerging markets equities, and 5 percent hedge funds is appropriate.

At December 31, 2025 and 2024, plan assets included an asset management arrangement with a related party totaling approximately $105 million and $63 million, respectively.

The assets of the qualified pension plans primarily include funds that do not have readily determinable fair values. These funds are valued based on net asset values provided by the fund trustee or administrator. Plan assets also include cash and cash equivalents and U.S. Treasury securities with readily determinable fair values. The fair values of U.S. Treasury securities are determined based on quoted prices in active markets. The Company classified these assets within Level 1 of the fair value hierarchy. Refer to Note 21 for further discussion of the fair value hierarchy, including the levels within the fair value hierarchy.

The following table summarizes the pension plans investment assets at December 31:

(Dollars in Millions)	2025	2024
Cash and cash equivalents	$ 105	$ 63
U.S Treasury securities	951	—
Investment assets not classified in fair value hierarchy[a]		
Collective investment funds		
Domestic equity securities	1,827	1,788
Mid-small cap equity securities	536	474
International equity securities	1,127	968
Real estate securities	178	171
Fixed income	1,183	1,958
Real estate funds[b]	770	733
Hedge funds[c]	468	354
Private equity funds[d]	1,290	1,325
Total plan investment assets at fair value	$ 8,435	$ 7,834

(a) These investment assets are valued based on net asset values as a practical expedient and as a result, are not classified in the fair value hierarchy.
(b) This category consists of several investment strategies diversified across several real estate fund managers.
(c) This category consists of several investment strategies diversified across several hedge fund managers.
(d) This category consists of several investment strategies diversified across several private equity fund managers.

The following benefit payments are expected to be paid from the pension plans for the years ended December 31:

(Dollars in Millions)	
2026	$ 420
2027	426
2028	450
2029	486
2030	494
2031-2035	2,719

NOTE 17 Stock-Based Compensation

As part of its employee and director compensation programs, the Company currently may grant certain stock awards under the provisions of its stock incentive plan. The plan provides for grants of shares of common stock or stock units that are subject to restriction on transfer prior to vesting. Most stock and unit awards vest over three to five years and are subject to forfeiture if certain vesting requirements are not met. In addition, the plan provides for grants of options to purchase shares of common stock at a fixed price equal to the fair value of the underlying stock at the date of grant. Option grants are generally exercisable up to ten years from the date of grant. Stock incentive plans of acquired companies are generally terminated at the merger closing dates. Participants under such plans receive the Company's common stock, options to buy the Company's common stock, or long term cash incentives, based on the conversion terms of the various merger agreements. At December 31, 2025, there were 41 million shares (subject to adjustment for forfeitures) available for grant under the Company's stock incentive plan.

Restricted Stock and Unit Awards

A summary of the status of the Company's restricted shares of stock and unit awards is presented below:

	2025		2024		2023	
Year Ended December 31	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value
Outstanding at beginning of period	9,241,387	$ 44.45	8,316,571	$ 48.42	6,880,826	$ 52.59
Granted	5,815,879	46.25	6,107,976	42.12	5,565,634	45.87
Vested	(5,272,319)	47.05	(4,680,480)	48.52	(3,872,874)	52.05
Cancelled	(507,322)	44.48	(502,680)	44.06	(257,015)	50.00
Outstanding at end of period	9,277,625	$ 44.10	9,241,387	$ 44.45	8,316,571	$ 48.42

The total fair value of shares vested was $252 million, $208 million and $180 million for the years ended December 31, 2025, 2024 and 2023, respectively. Stock-based compensation expense was $235 million, $232 million and $224 million for the years ended December 31, 2025, 2024 and 2023, respectively. On an after-tax basis, stock-based compensation was $177 million, $173 million and $167 million for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025, there was $177 million of total unrecognized compensation cost related to nonvested share-based arrangements granted under the plans. That cost is expected to be recognized over a weighted-average period of 1.8 years as compensation expense.

Stock Option Awards

The number of outstanding stock options was less than 1 million as of December 31, 2025, compared with approximately 2 million at December 31, 2024. The weighted-average exercise price and remaining contractual maturity of the outstanding stock options as of December 31, 2025 were $53.29 and 1.0 years, respectively.

NOTE 18 Income Taxes

The components of income before income taxes and income tax expense (benefit) were as follows:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Income before income taxes			
U.S.	$ 9,330	$ 7,786	$ 6,738
Foreign	187	123	127
Total	$ 9,517	$ 7,909	$ 6,865
Income tax expense (benefit)			
Current tax expense (benefit)			
U.S. Federal	$ 1,183	$ 1,252	$ 1,418
U.S. State and local	394	279	482
Foreign	36	20	16
Total current tax expense (benefit)	1,613	1,551	1,916
Deferred tax expense (benefit)			
U.S. Federal	209	(5)	(342)
U.S. State and local	99	35	(183)
Foreign	—	(1)	16
Total deferred tax expense (benefit)	308	29	(509)
Total income tax expense (benefit)			
U.S. Federal	1,392	1,247	1,076
U.S. State and local	493	314	299
Foreign	36	19	32
Total income tax expense (benefit)	$ 1,921	$ 1,580	$ 1,407

A reconciliation of expected income tax expense at the U.S. federal statutory rate of 21 percent to the Company's applicable income tax expense follows:

	2025		2024		2023	
Year Ended December 31 (Dollars in Millions)	Amount	Percent	Amount	Percent	Amount	Percent
Tax at U.S. Federal statutory tax rate	$ 1,999	21.0 %	$ 1,661	21.0 %	$ 1,442	21.0 %
State income and local taxes, net of U.S. federal tax benefit[(a)]	446	4.7	320	4.0	266	3.9
Foreign tax effects	2	—	—	—	4	.1
Effect of cross-border tax laws	11	.1	6	.1	(3)	—
Tax credits						
Renewable energy	(378)	(4.0)	(230)	(2.9)	(119)	(1.7)
Other	(139)	(1.5)	(119)	(1.5)	(106)	(1.5)
Changes in valuation allowances	33	.3	—	—	—	—
Nontaxable or nondeductible items						
Tax-exempt income	(151)	(1.6)	(144)	(1.8)	(142)	(2.1)
Nondeductible legal and regulatory expenses	46	.5	57	.7	76	1.1
Other	32	.3	35	.4	34	.5
Changes in unrecognized tax benefits	21	.2	(65)	(.8)	(52)	(.8)
Other adjustments	(1)	—	59	.7	7	.1
Applicable income taxes	$ 1,921	20.2 %	$ 1,580	20.0 %	$ 1,407	20.5 %

(a) The majority of this category (greater than 50 percent) consists of California state taxes, California and Minnesota state taxes and California, Minnesota and New York state taxes for 2025, 2024 and 2023, respectively.

The components of cash paid for income taxes were:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
U.S. Federal	$ 338	$ 355	$ 517
U.S. State and Local			
California	120	85	44
New York	*	28	*
Other	50	15	64
Total U.S. State and local	170	128	108
Foreign	36	16	20
Total cash paid for income taxes	$ 544	$ 499	$ 645

** The amount of cash paid for income taxes was less than 5 percent of total cash paid for income taxes for all jurisdictions during the period.*

The tax effects of fair value adjustments on securities available-for-sale, derivative instruments in cash flow hedges, foreign currency translation adjustments, and pension and post-retirement plans are recorded directly to shareholders' equity as part of other comprehensive income (loss).

In preparing its tax returns, the Company is required to interpret complex tax laws and regulations and utilize income and cost allocation methods to determine its taxable income. On an ongoing basis, the Company is subject to examinations by U.S. federal, state, local and foreign taxing authorities that may give rise to differing interpretations of these complex laws, regulations and methods. Due to the nature of the examination process, it generally takes years before these examinations are completed and matters are resolved. U.S. federal tax examinations for all years ending through December 31, 2020 are completed and resolved. The Company's tax returns for the years ended December 31, 2021 through December 31, 2022 are under examination by the Internal Revenue Service. The years open to examination by foreign, state and local government authorities vary by jurisdiction.

A reconciliation of the changes in the U.S. federal, state and foreign uncertain tax position balances are summarized as follows:

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Balance at beginning of period	$ 256	$ 350	$ 513
Additions for tax positions taken in prior years	8	32	141
Additions for tax positions taken in the current year	7	6	3
Exam resolutions	(3)	(131)	(302)
Statute expirations	(1)	(1)	(5)
Balance at end of period	$ 267	$ 256	$ 350

The total amount of uncertain tax positions that, if recognized, would impact the effective income tax rate as of December 31, 2025, 2024 and 2023, were $215 million, $206 million and $276 million, respectively. The Company classifies interest and penalties related to uncertain tax positions as a component of income tax expense. At December 31, 2025, the Company's uncertain tax position balance included $39 million of accrued interest and penalties. During the years ended December 31, 2025, 2024 and 2023 the Company recorded approximately $12 million, $(13) million and $(11) million, respectively, in interest and penalties on uncertain tax positions.

Deferred income tax assets and liabilities reflect the tax effect of estimated temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for the same items for income tax reporting purposes.

The significant components of the Company's net deferred tax asset (liability) follows:

At December 31 (Dollars in Millions)	2025	2024
Deferred Tax Assets		
U.S. federal, state and foreign net operating loss, credit carryforwards and other carryforwards	$ 2,521	$ 2,772
Securities available-for-sale and financial instruments	2,168	3,129
Allowance for credit losses	2,068	2,086
Accrued expenses	638	767
Loans	622	869
Obligation for operating leases	349	341
Partnerships and other investment assets	321	264
Stock compensation	84	89
Fixed assets	38	—
Other deferred tax assets, net	331	383
Gross deferred tax assets	9,140	10,700
Deferred Tax Liabilities		
Goodwill and other intangible assets	(1,272)	(1,362)
Leasing activities	(1,087)	(1,273)
Mortgage servicing rights	(760)	(789)
Right of use operating leases	(311)	(297)
Pension and postretirement benefits	(241)	(184)
Fixed assets	—	(28)
Other deferred tax liabilities, net	(48)	(125)
Gross deferred tax liabilities	(3,719)	(4,058)
Valuation allowance	(432)	(389)
Net Deferred Tax Asset	$ 4,989	$ 6,253

The Company has approximately $142 million of deferred tax assets related to U.S. federal, state and foreign net operating loss carryforwards which expire at various times beginning in 2026. A substantial portion of these carryforwards relate to state-only net operating losses, for which the related deferred tax asset is subject to a full valuation allowance as the carryforwards are not expected to be realized within the carryforward period.

In addition, the Company has $1.3 billion of U.S. federal and state credit carryforwards which expire at various times through 2045. Certain of these carryforwards are subject to a valuation allowance as management believes that it is more likely than not that the credits will not be utilized within the carryforward period.

Management has determined it is more likely than not the other net deferred tax assets could be realized through carry back to taxable income in prior years, future reversals of existing taxable temporary differences and future taxable income.

At December 31, 2025, retained earnings included approximately $102 million of base year reserves of acquired thrift institutions, for which no deferred U.S. federal income tax liability has been recognized. These base year reserves would be recaptured if certain subsidiaries of the Company cease to qualify as a bank for U.S. federal income tax purposes. The base year reserves also remain subject to income tax penalty provisions that, in general, require recapture upon certain stock redemptions of, and excess distributions to, stockholders.

NOTE 19 Derivative Instruments

In the ordinary course of business, the Company enters into derivative transactions to manage various risks and to accommodate the business requirements of its customers. The Company recognizes all derivatives on the Consolidated Balance Sheet at fair value in other assets or in other liabilities. On the date the Company enters into a derivative contract, the derivative is designated as either a fair value hedge, cash flow hedge, net investment hedge, or a designation is not made as it is a customer-related transaction, an economic hedge for asset/liability risk management purposes or another stand-alone derivative created through the Company's operations ("free-standing derivative"). When a derivative is designated as a fair value, cash flow or net investment hedge, the Company performs an assessment, at inception and, at a minimum, quarterly thereafter, to determine the effectiveness of the derivative in offsetting changes in the value or cash flows of the hedged item(s).

Fair Value Hedges These derivatives are interest rate swaps the Company uses to hedge the change in fair value related to interest rate changes of its underlying available-for-sale investment securities and fixed-rate debt. Changes in the fair value of derivatives designated as fair value hedges, and changes in the fair value of the hedged items, are recorded in earnings.

Cash Flow Hedges These derivatives are interest rate swaps the Company uses to hedge the forecasted cash flows from its underlying variable-rate loans and debt. Changes in the fair value of derivatives designated as cash flow hedges are recorded in other comprehensive income (loss) until the cash flows of the hedged items are realized. If a derivative designated as a cash flow hedge is terminated or ceases to be highly effective, the gain or loss in other comprehensive income (loss) is amortized to earnings over the period the forecasted hedged transactions impact earnings. If a hedged forecasted transaction is no longer probable, hedge accounting is ceased and any gain or loss included in other comprehensive income (loss) is reported in earnings immediately, unless the forecasted transaction is at least reasonably possible of occurring, whereby the amounts remain within other comprehensive income (loss). At December 31, 2025, the Company had $69 million (net-of-tax) of realized and unrealized losses on derivatives classified as cash flow hedges recorded in other comprehensive income (loss), compared with $553 million (net-of-tax) of realized and unrealized losses at December 31, 2024. The estimated amount to be reclassified from other comprehensive income (loss) into earnings during the next 12 months is a loss of $76 million (net-of-tax). All cash flow hedges were highly effective for the year ended December 31, 2025.

Net Investment Hedges The Company uses forward commitments to sell specified amounts of certain foreign currencies, and non-derivative debt instruments, to hedge the volatility of its net investment in foreign operations driven by fluctuations in foreign currency exchange rates. The carrying amount of non-derivative debt instruments designated as net investment hedges was $1.7 billion and $1.3 billion at December 31, 2025 and December 31, 2024, respectively.

Other Derivative Positions The Company enters into free-standing derivatives to mitigate interest rate risk and for other risk management purposes. These derivatives include forward commitments to sell TBAs and other commitments to sell residential mortgage loans, which are used to economically hedge the interest rate risk related to MLHFS and unfunded mortgage loan commitments. The Company also enters into interest rate swaps, swaptions, forward commitments to buy TBAs, U.S. Treasury and SOFR futures and options on U.S. Treasury futures to economically hedge the change in the fair value of the Company's MSRs. The Company enters into foreign currency forwards to economically hedge remeasurement gains and losses the Company recognizes on foreign currency denominated assets and liabilities. The Company also enters into interest rate swaps as economic hedges of fair value option elected deposits and long-term debt. In addition, the Company acts as a seller and buyer of interest rate, foreign exchange and commodity contracts for its customers. The Company mitigates the market, funding and liquidity risk associated with these customer derivatives by entering into similar offsetting positions with broker-dealers, or on a portfolio basis by entering into other derivative or non-derivative financial instruments that partially or fully offset the exposure to earnings from these customer-related positions. The Company's customer derivatives and related hedges are monitored and reviewed by the Company's Market Risk Committee, which establishes policies for market risk management, including exposure limits for each portfolio. The Company also has derivative contracts that are created through its operations, including certain unfunded mortgage loan commitments and swap agreements related to the sale of a portion of its Class B common and preferred shares of Visa Inc. Refer to Note 21 for further information on these swap agreements. The Company uses credit derivatives to economically hedge the credit risk on its derivative positions and loan portfolios.

The following table summarizes the asset and liability management derivative positions of the Company at December 31:

	2025			2024		
		Fair Value			Fair Value	
(Dollars in Millions)	Notional Value	Assets	Liabilities	Notional Value	Assets	Liabilities
Fair value hedges						
Interest rate contracts						
Receive fixed/pay floating swaps	$ 7,950	$ —	$ —	$ 10,600	$ —	$ —
Pay fixed/receive floating swaps	25,154	—	—	29,739	—	—
Cash flow hedges						
Interest rate contracts						
Receive fixed/pay floating swaps	25,350	—	—	28,550	—	—
Pay fixed/receive floating swaps	1,000	—	—	—	—	—
Net investment hedges						
Foreign exchange forward contracts	759	—	2	870	7	—
Other economic hedges						
Interest rate contracts						
Futures and forwards						
Buy	3,235	10	1	5,436	8	30
Sell	3,583	1	10	2,711	10	1
Options						
Purchased	8,930	131	—	7,810	186	—
Written	2,553	13	58	1,991	8	47
Receive fixed/pay floating swaps	5,318	14	30	9,977	45	23
Pay fixed/receive floating swaps	2,479	—	—	2,371	—	—
Foreign exchange forward contracts	940	3	3	702	4	4
Equity contracts	334	2	1	293	—	9
Credit contracts	2,265	—	18	3,558	—	29
Other[(a)]	1,085	6	99	1,084	7	78
Total	$ 90,935	$ 180	$ 222	$ 105,692	$ 275	$ 221

(a) Includes derivative liability swap agreements related to the sale of a portion of the Company's Class B common and preferred shares of Visa Inc. The Visa swap agreements had a total notional value and fair value of $995 million and $99 million at December 31, 2025, respectively, compared to $1.0 billion and $78 million at December 31, 2024, respectively.

The following table summarizes the customer-related derivative positions of the Company at December 31:

	2025			2024		
		Fair Value			Fair Value	
(Dollars in Millions)	Notional Value	Assets	Liabilities	Notional Value	Assets	Liabilities
Interest rate contracts						
Receive fixed/pay floating swaps	$ 459,357	$ 1,326	$ 2,134	$ 413,841	$ 462	$ 4,485
Pay fixed/receive floating swaps	386,099	1,142	449	363,837	2,342	153
Other[a]	66,014	19	33	72,503	17	34
Options						
Purchased	148,778	222	8	96,238	414	2
Written	106,749	24	291	90,572	12	574
Futures						
Buy	3,974	—	—	—	—	—
Sell	527	—	—	—	—	—
Foreign exchange rate contracts						
Forwards, spots and swaps	137,555	2,688	2,575	113,718	2,441	2,232
Options						
Purchased	1,101	20	2	497	14	—
Written	1,101	4	19	497	—	14
Commodity contracts						
Swaps	18,068	810	705	8,224	199	180
Options						
Purchased	4,545	278	2	3,921	233	2
Written	4,539	1	278	3,921	3	233
Futures						
Buy	—	—	—	1	—	—
Sell	631	138	71	166	25	27
Credit contracts	14,683	—	3	13,670	—	3
Total	$ 1,353,721	$ 6,672	$ 6,570	$ 1,181,606	$ 6,162	$ 7,939

(a) Primarily represents floating rate interest rate swaps that pay based on differentials between specified interest rate indexes.

The table below shows the effective portion of the gains (losses) recognized in other comprehensive income (loss) and the gains (losses) reclassified from other comprehensive income (loss) into earnings (net-of-tax) for the years ended December 31:

	Gains (Losses) Recognized in Other Comprehensive Income (Loss)			Gains (Losses) Reclassified from Other Comprehensive Income (Loss) into Earnings		
(Dollars in Millions)	2025	2024	2023	2025	2024	2023
Asset and Liability Management Positions						
Cash flow hedges						
Interest rate contracts	$ 296	$ (503)	$ (187)	$ (188)	$ (192)	$ (59)
Net investment hedges						
Foreign exchange forward contracts	(33)	121	(11)	—	—	—
Non-derivative debt instruments	(195)	85	(33)	—	—	—

Note: The Company does not exclude components from effectiveness testing for cash flow and net investment hedges.

The table below shows the effect of fair value and cash flow hedge accounting on the Consolidated Statement of Income for the years ended December 31:

(Dollars in Millions)	Interest Income			Interest Expense		
	2025	2024	2023	2025	2024	2023
Total amount of income and expense line items presented in the Consolidated Statement of Income in which the effects of fair value or cash flow hedges are recorded	$ 30,970	$ 31,666	$ 30,007	$ 14,321	$ 15,377	$ 12,611
Asset and Liability Management Positions						
Fair value hedges						
Interest rate contract derivatives	(521)	508	(430)	(105)	95	(458)
Hedged items	522	(508)	427	92	(98)	461
Cash flow hedges						
Interest rate contract derivatives	(230)	(230)	(52)	21	28	28

Note: The Company does not exclude components from effectiveness testing for fair value and cash flow hedges. The Company reclassified losses of $21 million, $28 million and $28 million into earnings during the years ended December 31, 2025, 2024 and 2023, respectively, as a result of realized cash flows on discontinued cash flow hedges. No amounts were reclassified into earnings on discontinued cash flow hedges because it is probable the original hedged forecasted cash flows will not occur.

The table below shows cumulative hedging adjustments and the carrying amount of assets and liabilities currently designated in fair value hedges at December 31:

(Dollars in Millions)	Carrying Amount of the Hedged Assets and Liabilities		Cumulative Hedging Adjustment	
	2025	2024	2025	2024
Line Item in the Consolidated Balance Sheet				
Available-for-sale investment securities[(a)]	$ 25,062	$ 29,005	$ 75	$ (464)
Long-term debt	8,091	10,632	153	39

Note: The table above excludes the cumulative hedging adjustment related to discontinued hedging relationships on available-for-sale investment securities and long-term debt of $57 million and $(33) million, respectively, at December 31, 2025, compared with $(72) million and $(149) million at December 31, 2024, respectively. The carrying amount of available-for-sale investment securities and long-term debt related to discontinued hedging relationships was $11.8 billion and $16.6 billion, respectively, at December 31, 2025, compared with $6.8 billion and $14.9 billion at December 31, 2024, respectively.

(a) Includes amounts related to available-for-sale investment securities currently designated as the hedged item in a fair value hedge using the portfolio layer method. At December 31, 2025, the amortized cost of the closed portfolios used in these hedging relationships was $20.7 billion, of which $9.2 billion was designated as hedged. At December 31, 2025, the cumulative amount of basis adjustments associated with these hedging relationships was $175 million. At December 31, 2024, the amortized cost of the closed portfolios used in these hedging relationships was $17.5 billion, of which $11.6 billion was designated as hedged. At December 31, 2024, the cumulative amount of basis adjustments associated with these hedging relationships was $13 million.

The table below shows the gains (losses) recognized in earnings for other economic hedges and the customer-related positions for the years ended December 31:

(Dollars in Millions)	Location of Gains (Losses) Recognized in Earnings	2025	2024	2023
Asset and Liability Management Positions				
Other economic hedges				
Interest rate contracts				
Futures and forwards	Mortgage banking revenue	$ 68	$ 5	$ 71
Purchased and written options	Mortgage banking revenue	156	195	89
Swaps	Mortgage banking revenue/Interest expense	37	(201)	(19)
Foreign exchange forward contracts	Other noninterest income	(6)	23	(7)
Equity contracts	Compensation expense	33	(4)	(8)
Credit contracts	Other noninterest income	4	(21)	—
Other	Other noninterest income	(114)	(147)	1
Customer-Related Positions				
Interest rate contracts				
Swaps	Capital markets revenue	201	280	185
Purchased and written options	Capital markets revenue	9	(58)	45
Futures	Capital markets revenue	3	—	(1)
Foreign exchange rate contracts				
Forwards, spots and swaps	Capital markets revenue	238	215	195
Purchased and written options	Capital markets revenue	2	—	1
Commodity contracts				
Swaps	Capital markets revenue	(74)	16	6
Purchased and written options	Capital markets revenue	15	6	—
Futures	Capital markets revenue	108	—	—
Credit contracts	Capital markets revenue	(12)	(3)	1

Derivatives are subject to credit risk associated with counterparties to the derivative contracts. The Company measures that credit risk using a credit valuation adjustment and includes it within the fair value of the derivative. The Company manages counterparty credit risk through diversification of its derivative positions among various counterparties, by entering into derivative positions that are centrally cleared through clearinghouses, by entering into master netting arrangements and, where possible, by requiring collateral arrangements. A master netting arrangement allows two counterparties, who have multiple derivative contracts with each other, the ability to net settle amounts under all contracts, including any related collateral, through a single payment and in a single currency. Collateral arrangements generally require the counterparty to deliver collateral (typically cash or U.S. Treasury and agency securities) equal to the Company's net derivative receivable, subject to minimum transfer and credit rating requirements.

The Company's collateral arrangements are predominately bilateral and, therefore, contain provisions that require collateralization of the Company's net liability derivative positions. Required collateral coverage is based on net liability thresholds and may be contingent upon the Company's credit rating from two of the nationally recognized statistical rating organizations. If the Company's credit rating were to fall below credit ratings thresholds established in the collateral arrangements, the counterparties to the derivatives could request immediate additional collateral coverage up to and including full collateral coverage for derivatives in a net liability position. The aggregate fair value of all derivatives under collateral arrangements that were in a net liability position at December 31, 2025, was $1.7 billion. At December 31, 2025, the Company had $1.5 billion of cash posted as collateral against this net liability position.

NOTE 20 Netting Arrangements for Certain Financial Instruments and Securities Financing Activities

The Company's derivative portfolio consists of bilateral over-the-counter trades, certain interest rate derivatives and credit contracts required to be centrally cleared through clearinghouses per current regulations, and exchange-traded positions which may include U.S. Treasury and SOFR futures or options on U.S. Treasury futures. Of the Company's $1.4 trillion total notional amount of derivative positions at December 31, 2025, $649.4 billion related to bilateral over-the-counter trades, $725.5 billion related to those centrally cleared through clearinghouses and $69.8 billion related to those that were exchange-traded. The Company's derivative contracts typically include offsetting rights (referred to as netting arrangements), and depending on expected volume, credit risk, and counterparty preference, collateral maintenance may be required. For all derivatives under collateral support arrangements, fair value is determined daily and, depending on the collateral maintenance requirements, the Company and a counterparty may receive or deliver collateral, based upon the net fair value of all derivative positions between the Company and the counterparty. Collateral is typically cash, but securities may be allowed under collateral arrangements with certain counterparties. Receivables and payables related to cash collateral are included in other assets and other liabilities on the Consolidated Balance Sheet, along with the related derivative asset and liability fair values. Any securities pledged to counterparties as collateral remain on the Consolidated Balance Sheet. Securities received from counterparties as collateral are not recognized on the Consolidated Balance Sheet, unless the counterparty defaults. In general, securities used as collateral can be sold, repledged or otherwise used by the party in possession. No restrictions exist on the use of cash collateral by either party. Refer to Note 19 for further discussion of the Company's derivatives, including collateral arrangements.

As part of the Company's treasury and broker-dealer operations, the Company executes transactions that are treated as securities sold under agreements to repurchase or securities purchased under agreements to resell, both of which are accounted for as collateralized financings. Securities sold under agreements to repurchase include repurchase agreements and securities loaned transactions. Securities purchased under agreements to resell include reverse repurchase agreements and securities borrowed transactions. For securities sold under agreements to repurchase, the Company records a liability for the cash received, which is included in short-term borrowings on the Consolidated Balance Sheet. For securities purchased under agreements to resell, the Company records a receivable for the cash paid, which is included in other assets on the Consolidated Balance Sheet.

Securities transferred to counterparties under repurchase agreements and securities loaned transactions continue to be recognized on the Consolidated Balance Sheet, are measured at fair value, and are included in investment securities or other assets. Securities received from counterparties under reverse repurchase agreements and securities borrowed transactions are not recognized on the Consolidated Balance Sheet unless the counterparty defaults. The securities transferred under repurchase and reverse repurchase transactions typically are U.S. Treasury and agency securities, residential agency mortgage-backed securities, corporate debt securities or asset-backed securities. The securities loaned or borrowed typically are corporate debt securities traded by the Company's primary broker-dealer subsidiary. In general, the securities transferred can be sold, repledged or otherwise used by the party in possession. At December 31, 2025 and December 31, 2024, the fair value of collateral received where the Company has the contractual right to sell or repledge was $62.6 billion and $7.8 billion, respectively, of which $56.6 billion and $7.6 billion had been sold or repledged. No restrictions exist on the use of cash collateral by either party. Repurchase/reverse repurchase and securities loaned/borrowed transactions expose the Company to counterparty risk. The Company manages this risk by performing assessments, independent of business line managers, and establishing concentration limits on each counterparty. Additionally, these transactions include collateral arrangements that require the fair values of the underlying securities to be determined daily, resulting in cash being obtained from or refunded to counterparties to maintain specified collateral levels.

The following table summarizes the maturities by category of collateral pledged for repurchase agreements and securities loaned transactions:

(Dollars in Millions)	Overnight and Continuous	Less Than 30 Days	30-89 Days	Greater Than 90 Days	Total
December 31, 2025					
Repurchase agreements					
U.S. Treasury and agencies	$ 54,117	$ —	$ —	$ —	$ 54,117
Residential agency mortgage-backed securities	293	—	—	—	293
Corporate debt securities	3,015	100	—	—	3,115
Asset-backed securities	419	—	—	—	419
Total repurchase agreements	57,844	100	—	—	57,944
Securities loaned					
Corporate debt securities	84	—	—	—	84
Total securities loaned	84	—	—	—	84
Gross amount of recognized liabilities	$ 57,928	$ 100	$ —	$ —	$ 58,028
December 31, 2024					
Repurchase agreements					
U.S. Treasury and agencies	$ 5,918	$ —	$ —	$ —	$ 5,918
Residential agency mortgage-backed securities	319	—	—	—	319
Corporate debt securities	1,116	—	—	—	1,116
Asset-backed securities	270	22	—	—	292
Total repurchase agreements	7,623	22	—	—	7,645
Securities loaned					
Corporate debt securities	90	—	—	—	90
Total securities loaned	90	—	—	—	90
Gross amount of recognized liabilities	$ 7,713	$ 22	$ —	$ —	$ 7,735

The Company executes its derivative, repurchase/reverse repurchase and securities loaned/borrowed transactions under the respective industry standard agreements. These agreements include master netting arrangements that allow for multiple contracts executed with the same counterparty to be viewed as a single arrangement. This allows for net settlement of a single amount on a daily basis. In the event of default, the master netting arrangement provides for close-out netting, which allows all of these positions with the defaulting counterparty to be terminated and net settled with a single payment amount.

The Company has elected to offset the assets and liabilities under netting arrangements for the balance sheet presentation of the majority of its derivative counterparties. The netting occurs at the counterparty level, and includes all assets and liabilities related to the derivative contracts, including those associated with cash collateral received or delivered. The Company has also elected to offset the assets and liabilities under netting arrangements for the balance sheet presentation of repurchase/reverse repurchase transactions with certain counterparties, but has not made the election for securities loaned/borrowed transactions.

The following tables provide information on the Company's netting adjustments, and items not offset on the Consolidated Balance Sheet but available for offset in the event of default:

(Dollars in Millions)	Gross Recognized Assets	Gross Amounts Offset on the Consolidated Balance Sheet[a]	Net Amounts Presented on the Consolidated Balance Sheet	Gross Amounts Not Offset on the Consolidated Balance Sheet		Net Amount
				Financial Instruments[b]	Collateral Received[c]	
December 31, 2025						
Derivative assets[d]	$ 6,832	$ (3,151)	$ 3,681	$ (116)	$ (23)	$ 3,542
Reverse repurchase agreements	61,078	(48,708)	12,370	(454)	(11,888)	28
Securities borrowed	1,844	—	1,844	—	(1,769)	75
Total	$ 69,754	$ (51,859)	$ 17,895	$ (570)	$ (13,680)	$ 3,645
December 31, 2024						
Derivative assets[d]	$ 6,422	$ (2,979)	$ 3,443	$ (177)	$ (5)	$ 3,261
Reverse repurchase agreements	6,383	—	6,383	(851)	(5,508)	24
Securities borrowed	1,516	—	1,516	—	(1,453)	63
Total	$ 14,321	$ (2,979)	$ 11,342	$ (1,028)	$ (6,966)	$ 3,348

(a) Includes $1.2 billion and $1.9 billion of cash collateral related payables that were netted against derivative assets at December 31, 2025 and 2024, respectively.
(b) For derivative assets this includes any derivative liability fair values that could be offset in the event of counterparty default; for reverse repurchase agreements this includes any repurchase agreement payables that could be offset in the event of counterparty default; for securities borrowed this includes any securities loaned payables that could be offset in the event of counterparty default.
(c) Includes the fair value of securities received by the Company from the counterparty. These securities are not included on the Consolidated Balance Sheet unless the counterparty defaults.
(d) Excludes $20 million and $15 million at December 31, 2025 and 2024, respectively, of derivative assets not subject to netting arrangements.

(Dollars in Millions)	Gross Recognized Liabilities	Gross Amounts Offset on the Consolidated Balance Sheet[a]	Net Amounts Presented on the Consolidated Balance Sheet	Gross Amounts Not Offset on the Consolidated Balance Sheet		Net Amount
				Financial Instruments[b]	Collateral Pledged[c]	
December 31, 2025						
Derivative liabilities[d]	$ 6,692	$ (3,392)	$ 3,300	$ (116)	$ —	$ 3,184
Repurchase agreements	57,944	(48,708)	9,236	(454)	(8,779)	3
Securities loaned	84	—	84	—	(82)	2
Total	$ 64,720	$ (52,100)	$ 12,620	$ (570)	$ (8,861)	$ 3,189
December 31, 2024						
Derivative liabilities[d]	$ 8,081	$ (2,949)	$ 5,132	$ (177)	$ —	$ 4,955
Repurchase agreements	7,645	—	7,645	(851)	(6,787)	7
Securities loaned	90	—	90	—	(88)	2
Total	$ 15,816	$ (2,949)	$ 12,867	$ (1,028)	$ (6,875)	$ 4,964

(a) Includes $1.5 billion and $1.9 billion of cash collateral related receivables that were netted against derivative liabilities at December 31, 2025 and 2024, respectively.
(b) For derivative liabilities this includes any derivative asset fair values that could be offset in the event of counterparty default; for repurchase agreements this includes any reverse repurchase agreement receivables that could be offset in the event of counterparty default; for securities loaned this includes any securities borrowed receivables that could be offset in the event of counterparty default.
(c) Includes the fair value of securities pledged by the Company to the counterparty. These securities are included on the Consolidated Balance Sheet unless the Company defaults.
(d) Excludes $100 million and $79 million at December 31, 2025 and 2024, respectively, of derivative liabilities not subject to netting arrangements.

NOTE 21 Fair Values of Assets and Liabilities

The Company uses fair value measurements for the initial recording of certain assets and liabilities, periodic remeasurement of certain assets and liabilities, and disclosures. Derivatives, trading and available-for-sale investment securities, MSRs, certain time deposits and structured long-term notes, and substantially all MLHFS are recorded at fair value on a recurring basis. Additionally, from time to time, the Company may be required to record at fair value other assets on a nonrecurring basis, such as loans held for sale, loans held for investment and certain other assets. These nonrecurring fair value adjustments typically involve application of lower-of-cost-or-fair value accounting or impairment write-downs of individual assets. Other financial instruments, such as held-to-maturity investment securities, loans, the majority of time deposits, short-term borrowings and long-term debt, are accounted for at amortized cost. See "Fair Value of Financial Instruments" in this Note for further information on the estimated fair value of these other financial instruments. In accordance with disclosure guidance, certain financial instruments, such as deposits with no defined or contractual maturity, receivables and payables due in one year or less, insurance contracts and equity investments not accounted for at fair value, are excluded from this Note.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value measurement reflects all of the assumptions that market participants would use in pricing the asset or liability, including assumptions about the risk inherent in a particular valuation technique, the effect of a restriction on the sale or use of an asset and the risk of nonperformance.

The Company groups its assets and liabilities measured at fair value into a three-level hierarchy for valuation techniques used to measure financial assets and financial liabilities at fair value. This hierarchy is based on whether the valuation inputs are observable or unobservable. These levels are:

- Level 1 — Quoted prices in active markets for identical assets or liabilities. Level 1 includes U.S. Treasury securities, as well as exchange-traded instruments.
- Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 includes debt securities that are traded less frequently than exchange-traded instruments and which are typically valued using third party pricing services; derivative contracts and other assets and liabilities, including securities, certain time deposits, and structured long-term notes, whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data; and MLHFS whose values are determined using quoted prices for similar assets or pricing models with inputs that are observable in the market or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category includes MSRs and certain derivative contracts.

Valuation Methodologies

The valuation methodologies used by the Company to measure financial assets and liabilities at fair value are described below. In addition, the following section includes an indication of the level of the fair value hierarchy in which the assets or liabilities are classified. Where appropriate, the descriptions include information about the valuation models and key inputs to those models. During the years ended December 31, 2025, 2024 and 2023, there were no significant changes to the valuation techniques used by the Company to measure fair value.

Available-for-Sale Investment Securities When quoted market prices for identical securities are available in an active market, these prices are used to determine fair value and these securities are classified within Level 1 of the fair value hierarchy. Level 1 investment securities include U.S. Treasury and exchange-traded securities.

For other securities, quoted market prices may not be readily available for the specific securities. When possible, the Company determines fair value based on market observable information, including quoted market prices for similar securities, inactive transaction prices, and broker quotes. These securities are classified within Level 2 of the fair value hierarchy. Level 2 valuations are generally provided by a third-party pricing service. Level 2 investment securities are predominantly agency mortgage-backed securities, certain other asset-backed securities, obligations of state and political subdivisions and agency debt securities.

Mortgage Loans Held For Sale MLHFS measured at fair value, for which an active secondary market and readily available market prices exist, are initially valued at the transaction price and are subsequently valued by comparison to instruments with similar collateral and risk profiles. MLHFS are classified within Level 2. Included in mortgage banking revenue was a net gain of $30 million and net losses of $15 million and $46 million for the years ended December 31, 2025, 2024 and 2023, respectively, from the changes to fair value of these MLHFS under fair value option accounting guidance. Changes in fair value due to instrument specific credit risk were immaterial.

Interest income for MLHFS is measured based on contractual interest rates and reported as interest income on the Consolidated Statement of Income. Electing to measure MLHFS at fair value reduces certain timing differences and better matches changes in fair value of these assets with changes in the value of the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting.

Time Deposits The Company elects the fair value option to account for certain time deposits that are hedged with derivatives that do not qualify for hedge accounting. Electing to measure these time deposits at fair value reduces certain timing differences and better matches changes in fair value of these deposits with changes in the value of the derivative instruments used to economically hedge them. The time deposits measured at fair value are valued using a discounted cash flow model that utilizes market observable inputs and are classified within Level 2. Included in interest expense on deposits was a net loss of $8 million and a net gain of $4 million for the years ended December 31, 2025 and 2024, respectively, from the changes in fair value of time deposits under fair value option accounting guidance.

Long-term Debt The Company elects the fair value option to account for certain structured notes that are hedged with derivatives that do not qualify for hedge accounting. Electing to measure these structured notes at fair value reduces certain timing differences and better matches changes in fair value of these notes with changes in the value of the derivative instruments used to economically hedge them. The structured notes measured at fair value are valued using a discounted cash flow model that utilizes market observable inputs and are classified within Level 2. The discount rate used in the discounted cash flow model incorporates the impact of the Company's credit spread, which is based on observable spreads in the secondary bond market. Changes in fair value attributable to instrument specific credit risk are recorded as debit valuation adjustments (“DVA”) in other comprehensive income (loss) with all other changes in fair value recorded in interest expense. Included in other comprehensive income (loss) and interest expense on long-term debt was a net DVA loss of $15 million and a gain of $1 million for the years ended December 31, 2025 and 2024, respectively, and net gains of $2 million and $17 million for the years ended December 31, 2025 and 2024, respectively, from the changes in fair value of structured notes under fair value option account guidance.

Mortgage Servicing Rights MSRs are valued using a discounted cash flow methodology, and are classified within Level 3. The Company determines fair value of the MSRs by projecting future cash flows for different interest rate scenarios using prepayment rates and other assumptions, and discounts these cash flows using a risk adjusted rate based on option adjusted spread levels. There is minimal observable market activity for MSRs on comparable portfolios and, therefore, the determination of fair value requires significant management judgment. Refer to Note 9 for further information on MSR valuation assumptions.

Derivatives The majority of derivatives held by the Company are executed over-the-counter or centrally cleared through clearinghouses and are valued using market standard cash flow valuation techniques. The models incorporate inputs, depending on the type of derivative, including interest rate curves, foreign exchange rates and volatility. All derivative values incorporate an assessment of the risk of counterparty nonperformance, measured based on the Company's evaluation of credit risk including external assessments of credit risk. The Company monitors and manages its nonperformance risk by considering its ability to net derivative positions under master netting arrangements, as well as collateral received or provided under collateral arrangements. Accordingly, the Company has elected to measure the fair value of derivatives, at a counterparty level, on a net basis. The majority of the derivatives are classified within Level 2 of the fair value hierarchy, as the significant inputs to the models, including nonperformance risk, are observable. However, certain derivative transactions are with counterparties where risk of nonperformance cannot be observed in the market and, therefore, the credit valuation adjustments result in these derivatives being classified within Level 3 of the fair value hierarchy.

The Company also has other derivative contracts that are created through its operations, including commitments to purchase and originate mortgage loans and swap agreements executed in conjunction with the sale of a portion of its Class B common and preferred shares of Visa Inc. (the “Visa swaps”). The mortgage loan commitments are valued by pricing models that include market observable and unobservable inputs, which result in the commitments being classified within Level 3 of the fair value hierarchy. The unobservable inputs include assumptions about the percentage of commitments that actually become a closed loan and the MSR value that is inherent in the underlying loan value. The Visa swaps require payments by either the Company or the purchaser of the Visa Inc. Class B common and preferred shares when there are changes in the conversion rate of the Visa Inc. Class B common and preferred shares to Visa Inc. Class A common and preferred shares, respectively, as well as quarterly payments to the purchaser based on specified terms of the agreements. Management reviews and updates the Visa swaps fair value in conjunction with its review of Visa Inc. related litigation contingencies, and the associated escrow funding. The expected litigation resolution impacts the Visa Inc. Class B common share to Visa Inc. Class A common share conversion rate, as well as the ultimate termination date for the Visa swaps. Accordingly, the Visa swaps are classified within Level 3. Refer to Note 22 for further information on the Visa Inc. restructuring and related card association litigation.

Significant Unobservable Inputs of Level 3 Assets and Liabilities

The following section provides information to facilitate an understanding of the uncertainty in the fair value measurements for the Company's Level 3 assets and liabilities recorded at fair value on the Consolidated Balance Sheet. This section includes a description of the significant inputs used by the Company and a description of any interrelationships between these inputs. The discussion below excludes nonrecurring fair value measurements of collateral value used for impairment measures for loans and OREO. These valuations utilize third party appraisal or broker price opinions, and are classified as Level 3 due to the significant judgment involved.

Mortgage Servicing Rights The significant unobservable inputs used in the fair value measurement of the Company's MSRs are expected prepayments and the option adjusted spread that is added to the risk-free rate to discount projected cash flows. Significant increases in either of these inputs in isolation would have resulted in a significantly lower fair value measurement. Significant decreases in either of these inputs in isolation would have resulted in a significantly higher fair value measurement. There is no direct interrelationship between prepayments and option adjusted spread. Prepayment rates generally move in the opposite direction of market interest rates. Option adjusted spread is generally impacted by changes in market return requirements.

The following table shows the significant valuation assumption ranges for MSRs at December 31, 2025:

	Minimum	Maximum	Weighted-Average[(a)]
Expected prepayment	6 %	20 %	9 %
Option adjusted spread	5	11	6

(a) Determined based on the relative fair value of the related mortgage loans serviced.

Derivatives The Company has two distinct Level 3 derivative portfolios: (i) the Company's commitments to purchase and originate mortgage loans that meet the requirements of a derivative and (ii) the Company's asset/liability and customer-related derivatives that are Level 3 due to unobservable inputs related to measurement of risk of nonperformance by the counterparty. In addition, the Company's Visa swaps are classified within Level 3.

The significant unobservable inputs used in the fair value measurement of the Company's derivative commitments to purchase and originate mortgage loans are the percentage of commitments that actually become a closed loan and the MSR value that is inherent in the underlying loan value. A significant increase in the rate of loans that close would have resulted in a larger derivative asset or liability. A significant increase in the inherent MSR value would have resulted in an increase in the derivative asset or a reduction in the derivative liability. Expected loan close rates and the inherent MSR values are directly impacted by changes in market rates and will generally move in the same direction as interest rates.

The following table shows the significant valuation assumption ranges for the Company's derivative commitments to purchase and originate mortgage loans at December 31, 2025:

	Minimum	Maximum	Weighted-Average[(a)]
Expected loan close rate	4 %	100 %	83 %
Inherent MSR value (basis points per loan)	57	214	125

(a) Determined based on the relative fair value of the related mortgage loans.

The significant unobservable input used in the fair value measurement of certain of the Company's asset/liability and customer-related derivatives is the credit valuation adjustment related to the risk of counterparty nonperformance. A significant increase in the credit valuation adjustment would have resulted in a lower fair value measurement. A significant decrease in the credit valuation adjustment would have resulted in a higher fair value measurement. The credit valuation adjustment is impacted by changes in market rates, volatility, market implied credit spreads, and loss recovery rates, as well as the Company's assessment of the counterparty's credit position. At December 31, 2025, the minimum, maximum and weighted-average credit valuation adjustment as a percentage of the net fair value of the counterparty's derivative contracts prior to adjustment was 0 percent, 2,431 percent and 2 percent, respectively.

The significant unobservable inputs used in the fair value measurement of the Visa swaps are management's estimate of the probability of certain litigation scenarios occurring, and the timing of the resolution of the related litigation loss estimates in excess, or shortfall, of the Company's proportional share of escrow funds. An increase in the loss estimate or a delay in the resolution of the related litigation would have resulted in an increase in the derivative liability. A decrease in the loss estimate or an acceleration of the resolution of the related litigation would have resulted in a decrease in the derivative liability.

The following table summarizes the balances of assets and liabilities measured at fair value on a recurring basis:

(Dollars in Millions)	Level 1	Level 2	Level 3	Netting	Total
December 31, 2025					
Available-for-sale securities					
U.S. Treasury and agencies	$ 24,038	$ 4,732	$ —	$ —	$ 28,770
Mortgage-backed securities					
Residential agency	—	38,010	—	—	38,010
Commercial					
Agency	—	7,742	—	—	7,742
Non-agency	—	7	—	—	7
Asset-backed securities	—	6,527	—	—	6,527
Obligations of state and political subdivisions	—	9,514	—	—	9,514
Other	—	268	—	—	268
Total available-for-sale	24,038	66,800	—	—	90,838
Mortgage loans held for sale	—	2,353	—	—	2,353
Mortgage servicing rights	—	—	3,159	—	3,159
Derivative assets	147	4,735	1,970	(3,151)	3,701
Other assets	524	2,261	—	—	2,785
Total	$ 24,709	$ 76,149	$ 5,129	$ (3,151)	$ 102,836
Time deposits	$ —	$ 718	$ —	$ —	$ 718
Long-term debt	—	1,414	—	—	1,414
Derivative liabilities	72	4,538	2,182	(3,392)	3,400
Short-term borrowings and other liabilities[(a)]	717	1,796	—	—	2,513
Total	$ 789	$ 8,466	$ 2,182	$ (3,392)	$ 8,045
December 31, 2024					
Available-for-sale securities					
U.S. Treasury and agencies	$ 23,891	$ 4,496	$ —	$ —	$ 28,387
Mortgage-backed securities					
Residential agency	—	33,281	—	—	33,281
Commercial					
Agency	—	7,351	—	—	7,351
Non-agency	—	6	—	—	6
Asset-backed securities	—	7,165	—	—	7,165
Obligations of state and political subdivisions	—	9,552	—	—	9,552
Other	—	250	—	—	250
Total available-for-sale	23,891	62,101	—	—	85,992
Mortgage loans held for sale	—	2,251	—	—	2,251
Mortgage servicing rights	—	—	3,369	—	3,369
Derivative assets	27	5,208	1,202	(2,979)	3,458
Other assets	420	1,769	—	—	2,189
Total	$ 24,338	$ 71,329	$ 4,571	$ (2,979)	$ 97,259
Time deposits	$ —	$ 5,754	$ —	$ —	$ 5,754
Long-term debt	—	391	—	—	391
Derivative liabilities	27	5,131	3,002	(2,949)	5,211
Short-term borrowings and other liabilities[(a)]	475	1,460	—	—	1,935
Total	$ 502	$ 12,736	$ 3,002	$ (2,949)	$ 13,291

Note: Excluded from the table above are equity investments without readily determinable fair values. The Company has elected to carry these investments at historical cost, adjusted for impairment and any changes resulting from observable price changes for identical or similar investments of the issuer. The aggregate carrying amount of these equity investments was $203 million and $159 million at December 31, 2025 and 2024, respectively, and reflect no impairment or observable price change adjustment at December 31, 2025. The Company did not record any adjustments for observable price changes during 2025 and 2024.

(a) Primarily represents the Company's obligation on securities sold short required to be accounted for at fair value per applicable accounting guidance.

The following table presents the changes in fair value for all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31:

(Dollars in Millions)	Beginning of Period Balance	Net Gains (Losses) Included in Net Income	Purchases	Sales	Principal Payments	Issuances	Settlements	End of Period Balance	Net Change in Unrealized Gains (Losses) Relating to Assets and Liabilities Held at End of Period
2025									
Mortgage servicing rights	$ 3,369	$ (355) [a]	$ —	$ (131)	$ —	$ 276 [c]	$ —	$ 3,159	$ (355) [a]
Net derivative assets and liabilities	(1,800)	(1,145) [b]	945	(11)	—	1	1,798	(212)	994 [d]
2024									
Mortgage servicing rights	$ 3,377	$ (97) [a]	$ 1	$ (188)	$ —	$ 276 [c]	$ —	$ 3,369	$ (97) [a]
Net derivative assets and liabilities	(1,885)	(3,829) [e]	1,076	(18)	—	1	2,855	(1,800)	(492) [f]
2023									
Available-for-sale securities									
Obligations of state and political subdivisions	$ 1	$ —	$ —	$ —	$ (1)	$ —	$ —	$ —	$ —
Total available-for-sale	1	—	—	—	(1)	—	—	—	—
Mortgage servicing rights	3,755	(316) [a]	5	(440)	—	373 [c]	—	3,377	(316) [a]
Net derivative assets and liabilities	(3,199)	(2,696) [g]	552	(45)	—	1	3,502	(1,885)	(183) [h]

(a) Included in mortgage banking revenue.
(b) Approximately $237 million, $(1.3) billion and $(116) million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.
(c) Represents MSRs capitalized during the period.
(d) Approximately $13 million, $1.1 billion and $(116) million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.
(e) Approximately $200 million, $(3.9) billion and $(147) million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.
(f) Approximately $7 million, $(352) million and $(147) million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.
(g) Approximately $182 million, $(2.9) billion and $1 million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.
(h) Approximately $15 million, $(199) million and $1 million included in mortgage banking revenue, capital markets revenue and other noninterest income, respectively.

The Company is also required periodically to measure certain other financial assets at fair value on a nonrecurring basis. These measurements of fair value usually result from the application of lower-of-cost-or-fair value accounting or write-downs of individual assets.

The following table summarizes the balances as of the measurement date of assets measured at fair value on a nonrecurring basis, and still held as of December 31:

	2025				2024			
(Dollars in Millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Loans[a]	$ —	$ —	$ 763	$ 763	$ —	$ —	$ 636	$ 636
Other assets[b]	—	—	51	51	—	—	25	25

(a) Represents the carrying value of loans for which adjustments were based on the fair value of the collateral, excluding loans fully charged-off.
(b) Primarily represents the fair value of foreclosed properties that were measured at fair value based on an appraisal or broker price opinion of the collateral subsequent to their initial acquisition.

The following table summarizes losses recognized related to nonrecurring fair value measurements of individual assets or portfolios for the years ended December 31:

(Dollars in Millions)	2025	2024	2023
Loans[a]	$ 386	$ 399	$ 368
Other assets[b]	9	12	32

(a) Represents write-downs of loans which were based on the fair value of the collateral, excluding loans fully charged-off.
(b) Primarily represents related losses of foreclosed properties that were measured at fair value subsequent to their initial acquisition.

Fair Value Option

The following table summarizes the differences between the aggregate fair value carrying amount of the assets and liabilities for which the fair value option has been elected and the aggregate remaining contractual principal balance outstanding as of December 31:

	2025			2024		
(Dollars in Millions)	Fair Value Carrying Amount	Contractual Principal Outstanding	Carrying Amount Over (Under) Contractual Principal Outstanding	Fair Value Carrying Amount	Contractual Principal Outstanding	Carrying Amount Over (Under) Contractual Principal Outstanding
Total loans[a]	$ 2,353	$ 2,325	$ 28	$ 2,251	$ 2,243	$ 8
Time deposits	718	718	—	5,754	5,762	(8)
Long-term debt	1,414	1,419	(5)	391	409	(18)

(a) Includes nonaccrual loans of $1 million carried at fair value with contractual principal outstanding of $1 million at December 31, 2025 and $1 million carried at fair value with contractual principal outstanding of $1 million at December 31, 2024. Includes loans 90 days or more past due of $5 million carried at fair value with contractual principal outstanding of $5 million at December 31, 2025 and $4 million carried at fair value with contractual principal outstanding of $4 million at December 31, 2024.

Fair Value of Financial Instruments

The following section summarizes the estimated fair value for financial instruments accounted for at amortized cost as of December 31, 2025 and 2024. In accordance with disclosure guidance related to fair values of financial instruments, the Company did not include assets and liabilities that are not financial instruments, such as the value of goodwill, long-term relationships with deposit, credit card, merchant processing and trust customers, other purchased intangibles, premises and equipment, deferred taxes and other liabilities. Additionally, in accordance with the disclosure guidance, receivables and payables due in one year or less, insurance contracts, equity investments not accounted for at fair value, and deposits with no defined or contractual maturities are excluded.

The estimated fair values of the Company's financial instruments as of December 31, are shown in the table below:

	2025					2024				
		Fair Value					Fair Value			
(Dollars in Millions)	Carrying Amount	Level 1	Level 2	Level 3	Total	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Assets										
Cash and due from banks	$ 46,890	$ 46,890	$ —	$ —	$ 46,890	$ 56,502	$ 56,502	$ —	$ —	$ 56,502
Federal funds sold and securities purchased under resale agreements	12,359	—	12,359	—	12,359	6,380	—	6,380	—	6,380
Investment securities held-to-maturity	76,170	644	66,435	—	67,079	78,634	1,275	65,000	—	66,275
Loans held for sale[a]	185	—	—	185	185	322	—	—	322	322
Loans, net of allowance for losses	383,730	—	—	383,323	383,323	372,249	—	—	365,628	365,628
Other[b]	2,074	—	1,641	433	2,074	2,482	—	1,767	715	2,482
Financial Liabilities										
Time deposits[c]	47,314	—	47,391	—	47,391	49,015	—	49,156	—	49,156
Short-term borrowings[d]	14,649	—	14,490	—	14,490	13,583	—	13,419	—	13,419
Long-term debt[e]	59,350	—	59,149	—	59,149	57,611	—	56,441	—	56,441
Other[f]	4,940	—	1,419	3,521	4,940	5,220	—	1,369	3,851	5,220

(a) Excludes mortgages held for sale for which the fair value option under applicable accounting guidance was elected.
(b) Includes investments in Federal Reserve Bank and FHLB stock and tax-advantaged investments.
(c) Excludes time deposits for which the fair value option under applicable accounting guidance was elected.
(d) Excludes the Company's obligation on securities sold short required to be accounted for at fair value per applicable accounting guidance.
(e) Excludes structured long-term notes for which the fair value option under applicable accounting guidance was elected.
(f) Includes operating lease liabilities and liabilities related to tax-advantaged investments.

The fair value of unfunded commitments, deferred non-yield related loan fees, standby letters of credit and other guarantees is approximately equal to their carrying value. The carrying value of unfunded commitments, deferred non-yield related loan fees and standby letters of credit was $377 million and $376 million at December 31, 2025 and 2024, respectively. The carrying value of other guarantees was $187 million and $194 million at December 31, 2025 and 2024, respectively.

NOTE 22 Guarantees and Contingent Liabilities

Visa Restructuring and Card Association Litigation The Company's Payment Services business issues credit and debit cards and acquires credit and debit card transactions through the Visa U.S.A. Inc. card association or its affiliates (collectively "Visa"). In 2007, Visa completed a restructuring and issued shares of Visa Inc. common stock to its financial institution members in contemplation of its initial public offering ("IPO") completed in the first quarter of 2008 (the "Visa Reorganization"). As a part of the Visa Reorganization, the Company received its proportionate number of shares of Visa Inc. common stock, which were subsequently converted to Class B shares of Visa Inc. ("Class B shares"). As of December 31, 2025, the Company has sold substantially all of its Class B shares.

Visa U.S.A. Inc. ("Visa U.S.A.") and MasterCard International (collectively, the "Card Brands") are defendants in antitrust lawsuits challenging the practices of the Card Brands (the "Visa Litigation"). Visa U.S.A. member banks have a contingent obligation to indemnify Visa Inc. under the Visa U.S.A. bylaws (which were modified at the time of the restructuring in October 2007) for potential losses arising from the Visa Litigation. The indemnification by the Visa U.S.A. member banks has no specific maximum amount. Using proceeds from its IPO and through reductions to the conversion ratio applicable to the Class B shares held by Visa U.S.A. member banks, Visa Inc. has funded an escrow account for the benefit of member financial institutions to fund their indemnification obligations associated with the Visa Litigation.

In October 2012, Visa signed a settlement agreement to resolve merchant class action claims associated with the multidistrict interchange litigation pending in the United States District Court for the Eastern District of New York (the "Multi-District Litigation"). The U.S. Court of Appeals for the Second Circuit reversed the approval of that settlement and remanded the matter to the district court. Thereafter, the case was split into two putative class actions, one seeking damages (the "Damages Action") and a separate class action seeking injunctive relief only (the "Injunctive Action"). The Damages Action was settled and is fully resolved. A number of merchants opted out of the Damages Action class settlement and filed individual cases in various federal district courts. Some of those cases have been settled and others are still being litigated. In March 2024, Visa signed a settlement agreement to resolve the Injunctive Action. In June 2024, the court declined to grant preliminary approval of the proposed settlement. In November 2025, the parties notified the court of a new settlement and submitted for preliminary approval a Superseding and Amended Class Settlement Agreement, which provides for lower interchange fees and various other rule changes for U.S. merchants. The motion for preliminary approval is pending.

Commitments to Extend Credit Commitments to extend credit are legally binding and generally have fixed expiration dates or other termination clauses. The contractual amount represents the Company's exposure to credit loss, in the event of default by the borrower. The Company manages this credit risk by using the same credit policies it applies to loans. Collateral is obtained to secure commitments based on management's credit assessment of the borrower. The collateral may include marketable securities, receivables, inventory, equipment and real estate. Since the Company expects many of the commitments to expire without being drawn, total commitment amounts do not necessarily represent the Company's future liquidity requirements. In addition, the commitments include consumer credit lines that are cancelable upon notification to the consumer.

The contract or notional amounts of unfunded commitments to extend credit at December 31, 2025, excluding those commitments considered derivatives, were as follows:

	Term		
(Dollars in Millions)	Less Than One Year	Greater Than One Year	Total
Commercial and commercial real estate loans	$ 56,151	$ 155,296	$ 211,447
Corporate and purchasing card loans[(a)]	38,247	—	38,247
Residential mortgages	500	—	500
Retail credit card loans[(a)]	143,354	—	143,354
Other retail loans	19,810	23,786	43,596
Other	7,565	—	7,565

(a) Primarily cancellable at the Company's discretion.

Other Commitments As part of the Company's broker-dealer operations, the Company has commitments to enter into reverse repurchase agreements and repurchase agreements. The amount of unfunded contractual commitments for reverse repurchase agreements and repurchase agreements was $8.5 billion and $4.8 billion, respectively, at December 31, 2025.

Other Guarantees and Contingent Liabilities

The following table is a summary of other guarantees and contingent liabilities of the Company at December 31, 2025:

(Dollars in Millions)	Collateral Held	Carrying Amount	Maximum Potential Future Payments
Standby letters of credit	$ —	$ 23	$ 11,021
Securities lending indemnifications	6,048	—	5,864
Asset sales	—	118	16,284
Merchant processing	860	49	146,148
Other	—	20	2,975

Letters of Credit Standby letters of credit are commitments the Company issues to guarantee the performance of a customer to a third party. The guarantees frequently support public and private borrowing arrangements, including commercial paper issuances, bond financings and other similar transactions. The Company also issues and confirms commercial letters of credit on behalf of customers to ensure payment or collection in connection with trade transactions. In the event of a customer's or counterparty's nonperformance, the Company's credit loss exposure is similar to that in any extension of credit, up to the letter's contractual amount. Management assesses the borrower's credit to determine the necessary collateral, which may include marketable securities, receivables, inventory, equipment and real estate. Since the conditions requiring the Company to fund letters of credit may not occur, the Company expects its liquidity requirements to be less than the total outstanding commitments. The maximum potential future payments guaranteed by the Company under standby letter of credit arrangements at December 31, 2025, were approximately $11.0 billion with a weighted-average term of approximately 16 months. The estimated fair value of standby letters of credit was approximately $23 million at December 31, 2025.

The contract or notional amount of letters of credit at December 31, 2025, were as follows:

	Term		
(Dollars in Millions)	Less Than One Year	Greater Than One Year	Total
Standby	$ 6,958	$ 4,063	$ 11,021
Commercial	255	30	285

Guarantees Guarantees are contingent commitments issued by the Company to customers or other third parties. The Company's guarantees primarily include third party performance guarantees inherent in the Company's business operations, such as indemnified securities lending programs and merchant charge-back guarantees and indemnification or buy-back provisions related to certain asset sales. For certain guarantees, the Company has recorded a liability related to the potential obligation, or has access to collateral to support the guarantee or through the exercise of other recourse provisions can offset some or all of the maximum potential future payments made under these guarantees.

Commitments from Securities Lending The Company participates in securities lending activities by acting as the customer's agent involving the loan of securities. The Company indemnifies customers for the difference between the fair value of the securities lent and the fair value of the collateral received. Cash collateralizes these transactions. The maximum potential future payments guaranteed by the Company under these arrangements were approximately $5.9 billion at December 31, 2025, and represent the fair value of the securities lent to third parties. At December 31, 2025, the Company held $6.0 billion of cash as collateral for these arrangements.

Asset Sales The Company has provided guarantees to certain third parties in connection with the sale or syndication of certain assets, primarily loan portfolios and tax-advantaged investments. These guarantees are generally in the form of asset buy-back or make-whole provisions that are triggered upon a credit event or a change in the tax-qualifying status of the related projects, as applicable, and remain in effect until the loans are collected or final tax credits are realized, respectively. The maximum potential future payments guaranteed by the Company under these arrangements were approximately $16.3 billion at December 31, 2025, and represented the proceeds received from the buyer or the guaranteed portion in these transactions where the buy-back or make-whole provisions have not yet expired. At December 31, 2025, the Company had reserved $111 million for potential losses related to the sale or syndication of tax-advantaged investments.

The maximum potential future payments do not include loan sales where the Company provides standard representations and warranties to the buyer against losses related to loan underwriting documentation defects that may have existed at the time of sale that generally are identified after the occurrence of a triggering event such as delinquency. For these types of loan sales, the maximum potential future payments is generally the unpaid principal balance of loans sold measured at the end of the current reporting period. Actual losses will be significantly less than the maximum exposure, as only a fraction of loans sold will have a representation and warranty breach, and any losses on repurchase would generally be mitigated by any collateral held against the loans.

The Company regularly sells loans to GSEs as part of its mortgage banking activities. The Company provides customary representations and warranties to GSEs in conjunction with these sales. These representations and warranties generally require the Company to repurchase assets if it is subsequently determined that a loan did not meet specified criteria, such as a documentation deficiency or rescission of mortgage insurance. If the Company is unable to cure or refute a repurchase request, the Company is generally obligated to repurchase the loan or otherwise reimburse the GSE for losses. At December 31, 2025, the Company had reserved $7 million for potential losses from representation and warranty obligations, compared with $9 million at December 31, 2024. The Company's reserve reflects management's best estimate of losses for representation and warranty obligations. The Company's repurchase reserve is modeled at the loan level, taking into consideration the individual credit quality and borrower activity that has transpired since origination. The model applies credit quality and economic risk factors to derive a probability of default and potential repurchase that are based on the Company's historical loss experience, and estimates loss severity based on expected collateral value. The Company also considers qualitative factors that may result in anticipated losses differing from historical loss trends.

As of December 31, 2025 and 2024, the Company had $13 million and $15 million, respectively, of unresolved

representation and warranty claims from GSEs. The Company does not have a significant amount of unresolved claims from investors other than GSEs.

Merchant Processing The Company, through its subsidiaries, provides merchant processing services. Under the rules of credit card associations, a merchant processor retains a contingent liability for credit card transactions processed. This contingent liability arises in the event of a billing dispute between the merchant and a cardholder that is ultimately resolved in the cardholder's favor. In this situation, the transaction is "charged-back" to the merchant and the disputed amount is credited or otherwise refunded to the cardholder. If the Company is unable to collect this amount from the merchant, it bears the loss for the amount of the refund paid to the cardholder.

A cardholder, through its issuing bank, generally has until the later of up to four months after the date the transaction is processed or the receipt of the product or service to present a charge-back to the Company as the merchant processor. The absolute maximum potential liability is estimated to be the total volume of credit card transactions that meet the associations' requirements to be valid charge-back transactions at any given time. Management estimates that the maximum potential exposure for charge-backs would approximate the total amount of merchant transactions processed through the credit card associations for the last four months. For the last four months of 2025 this amount totaled approximately $146.1 billion. In most cases, this contingent liability is unlikely to arise, as most products and services are delivered when purchased and amounts are refunded when items are returned to merchants. However, where the product or service has been purchased but is not provided until a future date ("future delivery"), the potential for this contingent liability increases. To mitigate this risk, the Company may require the merchant to make an escrow deposit, place maximum volume limitations on future delivery transactions processed by the merchant at any point in time, or require various credit enhancements (including letters of credit and bank guarantees). Also, merchant processing contracts may include event triggers to provide the Company more financial and operational control in the event of financial deterioration of the merchant.

The Company currently processes card transactions in the United States, Canada and Europe through wholly-owned subsidiaries. In the event a merchant was unable to fulfill product or services subject to future delivery, such as airline tickets, the Company could become financially liable for refunding the purchase price of such products or services purchased through the credit card associations under the charge-back provisions. Charge-back risk related to these merchants is evaluated in a manner similar to credit risk assessments and, as such, merchant processing contracts contain various provisions to protect the Company in the event of default. At December 31, 2025, the value of airline tickets purchased to be delivered at a future date through card transactions processed by the Company was $15.1 billion. The Company held collateral of $747 million in escrow deposits, letters of credit and indemnities from financial institutions, and liens on various assets related to these airline processing arrangements. In addition to specific collateral or other credit enhancements, the Company maintains a liability for its implied guarantees associated with future delivery. At December 31, 2025, the liability was $30 million primarily related to these airline processing arrangements.

In the normal course of business, the Company has unresolved charge-backs. The Company assesses the likelihood of its potential liability based on the extent and nature of unresolved charge-backs and its historical loss experience. At December 31, 2025, the Company held $113 million of merchant escrow deposits as collateral and had a recorded liability for potential losses of $19 million related to these charge-backs.

Other Guarantees and Commitments As of December 31, 2025, the Company sponsored, and owned 100 percent of the common equity of, USB Capital IX, a wholly-owned unconsolidated trust, formed for the purpose of issuing redeemable Income Trust Securities ("ITS") to third-party investors, originally investing the proceeds in junior subordinated debt securities ("Debentures") issued by the Company and entering into stock purchase contracts to purchase the Company's preferred stock in the future. As of December 31, 2025, all of the Debentures issued by the Company have either matured or been retired. Total assets of USB Capital IX were $684 million at December 31, 2025, consisting primarily of the Company's Series A Preferred Stock. The Company's obligations under the transaction documents, taken together, have the effect of providing a full and unconditional guarantee by the Company, on a junior subordinated basis, of the payment obligations of the trust to third-party investors totaling $683 million at December 31, 2025.

The Company has also made other financial performance guarantees and commitments primarily related to the operations of its subsidiaries. At December 31, 2025, the maximum potential future payments guaranteed or committed by the Company under these arrangements were approximately $2.3 billion.

Litigation and Regulatory Matters

The Company is subject to various litigation and regulatory matters that arise from the conduct of its business activities. The Company establishes reserves for such matters when potential losses become probable and can be reasonably estimated. The Company believes the ultimate resolution of existing legal and regulatory matters will not have a material adverse effect on the financial condition, results of operations or cash flows of the Company. However, in light of the uncertainties inherent in these matters, it is possible that the ultimate resolution of one or more of these matters may have a material adverse effect on the Company's results of operations for a particular period, and future changes in circumstances or additional information could result in additional accruals or resolution in excess of established accruals, which could adversely affect the Company's results of operations, potentially materially.

Residential Mortgage-Backed Securities Litigation Starting in 2011, the Company and other large financial institutions have been sued in their capacity as trustee for residential mortgage–backed securities trusts for losses arising out of the 2008 financial crisis. In the lawsuits brought against the Company, the investors allege that the Company's banking subsidiary, USBNA, as trustee caused them to incur substantial losses by failing to enforce loan repurchase obligations and failing to abide by appropriate standards of care after events of default allegedly occurred. The plaintiffs in these matters seek monetary damages generally in unspecified amounts and most also seek equitable relief.

Regulatory Matters The Company is continually subject to examinations, inquiries, investigations and other forms of regulatory and governmental inquiry or scrutiny covering a wide range of issues in its financial services businesses including in areas of heightened regulatory scrutiny, such as compliance, risk management, third-party risk management and consumer protection. In some cases, these matters are part of reviews of specified activities at multiple industry participants; in others, they are directed at the Company individually. The Company is cooperating fully with all pending examinations, inquiries and investigations, any of which could lead to administrative or legal proceedings or settlements. Remedies in these proceedings or settlements may include fines, penalties, restitution or alterations in the Company's business practices (which may increase the Company's operating expenses and decrease its revenue).

Outlook Due to their complex nature, it can be years before litigation and regulatory matters are resolved. The Company may be unable to develop an estimate or range of loss where matters are in early stages, there are significant factual or legal issues to be resolved, damages are unspecified or uncertain, or there is uncertainty as to a litigation class being certified or the outcome of pending motions, appeals or proceedings. For those litigation and regulatory matters where the Company has information to develop an estimate or range of loss, the Company believes the upper end of the range of reasonably possible losses in aggregate, in excess of any reserves established for matters where a loss is considered probable, will not be material to its financial condition, results of operations or cash flows. The Company's estimates are subject to significant judgment and uncertainties, and the matters underlying the estimates will change from time to time. Actual results may vary significantly from the current estimates.

NOTE 23 Business Segments

The Company's management reporting is organized into three reportable operating segments aligned by major lines of business based on the products and services provided to customers through its distribution channels. All other business activities not included in the reportable operating segments are included in the Treasury and Corporate Support business segment. The chief operating decision maker uses net interest income on a taxable-equivalent basis, noninterest income and net income (loss) before income taxes for all reportable segments in deciding how to allocate resources during the annual budget and monthly forecasting process. The chief operating decision maker considers variances in reported results to forecasts and variances to prior periods to assess performance. The Company's chief operating decision maker is the Chief Executive Officer. The Company has the following reportable operating and other business segments:

Wealth, Corporate, Commercial and Institutional Banking Wealth, Corporate, Commercial and Institutional Banking provides core banking, specialized lending, transaction and payment processing, capital markets, asset management, and brokerage and investment related services to wealth, middle market, large corporate, commercial real estate, government and institutional clients.

Consumer and Business Banking Consumer and Business Banking comprises consumer banking, small business banking and consumer lending. Products and services are delivered through banking offices, telephone servicing and sales, online services, direct mail, ATMs, mobile devices, distributed mortgage loan officers, and intermediary relationships including auto dealerships, mortgage banks, and strategic business partners.

Payment Services Payment Services includes consumer and business credit cards, stored-value cards, debit cards, corporate, government and purchasing card services and merchant processing.

Treasury and Corporate Support Treasury and Corporate Support includes the Company's investment portfolios, funding, capital management, interest rate risk management, income taxes not allocated to business segments, including most investments in tax-advantaged projects, and the residual aggregate of those expenses associated with corporate activities that are managed on a consolidated basis.

Basis of Presentation Business segment results are derived from the Company's business unit profitability reporting systems by specifically attributing managed balance sheet assets, deposits and other liabilities and their related income or expense. The allowance for credit losses and related provision expense are allocated to the business segments according to the volume and credit quality of the loan balances managed, but with the impact of changes in economic forecasts recorded in Treasury and Corporate Support. Goodwill and other intangible assets are assigned to the business segments based on the mix of business of an entity acquired by the Company. Within the Company, capital levels are evaluated and managed centrally; however, capital is allocated to the business segments to support evaluation of business performance.

Business segments are allocated capital on a risk-adjusted basis considering economic and regulatory capital requirements. Generally, the determination of the amount of capital allocated to each business segment includes credit allocations following a Basel III regulatory framework. Interest income and expense is determined based on the assets and liabilities managed by the business segment. Because funding and asset/liability management is a central function, funds transfer-pricing methodologies are utilized to allocate a cost of funds used or credit for funds provided to all business segment assets and liabilities, respectively, using a matched funding concept. Also, each business unit is allocated the taxable-equivalent benefit of tax-exempt products. The residual effect on net interest income of asset/liability management activities is included in Treasury and Corporate Support. Noninterest income and expenses directly managed by each business segment, including fees, service charges, salaries and benefits, and other direct revenues and costs, are accounted for within each segment's financial results in a manner similar to the consolidated financial statements. Occupancy costs are allocated based on utilization of facilities by the business segments. Generally, operating losses are charged to the business segment when the loss event is realized in a manner similar to a loan charge-off. Noninterest expenses incurred by centrally managed operations or business segments that directly support another business segment's operations are charged to the applicable business segment based on its utilization of those services, primarily measured by the volume of customer activities, number of employees or other relevant factors. These allocated expenses are reported as net shared services expense within noninterest expense. Certain activities that do not directly support the operations of the business segments or for which the business segments are not considered financially accountable in evaluating their performance are not charged to the business segments. The income or expenses associated with these corporate activities, including merger and integration charges, are reported within the Treasury and Corporate Support business segment. Income taxes are assessed to each business segment at a standard tax rate with the residual tax expense or benefit to arrive at the consolidated effective tax rate included in Treasury and Corporate Support.

Designations, assignments and allocations change from time to time as management systems are enhanced, methods of evaluating performance or product lines change or business segments are realigned to better respond to the Company's diverse customer base. During 2025, 2024, and 2023, certain organization and methodology changes were made, including revising the Company's business segment funds transfer-pricing methodology related to deposits and loans during the second quarter of 2024. Prior period results were recast and presented on a comparable basis.

Condensed income statement results by business segment for the years ended December 31 were as follows:

(Dollars in Millions)	Wealth, Corporate, Commercial and Institutional Banking			Consumer and Business Banking			Payment Services		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Net interest income (taxable-equivalent basis)[a]	$ 7,214	$ 7,613	$ 7,812	$ 7,248	$ 7,625	$ 8,658	$ 3,048	$ 2,831	$ 2,609
Noninterest income[b][c]	4,869	4,538	4,145	1,625	1,606	1,637	4,359	4,195	4,056
Total net revenue	12,083	12,151	11,957	8,873	9,231	10,295	7,407	7,026	6,665
Compensation and employee benefits	2,121	2,127	2,082	2,109	2,212	2,303	891	856	832
Other intangibles	184	206	229	236	266	291	78	97	115
Net shared services	2,094	2,147	2,170	2,750	2,768	2,957	2,145	2,094	2,007
Other direct expenses[d]	969	937	1,022	1,242	1,286	1,332	1,012	915	915
Total noninterest expense	5,368	5,417	5,503	6,337	6,532	6,883	4,126	3,962	3,869
Income (loss) before provision and income taxes	6,715	6,734	6,454	2,536	2,699	3,412	3,281	3,064	2,796
Provision for credit losses	546	385	340	238	182	78	1,570	1,614	1,394
Income (loss) before income taxes	6,169	6,349	6,114	2,298	2,517	3,334	1,711	1,450	1,402
Income taxes and taxable-equivalent adjustment	1,543	1,588	1,529	575	630	834	429	363	351
Net income (loss)	4,626	4,761	4,585	1,723	1,887	2,500	1,282	1,087	1,051
Net (income) loss attributable to noncontrolling interests	—	—	—	—	—	—	—	—	—
Net income (loss) attributable to U.S. Bancorp	$ 4,626	$ 4,761	$ 4,585	$ 1,723	$ 1,887	$ 2,500	$ 1,282	$ 1,087	$ 1,051

(Dollars in Millions)	Treasury and Corporate Support			Consolidated Company		
	2025	2024	2023	2025	2024	2023
Net interest income (taxable-equivalent basis)[a]	$ (745)	$ (1,660)	$ (1,552)	$ 16,765	$ 16,409	$ 17,527
Noninterest income[b][c]	1,038	707	779	11,891	11,046	10,617
Total net revenue	293	(953)	(773)	28,656	27,455	28,144
Compensation and employee benefits	5,206	5,359	5,199	10,327	10,554	10,416
Other intangibles	—	—	1	498	569	636
Net shared services	(6,989)	(7,009)	(7,134)	—	—	—
Other direct expenses[d]	2,789	2,927	4,552	6,012	6,065	7,821
Total noninterest expense	1,006	1,277	2,618	16,837	17,188	18,873
Income (loss) before provision and income taxes	(713)	(2,230)	(3,391)	11,819	10,267	9,271
Provision for credit losses	(168)	57	463	2,186	2,238	2,275
Income (loss) before income taxes	(545)	(2,287)	(3,854)	9,633	8,029	6,996
Income taxes and taxable-equivalent adjustment	(510)	(881)	(1,176)	2,037	1,700	1,538
Net income (loss)	(35)	(1,406)	(2,678)	7,596	6,329	5,458
Net (income) loss attributable to noncontrolling interests	(26)	(30)	(29)	(26)	(30)	(29)
Net income (loss) attributable to U.S. Bancorp	$ (61)	$ (1,436)	$ (2,707)	$ 7,570	$ 6,299	$ 5,429

(a) Total net interest income includes a taxable-equivalent adjustment of $116 million, $120 million and $131 million for 2025, 2024 and 2023, respectively. See Non-GAAP Financial Measures beginning on page 54.

(b) Payment services noninterest income presented net of related rewards and rebate costs and certain partner payments of $3.1 billion, $3.1 billion and $3.0 billion for 2025, 2024 and 2023, respectively.

(c) Total noninterest income includes revenue generated from certain contracts with customers of $9.7 billion, $9.2 billion and $8.8 billion for 2025, 2024 and 2023, respectively.

(d) Other direct expenses for each reportable segment includes: net occupancy and equipment, professional services, marketing and business development, technology and communications, and other.

Average balances by business segment for the years ended December 31 were as follows:

(Dollars in Millions)	Wealth, Corporate, Commercial and Institutional Banking			Consumer and Business Banking			Payment Services		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Loans	$ 183,254	$ 172,517	$ 175,870	$ 148,543	$ 155,039	$ 162,017	$ 42,689	$ 41,080	$ 38,470
Goodwill	4,826	4,825	4,682	4,326	4,326	4,465	3,444	3,357	3,328
Other intangible assets	794	981	1,007	4,222	4,539	5,264	254	277	351
Assets	213,156	201,415	202,735	162,080	168,862	179,252	48,007	47,166	44,289
Noninterest-bearing deposits	55,920	56,814	71,012	19,461	20,770	30,882	2,524	2,685	2,981
Interest-bearing deposits	216,953	216,083	203,995	201,223	199,155	184,758	95	95	102
Total deposits	272,873	272,897	275,007	220,684	219,925	215,640	2,619	2,780	3,083
Total U.S. Bancorp shareholders' equity	22,018	21,440	22,367	13,478	14,424	16,026	10,310	10,005	9,310

(Dollars in Millions)	Treasury and Corporate Support			Consolidated Company		
	2025	2024	2023	2025	2024	2023
Loans	$ 5,774	$ 5,239	$ 4,918	$ 380,260	$ 373,875	$ 381,275
Goodwill	—	—	—	12,596	12,508	12,475
Other intangible assets	7	9	17	5,277	5,806	6,639
Assets	253,297	246,571	237,164	676,540	664,014	663,440
Noninterest-bearing deposits	2,603	2,738	2,893	80,508	83,007	107,768
Interest-bearing deposits	10,339	11,175	9,040	428,610	426,508	397,895
Total deposits	12,942	13,913	11,933	509,118	509,515	505,663
Total U.S. Bancorp shareholders' equity	16,145	11,337	5,957	61,951	57,206	53,660

NOTE 24 U.S. Bancorp (Parent Company)

Condensed Balance Sheet

At December 31 (Dollars in Millions)	2025	2024
Assets		
Due from banks, principally interest-bearing	$ 9,875	$ 9,377
Available-for-sale investment securities	663	649
Investments in bank subsidiary	68,101	63,680
Investments in nonbank subsidiaries	4,192	4,031
Advances to bank subsidiary	19,600	16,100
Advances to nonbank subsidiaries	295	401
Other assets	967	945
Total assets	$ 103,693	$ 95,183
Liabilities and Shareholders' Equity		
Long-term debt	$ 37,057	$ 35,257
Other liabilities	1,443	1,348
Shareholders' equity	65,193	58,578
Total liabilities and shareholders' equity	$ 103,693	$ 95,183

Condensed Income Statement

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Income			
Dividends from bank subsidiary	$ 6,250	$ 4,800	$ 4,869
Dividends from nonbank subsidiaries	10	11	11
Interest from subsidiaries	1,340	1,224	606
Other income	7	24	51
Total income	7,607	6,059	5,537
Expense			
Interest expense	1,774	1,663	1,336
Other expense	179	178	137
Total expense	1,953	1,841	1,473
Income before income taxes and equity in undistributed income of subsidiaries	5,654	4,218	4,064
Applicable income taxes	(106)	(95)	(170)
Income of parent company	5,760	4,313	4,234
Equity in undistributed income of subsidiaries	1,810	1,986	1,195
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429

Condensed Statement of Cash Flows

Year Ended December 31 (Dollars in Millions)	2025	2024	2023
Operating Activities			
Net income attributable to U.S. Bancorp	$ 7,570	$ 6,299	$ 5,429
Adjustments to reconcile net income to net cash provided by operating activities			
Equity in undistributed income of subsidiaries	(1,810)	(1,986)	(1,195)
Other, net	853	385	83
Net cash provided by operating activities	6,613	4,698	4,317
Investing Activities			
Proceeds from sales and maturities of investment securities	19	11	25
Net (increase) decrease in short-term advances to subsidiaries	106	(242)	(9)
Long-term advances to subsidiaries	(6,500)	(5,500)	(7,500)
Principal collected on long-term advances to subsidiaries	3,000	1,500	4,500
Other, net	(12)	16	172
Net cash used in investing activities	(3,387)	(4,215)	(2,812)
Financing Activities			
Proceeds from issuance of long-term debt	4,968	6,516	8,150
Principal payments or redemption of long-term debt	(3,750)	(5,618)	(936)
Proceeds from issuance of common stock	45	32	951
Repurchase of common stock	(489)	(173)	(62)
Cash dividends paid on preferred stock	(334)	(356)	(341)
Cash dividends paid on common stock	(3,168)	(3,092)	(2,970)
Net cash provided by (used in) financing activities	(2,728)	(2,691)	4,792
Change in cash and due from banks	498	(2,208)	6,297
Cash and due from banks at beginning of year	9,377	11,585	5,288
Cash and due from banks at end of year	$ 9,875	$ 9,377	$ 11,585

Transfer of funds (dividends, loans or advances) to the Company from its bank subsidiary is restricted. Federal law requires loans to the Company or its affiliates to be secured and generally limits loans to the Company or an individual affiliate to 10 percent of the bank's unimpaired capital and surplus. In the aggregate, loans to the Company and all affiliates cannot exceed 20 percent of the bank's unimpaired capital and surplus.

Dividend payments to the Company by its bank subsidiary are subject to regulatory review and statutory limitations and, in some instances, regulatory approval. In general, dividends by the Company's bank subsidiary to the parent company are limited by rules which compare dividends to net income for regulatorily-defined periods. Furthermore, dividends are restricted by minimum capital constraints for all national banks.

NOTE 25 Subsequent Events

In January 2026, the Company announced that it entered into a definitive agreement to acquire BTIG for a purchase price of up to $1 billion, consisting of a targeted amount of $725 million ($362.5 million of cash and 6,600,594 shares of the Company's common stock) to be paid at closing and up to an additional $275 million of cash consideration payable over three years, subject to achievement of defined performance targets. BTIG is a global financial services firm specializing in institutional trading, investment banking, research and related brokerage services.

The acquisition is expected to add fee revenues to the Company's capital markets business by expanding its current product offerings and is not expected to have a material impact to the Company's consolidated balance sheet. The transaction is expected to close in the second quarter of 2026, subject to regulatory approvals and satisfaction of applicable closing conditions.

U.S. Bancorp

Consolidated Daily Average Balance Sheet and Related Yields and Rates[a] (Unaudited)

Year Ended December 31 (Dollars in Millions)	2025 Average Balances	2025 Interest	2025 Yields and Rates	2024 Average Balances	2024 Interest	2024 Yields and Rates	2023 Average Balances	2023 Interest	2023 Yields and Rates
Assets									
Investment securities[b]	$ 172,376	$ 5,474	3.18 %	$ 166,634	$ 5,189	3.11 %	$ 162,757	$ 4,566	2.81 %
Loans held for sale	2,924	165	5.65	2,539	173	6.82	2,461	147	5.98
Loans[c]									
Commercial	144,716	8,366	5.78	133,412	8,717	6.53	134,883	8,662	6.42
Commercial real estate	48,521	2,898	5.97	51,657	3,326	6.44	54,646	3,384	6.19
Residential mortgages	116,144	4,656	4.01	117,026	4,577	3.91	115,922	4,305	3.71
Credit card	30,093	3,941	13.10	28,683	3,815	13.30	26,570	3,429	12.91
Other retail	40,786	2,547	6.24	43,097	2,619	6.08	49,254	2,599	5.28
Total loans	380,260	22,408	5.89	373,875	23,054	6.17	381,275	22,379	5.87
Interest-bearing deposits with banks	43,961	1,867	4.25	51,215	2,744	5.36	49,000	2,581	5.27
Other earning assets[d]	15,839	1,172	7.40	12,378	629	5.08	9,706	471	4.85
Total earning assets[d]	615,360	31,086	5.05	606,641	31,789	5.24	605,199	30,144	4.98
Allowance for loan losses	(7,590)			(7,541)			(7,138)		
Unrealized gain (loss) on investment securities	(5,862)			(6,820)			(7,985)		
Other assets	74,632			71,734			73,364		
Total assets	$ 676,540			$ 664,014			$ 663,440		
Liabilities and Shareholders' Equity									
Noninterest-bearing deposits	$ 80,508			$ 83,007			$ 107,768		
Interest-bearing deposits									
Interest checking	129,915	1,581	1.22	125,365	1,505	1.20	129,341	1,334	1.03
Money market savings	184,892	5,560	3.01	204,509	7,580	3.71	166,272	5,654	3.40
Savings accounts	58,860	1,000	1.70	39,625	165	.42	55,590	90	.16
Time deposits	54,943	2,010	3.66	57,009	2,438	4.28	46,692	1,697	3.63
Total interest-bearing deposits	428,610	10,151	2.37	426,508	11,688	2.74	397,895	8,775	2.21
Short-term borrowings									
Federal funds purchased	616	25	4.09	330	16	4.88	435	21	4.72
Securities sold under agreements to repurchase[d]	8,839	826	9.34	6,658	326	4.89	3,103	125	4.04
Commercial paper	4,392	120	2.74	6,718	258	3.85	7,800	268	3.44
Other short-term borrowings[e]	4,498	402	8.93	3,495	509	14.56	22,803	1,563	6.85
Total short-term borrowings[d]	18,345	1,373	7.48	17,201	1,109	6.45	34,141	1,977	5.79
Long-term debt	61,376	2,797	4.56	54,473	2,583	4.74	44,142	1,865	4.22
Total interest-bearing liabilities[d]	508,331	14,321	2.82	498,182	15,380	3.09	476,178	12,617	2.65
Other liabilities	25,292			25,157			25,369		
Shareholders' equity									
Preferred equity	6,808			6,808			6,808		
Common equity	55,143			50,398			46,852		
Total U.S. Bancorp shareholders' equity	61,951			57,206			53,660		
Noncontrolling interests	458			462			465		
Total equity	62,409			57,668			54,125		
Total liabilities and equity	$ 676,540			$ 664,014			$ 663,440		
Net interest income		$ 16,765			$ 16,409			$ 17,527	
Gross interest margin			2.23%			2.15%			2.33%
Gross interest margin without taxable-equivalent increments			2.21%			2.13%			2.31%
Percent of Earning Assets									
Interest income			5.05%			5.24%			4.98%
Interest expense			2.33			2.54			2.08
Net interest margin			2.72%			2.70%			2.90%
Net interest margin without taxable-equivalent increments			2.70%			2.68%			2.88%

(a) Interest and rates are presented on a fully taxable-equivalent basis based on a federal income tax rate of 21 percent.

(b) Yields on investment securities are computed based on amortized cost balances, excluding any premiums or discounts recorded related to the transfer of investment securities at fair value from available-for-sale to held-to-maturity. Yields include impacts of hedge accounting, including portfolio level basis adjustments.

(c) Interest income and rates on loans include loan fees. Nonaccrual loans are included in average loan balances.

(d) Average balances for the year ended December 31, 2025, reflect the impact of balance sheet netting of certain repurchase/reverse repurchase transactions under enforceable netting agreements, exclusive of the related interest income and expense. Reflecting the impact of netting the related interest income and expense for these arrangements, the average yields earned on other earning assets and total earning assets were 4.57% and 4.98%, respectively, and average rates paid on securities sold under agreements to repurchase, total short-term borrowings and total interest-bearing liabilities were 4.27%, 5.04% and 2.73%, respectively, for the year ended December 31, 2025.

(e) Interest expense and rates includes interest paid on collateral associated with derivative positions.

U.S. Bancorp
Supplemental Financial Data (Unaudited)

Earnings Per Common Share Summary	2025	2024	2023
Earnings per common share	$ 4.62	$ 3.79	$ 3.27
Diluted earnings per common share	4.62	3.79	3.27
Dividends declared per common share	2.04	1.98	1.93
Other Statistics (Dollars and Shares in Millions)			
Common shares outstanding[(a)]	1,555	1,560	1,558
Average common shares outstanding and common stock equivalents			
Earnings per common share	1,557	1,560	1,543
Diluted earnings per common share	1,558	1,561	1,543
Number of shareholders[(b)]	26,081	27,517	29,094
Common dividends declared	$ 3,198	$ 3,110	$ 3,000

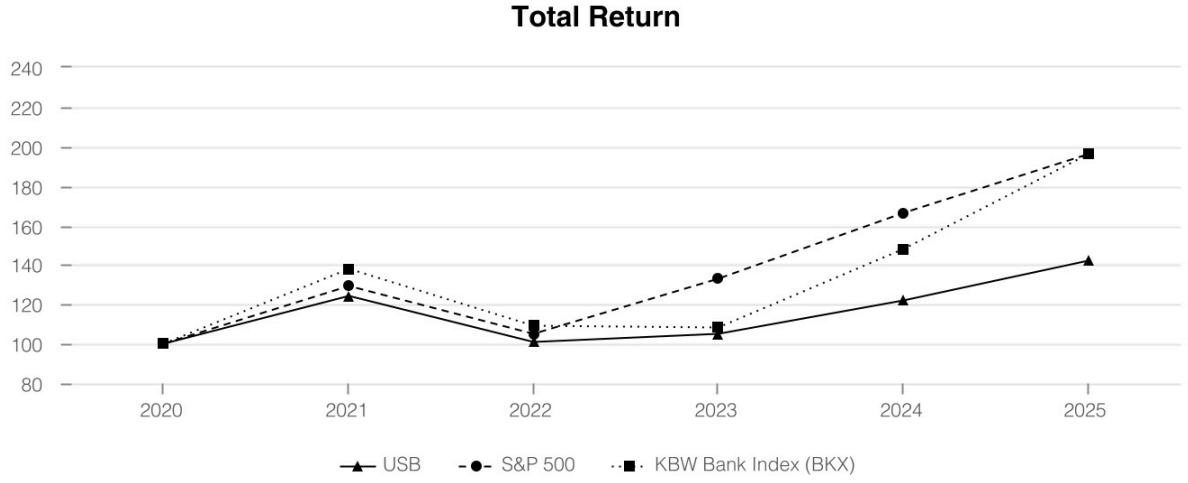
(a) Defined as total common shares issued less common stock held in treasury at December 31.

(b) Based on number of common stock shareholders of record at December 31.

The common stock of U.S. Bancorp is traded on the New York Stock Exchange, under the ticker symbol “USB.” At January 31, 2026, there were 25,992 holders of record of the Company’s common stock.

Stock Performance Chart

The following chart compares the cumulative total shareholder return on the Company’s common stock during the five years ended December 31, 2025, with the cumulative total return on the Standard & Poor’s 500 Index and the KBW Bank Index. The comparison assumes $100 was invested on December 31, 2020, in the Company’s common stock and in each of the foregoing indices and assumes the reinvestment of all dividends. The comparisons in the graph are based upon historical data and are not indicative of, nor intended to forecast, future performance of the Company’s common stock.



	2020	2021	2022	2023	2024	2025
USB	100	124	101	105	122	142
S&P 500	100	129	105	133	166	196
BKX	100	138	109	108	148	196

Company Information

General Business Description U.S. Bancorp is a financial services holding company headquartered in Minneapolis, Minnesota, serving millions of local, national and global customers. U.S. Bancorp is registered as a bank holding company under the Bank Holding Company Act of 1956 (the "BHC Act"), and has elected to be treated as a financial holding company under the BHC Act. The Company provides a full range of financial services, including lending and depository services, cash management, capital markets, and trust and investment management services. It also engages in credit card services, merchant and ATM processing, mortgage banking, insurance, brokerage and leasing.

U.S. Bancorp's banking subsidiary, USBNA, is engaged in the general banking business, principally in domestic markets, and holds all of the Company's consolidated deposits of $522.2 billion at December 31, 2025. USBNA provides a wide range of products and services to individuals, businesses, institutional organizations, governmental entities and other financial institutions. Commercial and consumer lending services are principally offered to customers within the Company's domestic markets, to domestic customers with foreign operations and to large national customers operating in specific industries targeted by the Company, such as healthcare, utilities, oil and gas, and state and municipal government. Lending services include traditional credit products as well as credit card services, lease financing and import/export trade, asset-backed lending, agricultural finance and other products. Depository services include checking accounts, savings accounts and time certificate contracts. Ancillary services such as capital markets, treasury management and receivable lock-box collection are provided to corporate and governmental entity customers. U.S. Bancorp's bank and trust subsidiaries provide a full range of asset management and fiduciary services for individuals, estates, foundations, business corporations and charitable organizations.

Other U.S. Bancorp non-banking subsidiaries offer investment and insurance products to the Company's customers principally within its domestic markets, and fund administration services to a broad range of mutual and other funds.

Banking and investment services are provided through a network of branches and banking offices across the United States, primarily in the Midwest and West regions, including 2,075 branches across 26 states as of December 31, 2025. A significant percentage of consumer transactions are completed using USBNA's digital banking services, both online and through its digital app. The Company operates a network of 4,428 ATMs as of December 31, 2025, and provides 24-hour, seven day a week telephone customer service. Mortgage banking services are provided through banking offices and loan production offices throughout the Company's domestic markets. Lending products may be originated through banking offices, indirect correspondents, brokers or other lending sources. The Company is also one of the largest providers of corporate and purchasing card services and corporate trust services in the United States. The Company's subsidiaries provide domestic merchant processing services directly to merchants, as well as similar merchant services in Canada and segments of Europe. The Company also provides corporate trust and fund administration services in Europe. These foreign operations are not significant to the Company.

As of December 31, 2025, U.S. Bancorp employed approximately 70,000 people.

Risk Factors

An investment in the Company involves risk, including the possibility that the value of the investment could fall substantially and that dividends or other distributions on the investment could be reduced or eliminated. Below are material risk factors that make an investment in the Company speculative or risky.

Economic and Market Conditions Risk

Deterioration in business and economic conditions could adversely affect the Company's business and the value of the assets it holds The Company's business activities and earnings are affected by general business and economic conditions in the United States and abroad, including factors such as the level and volatility of short-term and long-term interest rates, inflation, real estate prices, unemployment and under-employment levels, bankruptcies, household income, consumer spending, fluctuations in both debt and equity capital markets, liquidity of the global financial markets, the availability and cost of capital and credit, investor sentiment and confidence in the financial markets, the strength of the domestic and global economies in which the Company operates, and customer deposit behavior, including the impact of financial innovation. These conditions are subject to sudden and potentially negative changes. Future changes in these conditions, whether related to a pandemic, geopolitical conflict, the threat or occurrence of a U.S. sovereign default or government shutdown, bank failures, other disruptions in the financial services industry or otherwise, could have adverse effects on the Company and its businesses.

Weak economic conditions have in the past negatively affected, and may in the future negatively affect, the Company's lending business, including new loan origination activity, existing loan utilization rates, delinquencies, defaults and the ability of customers to meet obligations under the loans, which negatively affects the Company's results of operations due to the high percentage of the Company's assets represented directly or indirectly by loans and the importance of lending to its overall business. The value to the Company of other assets such as investment securities, most of which are debt securities or other financial instruments supported by loans, similarly have been, and would be, negatively impacted by widespread deterioration in credit quality resulting from a weakening of the economy.

In addition, volatility and uncertainty related to inflation or a possible recession and their effects may contribute to or enhance some of the risks described herein. For

example, higher inflation, slower growth or a recession has in the past reduced demand for borrowing from both corporate and consumer customers and could in the future reduce demand for the Company's products, adversely affect the creditworthiness of its borrowers or result in lower values for its interest-earning assets and investment securities. Any future economic deterioration that affects household or corporate incomes, or that causes or amplifies concerns regarding recessionary conditions, could result in reduced demand for credit or fee-based products and services. Any of these effects could adversely affect the Company's financial condition or results of operations.

Any deterioration in global economic conditions could damage the domestic economy or negatively affect the Company's borrowers or other counterparties that have direct or indirect exposure to these regions. Such global disruptions, including disruptions in supply chains or geopolitical conflict, can undermine investor confidence, cause a contraction of available credit, or create market volatility, any of which could have material adverse effects on the Company's businesses, results of operations, financial condition and liquidity, even if the Company's direct exposure to the affected region is limited.

Changes in domestic economic, labor, trade, immigration or tax policies may arise from political leadership in the United States. Such policy changes could disrupt economic conditions, cause uncertainty, erode consumer confidence levels, cause adverse changes in payment patterns, lead to increases in delinquencies and default rates in certain industries or regions, or have other negative market or customer impacts. Any of these developments could increase the Company's loan charge-offs and provision for credit losses.

Changes in interest rates have in the past reduced, and could in the future reduce, the Company's net interest income The Company's earnings are dependent to a large degree on net interest income, which is the difference between interest income from loans and investments and interest expense on deposits and borrowings. Net interest income is significantly affected by market rates of interest, which in turn are affected by prevailing economic conditions, the fiscal and monetary policies and actions of the federal government, such as balance sheet actions taken by the Federal Reserve Board like quantitative tightening, quantitative easing, or other reserve management activities or inactivity, and the policies of various regulatory agencies. Volatility in interest rates can also result in the flow of funds away from financial institutions into direct investments. Direct investments, such as United States government and corporate securities and other investment vehicles (including mutual funds), generally pay higher rates of return than financial institutions pay on deposits. To prevent outflows and compete for deposits, USBNA historically has increased, and may in the future increase, deposit rates, which could decrease net interest income. Customers may also move noninterest-bearing deposits into interest-bearing accounts, thus increasing overall deposit costs. If USBNA cannot prevent outflows or effectively compete for deposits, USBNA will lose a source of lower-cost funding. Higher funding costs reduce the Company's net interest margin and net interest income.

Historically, when interest rates are increasing, or when long-term rates are elevated relative to short-term rates, the Company has earned higher net interest income. Conversely, when interest rates are decreasing, or when long-term rates are lower relative to short-term rates, the Company has earned less net interest income. However, higher interest rates can also lead to fewer originations of loans, less liquidity in the financial markets, and higher funding costs, each of which could adversely affect the Company's revenues, liquidity and capital levels. Higher interest rates could also negatively affect the payment performance on loans that are scheduled to mature or are linked to variable interest rates. If borrowers of variable rate loans are unable to afford higher interest payments, those borrowers may reduce or stop making payments, causing the Company to incur losses and increased operational costs related to servicing a higher volume of delinquent loans.

The Company's results may be materially affected by market fluctuations and significant changes in the value of financial instruments and other assets The value of securities, derivatives and other financial instruments that the Company owns or in which it makes markets can be materially affected by market fluctuations. Market volatility, illiquid market conditions and other disruptions in the financial markets may make it extremely difficult to value certain financial instruments. Subsequent valuations of financial instruments in future periods, in light of factors then prevailing, may result in significant changes in the value of these instruments. In addition, at the time of any disposition of these financial instruments, the price that the Company ultimately realizes will depend on the demand and liquidity in the market at that time and may be materially lower than their current fair value. Any of these factors could cause a decline in the value of financial instruments that the Company owns or in which it makes markets, which may have an adverse effect on the Company's results of operations.

In addition, losses in the value of the Company's investment securities or loan portfolio could affect market perception of the Company and create volatility in the Company's stock price. Losses in the value of the Company's investment securities, even if they do not affect earnings or capital, could also cause some depositors, particularly those who maintain uninsured and uncollateralized deposits, to question the stability of USBNA and to move their deposits away from USBNA. Such events could negatively affect the Company's liquidity, financial condition and results of operations.

In addition, the Company engages in leasing activities and is subject to the risk that the residual value of the property under lease will be less than the Company's recorded asset value. Adverse changes in the residual value of leased assets can have a negative impact on the Company's financial results. The risk of changes in the realized value of the leased assets compared to recorded residual values depends on many factors outside of the Company's control, including supply and demand for the

assets, condition of the assets at the end of the lease term, and other factors.

Changes in United States trade policies, including the imposition of tariffs and retaliatory tariffs, may adversely impact the Company's business, financial condition and results of operations There have been significant changes to trade policies and tariffs in the United States in recent periods, as well as the imposition of retaliatory tariffs by other countries against the United States, and there could be additional changes and uncertainty with respect to these matters in the future. The Company expects additional changes to trade policy and tariffs in the future as a result of federal judicial decisions, including by the U.S. Supreme Court in February 2026, regarding the power of the executive branch of the federal government to set tariff policy. Such tariffs, retaliatory tariffs or other trade restrictions on products and materials that the Company's customers import or export have caused, and in the future could cause, the prices of its customers' products to increase, which could reduce demand for, or margins on, such products. These effects have adversely affected, and in the future could adversely affect, the ability of the Company's customers to service debt. Additionally, if prices of consumer goods increase materially as a result of tariffs, the ability of individual households to service debt may be negatively affected. If the Company's customers are unable to service their debt, it would adversely affect the Company's financial condition and results of operations. In addition, uncertainty regarding future tariffs and trade policy changes complicates business planning for the Company's customers in certain industries, which may adversely affect the Company's financial results if such customers change their spending and borrowing patterns in response to such uncertainty.

Operations and Business Risk

A breach in the security of the Company's information systems, or the information systems of certain third parties, or a critical technology failure could disrupt the Company's businesses, result in the disclosure of confidential information, damage its brand and create significant financial and legal risk The Company continues to experience a high number of attacks on its information systems, software, networks and other technologies. The Company's security measures may not be effective against all threats, including new and emerging threats. Malicious actors continue to develop increasingly sophisticated methods of attack that could impact the Company. Cyber attacks can involve sophisticated and targeted attacks intended to obtain unauthorized access to confidential information, destroy or ransom data, disable or degrade service, or sabotage systems, often through the introduction of software that is included or inserted in an information system for a harmful purpose (malware). Additionally, the rapid advancement of artificial intelligence ("AI") technologies has enabled malicious actors to develop more sophisticated and adaptive cyber attack methods. AI-driven tools can automate large-scale attacks, identify system vulnerabilities faster, and create highly convincing social engineering schemes, such as deepfake impersonations, which may significantly increase the likelihood of successful attacks and reduce the effectiveness of traditional security measures. Due to the increasing sophistication of cyber attacks, the Company may not become aware of a cyber attack immediately, which could adversely affect the Company's ability to stop or respond to the cyber attack.

Attacks on government institutions, financial institutions, technology service providers, or other institutions important to the overall functioning of the financial system could also adversely affect, directly or indirectly, the Company's businesses. The increasing consolidation, interdependence and complexity of financial entities and technology systems heighten the risk of operational failure, both for the Company and on an industry-wide basis, and could result in a technology failure, successful cyber attack, or other incident that significantly degrades, deletes or compromises the systems or data of one or more financial entities materially affecting the Company, its counterparties or other market participants.

Third parties that facilitate the Company's business activities, including exchanges, clearinghouses, payment and ATM networks, financial intermediaries and vendors that provide services or technology solutions for the Company's operations, are also sources of operational and security risks to the Company. For these third parties, operational or technical failures of their systems, misconduct or negligence by their employees or cyber attacks could affect their ability to deliver a product or service to the Company, which may result in disruption to the Company's business or lost or compromised Company or customer information. Furthermore, a third party may not reveal an attack or system failure to the Company in a timely manner, which could compromise the Company's ability to respond effectively. Some of these third parties may engage vendors of their own, which introduces the risk that the third party's vendors and subcontractors could be the source of operational and security failures. In addition, if a third party obtains access to the customer account data on the Company's systems, and that party experiences a breach via an external or internal threat or misappropriates such data, the Company and its customers could suffer material harm, including heightened risk of fraudulent transactions, losses from fraudulent transactions, increased operational costs to remediate the breach, legal harm and damage to the Company's brand. These risks are expected to continue to increase as the Company expands its interconnectivity with its customers and other third parties.

The Company is also negatively impacted by cybersecurity incidents at other companies where the cardholder information of their customers is exposed and the debit or credit card accounts are held at USBNA, and those cardholders may experience fraud on their card accounts because of the breach. The Company has suffered, and expects to suffer in the future, losses associated with reimbursing its customers for such fraudulent transactions and for other costs related to data security compromise events, such as replacing cards associated with compromised card accounts. These attacks are expected to continue and could, individually or in the aggregate, have a material adverse effect on the Company's financial condition or results of operations.

The Company may not be able to anticipate or implement effective preventive measures against cyber attacks because malicious actor methods and techniques change frequently, increase in sophistication, often are not recognized or detected, and originate from a wide variety of sources, including organized crime, hackers, terrorists, activists, hostile foreign governments and other external parties. Those parties may attempt to place their information technology workers as employees or contractors of the Company or the Company's third-party vendors to attempt to gain access to the Company's systems. Those parties may also attempt to fraudulently induce employees, customers or other users of the Company's systems to disclose sensitive information to gain access to the Company's data or that of its customers or clients, such as through "phishing" and other social engineering schemes. Attack methods may include the introduction of computer viruses and/or malicious or destructive code, denial-of-service attacks, and cyber extortion with accompanying ransom demands. The Company's information security risks are increasing as the Company continues to expand its mobile and internet-based product offerings and its internal usage of web-based products, data storage and other applications. In addition, the Company's customers often use their own devices, such as computers, smart phones and tablets, to make payments and manage their accounts, and are subject to social engineering schemes, scam websites, and other attempts from cyber criminals to compromise or deny access to their accounts. The Company has limited ability to assure the safety and security of its customers' transactions with the Company to the extent they are using their own devices, which are subject to such threats.

If the Company's physical or cybersecurity systems are penetrated or circumvented, or an authorized user intentionally or unintentionally removes, loses or destroys critical business data, serious negative consequences for the Company can follow, including significant disruption of the Company's operations, misappropriation of confidential Company or customer information, or damage to the Company's, customers' or counterparties' computers or systems. These consequences could result in violations of privacy and other applicable laws; financial loss to the Company or to its customers; loss of confidence in the Company's security measures; customer dissatisfaction; significant litigation exposure; regulatory investigations, fines, penalties or intervention; reimbursement or other compensatory costs (including the costs of credit monitoring services); additional compliance costs; and harm to the Company's brand, all of which could adversely affect the Company.

Because the investigation of any cybersecurity incident is inherently unpredictable and would require substantial time to complete, the Company may not be able to quickly remediate the consequences of any incident, which may increase the costs of, and enhance the negative consequences associated with, an incident.

The Company relies on its employees, systems and third parties to conduct its businesses, and certain failures by systems or misconduct by employees or third parties could adversely affect its operations The Company operates in many different businesses in diverse markets and relies on the ability of its employees and systems to process a high number of transactions. The Company's businesses, financial, accounting, data processing, and other operating systems and facilities may stop operating properly or become disabled or damaged due to many factors, including events that are out of its control. In addition to the risks posed by cybersecurity incidents, as discussed above, such systems could be compromised because of spikes in transaction volume, electrical or telecommunications outages, critical technology failures, degradation or loss of internet or website availability, natural disasters, political or social unrest, and terrorist acts. The Company continues to experience adverse affects to its business operations due to disruptions to the operating systems that support its businesses and customers caused by the factors noted above. The Company's resiliency systems could also become compromised, which could negatively impact the ability to back up data.

The Company could also incur losses resulting from the risk of human error by employees, unauthorized access to its computer systems, the execution of unauthorized transactions by employees, errors relating to transaction processing and technology, breaches of internal control systems and compliance requirements, failures of business continuation and disaster recovery processes and systems, and misconduct or fraud by employees, customers or other persons outside the Company. The increasing sophistication in AI technologies may increase the risk of fraud, such as through identity theft and bypassing controls, and may make it more difficult to detect fraud. This risk of loss also includes customer remediation costs; potential legal actions, fines or civil money penalties that could arise resulting from an operational deficiency or noncompliance with applicable regulatory standards, adverse business decisions or their implementation; and harm to the Company's brand and customer attrition due to negative publicity.

Third parties provide key components of the Company's business infrastructure, such as internet connections, cloud services, network access and mutual fund distribution. Any problems caused by third-party service providers, including failing to comply with their contractual obligations, performing their services negligently causing critical technology failures, or failure to handle current or higher volumes of use, could adversely affect the Company's ability to deliver products and services to the Company's customers and otherwise conduct its business. Technological or financial difficulties of a third-party service provider could adversely affect the Company's businesses to the extent those difficulties result in the interruption or discontinuation of services provided by that party. Replacing third-party service providers could also entail significant delay and expense.

Operational risks for large financial institutions such as the Company have generally increased in recent years, in part because of the proliferation of new technologies, the ability for employees to work from home, while traveling and through mobile devices, the use of internet services and telecommunications technologies to conduct financial

transactions, the increased number and complexity of transactions being processed, and the increased sophistication and activities of organized crime, hackers, terrorists, activists, and other external parties. In the event of a breakdown in the Company's internal control systems, improper operation of systems or improper employee or third-party actions, the Company could suffer financial loss, face legal or regulatory action and suffer damage to its brand.

The Company could face material legal harm and damage to its brand if it fails to safeguard personal information The Company is subject to complex and evolving laws and regulations, both inside and outside the United States, governing the privacy and protection of personal information. Individuals whose personal information may be protected by law include the Company's customers and their customers, prospective customers, job applicants, current and former employees, employees of the Company's suppliers, and other individuals. Complying with laws and regulations applicable to the Company's collection, use, transfer, storage, and destruction of personal information can increase operating costs, impact the development and marketing of new products or services, and reduce operational efficiency. Mishandling or misuse of personal information by the Company or its suppliers, including data breaches at third parties exposing personal information, has resulted in litigation against the Company and could result in additional litigation or regulatory fines, penalties or other sanctions in the future.

In the United States, states have enacted consumer privacy laws that impose compliance obligations with respect to personal information. In addition, legal requirements for cross-border personal data transfers vary across jurisdictions, such as in the European Economic Area and the United Kingdom, and are evolving rapidly. Compliance with state or international statutes, common law, or regulations designed to protect personal information could require substantial technology infrastructure and process changes across many of the Company's businesses, which could result in substantial costs to the Company. Non-compliance with such laws and regulations could lead to substantial regulatory fines and penalties, regulatory investigation or oversight, damages from litigation, compelled changes to the Company's business practices, and harm to the Company's brand. Future state or federal legislation could result in substantial costs to the Company and could have an adverse effect on its business, financial condition, and results of operations.

Additional risks could arise from the failure of the Company or third parties to provide adequate notice to the Company's customers about the personal information collected from them and the use of such information; to receive, document, and honor the privacy preferences expressed by the Company's customers; to protect personal information from unauthorized disclosure; or to maintain proper training on privacy practices for all employees or third parties who have access to personal information. Concerns regarding the effectiveness of the Company's measures to safeguard personal information and abide by privacy preferences, or even the perception that those measures are inadequate or that the Company does not abide by such privacy preferences, could cause the Company to lose existing or potential customers and thereby reduce its revenues. In addition, any failure or perceived failure by the Company to comply with applicable privacy or data protection laws and regulations has subjected, and may in the future subject, the Company to litigation and could result in requirements to modify or cease certain operations or practices or regulatory fines, penalties, or other sanctions. Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for additional information regarding data privacy laws and regulations. Any of these outcomes could materially damage the Company's brand and otherwise adversely affect its businesses.

The Company's businesses may be adversely affected if the models it uses perform poorly, provide inadequate information, or are used improperly The Company relies on many models to measure risks, estimate values of financial instruments, and inform certain business decisions. Models may be used in processes such as assessing loan credit quality, measuring interest rate and other market risks, estimating potential revenue or losses, assessing capital adequacy and conducting capital stress testing, supporting detection of financial crimes, fraud, and cybersecurity and other threats, evaluating the allowance for credit losses and estimating the value of financial instruments and balance sheet items. The Company also uses several models that employ methodologies based on AI or machine learning, which bring unique complexities, such as the need for large datasets for training, the potential for algorithmic bias, and the need for greater explainability in interpreting model decisions. These complexities may cause the models to be less accurate or less reliable if any of the required inputs are flawed or incorporate unreliable data.

Models can be useful tools to assist in processes but are inherently limited due to historical experience, potential design flaws, and reliance on assumptions. There is no assurance that the Company's models will appropriately or sufficiently capture all relevant risks or accurately predict future events or exposures. The historical data the Company uses to train its models may not be comparable for the future period being modeled. If the models have fundamental design flaws, invalid assumptions, or erroneous data, if the models are implemented incorrectly, or if the models are used in a manner inconsistent with their purposes, then business decisions informed by the models could be adversely affected, and the information provided by the Company to the public or to its regulators could be inaccurate or misleading.

Certain decisions that the Company's regulators make, including those related to capital distributions to the Company's shareholders, could be adversely affected if they perceive that the models used to generate the relevant information are unreliable or inadequate. Flaws in the Company's models, or the use of models in a manner inconsistent with their purposes, can negatively impact the Company's customers or the Company's ability to comply with applicable laws and regulations. This could negatively

affect the Company's brand or result in fines and penalties from its regulators.

Failure to properly manage data may adversely affect the Company's ability to manage risk and business needs, and result in errors in its operations, reporting and decision-making, and non-compliance with legal requirements The Company relies on accurate, timely and complete data to effectively operate its systems and processes. The Company's data management processes may not be effective and are subject to vulnerabilities and failures, including human error, data limitations, process delays, system failure or failed controls. Failure to effectively manage data may adversely impact its quality and reliability and the Company's ability to manage current and emerging risks, produce accurate financial, nonfinancial, regulatory, and operational reporting, detect or surveil potential misconduct or non-compliance with legal requirements, and manage its business needs, strategic decision-making, resolution strategy and operations. The failure to establish and maintain effective, efficient and controlled data management could adversely impact the Company's development of products and client relationships and increase operational losses, regulatory risk and risk to the Company's brand.

The Company could lose market share and experience increased costs if it does not effectively develop and implement new technology The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services, including innovative ways that customers can make payments, manage their accounts, or manage their assets such as through the use of mobile payments, digital wallets, digital assets, digital currencies, and other emerging technologies. The Company believes its success depends, in part, upon its ability to address customer needs by using technology to provide products and services and create additional efficiencies in the Company's operations. When launching a new product or service or introducing a new platform for the delivery of products and services, the Company might not identify or fully appreciate the operational risks arising from those innovations or might inadvertently fail to implement adequate controls to mitigate those risks. Developing and deploying new technology-driven products and services can also involve costs that the Company may not recover and divert resources away from other product development efforts. The Company's products and services may also rely on certain hardware, software, or service companies for which there are few alternatives, and the costs charged by these vendors may increase significantly year to year. The Company may not be able to effectively develop and implement profitable new technology-driven products and services or be successful in marketing these products and services to its customers. Failure to successfully keep pace with technological change affecting the financial services industry, including because competitors may spend more resources on developing new technologies or because non-bank competitors have a lower cost structure and more flexibility, could harm the Company's competitive position and negatively affect its revenue and profit.

In July 2025, the President signed into law the "Guiding and Establishing National Innovation for U.S. Stablecoins Act" or the "GENIUS Act", which establishes a regulatory framework for "payment stablecoins" and their issuers. If USBNA is unable develop stablecoin technologies to meet customer demand for deposit alternatives, USBNA could experience reduced deposit levels. In addition, technological changes and related changes in the bank regulatory environment have resulted in fintechs and other companies engaged in digital asset activities obtaining national bank trust charters. The number of companies seeking to obtain such charters may continue to increase, which could further increase competition for USBNA's products and services and exacerbate the risks described above.

The use of new technologies, including AI and machine learning, may result in harm to the Company's brand, increased regulatory scrutiny and increased liability The Company uses new and evolving technologies, including AI and machine learning, throughout the Company's businesses. The Company's use of AI and machine learning is subject to risks that algorithms and datasets are flawed or insufficient or contain biased information. In addition, the models and processes relating to AI and machine learning are not always transparent, which could increase the risk of unintended deficiencies. These flaws could result in inaccurate or ineffective decisions, predictions or analysis, which could subject the Company to competitive harm, legal liability, increased regulatory scrutiny, harm to the Company's brand or other consequences, any of which could negatively affect the Company's financial condition and results of operations. Furthermore, the legal and regulatory landscape impacting new technologies such as AI is evolving rapidly, and the inability to predict how this regulation will take shape and the absence of a uniform regulatory framework for AI may present unforeseen challenges in applying and relying on existing compliance systems. Complying with existing and new AI and data usage laws, and inconsistencies in regulation from jurisdiction to jurisdiction, could increase expenses and exposure to litigation and regulatory action.

Damage to the Company's brand could adversely impact its business and financial results The risk to current or projected financial condition and resilience arising from negative public opinion is inherent in the Company's business. Negative public opinion about the financial services industry generally or the Company specifically could adversely affect the Company's ability to retain and attract stakeholders such as customers, investors, and employees and could expose the Company to litigation and regulatory action. Negative public opinion can result from the Company's actual or alleged conduct in any number of activities, including lending practices, cybersecurity incidents, misuse or failure to safeguard personal information, inability to meet community and other stakeholder expectations, corporate responsibility and sustainability practices and failure to deliver against announced goals and plans, discriminating or harassing behavior of employees toward other employees or customers, loan servicing practices (including, as

applicable, collections, repossessions, and mortgage foreclosures), compensation practices, sales practices, regulatory compliance, mergers and acquisitions, and actions taken by government regulators and community organizations in response to that conduct.
Additionally, the Company's stakeholders often hold differing views on how the Company should address environmental, social and sustainability matters, including inclusion-related matters, and the Company may not be able to meet the diverging expectations of different stakeholder groups, which could result in negative attention in traditional and social media, resulting in a negative perception of the Company depending on an individual's view. If the Company is unable to design or execute against business strategies, damage to the Company's brand could result, leading to a loss of customers or negative investor sentiment.

The Company's business and financial performance could be adversely affected, directly or indirectly, by natural disasters, pandemics, terrorist activities, civil unrest or international hostilities The occurrence of natural disasters, pandemics, terrorist activities, civil unrest or international hostilities could impact the Company directly (for example, by interrupting the Company's systems, which could prevent the Company from obtaining deposits, originating loans and processing and controlling its flow of business; causing significant damage to the Company's facilities; causing shutdowns of branches or working locations of vendors or other counterparties; or otherwise preventing the Company from conducting business in the ordinary course), or indirectly as a result of their impact on the Company's borrowers, depositors, other customers, vendors or other counterparties (for example, by damaging properties pledged as collateral for the Company's loans or impairing the ability of certain borrowers to repay their loans). The Company has also suffered, and could in the future suffer, adverse consequences to the extent that natural disasters, pandemics, terrorist activities, civil unrest or international hostilities, including the ongoing war in Ukraine and conflict in the Middle East, affect the financial markets or the economy in general or in any particular region. These occurrences have caused, and may in the future cause, operational disruptions and increases in delinquencies, bankruptcies or defaults that could result in the Company experiencing higher levels of nonperforming assets, net charge-offs and provisions for credit losses.

The Company's ability to mitigate the adverse consequences of these events is in part dependent on the quality of the Company's resiliency planning and the Company's ability, if any, to anticipate the nature of any such event that occurs. The adverse effects of these occurrences also could be amplified to the extent there is a lack of preparedness on the part of national or regional emergency responders or on the part of other organizations and businesses that the Company transacts with.

The Company's business strategy, operations, financial performance and customers could be materially adversely affected by the impacts related to climate change Risks associated with climate change have affected, and may continue to affect, the Company and its customers and communities. The physical risks of climate change include chronic shifts in the climate, such as increasing average global temperatures, rising sea levels and an increase in the frequency and severity of weather events and natural disasters, including wildfires, floods, tornadoes and hurricanes. The financial costs related to natural disasters have increased in recent years and may continue to do so in the future based on multiple factors. Such chronic shifts and disasters could disrupt the Company's businesses and operations, impact the safety of the Company's employees, result in large-scale technology failures, or disrupt the businesses and operations of the Company's customers, vendors or counterparties, particularly with respect to those located in low-lying areas and coastlines that are more prone to flooding or areas that are prone to wildfires and other disasters. Such chronic shifts and disasters could also adversely affect the Company's business strategy and financial performance by, among other impacts, causing market volatility, negatively impacting customers' ability to pay outstanding loans or fulfill other contractual obligations, damaging or deteriorating the value of collateral, or reducing availability or increasing costs of insurance, including insurance that protects property pledged as collateral for Company loans. In addition, the physical risks of climate change may affect certain regions or areas more severely or with greater frequency than other areas, whether due to particular vulnerabilities of those areas or otherwise. To the extent the Company has a concentration of collateral or business operations in such areas, the Company's financial results and business operations may be more severely impacted by climate change.

Transition risks may arise from changes in consumer preferences, technologies, public policies, and legal and regulatory requirements. New laws and regulations could result in significant costs as the Company implements compliance, disclosure and other programs. Failure to comply with any applicable laws or regulations could result in legal or regulatory sanctions, financial losses and harm to the Company's brand. Failure to adequately consider transition risks in the Company's operations could lead to a loss of market share, lower revenues, decreased asset values and higher credit costs.

These physical risks and transition risks could increase expenses or otherwise adversely impact the Company's business strategy, operations, financial performance and customers. In particular, new laws, regulations or guidance, or the attitudes of regulators, shareholders, employees and customers regarding climate change, may affect the activities in which the Company engages and the products that the Company offers. An inability to adjust the Company's business to mitigate the effects of physical and transition risks could result in higher operational costs and credit losses. In addition, the Company's stakeholders' views on climate change are diverse, dynamic, and rapidly changing, and the Company may not be able to meet the diverging expectations and priorities of different stakeholder groups, including regulators in different jurisdictions. The Company could also experience increased expenses resulting from strategic planning,

litigation and technology and market changes, and harm to the Company's brand as a result of negative public sentiment, regulatory scrutiny and reduced investor and stakeholder confidence due to the Company's response to climate change and the Company's climate change strategy.

Risks associated with climate change are continuing to evolve rapidly, and the Company expects that climate change-related risks will continue to evolve and increase over time.

Regulatory and Legal Risk

The Company is subject to extensive and evolving government regulation and supervision, which can increase the cost of doing business, restrict the Company's operations, limit the Company's ability to take strategic actions, and lead to costly enforcement actions Banking regulations are primarily intended to protect depositors' funds, the federal Deposit Insurance Fund, and the United States financial system as a whole, and not the Company's debt holders or shareholders. These regulations, and the Company's inability to act in certain instances without receiving prior regulatory approval, affect the Company's lending practices, capital structure, investment practices, dividend policy, ability to repurchase common stock, and ability to pursue strategic acquisitions, among other activities.

The Company expects that its business will remain subject to extensive regulation and supervision and that the level of scrutiny and the enforcement environment may fluctuate over time based on numerous factors, including bank failures, changes in the United States presidential administration or one or both houses of Congress and public sentiment regarding financial institutions (which can be influenced by scandals and other incidents that involve participants in the industry). In particular, the current presidential administration has been implementing a regulatory reform agenda that is significantly different than that of the prior administration, impacting the rulemaking, supervision, examination and enforcement priorities of the federal banking agencies. Any potential new regulations or modifications to existing regulations and supervisory expectations may necessitate changes to the Company's existing regulatory compliance and risk management infrastructure. The Company could also be impacted by changes in the international capital accords or differences in the application of those accords due to differences in national law. In addition, changes in key personnel at the agencies that regulate the Company, including federal banking regulators, may result in differing interpretations of existing rules and guidelines and potentially more stringent enforcement and more severe penalties than previously experienced. There may also be increased challenges in court to agency regulations, whether as a result of changes in judicial deference to regulatory agencies, questions regarding the legitimacy of governmental actions or otherwise, which results in additional regulatory uncertainty.

New or changes to existing federal or state statutes, regulations or regulatory policies, or their interpretation or implementation, or regulatory practices, priorities, requirements or expectations could affect the Company in substantial and unpredictable ways. Complying with regulatory changes has negatively impacted, and may in the future negatively impact, the Company's revenue, which could materially affect the Company's financial condition and results of operations. For example, regulatory changes could require changes to the Company's operations and increase compliance costs. Regulatory changes may also limit the types of financial services and products the Company may offer or reduce their profitability, alter the investments it makes, impact its targeted capital levels, affect the manner in which it operates its businesses, increase the ability of non-banks to offer competing financial services and products, and increase its litigation and regulatory costs should it fail to appropriately comply with new or modified laws and regulatory requirements. For example, statutes, regulations, settlements or agreements that limit or prohibit the amount of interchange fees that the Company may collect, or the types of transactions on which the Company can collect interchange fees, could materially reduce the Company's fee revenue. Failure to comply with any new law or regulation could result in litigation, regulatory enforcement actions and harm to the Company's brand.

General regulatory practices, such as longer time frames to obtain regulatory approvals for acquisitions and other activities (and the resultant impact on businesses the Company may seek to acquire) and initiatives to reduce fees on certain products, could affect the Company's ability or willingness to make certain acquisitions or introduce new products or services, necessitate changes to the Company's business practices or reduce the Company's revenues.

Federal law grants substantial supervisory and enforcement powers to federal banking regulators and law enforcement agencies, including, among other things, the ability to assess significant civil or criminal monetary penalties, fines, or restitution; to issue cease and desist or removal orders; and to initiate injunctive actions against banking organizations and institution-affiliated parties. The financial services industry continues to face scrutiny from bank supervisors in the examination process and stringent enforcement of regulations on both the federal and state levels, including with respect to mortgage-related practices, fair lending practices, fees charged by banks, student lending practices, sales practices and related incentive compensation programs, other consumer compliance matters, foreign investment compliance, compliance with Bank Secrecy Act/anti-money laundering ("BSA/AML") requirements, sanctions compliance requirements as administered by the Office of Foreign Assets Control, and consumer protection issues. This regulatory scrutiny, or the results of an investigation or examination, may lead to additional regulatory investigations or enforcement actions. Furthermore, a single event involving a potential violation of law or regulation may give rise to numerous and overlapping investigations and proceedings, either by multiple federal and state agencies and officials in the United States or, in some instances, regulators and other governmental officials in foreign jurisdictions. In addition, another financial institution's violation of law or regulation relating to a business activity

or practice may increase regulatory scrutiny around the same or similar activities or practices of the Company.

In particular, non-compliance with sanctions laws or BSA/AML laws or failure to maintain an adequate BSA/AML compliance program can have a material impact on a financial institution, and these risks are evolving. Significant enforcement actions against banks, broker-dealers and non-bank financial institutions with respect to sanctions laws and BSA/AML laws have resulted in substantial penalties, including significant monetary penalties, such as the action against the Company and USBNA in 2018, and these enforcement actions can result in damage to the Company's brand. In addition, federal regulators evaluate the effectiveness of an applicant in combating money laundering when determining whether to approve a proposed bank merger, acquisition, restructuring, or other expansionary activity. Further, the adoption of cryptocurrency and other new forms of payment has resulted in increased BSA/AML compliance risks, particularly with respect to "know-your-customer" and transaction monitoring requirements, and this risk and complexity is expected to increase as the use of stablecoins expands as a result of recent regulatory changes.

Regulatory settlements or other enforcement actions against the Company or any of the Company's subsidiaries (including USBNA) could cause material financial harm to the Company and damage the Company's brand. In general, the amounts paid by financial institutions in settlement of proceedings or investigations and the severity of other terms of regulatory settlements are likely to remain elevated. In some cases, governmental authorities have required criminal pleas or other extraordinary terms, including admissions of wrongdoing and the imposition of monitors, as part of such settlements, which could have significant consequences for a financial institution, including loss of customers, harm to the Company's brand, increased exposure to civil litigation, restrictions on the ability to access the capital markets, and the inability to operate certain businesses or offer certain products for a period of time.

Violations of laws and regulations or deemed deficiencies in risk management practices or consumer compliance also may be incorporated into the Company's confidential supervisory ratings. A downgrade in these ratings, or other regulatory actions and settlements, could limit the Company's ability to conduct expansionary activities for a period of time and require new or additional regulatory approvals before engaging in certain business activities.

Differences in regulation can affect the Company's ability to compete effectively The content and application of laws and regulations applicable to financial institutions vary according to the size of the institution, the jurisdictions in which the institution is organized and operates and other factors. Large institutions, such as the Company, often are subject to more stringent regulatory requirements and supervision than smaller institutions. In addition, financial technology companies and other non-bank competitors may not be subject to the prudential and consumer protection regulatory framework that applies to banks, or may be regulated by a national or state agency that does not have the same regulatory priorities or supervisory requirements as the Company's regulators. These differences in regulation can impair the Company's ability to compete effectively with competitors that are less regulated and that do not have similar compliance costs or restrictions on activities.

The Company is subject to stringent requirements related to capital and liquidity that may limit the Company's ability to return earnings to shareholders or operate or invest in its business United States banking regulators have adopted stringent capital- and liquidity-related standards applicable to larger banking organizations, including the Company. The rules require banks and bank holding companies to hold more and higher quality capital as well as sufficient unencumbered liquid assets to meet certain stress scenarios defined by regulation. Future changes to the implementation of these rules, including the stress capital buffer, or additional capital- and liquidity-related rules, could require the Company to take further steps to increase its capital, increase its investment security holdings, divest assets or operations, or otherwise change aspects of its capital and/or liquidity measures, including in ways that may be dilutive to shareholders or could limit the Company's ability to pay common stock dividends, repurchase its common stock, invest in its businesses or provide loans to its customers.

The effects of external events and actions by the Federal Reserve Board have in the past limited, and may in the future limit, capital distributions, including suspension of the Company's share repurchase program or reduction or suspension of the Company's common stock dividend.

Further, any new regulations that would require the Company to have minimum levels of outstanding long-term debt may require the Company to change its current funding mix, including being required to raise additional long-term debt, which could adversely impact net interest margin and net interest income.

Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for additional information regarding the Company's capital and liquidity requirements.

The Company is subject to significant financial risks and significant risks to its brand from potential legal liability and governmental actions The Company faces significant legal risks in its businesses. The Company is named as a defendant or is otherwise involved in many legal proceedings, including class actions and other litigation, and the volume of claims and amount of damages and penalties claimed in litigation and governmental proceedings against it are substantial. Customers, clients and other counterparties make claims for substantial or indeterminate amounts of damages, while banking regulators and certain other governmental authorities have focused on enforcement. As a participant in the financial services industry, it is likely that the Company will continue to experience a high level of litigation and government scrutiny related to its businesses and operations in the future. Substantial legal liability or significant governmental action against the Company could materially impact the

Company's financial condition and results of operations (including because such matters may be resolved for amounts that exceed established accruals for a particular period) or cause significant harm to the Company's brand.

For example, the Company has been, and in the future may be, subject to claims, disputes and litigation regarding patent infringement or that its use of certain intellectual property infringes on rights owned by others. The Company may incur substantial costs in defending such claims, regardless of their merit. If such claims are successful, the Company could be required to pay substantial damages and substantial fees to continue to engage in these activities in the future and could suffer damage to its brand and other harm. The Company may also be unable to acquire rights to use certain intellectual property that is important for its business and may be unable to effectively engage in critical business activities.

In addition, lawmakers and regulators at state, federal and international levels have proposed or adopted requirements on certain environmental, social and sustainability matters. These requirements are emerging and evolving rapidly, and in some cases conflict with the requirements of other governmental entities. If the Company fails to comply with evolving, and possibly conflicting, legal and regulatory requirements, it could harm the Company's ability to continue to conduct business in one or more of the jurisdictions in which the Company currently operates, or could otherwise harm the Company's business.

The Company may be required to repurchase mortgage loans or indemnify mortgage loan purchasers as a result of breaches in contractual representations and warranties When the Company sells mortgage loans that it has originated to various parties, including GSEs, it is required to make customary representations and warranties to the purchaser about the mortgage loans and the manner in which they were originated. The Company may be required to repurchase mortgage loans or be subject to indemnification claims in the event of a breach of contractual representations or warranties that is not remedied within a certain period. Contracts for residential mortgage loan sales to GSEs include various types of specific remedies and penalties that could be applied if the Company does not adequately respond to repurchase requests. If economic conditions and the housing market deteriorate or the loan purchasers increase their claims for breached representations and warranties, the Company could have increased repurchase obligations and increased losses on repurchases, requiring material increases to its repurchase reserve, which could adversely impact the Company's results of operations.

The Company's failure to satisfy its obligations as servicer for consumer loan securitizations and residential mortgage loans owned by other entities, and other losses the Company could incur as servicer, could adversely impact the Company's brand, servicing costs and results of operations The Company services both automobile and unsecured consumer installment loans on behalf of third-party securitization vehicles and also acts as servicer and master servicer for mortgage loans included in securitizations and for unsecuritized mortgage loans owned by investors. As a servicer, the Company's obligations include collecting all payments due by the borrower consistent with accepted servicing practices and applicable law, which in the case of borrower delinquency or default may include, as applicable to the loan, considering alternatives to repossession or foreclosure upon the collateral securing the loan, such as loan modifications or short sales. In the Company's capacity as a master servicer, obligations include overseeing the servicing of mortgage loans by the servicer. Generally, the Company's servicing obligations are set by contract, for which the Company receives a contractual fee. However, with respect to mortgage loans, GSEs can amend their servicing guidelines, which can increase the scope or costs of the services required without any corresponding increase in the Company's servicing fee. As a servicer, the Company may also make advances on behalf of investors, but there is no assurance of recovery on such advances. A material breach of the Company's obligations as servicer or master servicer may result in contract termination if the breach is not cured within a specified period of time following notice, which would negatively impact the Company's ongoing servicing fee compensation and could adversely impact the Company's brand.

In addition, the Company may be required to indemnify other parties against losses from any failure by the Company to perform the Company's servicing obligations or from certain acts or omissions by the Company. The Company has received and may continue to receive indemnification requests related to the Company's servicing of loans owned or insured by other parties, primarily GSEs. In addition, for certain investors and certain transactions, the Company may be contractually obligated to repurchase a loan or reimburse the investor for credit losses incurred on the loan as a remedy for servicing errors with respect to the loan or as a result of claims made that the Company did not satisfy its obligations as a servicer or master servicer. The Company may also experience increased loss severity on repurchases, which may require a material increase to the Company's repurchase reserve. Any of these impacts could negatively impact the Company's results of operations.

Credit and Mortgage Business Risk

Heightened credit risk could require the Company to increase its provision for credit losses, which could have a material adverse effect on the Company's results of operations and financial condition When the Company lends money, or enters into commitments to lend money, it incurs credit risk, or the risk of loss if its borrowers do not repay their loans. The credit performance of the Company's loan portfolios significantly affects its financial results and condition. If the economic environment worsens, the Company's customers may have more difficulty in repaying their loans or other obligations, which could result in a higher level of credit losses and higher provisions for credit losses. Stress on the United States economy or the local economies in which the Company does business, including the economic stress caused by high commercial real estate vacancy rates, geopolitical conflicts, trade policies, tariffs

or other fiscal policies, elevated interest rates and inflation, has resulted, and in the future may result, in, among other things, borrowers' inability to refinance loans at maturity and unexpected deterioration in the credit quality of the loan portfolio or in the value of collateral securing those loans, which has caused, and in the future could cause, the Company to establish higher provisions for credit losses.

In addition, a portion of the Company's commercial loan portfolio includes loans to non-depository financial institutions ("NDFIs"). NDFIs are comprised of a variety of financial entity types that provide bank-like credit and financing services but do not accept deposits and are not regulated by federal banking agencies. NDFI entities are supported by financial collateral assets, making performance potentially more sensitive to broader macroeconomic conditions. If the economic environment worsens or if market conditions are volatile, it could negatively affect the ability of NDFI borrowers to repay their loans, which could affect the Company's results of operations and cause the Company to establish higher provisions for credit losses.

The Company reserves for credit losses by establishing an allowance through a charge to earnings to provide for loan defaults and nonperformance. The allowance for credit losses is constructed based on an evaluation of the risks associated with the Company's loan portfolio, including the size and composition of the loan portfolio, the portfolio's historical loss experience, current and foreseeable economic conditions, borrower financial condition and collateral value. These forecasts and estimates require difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of the Company's borrowers to repay their loans. The Company may not be able to accurately predict these economic conditions or some or all of their effects, which may, in turn, negatively impact the reliability of the process. Increases in the Company's allowance for loan losses may not be adequate to cover actual loan losses, and future provisions for loan losses could materially and adversely affect its financial results. In addition, the Company's ability to assess the creditworthiness of its customers may be impaired if the models and approaches it uses to select, manage, and underwrite its customers become less predictive of future behaviors.

A concentration of credit and market risk in the Company's loan portfolio could increase the potential for significant losses The Company may have higher credit risk, or experience higher credit losses, to the extent its loans are concentrated by loan type, industry segment, borrower type, or location of the borrower or collateral. For example, a prolonged period of high vacancy rates in commercial properties may affect the value of commercial real estate, including by causing the value of properties securing commercial real estate loans to be less than the amounts owed on such loans, which could result in an increase in the level of defaults in the commercial real estate loan portfolio and result in higher credit losses to the Company. The Company's credit risk and credit losses can also increase if borrowers who engage in similar activities are uniquely or disproportionately affected by economic or market conditions or by regulation. Deterioration in economic conditions or real estate values in states or regions where the Company has relatively larger concentrations of residential or commercial real estate, such as California, could result in higher credit losses. Deterioration in real estate or collateral values and underlying economic conditions in California, including as a result of wildfires or other natural disasters, could result in higher credit losses to the Company.

Changes in interest rates can impact the value of the Company's mortgage servicing rights and mortgages held for sale, and can make its mortgage banking revenue volatile from quarter to quarter, which can reduce its earnings The Company has a portfolio of MSRs, which is the right to service a mortgage loan—collect principal, interest and escrow amounts—for a fee. The Company's MSR portfolio had a fair value of $3.2 billion as of December 31, 2025. The Company initially carries its MSRs using a fair value measurement of the present value of the estimated future net servicing income, which includes assumptions about the likelihood of prepayment by borrowers. Changes in interest rates can affect prepayment assumptions and thus fair value. When interest rates fall, prepayments tend to increase as borrowers refinance, and the fair value of MSRs can decrease, which in turn reduces the Company's earnings. Further, even when interest rates decrease, economic conditions such as a weak or deteriorating housing market may cause mortgage originations to fall or any increase in mortgage originations may not be enough to offset the decrease in the MSRs' value caused by the lower rates.

Decreased purchase volume by GSEs or limits on the Company's access to the mortgage secondary market and GSEs could adversely affect the Company's revenue and capacity to fund new loans The Company sells a portion of the mortgage loans that it originates to increase revenue through origination fees and ongoing servicing of such loans and to provide funding capacity for originating additional loans. A large portion of such mortgage loan sales are to GSEs, which serve as important liquidity providers in the mortgage secondary market. GSEs could limit their purchases of conforming loans due to capital constraints, other changes in their criteria for conforming loans or other reasons. This potential reduction in purchases could limit the Company's ability to fund new loans. In addition, if GSEs limit their purchases of conforming loans, the Company may limit its originations of mortgage loans that it intends to sell, which could reduce the Company's revenue from origination fees of such loans and the ongoing servicing fees it receives from such loans. Proposals have been presented to reform the housing finance market in the U.S., including the role and status of GSEs in the residential finance market, such as proposals to privatize GSEs. The extent and timing of any such reform of the housing finance market and role and status of GSEs in such market, as well as any effect on the Company's business and financial results, are uncertain.

A decline in the soundness, strength or stability of other financial institutions could adversely affect the Company's businesses and results of operations Actual

or perceived issues with, or rumors or questions about, one or more financial institutions, or about the financial services industry generally, have led to, and may in the future lead to, among other things: market-wide liquidity problems; rapid and significant deposit withdrawals at certain institutions, particularly those with elevated levels of uninsured deposits; losses or defaults by certain institutions, up to and including failures of banks and other financial institutions; significant volatility in the stock of financial services institutions; and an increase in fear or skepticism of the safety of banks generally. Failures of banks have increased USBNA's deposit insurance assessments in the past, and the FDIC may require USBNA to pay higher FDIC assessments than it currently does or may charge additional special assessments or future prepayments if, for example, there are financial institution failures in the future or if there are reforms in deposit insurance requirements. In addition, customers and others may seek to make comparisons between failed or failing banks and USBNA, which, even if unfounded, can spread quickly through social media or other online channels. Such comparisons could affect customer confidence in USBNA and lead to deposit withdrawals or other negative effects, any of which could materially and negatively affect the Company's results of operations and financial condition. Due to the prevalence of mobile banking, deposits can be withdrawn at a significantly faster pace than in the past.

Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. The Company has exposure to many different counterparties, and the Company routinely executes, funds and settles transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, and other institutional counterparties. As a result, defaults by, or even rumors or questions about the soundness, strength or stability of, one or more financial services institutions, or the financial services industry generally, could lead to losses or defaults by the Company or by other institutions and impact the Company's businesses, including merchant processing, corporate trust and fund administration services businesses. Many of these transactions expose the Company to credit risk in the event of a default by a counterparty or client. In addition, the Company's credit risk may be further increased when the collateral held by the Company cannot be realized upon or is liquidated at prices not sufficient to recover the full amount of the financial instrument exposure due to the Company. Any such losses could adversely affect the Company's results of operations.

Liquidity Risk

If the Company does not effectively manage its liquidity, its business could suffer The Company's liquidity is essential for the operation of its businesses. Market or economic conditions, the threat or occurrence of a U.S. sovereign default, unforeseen outflows of funds or other events could negatively affect the Company's level or cost of funding, in turn affecting its ongoing ability to accommodate liability maturities and deposit withdrawals, meet contractual obligations, and fund asset growth and new business transactions at a reasonable cost and in a timely manner. If the Company's access to stable and low-cost sources of funding, such as customer deposits, is reduced, the Company might need to use alternative funding, which could be more expensive or of limited availability. Any substantial, unexpected or prolonged changes in the level or cost of liquidity could materially and adversely affect the Company's businesses.

Although governmental support may be available to provide liquidity during adverse circumstances, such as through the FDIC invoking the systemic risk exception to guarantee uninsured deposits, there can be no guarantee that governmental action will be taken to provide liquidity to troubled institutions or that such governmental support will be sufficient to address systemic risks.

Loss of customer deposits could increase the Company's funding costs The Company relies on customer deposits as a low-cost and stable source of funding. The Company competes for deposits with banks and other financial services companies, including those that offer online channels, and as a result, the Company could lose deposits in the future, clients may shift their deposits into higher yielding or alternate savings vehicles, or the Company may need to raise interest rates to avoid deposit attrition. If the Company's competitors raise the interest rates they pay on deposits, or lower the interest rates they pay on deposits by less than the Company, the Company's funding costs may increase, either because the Company raises the interest rates it pays on deposits to avoid losing deposits to competitors or because the Company loses deposits to competitors and must rely on more expensive sources of funding. Higher funding costs reduce the Company's net interest margin and net interest income. A prolonged period of high or increasing interest rates may cause the Company to experience an acceleration of deposit migration, which could adversely affect the Company's operations and liquidity.

Checking and savings account balances and other forms of customer deposits may decrease when customers perceive alternative investments, such as the stock market, as providing a better risk/return tradeoff or if customers choose to hold cryptocurrencies, stablecoins or other digital assets as an alternative to holding funds in a deposit account. When customers move money out of bank deposits and into other investments or digital assets, the Company may lose a relatively low-cost source of funds, increasing the Company's funding costs and reducing the Company's net interest income. In addition, mass withdrawals of deposits could occur due to perceived concerns regarding the Company's and USBNA's capital positions or perceived concerns regarding the level of USBNA's uninsured and uncollateralized deposits. This risk is exacerbated by technological developments and changes in banking relationships, such as customers maintaining accounts at multiple banks, which increase the ease and speed with which depositors are able to move their deposits. The potential speed of deposit withdrawals may be further accelerated due to the way information, including false information or unfounded rumors, can be spread quickly through social media and other online channels. If USBNA were to experience a significant outflow of deposits, the Company may face increased

funding costs, suffer losses and have a reduced ability to raise new capital.

As a result of the GENIUS Act as discussed above, consumers and businesses may view payment stablecoins as a substitute for traditional bank deposits, which could result in deposit withdrawals and increased competition with USBNA's deposit products. The GENIUS Act requires the Treasury Department and federal and state regulators to issue regulations on numerous topics to interpret and implement the statute. The effect of the GENIUS Act on the Company and USBNA will depend on the final form of any regulations and cannot be predicted at this time.

The Company could lose access to sources of liquidity if it were to experience financial or regulatory issues The Company has access to sources of liquidity provided by the Federal Reserve Bank, such as the Federal Reserve Bank discount window and other liquidity facilities that the Federal Reserve Board may establish from time to time, as well as liquidity provided by the FHLB. To access these sources of liquidity, the Federal Reserve Board or FHLB may impose conditions that the Company and USBNA are in sound financial condition (as determined by the Federal Reserve Board or FHLB) or that the Company and USBNA maintain minimum supervisory ratings. If the Company or USBNA were to experience financial or regulatory issues, it could affect the Company's or USBNA's ability to access liquidity facilities, including at times when the Company or USBNA needs additional liquidity for the operation of its business. If the Company or USBNA were to lose access to these liquidity sources, it could have a material adverse effect on the Company's operations and financial condition.

The Company relies on dividends from its subsidiaries for its liquidity needs, and the payment of those dividends is limited by laws and regulations The Company is a separate and distinct legal entity from USBNA and the Company's non-bank subsidiaries. The Company receives a significant portion of its cash from dividends paid by its subsidiaries. These dividends are the principal source of funds to pay dividends on the Company's stock and interest and principal on its debt. Various federal and state laws and regulations limit the amount of dividends that USBNA and certain of the Company's non-bank subsidiaries may pay to the Company without regulatory approval. Also, the Company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to prior claims of the subsidiary's creditors, except to the extent that any of the Company's claims as a creditor of that subsidiary may be recognized. Refer to "Supervision and Regulation" in the Company's Annual Report on Form 10-K for additional information regarding limitations on the amount of dividends USBNA may pay. Any inability of the Company's subsidiaries to transfer funds, pay dividends or make payments to the Company may adversely affect the Company's liquidity, ability to pay dividends on stock or interest and principal on its debt and ability to engage in share repurchases.

Competitive and Strategic Risk

The financial services industry is highly competitive, and competitive pressures could intensify and adversely affect the Company's financial results The Company operates in a highly competitive industry that could become even more competitive as a result of legislative, regulatory and technological changes, as well as continued industry consolidation. This consolidation may produce larger, better-capitalized and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices. The Company competes with a variety of financial services, advisory and technology companies.

The adoption and rapid growth of new technologies, including generative AI, cryptocurrencies, stablecoins, other digital assets, blockchain and other distributed ledger technologies, have required, and will continue to require, the Company to incur substantial expense to adapt its systems, products and services and could present operational issues. In addition, technology has lowered barriers to entry and made it possible for non-banks to offer products and services, such as loans and payment services, that traditionally were banking products, and made it possible for technology companies to compete with financial institutions in providing electronic, internet-based, and mobile phone–based financial solutions. Competition with non-banks, including technology companies, to provide financial products and services continues to intensify. In particular, the number of financial technology companies ("fintechs") and companies that offer embedded finance solutions has grown significantly over recent years, and fintechs offer bank or bank-like products. For example, a number of fintechs have applied for bank, non-depository national bank or industrial loan charters, which, in some cases, have been granted. Under the current administration, certain U.S. banking regulators have indicated a desire to process charter applications on an accelerated timeline, including applications filed by fintechs. In addition, other fintechs have partnered with existing banks to allow them to offer deposit products or payment services to their customers. Many of these companies have fewer regulatory constraints, and some have lower cost structures, in part due to lack of physical structures. In addition, future regulatory developments may increase the ability of fintechs and other competitors to compete with traditional banks, including through the use of cryptocurrency, stablecoins and other digital assets or alternative payment systems. The Company's ability to compete successfully depends on a number of factors, including, among others, its ability to develop and execute strategic plans and initiatives; developing, maintaining and building long-term customer relationships based on quality service, competitive prices, high ethical standards and safe, sound assets; the development of a comparable regulatory framework that addresses the risks of fintech activities; and industry and general economic trends. A failure to compete effectively could contribute to downward price pressure on the Company's products or services or a loss of market share, which would adversely impact the Company's results of operations.

The Company may need to lower prices on existing products and services and develop and introduce new products and services to maintain or increase its market share The Company's success depends, in part, on its ability to adapt its products and services to evolving customer preferences and industry standards. There is increasing pressure on the Company to provide products and services at lower prices to compete with competitors. Lower prices can reduce the Company's net interest margin and revenues from its fee-based products and services. In addition, the adoption of new technologies and further developments in current technologies require the Company to make substantial expenditures to modify or adapt its existing products and services and to develop new products and services to keep pace with technological developments. These capital investments in the Company's businesses may not produce the expected growth in earnings anticipated at the time of the expenditure. The Company might not be successful in developing or introducing new products and services, adapting to changing customer preferences and spending and saving habits (which may be altered significantly and with little warning), achieving market acceptance of its products and services, or sufficiently developing and maintaining loyal customer relationships. These risks may affect the Company's ability to maintain or increase its market share and could reduce its revenue.

The Company may not realize the full value of its strategic plans and initiatives As the Company develops its strategic initiatives, it reviews the internal and external environment to inform any changes required, take advantage of new opportunities and/or respond to unexpected challenges. The Company's initiatives are impacted by internal factors, rapid pace of change from an evolving competitive landscape, increased cybersecurity threats, accelerated digitalization, and emerging technologies. Execution of these initiatives is also impacted by the Company's response to external economic conditions, global political and economic uncertainty, and regulatory factors that are beyond its control. The Company's future growth and the value of its businesses will depend, in part, on its ability to effectively implement its business strategy. If the Company is not able to successfully execute its business strategy, then the Company's competitive position, brand, prospects for growth, and results of operations may be adversely affected.

The Company may not be able to complete future acquisitions it decides to pursue, and completed acquisitions may not produce revenue enhancements or cost savings at levels or within timeframes originally anticipated, may result in unforeseen integration difficulties, and may dilute existing shareholders' interests The Company regularly explores opportunities to acquire financial services businesses or assets and also considers opportunities to acquire other banks or financial institutions from time to time, depending on market conditions and current business strategies and priorities. Market conditions may change quickly, and the Company may act opportunistically to acquire a bank or financial institution based on the opportunity, market conditions and other factors. The Company cannot predict the number, size or timing of acquisitions it might pursue.

The Company must generally receive federal regulatory approval before it can acquire a bank or bank holding company, and the Company may also be required to obtain approval from other regulatory authorities before it can acquire certain other types of regulated entities. The Company's ability to pursue or complete an attractive acquisition could be negatively impacted by regulatory delay, including as a result of a government shutdown, or other regulatory issues. The Company cannot be certain when or if, or on what terms and conditions, any required regulatory approvals will be granted. For example, the Company may be required to sell branches as a condition to receiving regulatory approval for bank acquisitions. If the Company commits certain regulatory violations, including those that result in a downgrade in certain of the Company's bank regulatory ratings, governmental authorities could, as a consequence, preclude it from pursuing future acquisitions for a period of time. In addition, the Company's ability to complete future acquisitions may depend on factors outside its control, including changes in the presidential administration or in one or both houses of Congress, changes in regulatory policies or practices and changes in public sentiment regarding bank mergers. Acquisition activity by large banking organizations, such as the Company, continues to draw regulatory and policy focus, and consideration of and regulatory approval processes for certain acquisitions could change in the future. In addition, acquisitions by large banking organizations such as the Company may receive negative coverage in the media or negative attention by certain members of Congress or other policymakers. If the Company were to receive significant negative publicity in connection with a proposed acquisition, it could damage the Company's brand and impede the Company's ability to complete the acquisition.

There can be no assurance that acquisitions the Company completes (including the pending acquisition of BTIG) will have the anticipated positive results, including results related to expected revenue increases, cost savings, increases in geographic or product presence, and other projected benefits. The Company may incur substantial expenses related to acquisitions and integration of acquired companies. Successful integration of an acquired company has presented, and may in the future present, challenges due to differences in systems, operations, policies, procedures, management teams and corporate cultures and may be more costly or difficult to complete than anticipated or have unanticipated adverse results. Integration efforts could divert management's attention and resources, which could adversely affect the Company's operations or results. Integration efforts could result in higher than expected customer loss, deposit attrition, loss of key employees, issues with systems and technology, disruption of the Company's businesses or the businesses of the acquired company, or otherwise adversely affect the Company's ability to maintain relationships with customers and employees or achieve the anticipated benefits of the acquisition. Also, the negative

effect of any divestitures required by regulatory authorities in acquisitions or business combinations may be greater than expected. Future acquisitions may also expose the Company to increased legal or regulatory risks. Finally, future acquisitions could be material to the Company, and it may issue additional shares of stock to pay for acquisitions, which would dilute current shareholders' ownership interests.

The Company may not close its acquisition of BTIG, may not realize the benefits of the acquisition and may be subject to additional risks due to the cross border nature of the acquisition The completion of the Company's acquisition of BTIG is subject to the satisfaction or waiver of certain applicable closing conditions, and there can be no assurance these conditions will be satisfied or waived. In addition, the announcement and pendency of the acquisition may cause distraction, reduced productivity, or decreased morale among employees, which could negatively affect business performance prior to and following completion of the acquisition, and could result in the loss of key employees, which could adversely affect the anticipated benefits of the acquisition.

Following the acquisition of BTIG, the Company will operate in additional non-U.S. jurisdictions. Operating in new jurisdictions may subject the Company to unfamiliar regulatory regimes and enforcement practices, including heightened scrutiny by local authorities and increased risk of fines, penalties, or operational restrictions for non-compliance, any of which could adversely affect the Company's results of operations and affect the anticipated benefits of the acquisition.

Accounting and Tax Risk

The preparation of the Company's financial statements depends on management's selection of accounting methods and certain assumptions and estimates
that may vary from actual results and materially impact the Company's financial condition and results of operations The Company's accounting policies and methods are fundamental to how the Company records and reports its financial condition and results of operations. The Company's management must exercise judgment in selecting and applying certain of these accounting policies and methods to comply with generally accepted accounting principles and reflect management's judgment regarding the most appropriate manner to report the Company's financial condition and results of operations. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which might be reasonable under the circumstances, yet might result in the Company's reporting materially different results than would have been reported under a different alternative.

Certain accounting policies are critical to presenting the Company's financial condition and results of operations. They require management to make difficult, subjective or complex judgments about matters that are uncertain. Materially different amounts could be reported under different conditions or using different assumptions or estimates. These critical accounting policies include the allowance for credit losses, estimations of fair value, the valuation of MSRs, and income taxes. Because of the uncertainty of estimates involved in these matters, the Company may be required to significantly increase the allowance for credit losses, sustain credit losses that are significantly higher than the reserve provided, recognize significant losses on the remeasurement of certain asset and liability balances, or significantly increase its accrued taxes liability. For more information, refer to "Critical Accounting Policies" in this Annual Report. In addition, the FASB, SEC and other regulatory agencies may issue new or amend existing accounting and reporting standards or change existing interpretations of those standards that could materially affect the Company's financial statements.

The Company's investments in certain tax-advantaged projects may not generate returns as anticipated and may have an adverse impact on the Company's financial results The Company invests in certain tax-advantaged projects promoting affordable housing, community development and renewable energy resources. The Company's investments in these projects are designed to generate a return primarily through the realization of federal and state income tax credits, and other tax benefits, over specified time periods. The Company is subject to the risk that previously recorded tax credits, which remain subject to recapture by taxing authorities based on compliance features required to be met at the project level, will fail to meet certain government compliance requirements and will not be able to be realized. The possible inability to realize these tax credit and other tax benefits can have a negative impact on the Company's financial results. The risk of not being able to realize the tax credits and other tax benefits depends on many factors outside of the Company's control, including changes in the applicable tax code and the ability of the projects to be completed.

General Risk Factors

The Company's framework for managing risks may not be effective in mitigating risk and loss to the Company The Company's risk management framework seeks to mitigate risk and loss. The Company has established processes and procedures intended to identify, measure, monitor, report, and analyze the types of risk to which it is subject, including liquidity risk, credit risk, market risk, interest rate risk, compliance risk, strategic risk, and operational risk related to its employees, systems and vendors, among others. However, as with any risk management framework, there are inherent limitations to the Company's risk management strategies due to risks, either currently existing or that develop in the future, that the Company has not appropriately anticipated or identified. In addition, the Company relies on quantitative models to measure certain risks and to estimate certain financial values, and these models could fail to predict future events or exposures accurately. The Company must also develop and maintain a culture of risk management among its employees, as well as manage risks associated with third parties, and could fail to do so effectively. If the Company's risk management framework proves ineffective, the Company could incur litigation and negative regulatory

consequences and suffer unexpected losses that could affect its financial condition or results of operations.

The Company's business could suffer if it fails to attract and retain skilled employees The Company's success depends, in large part, on its ability to attract and retain key employees. Competition for the best people in most activities the Company engages in can be intense and requires the Company to make investments to provide compensation and benefits at market levels. Rising wages, as well as inflation, may cause the Company to increase these investments, which would increase the Company's expenses. The employment market has continued to evolve, influenced by macroeconomic shifts, changes in social norms and technology advancements. Continued pressures on competitive compensation, benefits and flexible work arrangements continue to be focus areas for the Company.

Employees have also continued to shift their focus to better work-life balance, improved advancement opportunities and skill specific development, and many businesses, including the Company, have had to adapt quickly to the changing environment. The Company's ability to compete successfully for talent has been and may continue to be affected by its ability to adapt quickly to such shifts in employee focus, and there is no assurance that these developments will not cause increased turnover or impede the Company's ability to retain and attract high caliber employees. If the Company is unable to attract and retain qualified employees, or do so at rates necessary to maintain its competitive position, or if compensation costs required to attract and retain employees become more expensive, the Company's performance, including its competitive position, could be materially adversely affected.

A downgrade in the Company's credit ratings could have a material adverse effect on its liquidity, funding costs and access to capital markets The Company's credit ratings, which are subject to credit agencies' ongoing review of several factors, including factors not within the Company's control, are important to the Company's liquidity. A reduction in one or more of the Company's credit ratings could adversely affect its liquidity, lead to deposit outflows, increase its funding costs or limit its access to the capital markets. Further, a downgrade could decrease the number of investors and counterparties willing or able, contractually or otherwise, to do business with or lend to the Company, thereby adversely affecting the Company's competitive position. There can be no assurance that the Company will maintain its current ratings and outlooks or whether or when any downgrades could occur.

Managing Committee

Gunjan Kedia

Ms. Kedia, 55, is Chief Executive Officer and President of U.S. Bancorp and a member of U.S. Bancorp's Board of Directors. Ms. Kedia has served as Chief Executive Officer since April 2025 and has served as President since May 2024. From June 2023 to May 2024, she served as Vice Chair, Wealth, Corporate, Commercial and Institutional Banking, of U.S. Bancorp. From December 2016 to June 2023, she served as Vice Chair, Wealth Management and Investment Services, of U.S. Bancorp. In April 2026, she will assume the additional role of Chairman of U.S. Bancorp's Board of Directors.

Souheil S. Badran

Mr. Badran, 61, is Senior Executive Vice President and Chief Operations Officer of U.S. Bancorp. Mr. Badran has served in this position since joining U.S. Bancorp in December 2022. From January 2019 until November 2022, he served as Executive Vice President and Chief Operating Officer at Northwestern Mutual, having also served as Chief Innovation Officer from January 2019 until September 2019.

Elcio R.T. Barcelos

Mr. Barcelos, 55, is Senior Executive Vice President and Chief Human Resources Officer of U.S. Bancorp. Mr. Barcelos has served in this position since joining U.S. Bancorp in September 2020. Prior to joining U.S. Bancorp, he served in a leadership role at Federal National Mortgage Association (Fannie Mae).

James L. Chosy

Mr. Chosy, 62, is Senior Executive Vice President and General Counsel of U.S. Bancorp. Mr. Chosy has served in this position since March 2013. He also served as Corporate Secretary of U.S. Bancorp from June 2022 until December 2023 and from March 2013 until April 2016.

Gregory G. Cunningham

Mr. Cunningham, 62, is Senior Executive Vice President and Chief Community Impact and Inclusion Officer of U.S. Bancorp. Mr. Cunningham has served in this position since May 2025. From July 2020 until May 2025, he served as Chief Diversity Officer of U.S. Bancorp. From July 2019 until July 2020, he served as Senior Vice President and Chief Diversity Officer of U.S. Bancorp, having served as Vice President of Customer Engagement of U.S. Bancorp from October 2015, when he joined U.S. Bancorp, until July 2019.

Venkatachari Dilip

Mr. Dilip, 66, is Senior Executive Vice President and Chief Information and Technology Officer of U.S. Bancorp. Mr. Dilip previously was an Executive Vice President from September 2018 to April 2023 and has served as Chief Information and Technology Officer since September 2018, when he joined U.S. Bancorp.

Adam Graves

Mr. Graves, 48, is Senior Executive Vice President and Head of Enterprise Strategy and Administration of U.S. Bancorp. Mr. Graves has served in this position since April 2025. From September 2023 until April 2025, he served as Executive Vice President and Head of Strategy and Corporate Development of U.S. Bancorp, having also served as Head of Finance Strategy and Corporate Development of U.S. Bancorp from February 2018 until September 2023.

Sekou Kaalund

Mr. Kaalund, 50, is Senior Executive Vice President, Head of Branch and Small Business Banking of U.S. Bancorp. Mr. Kaalund previously was Executive Vice President from December 2022 to January 2025 and has served as Head of Branch and Small Business Banking since joining U.S. Bancorp in December 2022. Prior to joining U.S. Bancorp, he served as the Head of Consumer Banking for the Northeast Division at JPMorgan Chase from September 2020 to December 2022. He served as Managing Director and Head of Advancing Black Pathways at JPMorgan Chase from August 2018 to September 2020 and was a Managing Director across several areas in the Corporate Investment Bank at JPMorgan Chase, including U.S. Public and Corporate Pensions and Global Private Equity and Real Estate Fund Services, from July 2007 to September 2020.

Courtney Kelso

Ms. Kelso, 48, is Senior Executive Vice President, Head of Payments: Consumer and Small Business of U.S. Bancorp. Ms. Kelso has served in this position since joining U.S. Bancorp in February 2025. Prior to joining U.S. Bancorp, she served as Executive Vice President and Head of Card Products, Global Commercial Services at American Express from February 2021 to February 2024. From February 2018 to February 2021, she served as Senior Vice President of US Small Business, Co-Brand and Corporate Cards, Global Commercial Services at American Express.

Felicia La Forgia

Ms. La Forgia, 57, is Senior Executive Vice President, Head of the Institutional Client Group (ICG) of U.S. Bancorp. Ms. La Forgia previously was Executive Vice President from July 2016 to January 2025 and has served as Head of ICG since June 2024. From June 2020 to June 2024, she served as Head of Corporate Banking of U.S. Bancorp.

Stephen L. Philipson

Mr. Philipson, 47, is Vice Chair and Head of Wealth, Corporate, Commercial and Institutional Banking (WCIB). Mr. Philipson has served as Vice Chair since April 2025 and Head of WCIB since June 2024. He served as Senior Executive Vice President from April 2023 through April 2025. From April 2023 to June 2024, he served as Head of Global Markets and Specialized Finance of U.S. Bancorp. From October 2017 to April 2023, he served as Head of Fixed Income and Capital Markets of U.S. Bancorp.

Jodi L. Richard

Ms. Richard, 57, is Vice Chair and Chief Risk Officer of U.S. Bancorp. Ms. Richard has served in this position since October 2018. She served as Executive Vice President and Chief Operational Risk Officer of U.S. Bancorp from January 2018 until October 2018.

Arijit Roy

Mr. Roy, 49, is Senior Executive Vice President, Head of Consumer and Business Banking Products of U.S. Bancorp. Mr. Roy previously was Executive Vice President from August 2023 to October 2024 and has served as Head of Consumer and Business Banking Products since July 2024. Prior to July 2024, he served as Head of Consumer and Segment Solutions since joining U.S. Bancorp in July 2022. Prior to joining U.S. Bancorp, he held various leadership positions at Truist, including Executive Vice President and Head of Consumer Products from April 2022 to July 2022, Executive Vice President of Deposits, Small Business Banking, Strategy and Analytics from July 2021 to April 2022, and Senior Vice President of Strategy, Digital Integration and Transformation from September 2019 to July 2021.

Mark G. Runkel

Mr. Runkel, 49, is Vice Chair and Head of Payments: Merchant and Institutional. Mr. Runkel has served as Vice Chair since April 2025 and Head of Payments: Merchant and Institutional since January 2025. From August 2021 to January 2025, he served as Senior Executive Vice President and Chief Transformation Officer of U.S. Bancorp. From December 2013 to August 2021, he served as Senior Executive Vice President and Chief Credit Officer of U.S. Bancorp.

John C. Stern

Mr. Stern, 47, is Vice Chair and Chief Financial Officer of U.S. Bancorp. Mr. Stern has served as Vice Chair since April 2025 and Chief Financial Officer since September 2023. He served as Senior Executive Vice President from April 2023 until April 2025. He also served as Head of Finance of U.S. Bancorp from May 2023 to August 2023. He served as Executive Vice President of U.S. Bancorp from July 2013 through April 2023. From May 2021 until May 2023, he served as President of the Global Corporate Trust and Custody business of U.S. Bancorp. Previously, he served as Treasurer of U.S. Bancorp from July 2013 to May 2021.

Dominic V. Venturo

Mr. Venturo, 59, is Senior Executive Vice President and Chief Digital Officer of U.S. Bancorp. Mr. Venturo has served in this position since July 2020. From January 2015 until July 2020, he served as Executive Vice President and Chief Innovation Officer of U.S. Bancorp.

Directors

Andrew Cecere[1,5]
Chairman and Retired Chief Executive Officer
U.S. Bancorp

Warner L. Baxter[1,2,3]
Retired Executive Chairman and Former Chairman, President and Chief Executive Officer
Ameren Corporation
(Energy)

Dorothy Bridges[5,6]
Chief Executive Officer
Metropolitan Economic Development Association (Meda)
(Economic Development)

Elizabeth L. Buse[3,5]
Former Chief Executive Officer
Monitise plc
(Financial services)

Alan B. Colberg[2,4]
Retired President and Chief Executive Officer
Assurant, Inc.
(Financial services and specialty insurance)

Kimberly N. Ellison-Taylor[2,6]
Founder and Chief Executive Officer
KET Solutions, LLC
(Technology)

Aleem Gillani[2,5]
Retired Corporate Executive Vice President and Chief Financial Officer
SunTrust Banks, Inc.
(Financial services)

Roland A. Hernandez[1,3,4]
Founding Principal and Chief Executive Officer
Hernandez Media Ventures
(Media)

Gunjan Kedia[1]
Chief Executive Officer and President
U.S. Bancorp

Richard P. McKenney[1,3,4]
President and Chief Executive Officer
Unum Group
(Financial protection benefits)

Yusuf I. Mehdi[1,5,6]
Executive Vice President, Consumer Chief Marketing Officer
Microsoft Corporation
(Technology)

Loretta E. Reynolds[5,6]
Founder and Chief Executive Officer
LEReynolds Group, LLC
(Information Technology)

John P. Wiehoff[1,4,5]
Retired Chairman and Chief Executive Officer
C.H. Robinson Worldwide, Inc.
(Transportation and logistics services)

1. *Executive Committee*
2. *Audit Committee*
3. *Compensation and Human Resources Committee*
4. *Governance Committee*
5. *Risk Management Committee*
6. *Technology Committee*

EXHIBIT 21

SUBSIDIARIES OF U.S. BANCORP

(JURISDICTIONS OF ORGANIZATION SHOWN IN PARENTHESES)

111 Tower Investors, Inc. (Minnesota)

Banctech Processing Services, LLC (Florida)

CenPOS, LLC (Florida)

Collateral Title Co. (Delaware)

Creditcard Data Services Inc. (California)

Creditcard Discount Services LLC (Delaware)

DM Liens Inc. (Delaware)

DSL Service Company (California)

Eclipse Funding LLC (Delaware)

Elavon Canada Company (Canada)

Elavon Latin American Holdings, LLC (Delaware)

Elavon Puerto Rico, Inc. (Puerto Rico)

Elavon, Inc. (Georgia)

Fairfield Financial Group, Inc. (Illinois)

Finn Title Company (Delaware)

First Bank LaCrosse Building Corp. (Wisconsin)

First LaCrosse Properties (Wisconsin)

First Payment System Holdings, Inc. (Florida)

First Payment Systems, LLC (Florida)

Firstar Capital Corporation (Ohio)

Firstar Development, LLC (Delaware)

Firstar Realty, L.L.C. (Illinois)

FSV Payment Systems, Inc. (Delaware)

HRI Lien Agent Inc. (Delaware)

HTD Leasing LLC (Delaware)

HVT, Inc. (Delaware)

Mercantile Mortgage Financial Company (Illinois)

Midwest Indemnity Inc. (Vermont)

Mississippi Valley Company (Arizona)

MMCA Lease Services, Inc. (Delaware)

Norse Nordics AB (Sweden)

NuMaMe, LLC (Delaware)

One Eleven Investors LLC (Delaware)

Park Bank Initiatives, Inc. (Illinois)

PFM Financial Services LLC (Delaware)

Pomona Financial Services, Inc. (California)

Pullman Transformation, Inc. (Delaware)

Red Sky Risk Services, LLC (Delaware)

RTRT, Inc. (Delaware)

Rushmore Loan Solutions, LLC (Delaware)

Salucro Healthcare Solutions India Pvt Ltd (India)

Salucro Healthcare Solutions, LLC (Arizona)

Salucro International LLC (Nevada)

Salucro IT, LLC (Nevada)

Salucro Software Development Pvd Ltd (India)

SCBD, LLC (Delaware)

SCDA, LLC (Delaware)

SCFD LLC (Delaware)

SFS Lien Agent, LLC (Delaware)

Syncada Asia Pacific Private Limited (Singapore)

Syncada Canada ULC (Canada)

Syncada India Operations Private Limited (India)

Syncada LLC (Delaware)

Talech International Limited (Ireland)

Talech Lithuania, UAB (Lithuania)

Talech, Inc. (Delaware)

Tarquad Corporation (Missouri)

The Miami Valley Insurance Company (Arizona)

TLT Leasing Corporation (Delaware)

TMTT, Inc. (Delaware)

Travelator Inc. (Delaware)

U.S. Bancorp Advisors, LLC (Delaware)

U.S. Bancorp Asset Management, Inc. (Delaware)

U.S. Bancorp Community Development Corporation (Minnesota)

U.S. Bancorp Community Investment Corporation (Delaware)

U.S. Bancorp Fund Services, LLC (Wisconsin)

U.S. Bancorp Government Leasing and Finance, Inc. (Minnesota)

U.S. Bancorp Insurance Services, LLC (Wisconsin)

U.S. Bancorp Investments, Inc. (Delaware)

U.S. Bancorp Municipal Lending and Finance, Inc. (Minnesota)

U.S. Bank Europe DAC (Ireland)

U.S. Bank Global Corporate Trust Limited (United Kingdom)

U.S. Bank Global Fund Services (Cayman) Limited (Cayman Islands)

U.S. Bank Global Fund Services (Guernsey) Limited (Guernsey)

U.S. Bank Global Fund Services (Ireland) Limited (Ireland)

U.S. Bank Global Fund Services (Luxembourg) S.a.r.l. (Luxembourg)

U.S. Bank National Association (a nationally chartered banking association)

U.S. Bank Trust Company, National Association (a nationally chartered banking association)

U.S. Bank Trust National Association (a nationally chartered banking association)

U.S. Bank Trust National Association SD (a nationally chartered banking association)

U.S. Bank Trustees Limited (United Kingdom)

UBOC Community Development Corporation (California)

UnionBanCal Mortgage Corporation (California)

USB Americas Holdings Company (Delaware)

USB Auto Receivables LLC (Delaware)

USB Capital IX (Delaware)

USB European Holdings Company (Delaware)

USB European (Holdings) Limited (Ireland)

USB Investment Services (Holdings) Limited (Ireland)

USB Leasing LLC (Delaware)

USB Leasing LT (Delaware)

USB Nominees (GCT) Limited (Ireland)

USB Nominees (UK) Limited (United Kingdom)

USB Realty Corp. (Delaware)

USB Securities Data Services Limited (Ireland)

USB Service Company Holdings, Inc. (Delaware)

USBCDE, LLC (Delaware)

USBE Depositary Nominees Limited (Ireland)

VG Lien Agent Inc. (Delaware)

VT Inc. (Alabama)

Wideworld Payment Solutions, LLC (Florida)

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

Form	Registration Statement No.	Purpose
S-3	333-270467	Shelf Registration Statement
S-8	333-74036	U.S. Bancorp 2001 Stock Incentive Plan
S-8	333-100671	U.S. Bancorp 401(k) Savings Plan
S-8	333-142194	Various benefit plans of U.S. Bancorp
S-8	333-166193	Various benefit plans of U.S. Bancorp
S-8	333-189506	Various benefit plans of U.S. Bancorp
S-8	333-195375	Various benefit plans of U.S. Bancorp
S-8	333-203620	Various benefit plans of U.S. Bancorp
S-8	333-227999	Various benefit plans of U.S. Bancorp
S-8	333-268116	Various benefit plans of U.S. Bancorp
S-8	333-278752	U.S. Bancorp 2024 Stock Incentive Plan

of our reports dated February 23, 2026, with respect to the consolidated financial statements of U.S. Bancorp and the effectiveness of internal control over financial reporting of U.S. Bancorp, included in the 2025 Annual Report to Shareholders of U.S. Bancorp, which is incorporated by reference in this Annual Report (Form 10-K) of U.S. Bancorp for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Minneapolis, Minnesota

February 23, 2026

Exhibit 24

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the undersigned directors of U.S. Bancorp, a Delaware corporation (the "Company"), hereby makes, constitutes and appoints Gunjan Kedia and James L. Chosy, and each of them acting individually, his or her true and lawful attorney-in-fact and agent, with power to act without any other, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead in any and all capacities, to sign one or more Annual Reports on Form 10-K of the Company for the fiscal year ended December 31, 2025, under the Securities Exchange Act of 1934, as amended, or such other form as any such attorney-in-fact may deem necessary or desirable, and any and all amendments or supplements thereto, each in such form as they or any one of them may approve, and to file the same with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing necessary or incidental to the performance and execution of the powers granted herein, as fully and to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their substitute or resubstitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, each of the undersigned has set his or her hand this 27th day of January, 2026.

/s/ Warner L. Baxter	/s/ Aleem Gillani
Warner L. Baxter	Aleem Gillani
/s/ Dorothy Bridges	/s/ Roland A. Hernandez
Dorothy Bridges	Roland A. Hernandez
/s/ Elizabeth L. Buse	/s/ Richard P. McKenney
Elizabeth L. Buse	Richard P. McKenney
/s/ Andrew Cecere	/s/ Yusuf I. Mehdi
Andrew Cecere	Yusuf I. Mehdi
/s/ Alan B. Colberg	/s/ Loretta E. Reynolds
Alan B. Colberg	Loretta E. Reynolds
/s/ Kimberly N. Ellison-Taylor	/s/ John P. Wiehoff
Kimberly N. Ellison-Taylor	John P. Wiehoff

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Gunjan Kedia, certify that:

(1) I have reviewed this Annual Report on Form 10-K of U.S. Bancorp;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ GUNJAN KEDIA
Gunjan Kedia
Chief Executive Officer

Dated: February 23, 2026

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, John C. Stern, certify that:

(1) I have reviewed this Annual Report on Form 10-K of U.S. Bancorp;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JOHN C. STERN

John C. Stern
Chief Financial Officer

Dated: February 23, 2026

EXHIBIT 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Chief Executive Officer and Chief Financial Officer of U.S. Bancorp, a Delaware corporation (the "Company"), do hereby certify that:

(1) The Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the "Form 10-K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ GUNJAN KEDIA
Gunjan Kedia
Chief Executive Officer

/s/ JOHN C. STERN
John C. Stern
Chief Financial Officer

Dated: February 23, 2026