

REFINITIV

## DELTA REPORT

### 10-Q

TFC PR R - TRUIST FINANCIAL CORP

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 2011

■ CHANGES	466
■ DELETIONS	846
■ ADDITIONS	699

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

**FORM 10-Q**

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

For the quarterly period ended: **June 30, 2023** **September 30, 2023**

Commission File Number: **1-10853**

**TRUIST FINANCIAL CORPORATION**

(Exact name of registrant as specified in its charter)

**North Carolina**

(State or other jurisdiction of incorporation or organization)

**56-0939887**

(I.R.S. Employer Identification No.)

**214 North Tryon Street**

**Charlotte, North Carolina**

(Address of principal executive offices)

**28202**

(Zip Code)

Registrant's telephone number, including area code:

**(336) 733-2000**

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

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

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

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

At **June 30, 2023** **September 30, 2023**, **1,331,976,019** **1,333,668,077** shares of the registrant's common stock, \$5 par value, were outstanding.

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## Glossary of Defined Terms

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

Term	Definition
ACL	Allowance for credit losses
AFS	Available-for-sale
Agency MBS	Mortgage-backed securities issued by a U.S. government agency or GSE
ALLL	Allowance for loan and lease losses
AOCI	Accumulated other comprehensive income (loss)
Board	Trust's Board of Directors
C&CB	Corporate and Commercial Banking, an operating segment
CB&W	Consumer Banking and Wealth, an operating segment
CCAR	Comprehensive Capital Analysis and Review
CDI	Core deposit intangible
CECL	Current expected credit loss model
CEO	Chief Executive Officer
<b>CFO</b>	<b>Chief Financial Officer</b>
CFTC	Commodity Futures Trading Commission
<b>CFO</b>	<b>Chief Financial Officer</b>
CET1	Common equity tier 1
Company	Trust Financial Corporation and its subsidiaries (interchangeable with "Trust" below)
COVID-19	Coronavirus disease 2019
CRE	Commercial real estate
DEI	Diversity, Equity & Inclusion
DTA	Deferred tax asset
EPS	Earnings per common share
Exchange Act	Securities Exchange Act of 1934, as amended
FDIC	Federal Deposit Insurance Corporation
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation
FNMA	Federal National Mortgage Association
FRB	Board of Governors of the Federal Reserve System
GAAP	Accounting principles generally accepted in the United States of America
GDP	Gross Domestic Product
Grandbridge	Grandbridge Real Estate Capital, LLC
GSE	U.S. government-sponsored enterprise
HFI	Held for investment
HQLA	High-quality liquid assets
HTM	Held-to-maturity
IH	Trust Insurance Holdings, LLC, an operating segment
IPV	Independent price verification
ISDA	International Swaps and Derivatives Association, Inc.
LCR	Liquidity Coverage Ratio
LHFS	Loans held for sale
LIBOR	London Interbank Offered Rate
LIBOR Act	Adjustable Interest Rate (LIBOR) Act
LOCOM	Lower of cost or market
Market Risk Rule	Market risk capital requirements issued jointly by the OCC, U.S. Treasury, FRB, and FDIC
MBS	Mortgage-backed securities
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
Merger	Merger of BB&T Corporation and SunTrust Banks, Inc effective December 6, 2019
MRO	Model Risk Oversight
MSR	Mortgage servicing right
NA	Not applicable

ND	Not applicable
NIM	Net interest margin, computed on a TE basis
NPA	Nonperforming asset
NPL	Nonperforming loan
NSFR	Net stable funding ratio
NYSE	New York Stock Exchange
OAS	Option adjusted spread
OCC	Office of the Comptroller of the Currency
OCI	Other comprehensive income (loss)
OPEB	Other post-employment benefit
OREO	Other real estate owned
OT&C	Other, Treasury and Corporate
Parent Company	Truist Financial Corporation, the parent company of Truist Bank and other subsidiaries
PCD	Purchased credit deteriorated loans
ROU assets	Right-of-use assets
RUFC	Reserve for unfunded lending commitments
S&P	Standard & Poor's
SBIC	Small Business Investment Company
SCB	Stress Capital Buffer

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Term	Definition
SEC	Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
TBA	To-be-announced
TBVPS	Tangible book value per common share
TDR	Troubled debt restructuring
TE	Taxable-equivalent
TRS	Total Return Swap
Truist	Truist Financial Corporation and its subsidiaries (interchangeable with the "Company" above)
Truist Bank	Truist Bank, formerly Branch Banking and Trust Company
U.S.	United States of America
U.S. Treasury	United States Department of the Treasury
UPB	Unpaid principal balance
USAA	United Services Automobile Association
VaR	Value-at-risk
VIE	Variable interest entity

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## Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, regarding the financial condition, results of operations, business plans and the future performance of Truist. Words such as "anticipates," "believes," "estimates," "expects," "forecasts," "intends," "plans," "projects," "may," "will," "should," "would," "could," and other similar expressions are intended to identify these forward-looking statements.

Forward-looking statements are not based on historical facts but instead represent management's expectations and assumptions regarding Truist's business, the economy, and other future conditions. Such statements involve inherent uncertainties, risks, and changes in circumstances that are difficult to predict. As such, Truist's actual results may differ materially from those contemplated by forward-looking statements. While there can be no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those contemplated by forward-looking statements include the following, without limitation, as well as the risks and uncertainties more fully discussed in Part I, Item 1A-Risk Factors in Truist's Form 10-K for the year ended December 31, 2022:

- changes in current and future economic and market conditions, such as the interest rate environment, including the replacement of LIBOR as an interest rate benchmark, benchmark; U.S. fiscal debt, budget and tax matters; geopolitical matters (including conflicts in the Ukraine, Israel, and the Gaza Strip); and any slow down in global economic growth could result in, among other things, slower deposit or asset growth, a deterioration in credit quality, or a reduced demand for credit, insurance, or other services;
- the monetary and fiscal policies of the federal government and its agencies, including in response to higher inflation, could have a material adverse effect on the economy and Truist's profitability;
- regulatory and supervisory matters, litigation, or other legal actions may result in, among other things, costs, fines, penalties, restrictions on Truist's business activities, reputational harm, negative publicity, or other adverse consequences;

- evolving legislative, accounting standards, regulatory and supervisory standards, including with respect to climate, deposit, capital, liquidity, and long-term debt requirements, which may become more stringent in light of recent turmoil in the banking industry and results of regulatory examinations, which may adversely affect Truist's **revenue** financial condition and **results of operations**;
- increased scrutiny regarding Truist's consumer sales practices, training practices, incentive compensation design, and governance could damage its reputation and adversely impact business and revenues;
- Truist may be impacted by actual or perceived soundness of other financial institutions, including as a result of the financial or operational failure of a major financial institution, or concerns about the creditworthiness of such a financial institution or its ability to fulfill its obligations, which can cause substantial and cascading disruption within the financial markets and increased expenses, **the value of assets** including FDIC insurance premiums, and **obligations**, including **could affect our portfolio of investment securities**, **ability to attract and the availability** retain depositors and **cost of capital**, cash flows, and liquidity, to borrow or raise capital;
- Truist is subject to credit risk by lending or committing to lend money, may have more credit risk and higher credit losses to the extent that loans are concentrated by loan type, industry segment, borrower type or location of the borrower or collateral, and may suffer losses if the value of collateral declines in stressed market conditions;
- inability to access short-term funding or liquidity, loss of client deposits, or changes in Truist's credit ratings could increase the cost of funding, limit access to capital markets, or negatively affect Truist's overall liquidity or capitalization;
- Truist may be impacted by actual or perceived soundness of other financial institutions, including as a result of the financial or operational failure of a major financial institution, or concerns about the creditworthiness of such a financial institution or its ability to fulfill its obligations, which can cause substantial and cascading disruption within the financial markets and increased expenses, including FDIC insurance premiums, and could affect our ability to attract and retain depositors and to borrow or raise capital;
- general economic or business conditions, either globally, nationally or regionally, may be less favorable than expected, including as a result of supply chain disruptions, inflationary pressures and labor shortages, and instability in global geopolitical matters, including due to an outbreak or escalation of hostilities, or volatility in financial markets could result in, among other things, slower deposit or asset growth, a deterioration in credit quality, or a reduced demand for credit, insurance, or other services;
- the monetary and fiscal policies of the federal government and its agencies, including in response to higher inflation, could have a material adverse effect on the economy and Truist's profitability;
- unexpected outflows of uninsured deposits may require us **Truist** to sell investment securities at a loss;
- a loss of value of **our Truist's** investment portfolio could negatively impact market perceptions of Truist and could lead to deposit withdrawals;
- the effects of COVID-19 adversely impacted the Company's operations and financial performance and similar adverse impacts resulting from pandemics could occur in future periods**;
- risk management oversight functions may not identify or address risks adequately, and management may not be able to effectively manage credit risk;
- there are risks resulting from the extensive use of models in Truist's business, which may impact decisions made by management and regulators;
- deposit attrition, client loss, or revenue loss following completed mergers or acquisitions may be greater than anticipated;
- Truist could fail to execute on strategic or operational plans, including the ability to **successfully complete or integrate mergers and acquisitions**, **achieve its cost saves targets**;
- increased competition, including from (i) new or existing competitors that could have greater financial resources or be subject to different regulatory standards or compliance costs, and (ii) products and services offered by non-bank financial technology companies, **which** may reduce Truist's client base, cause Truist to lower prices for its products and services in order to maintain market share or otherwise adversely impact Truist's businesses or results of operations;
- failure to maintain or enhance Truist's competitive position with respect to new products, services, and technology, whether **it fails we fail** to anticipate client expectations or because **its our** technological developments fail to perform as desired or do not achieve market acceptance or regulatory approval or for other reasons, may cause Truist to lose market share or incur additional expense;
- negative public opinion could damage Truist's reputation and adversely impact business and revenues, including the effects of social media on market perceptions of Truist and banks generally;
- regulatory matters, litigation or other legal actions may result in, among other things, costs, fines, penalties, restrictions on Truist's business activities, reputational harm, negative publicity, or other adverse consequences**;
- Truist faces substantial legal and operational risks in safeguarding personal information;
- evolving legislative, accounting and regulatory standards, including with respect to climate, capital, and liquidity requirements, which may become more stringent in light of recent market events, such as long-term debt requirements, and results of regulatory examinations may adversely affect Truist's financial condition and results of operations**;
- increased scrutiny regarding Truist's consumer sales practices, training practices, incentive compensation design, and governance could damage its reputation and adversely impact business and revenues;
- accounting policies and processes require management to make estimates about matters that are uncertain, including the potential write down to goodwill if there is an elongated period of decline in market value for Truist's stock and adverse economic conditions are sustained over a period of **time**, **time or if there is a decline in a reporting unit's forecasted net income**;
- Truist faces risks related to originating and selling mortgages, including repurchase and indemnity demands from purchasers related to representations and warranties on loans sold, which could result in an increase in the amount of losses for loan repurchases;
- there are risks relating to Truist's role as a loan servicer, including an increase in the scope or costs of the services Truist is required to perform without any corresponding increase in servicing fees or a breach of Truist's obligations as servicer;
- Truist's success depends on hiring and retaining key teammates, and if these individuals leave or change roles without effective replacements, Truist's operations could be adversely impacted, which could be exacerbated in the increased work-from-home environment as job markets may be less constrained by physical geography;
- Truist's operations rely on its ability, and the ability of key external parties, to maintain appropriate-staffed workforces, and on the competence, trustworthiness, health and safety of teammates;
- Truist faces the risk of fraud or misconduct by internal or external parties, which Truist may not be able to prevent, detect, or mitigate;
- security risks, including denial of service attacks, hacking, social engineering attacks targeting Truist's teammates and clients, malware intrusion, data corruption attempts, system breaches, cyberattacks, which have increased in frequency with geopolitical tensions, identity theft, ransomware attacks, and physical security risks, such as natural disasters, environmental conditions, and intentional acts of destruction, could result in the disclosure of confidential information, adversely affect Truist's business or reputation or create significant legal or financial exposure; **and**
- widespread outages of operational, communication, or other systems, whether internal or provided by third parties, natural or other disasters (including acts of terrorism and pandemics), and the effects of climate change, including physical risks, such as more frequent and intense weather events, and risks related to the transition to a lower carbon economy, such as regulatory or technological changes or shifts in market dynamics or consumer preferences, could have an adverse effect on Truist's financial condition and results of operations, lead to material disruption of Truist's operations or the ability or willingness of clients to access Truist's products and **services**, **services**; **and**
- the effects of COVID-19 adversely impacted the Company's operations and financial performance and similar adverse impacts resulting from pandemics could occur in future periods**.

Readers are cautioned not to place undue reliance on these forward-looking statements, which represented management's views on the date they were made. Except to the extent required by applicable law or regulation, Truist undertakes no obligation to revise or update any forward-looking statements.

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ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS  
TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES

Unaudited (Dollars in millions, except per share data, shares in thousands)	Unaudited (Dollars in millions, except per share data, shares in thousands)	Jun 30, 2023	Dec 31, 2022	Unaudited (Dollars in millions, except per share data, shares in thousands)	Sep 30, 2023	Dec 31, 2022
<b>Assets</b>						
Cash and due from banks	Cash and due from banks	\$ 4,782	\$ 5,379	Cash and due from banks	\$ 5,156	\$ 5,379
Interest-bearing deposits with banks	Interest-bearing deposits with banks	25,228	16,042	Interest-bearing deposits with banks	24,676	16,042
Securities borrowed or purchased under agreements to resell	Securities borrowed or purchased under agreements to resell	2,315	3,181	Securities borrowed or purchased under agreements to resell	2,018	3,181
Trading assets at fair value	Trading assets at fair value	4,097	4,905	Trading assets at fair value	4,384	4,905
AFS securities at fair value	AFS securities at fair value	68,965	71,801	AFS securities at fair value	65,117	71,801
HTM securities (fair value of \$45,956 and \$47,791, respectively)		55,958	57,713	HTM securities (fair value of \$42,501 and \$47,791, respectively)	54,942	57,713
LHFS (including \$1,645 and \$1,065 at fair value, respectively)		1,923	1,444	LHFS (including \$1,269 and \$1,065 at fair value, respectively)	1,413	1,444
HTM securities (fair value of \$42,501 and \$47,791, respectively)						
LHFS (including \$1,269 and \$1,065 at fair value, respectively)						
Loans and leases (including \$16 and \$18 at fair value, respectively)	Loans and leases (including \$16 and \$18 at fair value, respectively)	322,092	325,991	Loans and leases (including \$16 and \$18 at fair value, respectively)	315,699	325,991
ALLL	ALLL	(4,606)	(4,377)	ALLL	(4,693)	(4,377)
Loans and leases, net of ALLL	Loans and leases, net of ALLL	317,486	321,614	Loans and leases, net of ALLL	311,006	321,614
Premises and equipment	Premises and equipment	3,453	3,605	Premises and equipment	3,394	3,605
Goodwill	Goodwill	27,013	27,013	Goodwill	26,979	27,013
CDI and other intangible assets	CDI and other intangible assets	3,403	3,672	CDI and other intangible assets	3,292	3,672
Loan servicing rights at fair value	Loan servicing rights at fair value	3,497	3,758	Loan servicing rights at fair value	3,537	3,758
Other assets (including \$1,715 and \$1,582 at fair value, respectively)		36,429	35,128	Other assets (including \$1,079 and \$1,582 at fair value, respectively)	36,793	35,128
Other assets (including \$1,079 and \$1,582 at fair value, respectively)						

Total assets	Total assets	\$ 554,549	\$ 555,255	Total assets	\$ 542,707	\$ 555,255
<b>Liabilities</b>	<b>Liabilities</b>			<b>Liabilities</b>		
Noninterest-bearing deposits	Noninterest-bearing deposits	\$ 121,831	\$ 135,742	Noninterest-bearing deposits	\$ 116,674	\$ 135,742
Interest-bearing deposits	Interest-bearing deposits	284,212	277,753	Interest-bearing deposits	283,350	277,753
Short-term borrowings (including \$1,585 and \$1,551 at fair value, respectively)		24,456	23,422	Short-term borrowings (including \$1,718 and \$1,551 at fair value, respectively)		23,485 23,422
Short-term borrowings (including \$1,718 and \$1,551 at fair value, respectively)				Short-term borrowings (including \$1,718 and \$1,551 at fair value, respectively)		
Long-term debt	Long-term debt	44,749	43,203	Long-term debt	41,232	43,203
Other liabilities (including \$3,128 and \$2,971 at fair value, respectively)		15,620	14,598	Other liabilities (including \$3,474 and \$2,971 at fair value, respectively)		15,959 14,598
<b>Total liabilities</b>	<b>Total liabilities</b>	<b>490,868</b>	<b>494,718</b>	<b>Total liabilities</b>	<b>480,700</b>	<b>494,718</b>
<b>Shareholders' Equity</b>	<b>Shareholders' Equity</b>			<b>Shareholders' Equity</b>		
Preferred stock	Preferred stock	6,673	6,673	Preferred stock	6,673	6,673
Common stock, \$5 par value	Common stock, \$5 par value	6,660	6,634	Common stock, \$5 par value	6,668	6,634
Additional paid-in capital	Additional paid-in capital	35,990	34,544	Additional paid-in capital	36,114	34,544
Retained earnings	Retained earnings	27,577	26,264	Retained earnings	27,944	26,264
AOCI, net of deferred income taxes	AOCI, net of deferred income taxes	(13,374)	(13,601)	AOCI, net of deferred income taxes	(15,559)	(13,601)
Noncontrolling interests	Noncontrolling interests	155	23	Noncontrolling interests	167	23
<b>Total shareholders' equity</b>	<b>Total shareholders' equity</b>	<b>63,681</b>	<b>60,537</b>	<b>Total shareholders' equity</b>	<b>62,007</b>	<b>60,537</b>
<b>Total liabilities and shareholders' equity</b>	<b>Total liabilities and shareholders' equity</b>	<b>\$ 554,549</b>	<b>\$ 555,255</b>	<b>Total liabilities and shareholders' equity</b>	<b>\$ 542,707</b>	<b>\$ 555,255</b>
Common shares outstanding	Common shares outstanding	1,331,976	1,326,829	Common shares outstanding	1,333,668	1,326,829
Common shares authorized	Common shares authorized	2,000,000	2,000,000	Common shares authorized	2,000,000	2,000,000
Preferred shares outstanding	Preferred shares outstanding	223	223	Preferred shares outstanding	223	223
Preferred shares authorized	Preferred shares authorized	5,000	5,000	Preferred shares authorized	5,000	5,000

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

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**CONSOLIDATED STATEMENTS OF INCOME**  
**TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES**

Unaudited (Dollars in millions, except per share data, shares in thousands)	Unaudited (Dollars in millions, except per share data, shares in thousands)	Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,				Nine Months Ended September 30,			
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
<b>Interest Income</b>	<b>Interest Income</b>																
Interest and fees on loans and leases	Interest and fees on loans and leases	\$ 4,915	\$ 2,898	\$ 9,571	\$ 5,542												
Interest on securities	Interest on securities	749	675	1,501	1,315												
Interest on other earning assets	Interest on other earning assets	512	100	889	173												
Total interest income	Total interest income	6,176	3,673	11,961	7,030												
<b>Interest Expense</b>	<b>Interest Expense</b>																
Interest on deposits	Interest on deposits	1,506	99	2,631	131												
Interest on long- term debt	Interest on long- term debt	734	137	1,248	269												
Interest on other borrowings	Interest on other borrowings	311	30	589	40												
Total interest expense	Total interest expense	2,551	266	4,468	440												
<b>Net Interest Income</b>	<b>Net Interest Income</b>	3,625	3,407	7,493	6,590												
Provision for credit losses	Provision for credit losses	538	171	1,040	76												
<b>Net Interest Income</b>	<b>Net Interest Income</b>																
<b>After Provision for Credit Losses</b>	<b>After Provision for Credit Losses</b>	3,087	3,236	6,453	6,514												
<b>Noninterest Income</b>	<b>Noninterest Income</b>																
Insurance income	Insurance income	935	825	1,748	1,552												
Wealth management income	Wealth management income	330	337	669	680												
Investment banking and trading income	Investment banking and trading income	211	255	472	516												
Service charges on deposits	Service charges on deposits	240	254	489	506												
Card and payment related fees	Card and payment related fees	236	246	466	458												
Mortgage banking income	Mortgage banking income	99	100	241	221												
Lending related fees	Lending related fees	86	100	192	185												
Operating lease income	Operating lease income	64	66	131	124												
Securities gains	Securities gains	—	(1)	—	(70)												

(losses)	(losses)					(losses)				
Other income	Other income	92	66	119	218	Other income	130	50	249	268
Total noninterest income	Total noninterest income	2,293	2,248	4,527	4,390	Total noninterest income	2,108	2,102	6,635	6,492
<b>Noninterest Expense</b>	<b>Noninterest Expense</b>					<b>Noninterest Expense</b>				
Personnel expense	Personnel expense	2,256	2,102	4,437	4,153	Personnel expense	2,200	2,116	6,637	6,269
Professional fees and outside processing	Professional fees and outside processing	352	349	666	712	Professional fees and outside processing	317	352	983	1,064
Software expense	Software expense	237	234	451	466	Software expense	238	225	689	691
Net occupancy expense	Net occupancy expense	180	181	363	389	Net occupancy expense	180	176	543	565
Amortization of intangibles	Amortization of intangibles	131	143	267	280	Amortization of intangibles	130	140	397	420
Equipment expense	Equipment expense	92	114	202	232	Equipment expense	97	122	299	354
Marketing and customer development	Marketing and customer development	79	93	157	177	Marketing and customer development	78	105	235	282
Operating lease depreciation	Operating lease depreciation	44	47	90	95	Operating lease depreciation	43	45	133	140
Regulatory costs	Regulatory costs	73	44	148	79	Regulatory costs	77	52	225	131
Merger-related and restructuring charges	Merger-related and restructuring charges	54	121	117	337	Merger-related and restructuring charges	75	62	192	399
Other expense	Other expense	250	152	541	334	Other expense	312	218	853	552
<b>Total noninterest expense</b>	<b>Total noninterest expense</b>	<b>3,748</b>	<b>3,580</b>	<b>7,439</b>	<b>7,254</b>	<b>Total noninterest expense</b>	<b>3,747</b>	<b>3,613</b>	<b>11,186</b>	<b>10,867</b>
<b>Earnings</b>	<b>Earnings</b>					<b>Earnings</b>				
Income before income taxes	Income before income taxes	1,632	1,904	3,541	3,650	Income before income taxes	1,428	2,000	4,969	5,650
Provision for income taxes	Provision for income taxes	287	372	681	702	Provision for income taxes	245	363	926	1,065
<b>Net income</b>	<b>Net income</b>	<b>1,345</b>	<b>1,532</b>	<b>2,860</b>	<b>2,948</b>	<b>Net income</b>	<b>1,183</b>	<b>1,637</b>	<b>4,043</b>	<b>4,585</b>
Noncontrolling interests	Noncontrolling interests	36	1	38	2	Noncontrolling interests	6	4	44	6
Preferred stock dividends and other	Preferred stock dividends and other	75	77	178	165	Preferred stock dividends and other	106	97	284	262
<b>Net income available to common shareholders</b>	<b>Net income available to common shareholders</b>	<b>\$ 1,234</b>	<b>\$ 1,454</b>	<b>\$ 2,644</b>	<b>\$ 2,781</b>	<b>Net income available to common shareholders</b>	<b>\$ 1,071</b>	<b>\$ 1,536</b>	<b>\$ 3,715</b>	<b>\$ 4,317</b>
<b>Basic EPS</b>	<b>Basic EPS</b>	<b>\$ 0.93</b>	<b>\$ 1.09</b>	<b>\$ 1.99</b>	<b>\$ 2.09</b>	<b>Basic EPS</b>	<b>\$ 0.80</b>	<b>\$ 1.16</b>	<b>\$ 2.79</b>	<b>\$ 3.25</b>
Diluted EPS	Diluted EPS	0.92	1.09	1.98	2.08	Diluted EPS	0.80	1.15	2.77	3.22
Basic weighted average shares outstanding	Basic weighted average shares outstanding	1,331,953	1,330,160	1,330,286	1,329,601	Basic weighted average shares outstanding	1,333,522	1,326,539	1,331,377	1,328,569
Diluted weighted average shares outstanding	Diluted weighted average shares outstanding	1,337,307	1,338,864	1,338,346	1,340,225	Diluted weighted average shares outstanding	1,340,574	1,336,659	1,339,041	1,339,071

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES**

Unaudited (Dollars in millions)	Unaudited (Dollars in millions)	Three Months Ended June 30,		Six Months Ended June 30,		Unaudited (Dollars in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
<b>Net income</b>	<b>Net income</b>	\$ 1,345	\$ 1,532	\$ 2,860	\$ 2,948	\$ 1,183	\$ 1,637	\$ 4,043	\$ 4,585	
<b>OCI, net of tax:</b>	<b>OCI, net of tax:</b>									
Net change in net pension and postretirement costs	Net change in net pension and postretirement costs	8	5	(6)	13	23	6	17	19	
Net change in cash flow hedges	Net change in cash flow hedges	(317)	49	(192)	54	(255)	(139)	(447)	(85)	
Net change in AFS securities	Net change in AFS securities	(550)	(2,849)	303	(7,838)	(2,015)	(3,051)	(1,712)	(10,889)	
Net change in HTM securities	Net change in HTM securities	65	92	120	136	63	80	183	216	
Other, net	Other, net	1	(2)	2	(1)	(1)	(6)	1	(7)	
<b>Total OCI, net of tax</b>	<b>Total OCI, net of tax</b>	(793)	(2,705)	227	(7,636)	(2,185)	(3,110)	(1,958)	(10,746)	
<b>Total OCI</b>	<b>Total OCI</b>	\$ 552	\$ (1,173)	\$ 3,087	\$ (4,688)	\$ (1,002)	\$ (1,473)	\$ 2,085	\$ (6,161)	
<b>Income Tax Effect of Items Included in OCI:</b>	<b>Income Tax Effect of Items Included in OCI:</b>									
Net change in net pension and postretirement costs	Net change in net pension and postretirement costs	\$ 3	\$ 3	\$ —	\$ 5	\$ —	\$ 1	\$ —	\$ 6	
Net change in cash flow hedges	Net change in cash flow hedges	(97)	15	(59)	16	(79)	(42)	(138)	(26)	
Net change in AFS securities	Net change in AFS securities	(187)	(867)	75	(2,380)	(618)	(927)	(543)	(3,307)	
Net change in HTM securities	Net change in HTM securities	17	27	32	40	19	25	51	65	
<b>Total income taxes related to OCI</b>	<b>Total income taxes related to OCI</b>	\$ (264)	\$ (822)	\$ 48	\$ (2,319)	\$ (678)	\$ (943)	\$ (630)	\$ (3,262)	

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

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

Unaudited		Unaudited										Unaudited		Unaudited						
(Dollars in millions, shares in thousands)	(Dollars in millions, shares in thousands)	Shares of Common Stock		Shares of Preferred Stock		Additional Common Stock		Paid-In Capital		Retained Earnings		Noncontrolling Interests		Shareholders' Equity		(Dollars in thousands)	Shares of Common Stock	Preferred Stock	Common Stock	Paid-In Capital
<b>Balance, April 1, 2022</b>		1,331,414	\$ 6,673	\$ 6,657	\$ 34,539	\$ 23,687	\$ (6,535)	\$ 23	\$ 65,044											
<b>Balance, July 1, 2022</b>																<b>Balance, July 1, 2022</b>	1,326,393	\$ 6,673	\$ 6,632	\$ 34,4
Net income	Net income	—	—	—	—	1,531	—	—	1	1,532						Net income	—	—	—	—
OCI	OCI	—	—	—	—	—	(2,705)	—	—	(2,705)						OCI	—	—	—	—
Issued in connection with equity awards, net	Issued in connection with equity awards, net	87	—	1	(1)	(2)	—	—	—	(2)						Issued in connection with equity awards, net	373	—	2	(5)
Repurchase of common stock	Repurchase of common stock	(5,108)	—	(26)	(224)	—	—	—	—	(250)										
Cash dividends declared on common stock	Cash dividends declared on common stock	—	—	—	—	(639)	—	—	—	(639)						Cash dividends declared on common stock	—	—	—	—
Cash dividends declared on preferred stock	Cash dividends declared on preferred stock	—	—	—	—	(77)	—	—	—	(77)						Cash dividends declared on preferred stock	—	—	—	—
Equity-based compensation expense	Equity-based compensation expense	—	—	—	96	—	—	—	—	96						Equity-based compensation expense	—	—	—	82
<b>Balance, June 30, 2022</b>		1,326,393	\$ 6,673	\$ 6,632	\$ 34,410	\$ 24,500	\$ (9,240)	\$ 24	\$ 62,999											
<b>Balance, April 1, 2023</b>		1,331,918	\$ 6,673	\$ 6,660	\$ 34,582	\$ 27,038	\$ (12,581)	\$ 22	\$ 62,394											
Other, net	Other, net															Other, net	—	—	—	—
<b>Balance, September 30, 2022</b>																<b>Balance, September 30, 2022</b>	1,326,766	\$ 6,673	\$ 6,634	\$ 34,4
<b>Balance, July 1, 2023</b>																<b>Balance, July 1, 2023</b>	1,331,976	\$ 6,673	\$ 6,660	\$ 35,9
Net income	Net income	—	—	—	—	1,309	—	36	1,345							Net income	—	—	—	—
OCI	OCI	—	—	—	—	—	(793)	—	(793)							OCI	—	—	—	—
Received in connection with IH minority stake sale, net	Received in connection with IH minority stake sale, net	—	—	—	1,317	—	—	96	1,413											
Issued in connection with equity awards, net	Issued in connection with equity awards, net	58	—	—	1	(2)	—	—	(1)							Issued in connection with equity awards, net	1,692	—	8	43
Cash dividends declared on common stock	Cash dividends declared on common stock	—	—	—	—	(693)	—	—	(693)							Cash dividends declared on common stock	—	—	—	—
Cash dividends declared on preferred stock	Cash dividends declared on preferred stock	—	—	—	—	(75)	—	—	(75)							Cash dividends declared on preferred stock	—	—	—	—

Equity-based compensation expense	Equity-based compensation expense	—	—	—	90	—	—	—	90	Equity-based compensation expense	—	—	—	78
Other, net	Other, net	—	—	—	—	—	—	—	1	Other, net	—	—	—	3
<b>Balance, June 30, 2023</b>		1,331,976	\$ 6,673	\$ 6,660	\$ 35,990	\$ 27,577	\$ (13,374)	\$ 155	\$ 63,681					
<b>Balance, September 30, 2023</b>										<b>Balance, September 30, 2023</b>	1,333,668	\$ 6,673	\$ 6,668	\$ 36,1
<b>Balance, January 1, 2022</b>	<b>Balance, January 1, 2022</b>	1,327,818	\$ 6,673	\$ 6,639	\$ 34,565	\$ 22,998	\$ (1,604)	\$ —	\$ 69,271	<b>Balance, January 1, 2022</b>	1,327,818	\$ 6,673	\$ 6,639	\$ 34,565
Net income	Net income	—	—	—	—	2,946	—	2	2,948	Net income	—	—	—	—
OCI	OCI	—	—	—	—	—	(7,636)	—	(7,636)	OCI	—	—	—	—
Issued in connection with equity awards, net	Issued in connection with equity awards, net	3,683	—	19	(107)	(3)	—	—	(91)	Issued in connection with equity awards, net	4,056	—	21	(112)
Repurchase of common stock	Repurchase of common stock	(5,108)	—	(26)	(224)	—	—	—	(250)	Repurchase of common stock	(5,108)	—	(26)	(224)
Cash dividends declared on common stock	Cash dividends declared on common stock	—	—	—	—	(1,276)	—	—	(1,276)	Cash dividends declared on common stock	—	—	—	—
Cash dividends declared on preferred stock	Cash dividends declared on preferred stock	—	—	—	—	(165)	—	—	(165)	Cash dividends declared on preferred stock	—	—	—	—
Equity-based compensation expense	Equity-based compensation expense	—	—	—	176	—	—	—	176	Equity-based compensation expense	—	—	—	258
Other, net	Other, net	—	—	—	—	—	—	22	22	Other, net	—	—	—	—
<b>Balance, June 30, 2022</b>		1,326,393	\$ 6,673	\$ 6,632	\$ 34,410	\$ 24,500	\$ (9,240)	\$ 24	\$ 62,999					
<b>Balance, September 30, 2022</b>										<b>Balance, September 30, 2022</b>	1,326,766	\$ 6,673	\$ 6,634	\$ 34,4
<b>Balance, January 1, 2023</b>	<b>Balance, January 1, 2023</b>	1,326,829	\$ 6,673	\$ 6,634	\$ 34,544	\$ 26,264	\$ (13,601)	\$ 23	\$ 60,537	<b>Balance, January 1, 2023</b>	1,326,829	\$ 6,673	\$ 6,634	\$ 34,544
Net income	Net income	—	—	—	—	2,822	—	38	2,860	Net income	—	—	—	—
OCI	OCI	—	—	—	—	—	227	—	227	OCI	—	—	—	—
Received in connection with IH minority stake sale, net	Received in connection with IH minority stake sale, net	—	—	—	1,317	—	—	96	1,413	Received in connection with IH minority stake sale, net	—	—	—	1,317
Issued in connection with equity awards, net	Issued in connection with equity awards, net	5,147	—	26	(44)	(3)	—	—	(21)	Issued in connection with equity awards, net	6,839	—	34	(1)
Cash dividends declared on common stock	Cash dividends declared on common stock	—	—	—	—	(1,384)	—	—	(1,384)	Cash dividends declared on common stock	—	—	—	—

Cash dividends declared on preferred stock	Cash dividends declared on preferred stock	(178)	(178)	Cash dividends declared on preferred stock	(—)	(—)	(—)
Equity-based compensation expense	Equity-based compensation expense	173	173	Equity-based compensation expense	(—)	(—)	251
Other, net	Other, net	56	(2)	Other, net	(—)	(—)	3
<b>Balance, June 30, 2023</b>		<b>1,331,976</b>	<b>\$ 6,673</b>	<b>\$ 6,660</b>	<b>\$ 35,990</b>	<b>\$ 27,577</b>	<b>\$ (13,374)</b>
<b>Balance, September 30, 2023</b>							

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

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**TRUIST FINANCIAL CORPORATION AND SUBSIDIARIES**

Unaudited (Dollars in millions)	Unaudited (Dollars in millions)	Six Months Ended June 30,		Unaudited (Dollars in millions)		Nine Months Ended September 30,	
		2023	2022	2023	2022	2023	2022
<b>Cash Flows From Operating Activities:</b>	<b>Cash Flows From Operating Activities:</b>			<b>Unaudited (Dollars in millions)</b>			
Net income	Net income	\$ 2,860	\$ 2,948	Net income	\$ 4,043	\$ 4,585	
Adjustments to reconcile net income to net cash from operating activities:	Adjustments to reconcile net income to net cash from operating activities:			Adjustments to reconcile net income to net cash from operating activities:			
Provision for credit losses	Provision for credit losses	1,040	76	Provision for credit losses	1,537	310	
Depreciation	Depreciation	350	397	Depreciation	522	581	
Amortization of intangibles	Amortization of intangibles	267	280	Amortization of intangibles	397	420	
Securities (gains) losses	Securities (gains) losses	—	70	Securities (gains) losses	—	71	
Net change in operating assets and liabilities:	Net change in operating assets and liabilities:			Net change in operating assets and liabilities:			
LHFS	LHFS	(580)	395	LHFS	(204)	1,676	
Loan servicing rights	Loan servicing rights	(45)	(638)	Loan servicing rights	(187)	(850)	
Pension asset	Pension asset	(1,388)	(468)	Pension asset	(1,425)	(526)	
Derivative assets and liabilities	Derivative assets and liabilities	414	2,143	Derivative assets and liabilities	852	3,850	
Trading assets	Trading assets	808	(807)	Trading assets	521	(1,441)	

Other assets and other liabilities	Other assets and other liabilities	592	(228)	Other assets and other liabilities	262	(247)
Other, net	Other, net	(470)	(391)	Other, net	(63)	(882)
Net cash from operating activities	Net cash from operating activities	3,848	3,777	Net cash from operating activities	6,255	7,547
<b>Cash Flows From Investing Activities:</b>	<b>Cash Flows From Investing Activities:</b>			<b>Cash Flows From Investing Activities:</b>		
Proceeds from sales of AFS securities	Proceeds from sales of AFS securities	4	3,198	Proceeds from sales of AFS securities	15	3,311
Proceeds from maturities, calls and paydowns of AFS securities	Proceeds from maturities, calls and paydowns of AFS securities	3,518	8,285	Proceeds from maturities, calls and paydowns of AFS securities	6,340	10,619
Purchases of AFS securities	Purchases of AFS securities	(282)	(8,658)	Purchases of AFS securities	(2,261)	(9,025)
Proceeds from maturities, calls and paydowns of HTM securities	Proceeds from maturities, calls and paydowns of HTM securities	1,918	2,567	Proceeds from maturities, calls and paydowns of HTM securities	3,023	4,006
Purchases of HTM securities	Purchases of HTM securities	—	(3,020)	Purchases of HTM securities	—	(3,020)
Originations and purchases of loans and leases, net of sales and principal collected	Originations and purchases of loans and leases, net of sales and principal collected	3,258	(13,356)	Originations and purchases of loans and leases, net of sales and principal collected	9,332	(24,135)
Net cash received (paid) for FHLB stock				Net cash received (paid) for FHLB stock	(5)	(609)
Net cash received (paid) for securities borrowed or purchased under agreements to resell	Net cash received (paid) for securities borrowed or purchased under agreements to resell	866	1,378	Net cash received (paid) for securities borrowed or purchased under agreements to resell	1,163	1,460
Net cash received (paid) for asset acquisitions, business combinations, and divestitures	Net cash received (paid) for asset acquisitions, business combinations, and divestitures	—	(505)	Net cash received (paid) for asset acquisitions, business combinations, and divestitures	(15)	(1,325)
Other, net	Other, net	235	(694)	Other, net	273	(491)
Net cash from investing activities	Net cash from investing activities	9,517	(10,805)	Net cash from investing activities	17,865	(19,209)
<b>Cash Flows From Financing Activities:</b>	<b>Cash Flows From Financing Activities:</b>			<b>Cash Flows From Financing Activities:</b>		
Net change in deposits	Net change in deposits	(7,452)	8,275	Net change in deposits	(13,471)	(490)

Net change in short-term borrowings	Net change in short-term borrowings	1,003	8,444	Net change in short-term borrowings	47	20,395		
Proceeds from issuance of long-term debt	Proceeds from issuance of long-term debt	40,884	943	Proceeds from issuance of long-term debt	48,172	3,461		
Repayment of long-term debt	Repayment of long-term debt	(39,152)	(5,831)	Repayment of long-term debt	(49,609)	(6,991)		
Repurchase of common stock	Repurchase of common stock	—	(250)	Repurchase of common stock	—	(250)		
Cash dividends paid on common stock	Cash dividends paid on common stock	(1,384)	(1,276)	Cash dividends paid on common stock	(2,077)	(1,967)		
Cash dividends paid on preferred stock	Cash dividends paid on preferred stock	(178)	(165)	Cash dividends paid on preferred stock	(284)	(262)		
Net cash received (paid) for hedge unwinds	Net cash received (paid) for hedge unwinds	(378)	(198)	Net cash received (paid) for hedge unwinds	(424)	(198)		
Net cash from IH minority stake sale	Net cash from IH minority stake sale	1,922	—	Net cash from IH minority stake sale	1,922	—		
Other, net	Other, net	(41)	(96)	Other, net	15	(106)		
Net cash from financing activities	Net cash from financing activities	(4,776)	9,846	Net cash from financing activities	(15,709)	13,592		
<b>Net Change in Cash and Cash Equivalents</b>	<b>Net Change in Cash and Cash Equivalents</b>	<b>8,589</b>	<b>2,818</b>	<b>Net Change in Cash and Cash Equivalents</b>	<b>8,411</b>	<b>1,930</b>		
<b>Cash and Cash Equivalents, January 1</b>	<b>Cash and Cash Equivalents, January 1</b>	<b>21,421</b>	<b>20,295</b>	<b>Cash and Cash Equivalents, January 1</b>	<b>21,421</b>	<b>20,295</b>		
<b>Cash and Cash Equivalents, June 30</b>		<b>\$ 30,010</b>	<b>\$ 23,113</b>					
<b>Cash and Cash Equivalents, September 30</b>						<b>\$ 29,832</b>		
						<b>\$ 22,225</b>		
<b>Supplemental Disclosure of Cash Flow Information:</b>	<b>Supplemental Disclosure of Cash Flow Information:</b>			<b>Supplemental Disclosure of Cash Flow Information:</b>				
Net cash paid (received) during the period for:	Net cash paid (received) during the period for:			Net cash paid (received) during the period for:				
Interest expense	Interest expense	\$ 4,041	\$ 430	Interest expense	\$ 6,430	\$ 982		
Income taxes	Income taxes	560	418	Income taxes	785	422		
Noncash investing activities:	Noncash investing activities:			Noncash investing activities:				
Transfer of AFS securities to HTM	Transfer of AFS securities to HTM	—	59,436	Transfer of AFS securities to HTM	—	59,436		

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

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## NOTE 1. Basis of Presentation

### **General**

See the Glossary of Defined Terms at the beginning of this Report for terms used herein. These consolidated financial statements and notes are presented in accordance with the instructions for Form 10-Q, and, therefore, do not include all information and notes necessary for a complete presentation of financial position, results of operations, and cash flow activity required in accordance with GAAP. In the opinion of management, all normal recurring adjustments necessary for a fair statement of the consolidated financial position and consolidated results of operations have been made. The year-end consolidated balance sheet data was derived from audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements. The information contained in the financial statements and notes included in the Annual Report on Form 10-K for the year ended December 31, 2022 should be referred to in connection with these unaudited interim consolidated financial statements. The Company updated its accounting policies in connection with recently adopted accounting standards, which are described in this footnote. There were no other significant changes to the Company's accounting policies from those disclosed in the Annual Report on Form 10-K for the year ended December 31, 2022 that could have a material effect on the Company's financial statements.

### **Reclassifications**

During the first quarter of 2023, Truist reclassified certain portfolios within the consumer portfolio segment to delineate home equity from other consumer portfolios. Additionally, Truist realigned Prime Rate Premium Finance Corporation, which includes AFCO Credit Corporation and CAFO Holding Company, into the C&CB segment from the IH segment. Prior period results have been revised to conform to the current presentation.

During the second quarter of 2023, Truist updated its segment cost allocation methodology. Results for the first quarter of 2023 have been revised to conform to the current presentation. Management concluded the impact to 2022 was not material.

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

### **Use of Estimates in the Preparation of Financial Statements**

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

### **Loan Modifications**

In certain circumstances, the Company enters into agreements to modify the terms of loans to borrowers that are experiencing financial difficulty. The scope of these loan modifications varies from portfolio to portfolio but generally falls into one of the following categories:

- Renewals: represent the renewal of a loan where the Company has concluded that the borrower is experiencing financial difficulty. Commercial renewals result in an extension of the maturity date of the loan (or in some cases a contraction of the loan term), and other significant terms of the loan (e.g., interest rate, collateral, guarantor support, etc.) are re-evaluated in connection with the renewal event.
- Term extensions: represent an adjustment to the maturity date of the loan that typically results in a reduction to the borrower's scheduled payment over the remainder of the loan.
- Capitalizations: represents the capitalization of forbearance loan payments and/or other amounts advanced on behalf of the borrower into the principal balance of a residential mortgage loan.
- Payment delays: provide the borrower with a temporary postponement of loan payments that is considered other-than-insignificant, which has been defined as a payment delay that exceeds 90 days, or three payment cycles, over a rolling 12-month period. These postponed loan payments may result in an extension of the ultimate maturity date of the loan or may be capitalized into the principal balance of the loan in certain circumstances.
- Combinations: in certain circumstances more than one type of a modification is provided to a borrower (e.g., interest rate reduction and term extension).
- Other: represents other types of loan modifications that are not considered significant for disclosure purposes.

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The Company has identified borrowers that are included in the Loan Modifications disclosures in "Note 5. Loans and ACL" as follows:

- Commercial: the Company evaluates all modifications of loans to commercial borrowers that are rated substandard or worse and includes the modifications in its disclosure to the extent that the modification is considered other-than-insignificant.

- Consumer and credit card: loan modifications to consumer and credit card borrowers are generally limited to borrowers that are experiencing financial difficulty. As a result, the Company evaluates all modifications of consumer and credit card loans and includes them in the disclosure to the extent that they are considered other-than insignificant.

Refer to the Annual Report on Form 10-K for the year ended December 31, 2022 for accounting policies related to prior period, including the Company's TDR policies.

#### **ALL**

The ALLL represents management's best estimate of expected future credit losses related to its loan and lease portfolio at the balance sheet date. The Company's ALLL estimation process gives consideration to relevant available information from internal and external sources relating to past events, current conditions and reasonable and supportable forecasts. The quantitative models used to forecast expected credit losses use portfolio balances, macroeconomic forecast data, portfolio composition and loan attributes as the primary inputs. Loss estimates are informed by historical loss experience that includes losses incurred on loans that were previously modified by the Company. As a result, the Company has concluded that aside from the limited circumstances where principal forgiveness is granted to a borrower, the financial effect of loan modifications is already inherently included in the ALLL.

#### **Income Taxes**

The Company's provision for income taxes is based on income and expense reported for financial statement purposes after adjustments for permanent differences such as interest income from lending to tax-exempt entities, tax credits, and amortization expense related to qualified tax credit investments. In computing the provision for income taxes, the Company evaluates the technical merits of its income tax positions based on current legislative, judicial, and regulatory guidance. The proportional amortization method of accounting is used on affordable housing and other qualified tax credit investments, such that the initial cost of the investment giving rise to tax credits is amortized in proportion to the allocation of tax credits in each period as a component of the provision for income taxes. Truist includes the initial investment cash flows and subsequent credits within operating activities in the Consolidated Statement of Cash Flows.

#### **Changes in Accounting Principles and Effects of New Accounting Pronouncements**

Standard / Adoption Date	Description	Effects on the Financial Statements
<b>Standards Adopted During the Current Year</b>		
Troubled Debt Restructurings and Vintage Disclosures	Eliminates TDRs, while enhancing disclosure requirements for certain loan refinancings and restructurings by creditors made to borrowers experiencing financial difficulty. Additionally, requires disclosure of current-period gross write-offs by year of origination for financing receivables and net investment in leases.	Truist adopted this standard on a modified-retrospective basis. Upon adoption, the Company eliminated the separate ACL estimation process for loans classified as TDRs. The adoption of this standard did not have a material impact on the financial statements. The Company's revised disclosures in accordance with the new standard are included in "Note 5. Loans and ACL."
Fair Value Hedging – Portfolio Layer Method	Introduces the portfolio layer method, which expands the current single-layer method to allow multiple hedged layers of a single closed portfolio. Additionally, expands the scope of the portfolio layer method to include non-prepayable assets, specifies eligible hedging instruments in a single-layer hedge, provides additional guidance on the accounting for and disclosure of hedge basis adjustments under the portfolio layer method and specifies how hedge basis adjustments should be considered when determining credit losses for the assets included in the closed portfolio.	The adoption of this standard did not have a material impact on the Company's active last-of-layer hedges.
Investments in Tax Credit Structures	Allows reporting entities to elect to account for qualifying tax equity investments using the proportional amortization method, regardless of the program giving rise to the related income tax credits. Previously, reporting entities were only permitted to apply the proportional amortization method only to qualifying tax equity investments in low-income housing tax credit structures.	Truist adopted this standard early on a modified-retrospective basis. The adoption of this standard did not have a material impact on the financial statements. Refer to "Note 14. Commitments and Contingencies" for additional information regarding tax credit investments.

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#### **NOTE 2. Business Combinations, Divestitures, and Noncontrolling Interests**

##### **Noncontrolling Interest**

On April 3, 2023, the Company completed its sale of a 20% stake of the common equity in IH, which was previously wholly owned by Truist, to an investor group led by Stone Point Capital, LLC for \$1.9 billion, with the proceeds, net of tax, recognized as an increase to shareholders' equity. In connection with the transaction, the noncontrolling interest holder received profits interest representing 3.75% coverage on IH's fully diluted equity value at transaction close, and certain consent and exit rights commensurate with a noncontrolling investor. Including these profits interests, the noncontrolling interest holder is allocated approximately 23% of IH pretax net income. The transaction allows Truist to maintain strategic flexibility and future upside in IH, which will continue to benefit from Truist's operations, access to capital, and client relationships, while creating additional opportunities for the growth of IH through the support of a strong blue-chip investor in Stone Point Capital, LLC. Also in conjunction with the same transaction, IH granted certain event-vested profits interests and appreciation units, representing 4.50% coverage on IH's fully diluted equity value at grant, to various IH employees and officers in the second quarter of 2023. These awards, subject to continued employment through the applicable event or date, will vest either upon, or from 6 months to two years following, a change in control of IH, depending

on the nature of the change in control. No compensation expense is recognized for these event-vested awards until such an event is probable. The Company intends these awards to strengthen IH's ability to incent and retain top talent, and realize IH's full potential.

### NOTE 3. Securities Financing Activities

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Securities purchased under agreements to resell	Securities purchased under agreements to resell	\$ 998	\$ 2,415	Securities purchased under agreements to resell	\$ 826	\$ 2,415
Securities borrowed	Securities borrowed	1,317	766	Securities borrowed	1,192	766
Total securities borrowed or purchased under agreements to resell	Total securities borrowed or purchased under agreements to resell	\$ 2,315	\$ 3,181	Total securities borrowed or purchased under agreements to resell	\$ 2,018	\$ 3,181
Fair value of collateral permitted to be resold or repledged	Fair value of collateral permitted to be resold or repledged	\$ 2,044	\$ 3,058	Fair value of collateral permitted to be resold or repledged	\$ 1,789	\$ 3,058
Fair value of securities resold or repledged	Fair value of securities resold or repledged	491	864	Fair value of securities resold or repledged	—	864

For securities sold under agreements to repurchase, the Company would be obligated to provide additional collateral in the event of a significant decline in fair value of the collateral pledged. This risk is managed by monitoring the liquidity and credit quality of the collateral, as well as the maturity profile of the transactions. Refer to "Note 14. Commitments and Contingencies" for additional information related to pledged securities. The following table presents the Company's related activity, by collateral type and remaining contractual maturity:

(Dollars in millions)	June 30, 2023						December 31, 2022						September 30, 2023						December 31, 2022					
	(Dollars in millions)	Overnight and Up to 30			Overnight and Up to 30			(Dollars in millions)	Overnight and Up to 30			Overnight and Up to 30			(Dollars in millions)	Overnight and Up to 30			Overnight and Up to 30					
		Continuous	days	Total	Continuous	days	Total		Continuous	days	Total	Continuous	days	Total		Continuous	days	Total	Continuous	days	Total			
U.S. Treasury	U.S. Treasury	\$ —	\$ 200	\$ 200	\$ 318	\$ —	\$ 318	U.S. Treasury	\$ —	\$ —	\$ —	\$ 318	\$ —	\$ 318	U.S. Treasury	\$ —	\$ —	\$ —	\$ 318	\$ —	\$ 318			
State and Municipal	State and Municipal	195	—	195	272	—	272	State and Municipal	195	—	195	272	—	272	State and Municipal	195	—	195	272	—	272			
GSE	GSE	—	—	—	74	—	74	GSE	—	—	—	74	—	74	GSE	—	—	—	74	—	74			
Agency MBS - residential	Agency MBS - residential	—	2,300	2,300	1,019	26	1,045	Agency MBS - residential	—	1,500	1,500	1,019	26	1,045	Agency MBS - residential	—	1,500	1,500	1,019	26	1,045			
Corporate and other debt securities	Corporate and other debt securities	150	320	470	369	50	419	Corporate and other debt securities	230	205	435	369	50	419	Corporate and other debt securities	230	205	435	369	50	419			
Total securities sold under agreements to repurchase	Total securities sold under agreements to repurchase	\$ 345	\$ 2,820	\$ 3,165	\$ 2,052	\$ 76	\$ 2,128	Total securities sold under agreements to repurchase	\$ 425	\$ 1,705	\$ 2,130	\$ 2,052	\$ 76	\$ 2,128	Total securities sold under agreements to repurchase	\$ 425	\$ 1,705	\$ 2,130	\$ 2,052	\$ 76	\$ 2,128			

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

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#### NOTE 4. Investment Securities

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

June 30, 2023		Amortized	Gross Unrealized			September		Gross Unrealized			Fair Value
(Dollars in millions)		Cost	Gains	Losses	Fair Value	30, 2023	(Dollars in millions)	Amortized	Gains	Losses	
<b>September 30, 2023</b>											
(Dollars in millions)											
AFS securities:	AFS securities:					AFS securities:					
U.S. Treasury	U.S. Treasury	\$ 10,423	\$ —	\$ 705	\$ 9,718	U.S.					
GSE	GSE	325	—	37	288	Treasury	\$ 11,031	\$ —	\$ 670	\$ 10,361	
Agency MBS	Agency MBS					GSE	372	—	48	324	
- residential	- residential	62,983	—	9,788	53,195	Agency MBS					
Agency MBS	Agency MBS					- residential	61,202	—	12,126	49,076	
- commercial	- commercial	2,843	—	551	2,292	Agency MBS					
States and	States and					- commercial	2,827	—	692	2,135	
political	political					States and					
subdivisions	subdivisions	425	14	21	418	political					
Non-agency	Non-agency					subdivisions	421	7	34	394	
MBS	MBS	3,817	—	789	3,028	Non-agency					
Other	Other	26	—	—	26	MBS	3,754	—	946	2,808	
Total AFS	Total AFS					Other	20	—	1	19	
securities	securities	\$ 80,842	\$ 14	\$ 11,891	\$ 68,965	Total AFS					
HTM securities:	HTM securities:					securities	\$ 79,627	\$ 7	\$ 14,517	\$ 65,117	
Agency MBS	Agency MBS					HTM securities:					
- residential	- residential	\$ 55,958	\$ —	\$ 10,002	\$ 45,956	Agency MBS					
December 31, 2022	December 31, 2022	Amortized	Gross Unrealized			December 31, 2022	Amortized	Gross Unrealized			
(Dollars in millions)	(Dollars in millions)	Cost	Gains	Losses	Fair Value	(Dollars in millions)	Gains	Cost	Losses		Fair Value
AFS securities:	AFS securities:					AFS securities:					
U.S. Treasury	U.S. Treasury	\$ 11,080	\$ —	\$ 785	\$ 10,295	U.S.					
GSE	GSE	339	—	36	303	Treasury	\$ 11,080	\$ —	\$ 785	\$ 10,295	
Agency MBS	Agency MBS					GSE	339	—	36	303	
- residential	- residential	65,377	—	10,152	55,225	Agency MBS					
Agency MBS	Agency MBS					- residential	65,377	—	10,152	55,225	
- commercial	- commercial	2,887	—	463	2,424	Agency MBS					
States and	States and					- commercial	2,887	—	463	2,424	
political	political					States and					
subdivisions	subdivisions	425	15	24	416	political					
Non-agency	Non-agency					subdivisions	425	15	24	416	
MBS	MBS	3,927	—	810	3,117	Non-agency					
Other	Other	21	—	—	21	MBS	3,927	—	810	3,117	
Total AFS	Total AFS					Other	21	—	—	21	
securities	securities	\$ 84,056	\$ 15	\$ 12,270	\$ 71,801	Total AFS					
HTM securities:	HTM securities:					securities	\$ 84,056	\$ 15	\$ 12,270	\$ 71,801	
Agency MBS	Agency MBS					HTM securities:					
- residential	- residential	\$ 57,713	\$ —	\$ 9,922	\$ 47,791	Agency MBS					
<b>December 31, 2022</b>											
(Dollars in millions)	(Dollars in millions)										

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

		June 30, 2023			September 30, 2023		
(Dollars in millions)	(Dollars in millions)	Amortized Cost	Fair Value	(Dollars in millions)	Amortized Cost	Fair Value	

FNMA	FNMA	\$	41,052	\$	34,325	FNMA	\$	40,167	\$	31,590
FHLMC	FHLMC		41,601		34,612	FHLMC		40,710		31,724

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

Amortized Cost											Fair Value												
Due											Due												
Due		after		Due		after		Due		after		Due		after		Due		after		Due			
after one		five		after one		five		after one		five		after one		one		one		one		one			
year		years		year		years		year		years		year		years		year		years		years			
Due in		through		through		Due in		through		through		Due in		through		five years		Due in		through			
one year		five years		ten years		Total		one year		five years		ten years		ten years		Total		one year		five years			
June 30, 2023 (Dollars in millions)	or less	years	years	ten years	Total	or less	years	years	ten years	ten years	Total	or less	years	years	ten years	Total	or less	years	years	ten years	Total		
September 30, 2023 (Dollars in millions)																							
AFS securities:											AFS securities:												
U.S. Treasury	U.S. Treasury	\$2,885	\$7,492	\$ 17	\$ 29	\$10,423	\$2,803	\$6,874	\$ 15	\$ 26	\$ 9,718	U.S. Treasury	\$3,996	\$6,989	\$ 17	\$ 29	\$11,031	\$3,923	\$6,401	\$ 15	\$ 22	\$ 1	
GSE	GSE	—	7	11	307	325	—	7	10	271	288	GSE	—	7	11	354	372	—	7	10	307		
Agency MBS - residential	Agency MBS - residential	—	99	511	62,373	62,983	—	93	476	52,626	53,195	Agency MBS - residential	—	125	453	60,624	61,202	—	118	413	48,545	4	
Agency MBS - commercial	Agency MBS - commercial	1	—	71	2,771	2,843	1	—	66	2,225	2,292	Agency MBS - commercial	—	—	71	2,756	2,827	—	—	63	2,072		
States and political subdivisions	States and political subdivisions	3	94	139	189	425	4	92	144	178	418	States and political subdivisions	4	94	142	181	421	5	90	140	159		
Non-agency MBS	Non-agency MBS	—	—	—	3,817	3,817	—	—	—	3,028	3,028	Non-agency MBS	—	—	222	3,532	3,754	—	—	165	2,643		
Other	Other	5	8	13	—	26	5	8	13	—	26	Other	—	8	12	—	20	—	7	12	—		
Total	Total											Total											
AFS securities	AFS securities	\$2,894	\$7,700	\$ 762	\$69,486	\$80,842	\$2,813	\$7,074	\$ 724	\$58,354	\$68,965	AFS securities	\$4,000	\$7,223	\$ 928	\$67,476	\$79,627	\$3,928	\$6,623	\$ 818	\$53,748	\$6	
HTM securities:											HTM securities:												
Agency MBS - residential	Agency MBS - residential	\$ —	\$ —	\$ —	\$ —	\$55,958	\$55,958	\$ —	\$ —	\$ —	\$45,956	\$45,956	Agency MBS - residential	\$ —	\$ —	\$ —	\$54,942	\$54,942	\$ —	\$ —	\$ —	\$42,501	\$4

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

Less than 12 months						12 months or more						Total		Less than 12 months						12 months or more						Total	
Unrealized						Unrealized						Unrealized		Unrealized						Unrealized						Unrealized	
June 30, 2023						Unrealized						Unrealized		Unrealized						Unrealized						Unrealized	
(Dollars in millions)						Fair Value						Fair Value		Losses						Fair Value						Losses	
September 30, 2023						Fair Value						Fair Value		Losses						Fair Value						Losses	
(Dollars in millions)																											

At **June 30, 2023** **September 30, 2023** and December 31, 2022, no ACL was established for AFS or HTM securities. Substantially all of the unrealized losses on the securities portfolio, including non-agency MBS, were the result of changes in market interest rates compared to the date the securities were acquired rather than the credit quality of the issuers or underlying loans. HTM debt securities consist of residential agency MBS. Accordingly, the Company does not expect to incur any credit losses on investment securities.

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

(Dollars in millions)	Three Months Ended June 30,						(Dollars in millions)	Three Months Ended September 30,				Nine Months Ended September 30,			
	30,		Six Months Ended June 30,		30,			2023		2022		2023		2022	
	2023	2022	2023	2022	2023	2022		2023	2022	2023	2022	2023	2022		
Gross realized gains	Gross realized gains	\$ —	\$ —	\$ —	\$ 13	\$ 13	(Dollars in millions)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 13		
Gross realized losses	Gross realized losses	—	(1)	—	(83)	—	Gross realized losses	—	(1)	—	(84)	—	—		

Securities gains (losses), net	Securities gains (losses), net	\$ —	\$ (1)	\$ —	\$ (70)	Securities gains (losses), net	\$ —	\$ (1)	\$ —	\$ (71)
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## NOTE 5. Loans and ACL

In the first quarter of 2023, the Company adopted the Troubled Debt Restructurings and Vintage Disclosures accounting standard. Certain newly required disclosures in this footnote are presented as of and for the period ended **June 30, 2023** **September 30, 2023** only as the adoption of this guidance did not impact the prior periods. As such, disclosures were provided related to TDRs as of December 31, 2022 and for the three and **six** **nine** months ended **June 30, 2022** **September 30, 2022** under prior accounting standards. Refer to "Note 1. Basis of Presentation" for additional information.

The following tables present loans and leases HFI by aging category. Government guaranteed loans are not placed on nonperforming status regardless of delinquency because collection of principal and interest is reasonably assured. Truist sold its student loan portfolio at the end of the second quarter of 2023, which had a carrying value of \$4.7 billion. The **six** **nine** months ended **June 30, 2023** **September 30, 2023** includes \$98 million of charge-offs related to the sale, which was previously provided for in the allowance.

		Accruing					Accruing					
		90 Days Or										
June 30, 2023		30-89 Days		More Past								
(Dollars in millions)		Current	Past Due	Due( <sup>(1)</sup> )	Nonperforming	Total						
September 30, 2023							September 30, 2023		90 Days Or			
(Dollars in millions)							(Dollars in millions)		30-89 Days	More Past		
Commercial: Commercial:							Commercial:					
Commercial and industrial	Commercial and industrial	\$ 166,413	\$ 142	\$ 36	\$ 562	\$ 167,153	Commercial and industrial	\$ 161,656	\$ 98	\$ 15	\$ 561	\$ 162,330
CRE	CRE	22,512	38	—	275	22,825	CRE	22,419	28	—	289	22,736
Commercial construction	Commercial construction	5,916	6	5	16	5,943	Commercial construction	6,313	1	—	29	6,343
Consumer: Consumer:							Consumer:					
Residential mortgage	Residential mortgage	55,170	521	564	221	56,476	Residential mortgage	54,832	563	486	132	56,013
Home equity	Home equity	10,156	56	7	129	10,348	Home equity	9,967	61	9	123	10,160
Indirect auto	Indirect auto	24,948	549	—	262	25,759	Indirect auto	23,219	598	1	266	24,084
Other consumer	Other consumer	28,522	175	12	46	28,755	Other consumer	28,818	219	16	52	29,105
Credit card	Credit card	4,732	63	38	—	4,833	Credit card	4,813	68	47	—	4,928
Total	Total	\$ 318,369	\$ 1,550	\$ 662	\$ 1,511	\$ 322,092	Total	\$ 312,037	\$ 1,636	\$ 574	\$ 1,452	\$ 315,699

(1) Includes government guaranteed loans of \$541 million in the residential mortgage portfolio.

(1) Includes government guaranteed loans of \$456 million in the residential mortgage portfolio.

(1) Includes government guaranteed loans of \$456 million in the residential mortgage portfolio.

December 31, 2022		December 31, 2022		90 Days Or						December 31, 2022		90 Days Or										
(Dollars in millions)	(Dollars in millions)			30-89 Days		More Past Due		Nonperforming		Total				30-89 Days		More Past Due		Nonperforming		Total		
Commercial:	Commercial:			Current	Past Due	Due(1)				Total												
Commercial and industrial	Commercial and industrial	\$ 163,604	\$ 256	\$ 49	\$ 398	\$ 164,307							Commercial and industrial	\$ 163,604	\$ 256	\$ 49	\$ 398	\$ 164,307				
CRE	CRE	22,568	25	1	82	22,676							CRE	22,568	25	1	82	22,676				
Commercial construction	Commercial construction	5,844	5	—	—	5,849							Commercial construction	5,844	5	—	—	5,849				
Consumer:	Consumer:												Consumer:									
Residential mortgage	Residential mortgage	55,005	614	786	240	56,645							Residential mortgage	55,005	614	786	240	56,645				
Home equity	Home equity	10,661	68	12	135	10,876							Home equity	10,661	68	12	135	10,876				
Indirect auto	Indirect auto	27,015	646	1	289	27,951							Indirect auto	27,015	646	1	289	27,951				
Other consumer	Other consumer	27,289	187	13	44	27,533							Other consumer	27,289	187	13	44	27,533				
Student	Student	4,179	402	706	—	5,287							Student	4,179	402	706	—	5,287				
Credit card	Credit card	4,766	64	37	—	4,867							Credit card	4,766	64	37	—	4,867				
Total	Total	\$ 320,931	\$ 2,267	\$ 1,605	\$ 1,188	\$ 325,991							Total	\$ 320,931	\$ 2,267	\$ 1,605	\$ 1,188	\$ 325,991				

(1) Includes government guaranteed loans of \$759 million in the residential mortgage portfolio and \$702 million in the student portfolio.

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

June 30, 2023		Amortized Cost Basis by Origination Year						Loans											
		2023	2022	2021	2020	2019	Prior	Revolving	Credit	Converted	Total	Other(1)							
<b>September 30, 2023</b>																			
(Dollars in millions)																			
Commercial:	Commercial:																		
Commercial and industrial:	Commercial and industrial:																		
Pass	Pass	\$ 18,434	\$ 37,324	\$ 17,548	\$ 9,277	\$ 6,628	\$ 12,487	\$ 59,200	\$ —	\$ (240)	\$ 160,658		Commercial and industrial:						
Special mention	Special mention	328	619	702	196	117	181	755	—	—	2,898		Pass	\$ 21,868	\$ 34,323	\$ 16,084	\$ 8,740	\$ 6,125	
Substandard	Substandard	133	780	420	188	385	431	698	—	—	3,035		Special mention	420	712	663	142	145	
Nonperforming	Nonperforming	82	175	51	11	21	38	184	—	—	562		Substandard	373	895	426	264	286	
Total	Total	18,977	38,898	18,721	9,672	7,151	13,137	60,837	—	(240)	167,153		Nonperforming	7	158	141	11	31	
Gross charge-offs	Gross charge-offs	20	46	28	18	3	17	50	—	—	182		Total	22,668	36,088	17,314	9,157	6,587	
CRE:	CRE:													Gross charge-offs	11	51	83	21	3
Pass	Pass	2,463	5,055	3,025	2,179	3,139	3,324	997	—	(71)	20,111		CRE:						
Special mention	Special mention	237	446	39	86	123	56	55	—	—	1,042		Pass	3,215	5,000	2,740	2,051	2,982	
Substandard	Substandard	104	355	231	40	366	301	—	—	—	1,397		Special mention	220	490	88	88	85	
Nonperforming	Nonperforming	—	110	2	2	85	76	—	—	—	275		Substandard	75	382	268	51	332	
Total	Total	2,804	5,966	3,297	2,307	3,713	3,757	1,052	—	(71)	22,825		Nonperforming	—	90	4	24	156	
													Total	3,510	5,962	3,100	2,214	3,555	

Gross charge-offs	Gross charge-offs	—	11	1	—	—	29	—	—	—	41	Gross charge-offs	—	52	1	10	8
Commercial construction:	Commercial construction:											Commercial construction:					
Pass	Pass	423	1,806	1,640	419	149	135	852	—	—	5,424	Pass	689	2,020	1,550	305	158
Special mention	Special mention	39	135	90	129	—	—	15	—	—	408	Special mention	38	131	104	—	—
Substandard	Substandard	3	30	7	55	—	—	—	—	—	95	Substandard	22	46	25	110	—
Nonperforming	Nonperforming	15	—	—	—	1	—	—	—	—	16	Nonperforming	—	28	—	—	1
Total	Total	480	1,971	1,737	603	150	135	867	—	—	5,943	Total	749	2,225	1,679	415	159
Consumer:	Consumer:											Consumer:					
Residential mortgage:	Residential mortgage:											Residential mortgage:					
Current	Current	1,811	13,731	16,985	5,933	2,957	13,753	—	—	—	55,170	Current	2,468	13,609	16,733	5,827	2,884
30 - 89 days past due	30 - 89 days past due	4	33	37	26	30	391	—	—	—	521	30 - 89 days past due	3	39	40	36	35
90 days or more past due	90 days or more past due	—	17	29	45	42	431	—	—	—	564	90 days or more past due	3	26	25	33	34
Nonperforming	Nonperforming	—	6	10	11	16	178	—	—	—	221	Nonperforming	—	2	6	6	12
Total	Total	1,815	13,787	17,061	6,015	3,045	14,753	—	—	—	56,476	Total	2,474	13,676	16,804	5,902	2,965
Gross charge-offs	Gross charge-offs	—	—	2	—	—	—	—	—	—	2	Gross charge-offs	—	—	2	1	1
Home equity:	Home equity:											Home equity:					
Current	Current	—	—	—	—	—	—	6,350	3,806	—	10,156	Current	—	—	—	—	—
30 - 89 days past due	30 - 89 days past due	—	—	—	—	—	—	37	19	—	56	30 - 89 days past due	—	—	—	—	—
90 days or more past due	90 days or more past due	—	—	—	—	—	—	4	3	—	7	90 days or more past due	—	—	—	—	—
Nonperforming	Nonperforming	—	—	—	—	—	—	47	82	—	129	Nonperforming	—	—	—	—	—
Total	Total	—	—	—	—	—	—	6,438	3,910	—	10,348	Total	—	—	—	—	—
Gross charge-offs	Gross charge-offs	—	—	—	—	—	—	—	4	—	4	Gross charge-offs	—	—	—	—	—
Indirect auto:	Indirect auto:											Indirect auto:					
Current	Current	3,203	9,764	5,842	3,236	1,851	1,061	—	—	(9)	24,948	Current	3,893	8,865	5,236	2,835	1,574
30 - 89 days past due	30 - 89 days past due	25	166	135	80	70	73	—	—	—	549	30 - 89 days past due	48	187	140	83	71
90 days or more past due	90 days or more past due	—	—	—	—	—	—	—	—	—	—	90 days or more past due	—	1	—	—	—
Nonperforming	Nonperforming	4	68	68	44	41	37	—	—	—	262	Nonperforming	11	78	66	42	37
Total	Total	3,232	9,998	6,045	3,360	1,962	1,171	—	—	(9)	25,759	Total	3,952	9,131	5,442	2,960	1,682
Gross charge-offs	Gross charge-offs	1	88	58	29	29	37	—	—	—	242	Gross charge-offs	10	138	88	44	44
Other consumer:	Other consumer:											Other consumer:					
Current	Current	6,258	9,337	4,638	2,445	1,363	1,499	2,964	15	3	28,522	Current	8,656	8,453	4,146	2,160	1,194
30 - 89 days past due	30 - 89 days past due	30	60	33	20	15	11	4	2	—	175	30 - 89 days past due	56	72	37	20	14
90 days or more past due	90 days or more past due	1	8	1	1	—	—	1	—	—	12	90 days or more past due	6	7	1	—	—
Nonperforming	Nonperforming	1	7	14	8	6	9	—	1	—	46	Nonperforming	3	11	14	8	7
Total	Total	6,290	9,412	4,686	2,474	1,384	1,519	2,969	18	3	28,755	Total	8,721	8,543	4,198	2,188	1,215

Gross charge-offs	Gross charge-offs	24	76	46	26	18	7	12	—	—	209	Gross charge-offs	53	116	69	37	26
Student: <sup>(2)</sup>	Student: <sup>(2)</sup>											Student: <sup>(2)</sup>					
Gross charge-offs	Gross charge-offs	—	—	—	—	—	108	—	—	—	108	Gross charge-offs	—	—	—	—	—
Credit card:	Credit card:											Credit card:					
Current	Current	—	—	—	—	—	—	4,715	17	—	4,732	Current	—	—	—	—	—
30 - 89 days past due	30 - 89 days past due	—	—	—	—	—	—	62	1	—	63	30 - 89 days past due	—	—	—	—	—
90 days or more past due	90 days or more past due	—	—	—	—	—	—	37	1	—	38	90 days or more past due	—	—	—	—	—
Total	Total	—	—	—	—	—	—	4,814	19	—	4,833	Total	—	—	—	—	—
Gross charge-offs	Gross charge-offs	—	—	—	—	—	—	103	1	—	104	Gross charge-offs	—	—	—	—	—
Total	Total	\$ 33,598	\$ 80,032	\$ 51,547	\$ 24,431	\$ 17,405	\$ 34,472	\$ 76,977	\$ 3,947	\$ (317)	\$ 322,092	Total	\$ 42,074	\$ 75,625	\$ 48,537	\$ 22,836	\$ 16,163
Gross charge-offs	Gross charge-offs	\$ 45	\$ 221	\$ 135	\$ 73	\$ 50	\$ 198	\$ 169	\$ 1	\$ —	\$ 892	Gross charge-offs	\$ 74	\$ 357	\$ 243	\$ 113	\$ 82

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December 31, 2022 (Dollars in millions)	Amortized Cost Basis by Origination Year						Loans Converted				
	2022	2021	2020	2019	2018	Prior	Revolving Credit	to Term	Other <sup>(3)</sup>	Total	
Commercial:											
Commercial and industrial:											
Pass	\$ 45,890	\$ 21,642	\$ 11,219	\$ 8,258	\$ 4,977	\$ 9,686	\$ 57,854	\$ —	\$ (199)	\$ 159,327	
Special mention	243	302	143	160	61	88	721	—	—	—	1,718
Substandard	518	387	113	413	249	187	997	—	—	—	2,864
Nonperforming	47	53	10	28	46	27	187	—	—	—	398
Total	46,698	22,384	11,485	8,859	5,333	9,988	59,759	—	(199)	—	164,307
CRE:											
Pass	6,141	3,595	2,220	3,846	2,092	2,265	757	—	(70)	—	20,846
Special mention	106	118	74	229	281	5	18	—	—	—	831
Substandard	106	99	35	422	121	134	—	—	—	—	917
Nonperforming	—	3	—	—	77	2	—	—	—	—	82
Total	6,353	3,815	2,329	4,497	2,571	2,406	775	—	(70)	—	22,676
Commercial construction:											
Pass	1,501	1,500	825	290	212	71	1,056	—	—	—	5,455
Special mention	80	—	93	—	—	—	35	—	—	—	208
Substandard	114	—	18	1	53	—	—	—	—	—	186
Total	1,695	1,500	936	291	265	71	1,091	—	—	—	5,849
Consumer:											
Residential mortgage:											
Current	13,824	17,340	6,167	3,084	1,384	13,206	—	—	—	—	55,005
30 - 89 days past due	55	61	32	37	43	386	—	—	—	—	614
90 or more days past due	5	31	62	62	91	535	—	—	—	—	786
Nonperforming	4	6	10	12	17	191	—	—	—	—	240
Total	13,888	17,438	6,271	3,195	1,535	14,318	—	—	—	—	56,645
Home equity:											

Current	—	—	—	—	—	—	—	6,843	3,818	—	10,661
30 - 89 days past due	—	—	—	—	—	—	—	48	20	—	68
90 days or more past due	—	—	—	—	—	—	—	9	3	—	12
Nonperforming	—	—	—	—	—	—	—	44	91	—	135
<b>Total</b>	—	—	—	—	—	—	—	<b>6,944</b>	<b>3,932</b>	—	<b>10,876</b>
Indirect auto:											
Current	11,646	7,141	4,105	2,461	1,096	559	—	—	7	27,015	
30 - 89 days past due	147	174	111	100	60	54	—	—	—	646	
90 days or more past due	1	—	—	—	—	—	—	—	—	1	
Nonperforming	41	77	56	56	34	25	—	—	—	289	
<b>Total</b>	<b>11,835</b>	<b>7,392</b>	<b>4,272</b>	<b>2,617</b>	<b>1,190</b>	<b>638</b>	—	—	7	<b>27,951</b>	
Other consumer:											
Current	11,270	5,805	3,167	1,814	865	1,061	3,278	29	—	27,289	
30 - 89 days past due	68	44	26	20	10	7	10	2	—	187	
90 days or more past due	8	1	1	1	—	—	2	—	—	13	
Nonperforming	4	11	8	9	2	8	2	—	—	44	
<b>Total</b>	<b>11,350</b>	<b>5,861</b>	<b>3,202</b>	<b>1,844</b>	<b>877</b>	<b>1,076</b>	<b>3,292</b>	<b>31</b>	—	<b>27,533</b>	
Student:											
Current	—	—	17	71	57	4,034	—	—	—	4,179	
30 - 89 days past due	—	—	—	1	1	400	—	—	—	402	
90 days or more past due	—	—	—	1	1	704	—	—	—	706	
<b>Total</b>	—	—	<b>17</b>	<b>73</b>	<b>59</b>	<b>5,138</b>	—	—	—	<b>5,287</b>	
Credit card:											
Current	—	—	—	—	—	—	4,750	16	—	4,766	
30 - 89 days past due	—	—	—	—	—	—	63	1	—	64	
90 days or more past due	—	—	—	—	—	—	36	1	—	37	
<b>Total</b>	—	—	—	—	—	—	<b>4,849</b>	<b>18</b>	—	<b>4,867</b>	
<b>Total</b>	<b>\$ 91,819</b>	<b>\$ 58,390</b>	<b>\$ 28,512</b>	<b>\$ 21,376</b>	<b>\$ 11,830</b>	<b>\$ 33,635</b>	<b>\$ 76,710</b>	<b>\$ 3,981</b>	<b>\$ (262)</b>	<b>\$ 325,991</b>	

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

(2) Truist sold its student loan portfolio at the end of the second quarter of 2023. Charge-offs include \$98 million related to the sale.

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### ACL

The following tables present activity in the ACL:

(Dollars in millions)	(Dollars in millions)	Balance at Apr 1, 2022	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Jun 30, 2022	(Dollars in millions)	Balance at Jul 1, 2022	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Sep 30, 2022
Commercial:	Commercial:						Commercial:							
Commercial and industrial	Commercial and industrial	\$ 1,319	\$ (17)	\$ 13	\$ 42	\$ —	\$ 1,357	Commercial and industrial	\$ 1,357	\$ (51)	\$ 43	\$ (48)	\$ —	\$ 1,301
CRE	CRE	283	(1)	6	(51)	—	237	CRE	237	—	—	(3)	—	234
Commercial construction	Commercial construction	53	—	1	(4)	—	50	Commercial construction	50	—	2	(5)	—	47
Consumer:	Consumer:						Consumer:							
Residential mortgage	Residential mortgage	310	(2)	4	15	—	327	Residential mortgage	327	(4)	3	50	—	376

Home equity	Home equity	88	(3)	6	(3)	—	88	Home equity	88	(3)	8	(10)	—	83
Indirect auto	Indirect auto	957	(77)	26	46	—	952	Indirect auto	952	(103)	21	96	—	966
Other Consumer	Other Consumer	697	(100)	20	111	—	728	Other Consumer	728	(109)	21	115	—	755
Student	Student	115	(4)	—	(10)	(1)	100	Student	100	(7)	—	—	—	93
Credit card	Credit card	348	(40)	9	31	—	348	Credit card	348	(42)	8	36	—	350
ALLL	ALLL	4,170	(244)	85	177	(1)	4,187	ALLL	4,187	(319)	106	231	—	4,205
RUFC	RUFC	253	—	—	(6)	—	247	RUFC	247	—	—	3	—	250
ACL	ACL	\$ 4,423	\$ (244)	\$ 85	\$ 171	\$ (1)	\$ 4,434	ACL	\$ 4,434	\$ (319)	\$ 106	\$ 234	\$ —	\$ 4,455
Balance at														
(Dollars in millions)	(Dollars in millions)	Balance at Apr 1, 2023	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Jun 30, 2023	(Dollars in millions)	Balance at Jul 1, 2023	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Sep 30, 2023
Commercial:	Commercial:							Commercial:						
Commercial and industrial	Commercial and industrial	\$ 1,497	\$ (107)	\$ 13	\$ 133	\$ —	\$ 1,536	Commercial and industrial	\$ 1,536	\$ (98)	\$ 28	\$ (114)	\$ (1)	\$ 1,351
CRE	CRE	251	(35)	—	186	—	402	CRE	402	(77)	2	278	—	605
Commercial construction	Commercial construction	87	—	—	22	—	109	Commercial construction	109	—	—	56	—	165
Consumer:	Consumer:							Consumer:						
Residential mortgage	Residential mortgage	332	(1)	2	(13)	—	320	Residential mortgage	320	(8)	1	(12)	—	301
Home equity	Home equity	87	(2)	5	(5)	—	85	Home equity	85	(4)	7	(2)	—	86
Indirect auto	Indirect auto	993	(115)	31	72	—	981	Indirect auto	981	(135)	25	74	—	945
Other consumer	Other consumer	779	(104)	20	113	—	808	Other consumer	808	(120)	20	158	—	866
Student <sup>(2)</sup>		98	(103)	—	5	—	—							
Credit card	Credit card	355	(53)	9	54	—	365	Credit card	365	(55)	9	55	—	374
ALLL	ALLL	4,479	(520)	80	567	—	4,606	ALLL	4,606	(497)	92	493	(1)	4,693
RUFC	RUFC	282	—	—	(9)	—	273	RUFC	273	—	—	4	—	277
ACL	ACL	\$ 4,761	\$ (520)	\$ 80	\$ 558	\$ —	\$ 4,879	ACL	\$ 4,879	\$ (497)	\$ 92	\$ 497	\$ (1)	\$ 4,970
Balance at														
(Dollars in millions)	(Dollars in millions)	Balance at Jan 1, 2022	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Jun 30, 2022	(Dollars in millions)	Balance at Jan 1, 2022	Charge-Offs	Recoveries	Provision (Benefit)	Other <sup>(1)</sup>	Balance at Sep 30, 2022
Commercial:	Commercial:							Commercial:						
Commercial and industrial	Commercial and industrial	\$ 1,426	\$ (48)	\$ 30	\$ (51)	\$ —	\$ 1,357	Commercial and industrial	\$ 1,426	\$ (99)	\$ 73	\$ (99)	\$ —	\$ 1,301
CRE	CRE	350	(2)	7	(118)	—	237	CRE	350	(2)	7	(121)	—	234
Commercial construction	Commercial construction	52	(1)	2	(3)	—	50	Commercial construction	52	(1)	4	(8)	—	47
Consumer:	Consumer:							Consumer:						
Residential mortgage	Residential mortgage	308	(4)	10	13	—	327	Residential mortgage	308	(8)	13	63	—	376
Home equity	Home equity	96	(4)	11	(15)	—	88	Home equity	96	(7)	19	(25)	—	83
Indirect auto	Indirect auto	1,022	(179)	49	60	—	952	Indirect auto	1,022	(282)	70	156	—	966
Other consumer	Other consumer	714	(176)	41	149	—	728	Other consumer	714	(285)	62	264	—	755
Student	Student	117	(10)	—	(7)	—	100	Student	117	(17)	—	(7)	—	93
Credit card	Credit card	350	(81)	18	61	—	348	Credit card	350	(123)	26	97	—	350
ALLL	ALLL	4,435	(505)	168	89	—	4,187	ALLL	4,435	(824)	274	320	—	4,205
RUFC	RUFC	260	—	—	(13)	—	247	RUFC	260	—	—	(10)	—	250
ACL	ACL	\$ 4,695	\$ (505)	\$ 168	\$ 76	\$ —	\$ 4,434	ACL	\$ 4,695	\$ (824)	\$ 274	\$ 310	\$ —	\$ 4,455

(Dollars in millions)	(Dollars in millions)	Balance at Jan 1, 2023				Charge-Offs				Provision (Benefit)			Balance at Jun 30, 2023				Balance at Sep 30, 2023													
		Commercial	Commercial and industrial	CRE	Commercial construction	Consumer	Residential mortgage	Home equity	Indirect auto	Other consumer	Student <sup>(2)</sup>	Credit card	ALLL	RUFC	ACL	Commercial	Commercial and industrial	CRE	Commercial construction	Consumer	Residential mortgage	Home equity	Indirect auto	Other consumer	Student <sup>(2)</sup>	Credit card	ALLL	RUFC	ACL	
Commercial:	Commercial:															Commercial:	Commercial	Commercial	Commercial	Consumer:	Residential	Home	Indirect	Other	Student <sup>(2)</sup>	Credit	ALLL	RUFC	ACL	
Commercial and industrial	Commercial and industrial	\$ 1,409	\$ (182)	\$ 26	\$ 284	\$ (1)	\$ 1,536									Commercial and industrial	\$ 1,409	\$ (280)	\$ 54	\$ 170	\$ (2)	\$ 1,351								
CRE	CRE	224	(41)	1	218	—	402									CRE	224	(118)	3	496	—	605								
Commercial construction	Commercial construction	46	—	1	62	—	109									Commercial construction	46	—	1	118	—	165								
Consumer:	Consumer:															Consumer:	Residential	Home	Indirect	Other	Student <sup>(2)</sup>	Credit	ALLL	RUFC	ACL	Commercial	Commercial	Commercial	Commercial	Commercial
Residential mortgage	Residential mortgage	399	(2)	4	—	(81)	320									Residential mortgage	399	(10)	5	(12)	(81)	301								
Home equity	Home equity	90	(4)	11	(12)	—	85									Home equity	90	(8)	18	(14)	—	86								
Indirect auto	Indirect auto	981	(242)	57	172	13	981									Indirect auto	981	(377)	82	246	13	945								
Other consumer	Other consumer	770	(209)	37	211	(1)	808									Other consumer	770	(329)	57	369	(1)	866								
Student <sup>(2)</sup>	Student <sup>(2)</sup>	98	(108)	—	10	—	—									Student <sup>(2)</sup>	98	(108)	—	10	—	—								
Credit card	Credit card	360	(104)	18	94	(3)	365									Credit card	360	(159)	27	149	(3)	374								
ALLL	ALLL	4,377	(892)	155	1,039	(73)	4,606									ALLL	4,377	(1,389)	247	1,532	(74)	4,693								
RUFC	RUFC	272	—	—	1	—	273									RUFC	272	—	—	5	—	277								
ACL	ACL	\$ 4,649	\$ (892)	\$ 155	\$ 1,040	\$ (73)	\$ 4,879									ACL	\$ 4,649	\$ (1,389)	\$ 247	\$ 1,537	\$ (74)	\$ 4,970								

(1) Includes the amounts for the ALLL for PCD acquisitions, the impact of adopting the Troubled Debt Restructurings and Vintage Disclosures accounting standard, and other activity.

(2) Truist sold its student loan portfolio at the end of the second quarter of 2023. Charge-offs include \$98 million related to the sale.

The commercial ALLL increased \$212 \$74 million and \$368 million \$442 million and the consumer ALLL decreased \$95 increased \$4 million and \$144 million decreased \$140 million during the three and six nine months ended June 30, 2023 September 30, 2023, respectively. The increase in the commercial ALLL primarily reflects an increase in reserves related to the CRE and commercial construction portfolios. The slight increase in the consumer ALLL compared to the prior quarter reflects loan growth in certain indirect consumer portfolios, offset by run-off primarily in indirect auto and an updated economic outlook. residential mortgage. The decrease in the consumer ALLL was for the year-to-date period primarily driven by reflects the sale of the student portfolio in the current second quarter as well as first quarter 2023 impacts associated with the adoption of the Troubled Debt Restructurings and Vintage Disclosure accounting standard. Considerations for standard in the updated economic outlook include the potential impacts related to the risks associated with inflation, rising rates, geopolitical events, and recession. first quarter of 2023.

The quantitative models have been designed to estimate losses using macro-economic forecasts over a reasonable and supportable forecast period of two years, followed by a reversion to long-term historical loss conditions over a one-year period. Forecasts of macroeconomic variables used in loss forecasting include, but are not limited to, unemployment trends, U.S. real GDP, corporate credit spreads, rental rates, property values, home price indices, and used car prices.

The overall economic forecast incorporates a third-party baseline forecast that is adjusted to reflect Truist's interest rate outlook. Management also considers optimistic and pessimistic third-party macro-economic forecasts in order to capture uncertainty in the economic environment. These forecasts, along with the primary economic forecast, are weighted 40% baseline, 30% optimistic, and 30% pessimistic in the June 30, 2023 September 30, 2023 ACL, unchanged since December 31, 2022. While the scenario weightings were unchanged, each forecast scenario reflected deterioration in certain economic variables over the reasonable and supportable forecast period when compared to the prior period. The overall economic forecast shaping the ACL estimate at June 30, 2023 September 30, 2023 included GDP growth in the low-single digits and an unemployment rate near mid-single digits.

Quantitative models have certain limitations with respect to estimating expected losses, particularly in times of rapidly changing macro-economic conditions and forecasts. As a result, management believes that the qualitative component of the ACL, which incorporates management's expert judgment related to expected future credit losses, will continue to be an important component of the ACL for the foreseeable future. The June 30, 2023 September 30, 2023 ACL estimate includes adjustments to consider the impact of current and expected events or risks not captured by the loss forecasting models, the outcomes of which are uncertain and may not be completely considered by quantitative models. Refer to "Note 1. Basis of Presentation" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional information.

## NPAs

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023				December 31, 2022				(Dollars in millions)	September 30, 2023				December 31, 2022				
		Recorded Investment				Recorded Investment					Recorded Investment				Recorded Investment				
		Without an ALLL		With an ALLL		Without an ALLL		With an ALLL			Without an ALLL		With an ALLL		Without an ALLL		With an ALLL		
<b>Commercial:</b>																			
Commercial and industrial	Commercial and industrial	\$ 93	\$ 469	\$ 120	\$ 278	Commercial and industrial	\$ 179	\$ 382	\$ 120	\$ 278	Commercial and industrial	\$ 179	\$ 382	\$ 120	\$ 278	Commercial and industrial	\$ 179	\$ 382	
CRE	CRE	69	206	75	7	CRE	55	234	75	7	CRE	55	234	75	7	CRE	55	234	
Commercial construction	Commercial construction	—	16	—	—	Commercial construction	—	29	—	—	Commercial construction	—	29	—	—	Commercial construction	—	29	
<b>Consumer:</b>																			
Residential mortgage	Residential mortgage	1	220	4	236	Residential mortgage	2	130	4	236	Residential mortgage	2	130	4	236	Residential mortgage	2	130	
Home equity	Home equity	1	128	2	133	Home equity	1	122	2	133	Home equity	1	122	2	133	Home equity	1	122	
Indirect auto	Indirect auto	22	240	3	286	Indirect auto	23	243	3	286	Indirect auto	23	243	3	286	Indirect auto	23	243	
Other consumer	Other consumer	—	46	—	44	Other consumer	—	52	—	44	Other consumer	—	52	—	44	Other consumer	—	52	
<b>Total</b>	<b>Total</b>	<b>\$ 186</b>	<b>\$ 1,325</b>	<b>\$ 204</b>	<b>\$ 984</b>	<b>Total</b>	<b>\$ 260</b>	<b>\$ 1,192</b>	<b>\$ 204</b>	<b>\$ 984</b>	<b>Total</b>	<b>\$ 260</b>	<b>\$ 1,192</b>	<b>\$ 204</b>	<b>\$ 984</b>	<b>Total</b>	<b>\$ 260</b>	<b>\$ 1,192</b>	

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Nonperforming loans and leases HFI	Nonperforming loans and leases HFI	\$ 1,511	\$ 1,188	Nonperforming loans and leases HFI	\$ 1,452	\$ 1,188
Nonperforming LHFS	Nonperforming LHFS	13	—	Nonperforming LHFS	75	—
Foreclosed real estate	Foreclosed real estate	3	4	Foreclosed real estate	3	4
Other foreclosed property	Other foreclosed property	56	58	Other foreclosed property	54	58
Total nonperforming assets	Total nonperforming assets	\$ 1,583	\$ 1,250	Total nonperforming assets	\$ 1,584	\$ 1,250
Residential mortgage loans in the process of foreclosure	Residential mortgage loans in the process of foreclosure	\$ 229	\$ 248	Residential mortgage loans in the process of foreclosure	\$ 233	\$ 248

## Loan Modifications

The following tables summarize the period-end amortized cost basis and the weighted average financial effect of loans to borrowers experiencing financial difficulty that were modified during the period, disaggregated by class of financing receivable and type of modification granted. These tables include modification activity that occurred on or after January 1, 2023. The volume of payment delay modifications is expected to increase throughout 2023 as the cumulative period over which such modifications are evaluated gradually extends to a full 12-month rolling period:

Three Months Ended June 30, 2023 (Dollars in millions)	Combination										Percentage of Total Class of Financing Receivable	
	Interest Rate		Capitalization, and Term		Interest Rate		Total		Modified			
	Renewals	Extensions	Capitalizations	Delays	Extension	Extension	Other	Loans	Financing	Receivable		
	Term	Payment	and Term	and Term	and Term	and Term	Modified	Financing	Receivable	Receivable		

													Three	Months	Ended	September	
													30, 2023	(Dollars in millions)			Term
													Renewals	Extensions	Capitalizations		
Commercial:																	
Commercial and industrial																	
CRE																	
Commercial construction																	
Consumer:																	
Residential mortgage																	
Home equity																	
Indirect auto																	
Other consumer																	
Credit card																	
Total	Total	\$ 316	\$ 37	\$ 39	\$ 198	\$ 53	\$ 89	\$ 18	\$ 19	\$ 769	0.24	Total	\$ 475	\$ 43	\$ 27	\$ 416	\$ 7

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													Combination	-	Combination	Combination	-	Percentage
													Interest Rate	-	Capitalization,	Capitalization,	-	of Total
													Adjustment	Capitalization	Interest Rate	Interest Rate	Total	Class of
Six Months Ended June 30, 2023	Term	Renewals	Extensions	Capitalizations	Delays	Payment	and Term	Modified	Financing	Receivable	Receivable	Receivable						
(Dollars in millions)																		
Nine Months Ended																		
September 30, 2023																		
(Dollars in millions)																		
Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	
Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	
CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	
Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	Commercial construction	
Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	
Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	Residential mortgage	

Home equity	Home equity	—	—	—	—	5	—	—	2	7	0.07	Home equity	—	—	—	2	7
Indirect auto	Indirect auto	—	12	—	145	9	—	—	11	177	0.69	Indirect auto	—	19	—	483	13
Other consumer	Other consumer	—	9	—	1	3	—	—	2	15	0.05	Other consumer	—	15	—	1	4
Credit card	Credit card	—	—	—	—	—	—	—	9	9	0.19	Credit card	—	—	—	—	—
Total	Total	\$ 641	\$ 74	\$ 69	\$ 269	\$ 63	\$ 180	\$ 37	\$ 32	\$ 1,365	0.42	Total	\$ 1,081	\$ 167	\$ 95	\$ 643	\$ 70

Three Months Ended June 30, 2023 September 30, 2023

Loan Type	Financial Effect
<b>Renewals</b>	
Commercial and industrial	Extended the term by 59 months and increased the interest rate by 0.3%. 0.7%
CRE	Extended the term by 11 months. 15 months and increased the interest rate by 0.9%
Commercial construction	Extended the term by 2 months. months
<b>Term Extensions</b>	
Residential mortgage	Extended the term by 145 117 months.
Indirect auto	Extended the term by 24 months.
Other consumer	Extended the term by 24 months.
<b>Capitalizations</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance.
<b>Payment Delays</b>	
Commercial and industrial	Provided 120 days of payment deferral.
Residential mortgage	Provided 214 days of payment deferral.
Home equity	Provided 177 days of payment deferral.
Indirect auto	Provided 135 days of payment deferral.
<b>Combination - Interest Rate Adjustment and Term Extension</b>	
Home equity	Extended the term by 322 months and decreased the interest rate by 5%.
Indirect auto	Extended the term by 12 months and decreased the interest rate by 5%.
Other consumer	Extended the term by 56 months and decreased the interest rate by 1%.
<b>Combination - Capitalization and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance and extended the term by 101 months.
<b>Combination - Capitalization, Interest Rate and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance, extended the term by 144 months, and decreased the interest rate by 0.4%.

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Nine Months Ended September 30, 2023

Loan Type	Financial Effect
<b>Renewals</b>	
Commercial and industrial	Extended the term by 8 months and increased the interest rate by 0.6%
CRE	Extended the term by 11 months and increased the interest rate by 0.2%
Commercial construction	Extended the term by 2 months
<b>Term Extensions</b>	
Commercial and industrial	Extended the term by 3 months.
Residential mortgage	Extended the term by 139 months.
Indirect auto	Extended the term by 22 months.
Other consumer	Extended the term by 24 months.
<b>Capitalizations</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance.
<b>Payment Delays</b>	
Commercial and industrial	Provided payment deferral of 189 days.
Residential mortgage	Provided payment deferral of 214 days.
Indirect auto	Provided payment deferral of 125 days.
<b>Combination - Interest Rate Adjustment and Term Extension</b>	
Commercial and industrial	Extended the term by 76 months and increased the interest rate by 3%.
Residential mortgage	Extended the term by 123 months and increased the interest rate by 1%.
Home equity	Extended the term by 169 months and decreased the interest rate by 3%.
Indirect auto	Extended the term by 10 months and decreased the interest rate by 7%.
Other consumer	Extended the term by 26 months and decreased the interest rate by 1%.
<b>Combination - Capitalization and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance and extended the term by 103 months.
<b>Combination - Capitalization, Interest Rate and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance, extended the term by 169 months, and increased the interest rate by 0.1%.

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Six Months Ended June 30, 2023

Loan Type	Financial Effect
<b>Renewals</b>	
Commercial and industrial	Extended the term by 5 months and increased the interest rate by 0.3%.
CRE	Extended the term by 10 months and increased the interest rate by 0.1%.
Commercial construction	Extended the term by 3 months.
<b>Term Extensions</b>	
Residential mortgage	Extended the term by 151 months.
Indirect auto	Extended the term by 22 months.
Other consumer	Extended the term by 24 months.
<b>Capitalizations</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance.
<b>Payment Delays</b>	
Commercial and industrial	Provided 189 183 days of payment deferral.
CRE	Provided 232 days of payment deferral.
Residential mortgage	Provided 209 212 days of payment deferral.
Home equity	Provided 167 days of payment deferral.
Indirect auto	Provided 125 133 days of payment deferral.
Other consumer	Provided 151 153 days of payment deferral.
<b>Combination - Interest Rate Adjustment and Term Extension</b>	
Commercial and industrial	Extended the term by 76 months and increased the interest rate by 3%.
Residential mortgage	Extended the term by 114 124 months and increased the interest rate by 0.4% 0.5%.
Home equity	Extended the term by 229 258 months and decreased the interest rate by 3%.
Indirect auto	Extended the term by 11 months and decreased the interest rate by 7%.
Other consumer	Extended the term by 63 61 months and decreased the interest rate by 2% 1%.
<b>Combination - Capitalization and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance and extended the term by 107 105 months.
<b>Combination - Capitalization, Interest Rate and Term Extension</b>	
Residential mortgage	Capitalized a portion of forborne loan and other advanced payments into the outstanding loan balance, extended the term by 125 130 months, and decreased the interest rate by 0.1% 0.2%.

The tables above exclude trial modifications totaling \$88 \$77 million as of June 30, 2023 September 30, 2023. Such modifications will be included in the modification activity disclosure if the borrower successfully completes the trial period and the loan modification is finalized.

As of June 30, 2023 September 30, 2023, Truist had \$419 \$594 million in unfunded lending commitments related to the modified obligations summarized in the tables above.

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

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Truist closely monitors the performance of the loans that are modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. The following table summarizes the period-end delinquency status and amortized cost of loans that were modified since January 1, 2023. The period-end delinquency status of loans that were modified are disclosed at amortized cost and reflect the impact of any paydowns, payoffs, and/or charge-offs that occurred subsequent to modification.

June 30, 2023 (Dollars in millions)	Payment Status (Amortized Cost Basis)				Payment Status (Amortized Cost Basis)
	90 Days or More Past	30-89 Days	Past Due	Due	
		Current	Past Due	Due	Total

September 30, 2023 (Dollars in millions)									September 30, 2023 (Dollars in millions)	Commercial:	30-89 Days	90 Days or More	
									Current	Past Due	Past Due	Total	
Commercial:	Commercial:								Commercial:				
Commercial and industrial	Commercial and industrial	\$ 528	\$ 3	\$ 33	\$ 564				Commercial and industrial	\$ 743	\$ 2	\$ 32	\$ 777
CRE	CRE	187	—	—	187				CRE	120	—	21	141
Commercial construction	Commercial construction	3	—	—	3				Commercial construction	21	—	—	21
Consumer:	Consumer:								Consumer:				
Residential mortgage	Residential mortgage	282	77	44	403				Residential mortgage	354	104	74	532
Home equity	Home equity	6	—	1	7				Home equity	9	—	—	9
Indirect auto	Indirect auto	157	17	3	177				Indirect auto	438	65	7	510
Other consumer	Other consumer	14	1	—	15				Other consumer	18	1	—	19
Credit card	Credit card	7	1	1	9				Credit card	9	1	1	11
Total	Total	\$ 1,184	\$ 99	\$ 82	\$ 1,365				Total	\$ 1,712	\$ 173	\$ 135	\$ 2,020
Total nonaccrual loans included above	Total nonaccrual loans included above	\$ 291	\$ 23	\$ 47	\$ 361				Total nonaccrual loans included above	\$ 227	\$ 28	\$ 82	\$ 337

The following table provides the amortized cost basis of financing receivables that were modified and were in payment default:

June 30, 2023 (Dollars in millions)													September 30, 2023 (Dollars in millions)														
Commercial:			Commercial:			Commercial:			Commercial:			Commercial:			Commercial:			Commercial:			Commercial:						
Term		Payment		Capitalization		and Term		Capitalization		and Term		Capitalization		and Term		Capitalization		and Term		Capitalization		and Term					
Renewals	Extensions	Capitalizations	Delays	Extension	Extension	Other	Total	Renewals	Extensions	Capitalizations	Delays	Extension	Extension	Other	Total	Renewals	Extensions	Capitalizations	Delays	Extension	Extension	Other	Total				
Commercial:	Commercial:							Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:	Commercial:			
Commercial and industrial	Commercial and industrial	\$ 33	\$ —	\$ —	\$ —	\$ —	\$ 33	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial	Commercial and industrial								
CRE	CRE							CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE	CRE		
Consumer:	Consumer:							Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	Consumer:	
Residential mortgage	Residential mortgage	—	5	3	18	14	2	2	44	Residential mortgage	—	7	8	28	25	4	2	74	Indirect auto	—	—	—	—	—	2	7	
Home equity	Home equity	—	—	—	—	—	—	1	1	Indirect auto	—	—	—	5	—	—	—	—	Credit card	—	—	—	—	—	1	1	
Indirect auto	Indirect auto	—	—	—	—	—	—	3	3	Credit card	—	—	—	—	—	—	—	—	Total	\$ 53	\$ 7	\$ 8	\$ 33	\$ 25	4	\$ 5	\$ 135
Credit card	Credit card	—	—	—	—	—	—	1	1	Total	\$ 53	\$ 7	\$ 8	\$ 33	\$ 25	\$ 4	\$ 5	\$ 135									
Total	Total	\$ 33	\$ 5	\$ 3	\$ 18	\$ 14	\$ 2	\$ 7	\$ 82																		

#### TDRs

The following table presents a summary of TDRs:

		Dec 31, 2022
<b>Performing TDRs:</b>		
Commercial:		
Commercial and industrial		\$ 136
CRE		5
Commercial construction		1
Consumer:		
Residential mortgage		1,252
Home equity		51
Indirect auto		462
Other consumer		31
Student		30
Credit card		18
<b>Total performing TDRs</b>		<b>1,986</b>
Nonperforming TDRs		
<b>Total TDRs</b>		<b>2,200</b>
ALLL attributable to TDRs		
		\$ 152

The primary type of modification for TDRs designated in 2022 is summarized in the tables below. TDR balances represent the recorded investment at the end of the quarter in which the modification was made. The prior quarter balance represents recorded investment at the beginning of the quarter in which the modification was made. Rate modifications consist of TDRs made with below market interest rates, including those that also have modifications of loan structures.

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(Dollars in millions)	As of / For the Three Months Ended										As of / For the Nine Months Ended									
	June 30, 2022					As of / For the Six Months Ended June 30, 2022					September 30, 2022					September 30, 2022				
	Type of		Type of Modification			Type of		Type of Modification			Type of		Type of Modification			Type of				
	Type of	Prior	Related	Type of	Prior	Related	Type of	Prior	Related	Type of	Prior	Related	Type of	Prior	Related	Type of	Prior	Related		
	Modification	Quarter	ALLL at	Modification	Quarter	(Dollars	Modification	Quarter	Related	Modification	Quarter	Related	Modification	Quarter	Related	Modification	Quarter	Related		
	(Dollars in	Loan	Period	(Dollars in	Loan	Period	(Dollars in	Loan	Period	(Dollars in	Loan	Period	(Dollars in	Loan	Period	(Dollars in	Loan	Period		
	millions)	Rate	Structure	millions)	Rate	Structure	millions)	Rate	Structure	millions)	Rate	Structure	millions)	Rate	Structure	millions)	Rate	Structure		
Newly	Newly									Newly										
designated	designated									designated										
TDRs:	TDRs:									TDRs:										
Commercial	Commercial	\$ —	\$ 1	\$ 1	\$ —	\$ —	\$ 9	\$ 11	\$ —	Commercial	\$ 66	\$ —	\$ 66	\$ 9	\$ 66	\$ 9	\$ 77	\$ 9	\$ 9	
Consumer	Consumer	97	197	293	14	245	388	622	29	Consumer	123	117	236	12	368	505	858	41		
Credit card	Credit card	2	—	2	1	4	—	4	2	Credit card	2	—	2	1	6	—	6	3		
Re-modification	Re-modification									Re-modification										
of previously	of previously									of previously										
designated	designated									designated										
TDRs	TDRs	9	29			30	40			TDRs							73	90		

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

The following table presents additional information about loans and leases:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Unearned income, discounts, and net deferred loan fees and costs	\$ 401	\$ 269	\$ 528	\$ 269		

## NOTE 6. Goodwill and Other Intangible Assets

During the third quarter of 2023, the Company observed continuing declines in its financial forecasts for its CB&W and C&CB reporting units. The Company considered such declines in the context of industry related factors, including a decline in bank share prices, concluding that a triggering event had occurred for its CB&W and C&CB reporting units, and therefore Truist performed a qualitative assessment quantitative test for these reporting units as of current August 1, 2023. Based on the results of the impairment analyses, the Company concluded that the fair values of the reporting units exceed their respective carrying values; therefore, there was no goodwill impairment. However, for the CB&W, and C&CB reporting units, the fair value of the reporting unit exceeded its carrying value by less than 10%, indicating that the goodwill of these reporting units may be at risk of impairment. The Company monitored events and circumstances during the period from August 1, 2023 through September 30, 2023, including macroeconomic and market factors, industry and banking sector events, Truist specific performance indicators, and a comparison of management's forecast and assumptions to those used in its October 1, 2022 qualitative August 1, 2023 quantitative impairment test. Truist test, and the sensitivity of the August 1, 2023 quantitative test results to changes in assumptions through September 30, 2023. Based on these considerations, the Company concluded that it was not more-likely-than-not that the fair value of one or more of its reporting units is below its respective carrying amount as of June 30, 2023, and therefore no triggering event occurred that required a quantitative goodwill impairment test. September 30, 2023. Refer to "Note 1. Basis of Presentation" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional information.

The changes in the carrying amount of goodwill attributable to operating segments are reflected in the table below. Activity during 2023 relates to the realignment of Prime Rate Premium Finance Corporation into the C&CB segment from the IH segment. Activity during 2022 reflects the acquisition of BankDirect Capital Finance, BenefitMall, and Kensington Vanguard National Land Services. Refer to "Note 2. Business Combinations" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional information on the acquisitions and "Note 18. Operating Segments" for additional information on segments.

(Dollars in millions)	(Dollars in millions)	CB&W	C&CB	IH	Total	(Dollars in millions)	CB&W	C&CB	IH	Total
Goodwill, January 1, 2022	Goodwill, January 1, 2022	\$ 16,870	\$ 6,149	\$ 3,079	\$ 26,098	Goodwill, January 1, 2022	\$ 16,870	\$ 6,149	\$ 3,079	\$ 26,098
Mergers and acquisitions	Mergers and acquisitions	—	—	912	912	Mergers and acquisitions	—	—	912	912
Adjustments and other	Adjustments and other	(5)	5	3	3	Adjustments and other	(5)	5	3	3
Goodwill, December 31, 2022	Goodwill, December 31, 2022	16,865	6,154	3,994	27,013	Goodwill, December 31, 2022	16,865	6,154	3,994	27,013
Adjustments and other	Adjustments and other	—	216	(216)	—	Adjustments and other	—	215	(249)	(34)
Goodwill, June 30, 2023		\$ 16,865	\$ 6,370	\$ 3,778	\$ 27,013					
Goodwill, September 30, 2023						Goodwill, September 30, 2023	\$ 16,865	\$ 6,369	\$ 3,745	\$ 26,979

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023			December 31, 2022			September 30, 2023			December 31, 2022			
		Gross		Net Carrying	Gross		(Dollars in millions)	Gross		Net	Gross		Net	
		Carrying Amount	Accumulated Amortization		Carrying Amount	Accumulated Amortization		Carrying Amount	Accumulated Amortization		Carrying Amount	Accumulated Amortization		
CDI	CDI	\$ 2,473	\$ (1,527)	\$ 946	\$ 2,473	\$ (1,403)	\$ 1,070	CDI	\$ 2,473	\$ (1,589)	\$ 884	\$ 2,473	\$ (1,403)	\$ 1,070
Other, primarily client relationship intangibles	Other, primarily client relationship intangibles	3,791	(1,334)	2,457	3,812	(1,210)	2,602	Other, primarily client relationship intangibles	3,807	(1,399)	2,408	3,812	(1,210)	2,602
Total	Total	\$ 6,264	\$ (2,861)	\$ 3,403	\$ 6,285	\$ (2,613)	\$ 3,672	Total	\$ 6,280	\$ (2,988)	\$ 3,292	\$ 6,285	\$ (2,613)	\$ 3,672

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## NOTE 7. Loan Servicing

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

## Residential Mortgage Activities

The following tables summarize residential mortgage servicing activities:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
UPB of residential mortgage loan servicing portfolio	UPB of residential mortgage loan servicing portfolio	\$ 280,064	\$ 274,028	UPB of residential mortgage loan servicing portfolio	\$ 271,632	\$ 274,028
UPB of residential mortgage loans serviced for others, primarily agency conforming fixed rate	UPB of residential mortgage loans serviced for others, primarily agency conforming fixed rate	222,917	217,046	UPB of residential mortgage loans serviced for others, primarily agency conforming fixed rate	214,953	217,046
Mortgage loans sold with recourse	Mortgage loans sold with recourse	184	200	Mortgage loans sold with recourse	180	200
Maximum recourse exposure from mortgage loans sold with recourse liability	Maximum recourse exposure from mortgage loans sold with recourse liability	115	127	Maximum recourse exposure from mortgage loans sold with recourse liability	114	127
Indemnification, recourse and repurchase reserves	Indemnification, recourse and repurchase reserves	53	56	Indemnification, recourse and repurchase reserves	52	56
As of / For the Six Months Ended June 30,						
(Dollars in millions)		2023	2022		As of / For the Nine Months Ended September 30,	
As of / For the Nine Months Ended September 30,						
(Dollars in millions)		2023	2022		(Dollars in millions)	
UPB of residential mortgage loans sold from LHFS	UPB of residential mortgage loans sold from LHFS	\$ 7,101	\$ 15,907	UPB of residential mortgage loans sold from LHFS	\$ 10,643	\$ 22,971
Pre-tax gains recognized on mortgage loans sold and held for sale	Pre-tax gains recognized on mortgage loans sold and held for sale	34	66	Pre-tax gains recognized on mortgage loans sold and held for sale	49	62
Servicing fees recognized from mortgage loans serviced for others	Servicing fees recognized from mortgage loans serviced for others	364	297	Servicing fees recognized from mortgage loans serviced for others	517	462
Approximate weighted average servicing fee on the outstanding balance of residential mortgage loans serviced for others	Approximate weighted average servicing fee on the outstanding balance of residential mortgage loans serviced for others	0.27 %	0.30 %	Approximate weighted average servicing fee on the outstanding balance of residential mortgage loans serviced for others	0.27 %	0.30 %
Weighted average interest rate on mortgage loans serviced for others	Weighted average interest rate on mortgage loans serviced for others	3.54	3.42	Weighted average interest rate on mortgage loans serviced for others	3.51	3.45

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

(Dollars in millions)	(Dollars in millions)	2023	2022	(Dollars in millions)	2023	2022
Residential MSRs, carrying value, January 1	Residential MSRs, carrying value, January 1	\$ 3,428	\$ 2,305	Residential MSRs, carrying value, January 1	\$ 3,428	\$ 2,305
Acquired	Acquired	123	195	Acquired	123	321
Additions	Additions	129	257	Additions	199	372
Sales	Sales	(429)	—	Sales	(531)	—
Change in fair value due to changes in valuation inputs or assumptions <sup>(1)</sup>	Change in fair value due to changes in valuation inputs or assumptions <sup>(1)</sup>	64	606	Change in fair value due to changes in valuation inputs or assumptions <sup>(1)</sup>	207	771
Realization of expected net servicing cash flows, passage of time, and other	Realization of expected net servicing cash flows, passage of time, and other	(133)	(215)	Realization of expected net servicing cash flows, passage of time, and other	(204)	(306)
Residential MSRs, carrying value, June 30		\$ 3,182	\$ 3,148			
Residential MSRs, carrying value, September 30				Residential MSRs, carrying value, September 30	\$ 3,222	\$ 3,463

(1) The six nine months ended June 30, 2023 September 30, 2023 includes realized gains on the portfolio sale of excess servicing.

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023			December 31, 2022			September 30, 2023			December 31, 2022		
		Range		Weighted Average	Range		(Dollars in millions)	Weighted Average	Range		Weighted Average	Range	
		Min	Max		Min	Max			Min	Max		Min	Max
Prepayment speed	Prepayment speed	7.4 %	14.8 %	8.1 %	8.6 %	12.5 %	9.0 %	Prepayment speed	6.6 %	11.3 %	7.1 %	8.6 %	12.5 %
Effect on fair value of a 10% increase	Effect on fair value of a 10% increase			\$ (88)			\$ (110)	Effect on fair value of a 10% increase			\$ (83)		\$ (110)
Effect on fair value of a 20% increase	Effect on fair value of a 20% increase			(170)			(211)	Effect on fair value of a 20% increase			(160)		(211)
OAS	OAS	2.1 %	12.2 %	4.7 %	1.2 %	11.4 %	4.0 %	OAS	2.3 %	12.3 %	4.8 %	1.2 %	11.4 %
Effect on fair value of a 10% increase	Effect on fair value of a 10% increase			\$ (60)			\$ (55)	Effect on fair value of a 10% increase			\$ (63)		\$ (55)
Effect on fair value of a 20% increase	Effect on fair value of a 20% increase			(119)			(108)	Effect on fair value of a 20% increase			(124)		(108)
Composition of loans serviced for others:	Composition of loans serviced for others:							Composition of loans serviced for others:					
Fixed-rate residential mortgage loans	Fixed-rate residential mortgage loans			99.6 %			99.5 %	Fixed-rate residential mortgage loans			99.6 %		99.5 %
Adjustable-rate residential mortgage loans	Adjustable-rate residential mortgage loans			0.4			0.5	Adjustable-rate residential mortgage loans			0.4		0.5
Total	Total			100.0 %			100.0 %	Total			100.0 %		100.0 %

Weighted average life	Weighted average life	7.2 years	6.8 years	Weighted average life	7.7 years	6.8 years
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The sensitivity calculations above are hypothetical and should not be considered predictive of future performance. As indicated, changes in fair value based on adverse changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, in the above table, the effect of an adverse variation in one assumption on the fair value of the MSRs is calculated without changing any other assumption; while in reality, changes in one factor may result in changes in another, which may magnify or counteract the effect of the change. See "Note 15. Fair Value Disclosures" for additional information on the valuation techniques used.

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#### Commercial Mortgage Activities

The following table summarizes commercial mortgage servicing activities:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
UPB of CRE mortgages serviced for others	UPB of CRE mortgages serviced for others	\$ 35,076	\$ 36,622	UPB of CRE mortgages serviced for others	\$ 34,179	\$ 36,622
CRE mortgages serviced for others	CRE mortgages serviced for others			CRE mortgages serviced for others		
covered by recourse provisions	covered by recourse provisions	9,698	9,955	covered by recourse provisions	9,718	9,955
Maximum recourse exposure from CRE mortgages sold with recourse liability	Maximum recourse exposure from CRE mortgages sold with recourse liability	2,819	2,861	Maximum recourse exposure from CRE mortgages sold with recourse liability	2,827	2,861
Recorded reserves related to recourse exposure	Recorded reserves related to recourse exposure	17	17	Recorded reserves related to recourse exposure	17	17
CRE mortgages originated during the year-to-date period	CRE mortgages originated during the year-to-date period	2,046	7,779	CRE mortgages originated during the year-to-date period	2,866	7,779
Commercial MSRs at fair value	Commercial MSRs at fair value	292	301	Commercial MSRs at fair value	295	301

#### NOTE 8. Other Assets and Liabilities

##### Lessee Operating and Finance Leases

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023		December 31, 2022		(Dollars in millions)	September 30, 2023		December 31, 2022	
		Operating Leases	Finance Leases	Operating Leases	Finance Leases		Operating Leases	Finance Leases	Operating Leases	Finance Leases
ROU assets	ROU assets	\$ 1,128	\$ 22	\$ 1,193	\$ 20	ROU assets	\$ 1,112	\$ 11	\$ 1,193	\$ 20
Total lease liabilities	Total lease liabilities	1,460	25	1,545	23	Total lease liabilities	1,436	12	1,545	23
Weighted average remaining term	Weighted average remaining term	6.3 years	5.8 years	6.6 years	5.6 years	Weighted average remaining term	6.2 years	5.6 years	6.6 years	5.6 years

Weighted average discount rate	Weighted average	2.9 %	3.6 %	2.7 %	3.4 %	Weighted average discount rate	3.0 %	4.8 %	2.7 %	3.4 %	
(Dollars in millions)	Three Months Ended June 30,			Six Months Ended June 30,			Three Months Ended September 30,			Nine Months Ended September 30,	
	(Dollars in millions)	2023	2022	2023	2022	(Dollars in millions)	2023	2022	2023	2022	
Operating lease costs	Operating lease costs	\$ 74	\$ 75	\$ 156	\$ 160	Operating lease costs	\$ 74	\$ 81	\$ 230	\$ 241	

### Lessor Operating Leases

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Assets held under operating leases <sup>(1)</sup> (2)	Assets held under operating leases <sup>(1)</sup> (2)	\$ 2,065	\$ 2,090	Assets held under operating leases <sup>(1)</sup> (2)	\$ 2,028	\$ 2,090
Accumulated depreciation	Accumulated depreciation	(561)	(550)	Accumulated depreciation	(575)	(550)
Net	Net	\$ 1,504	\$ 1,540	Net	\$ 1,453	\$ 1,540

(1) Includes certain land parcels subject to operating leases that have indefinite lives.

(2) Excludes operating leases held-for-sale that totaled \$421 million and \$516 million at September 30, 2023 and December 31, 2022, respectively.

### Bank-Owned Life Insurance

Bank-owned life insurance consists of life insurance policies held on certain teammates for which the Company is the beneficiary. The carrying value of bank-owned life insurance was \$7.7 billion at June 30, 2023 September 30, 2023 and \$7.6 billion at December 31, 2022.

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### NOTE 9. Borrowings

The following table presents a summary of short-term borrowings:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
FHLB advances	FHLB advances	\$ 18,900	\$ 18,900	FHLB advances	\$ 18,900	\$ 18,900
Securities sold under agreements to repurchase	Securities sold under agreements to repurchase	3,165	2,128	Securities sold under agreements to repurchase	2,130	2,128
Securities sold short	Securities sold short	1,585	1,551	Securities sold short	1,718	1,551
Collateral in excess of derivative exposures	Collateral in excess of derivative exposures	463	403	Collateral in excess of derivative exposures	451	403
Master notes	Master notes	242	370	Master notes	200	370
Other short-term borrowings	Other short-term borrowings	101	70	Other short-term borrowings	86	70
Total short-term borrowings	Total short-term borrowings	\$ 24,456	\$ 23,422	Total short-term borrowings	\$ 23,485	\$ 23,422

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
(Dollars in millions)	(Dollars in millions)			(Dollars in millions)		

Truist Financial Corporation:	Truist Financial Corporation:	millions)	millions)			Truist Financial Corporation:		
Fixed rate senior notes	Fixed rate senior notes	\$ 19,093		\$ 14,107		Fixed rate senior notes	\$ 18,801	\$ 14,107
Floating rate senior notes	Floating rate senior notes	999		999		Floating rate senior notes	999	999
Fixed rate subordinated notes <sup>(1)</sup>	Fixed rate subordinated notes <sup>(1)</sup>	1,857		1,882		Fixed rate subordinated notes <sup>(1)</sup>	1,824	1,882
Capital notes <sup>(1)</sup>	Capital notes <sup>(1)</sup>	627		625		Capital notes <sup>(1)</sup>	628	625
Structured notes <sup>(2)</sup>	Structured notes <sup>(2)</sup>	—		12		Structured notes <sup>(2)</sup>	—	12
Truist Bank:	Truist Bank:					Truist Bank:		
Fixed rate senior notes	Fixed rate senior notes	4,634		6,982		Fixed rate senior notes	4,142	6,982
Floating rate senior notes	Floating rate senior notes	1,250		1,749		Floating rate senior notes	1,250	1,749
Fixed rate subordinated notes <sup>(1)</sup>	Fixed rate subordinated notes <sup>(1)</sup>	4,758		4,767		Fixed rate subordinated notes <sup>(1)</sup>	4,740	4,767
Fixed rate FHLB advances	Fixed rate FHLB advances	2		2		Fixed rate FHLB advances	2	2
Floating rate FHLB advances	Floating rate FHLB advances	10,300		10,800		Floating rate FHLB advances	7,600	10,800
Other long-term debt <sup>(3)</sup>	Other long-term debt <sup>(3)</sup>	1,229		1,278		Other long-term debt <sup>(3)</sup>	1,246	1,278
Total long-term debt	Total long-term debt	\$ 44,749		\$ 43,203		Total long-term debt	\$ 41,232	\$ 43,203

(1) Subordinated and capital notes with a remaining maturity of one year or greater qualify under the risk-based capital guidelines as Tier 2 supplementary capital, subject to certain limitations.

(2) Consist of notes with various terms that include fixed or floating rate interest or returns that are linked to an equity index.

(3) Includes debt associated with finance leases, tax credit investments, and other.

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### NOTE 10. Shareholders' Equity

#### Common Stock

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Cash dividends declared per share	\$ 0.52	\$ 0.48	\$ 1.04	\$ 0.96

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Cash dividends declared per share	\$ 0.52	\$ 0.52	\$ 1.56	\$ 1.48

### NOTE 11. AOCI

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

(Dollars in millions)	Pension and OPEB							Pension and OPEB						
	(Dollars in millions)		Costs	Hedges	AFS	HTM	Costs	Hedges	AFS	HTM	Other, net	Total		
			Securities	Securities	Other, net	Total			Securities	Securities	net	Total		
AOCI balance, April 1, 2022		\$ (78)	\$ (4)	\$ (3,627)	\$ (2,828)	\$ 2	\$ (6,535)							
AOCI balance, July 1, 2022														
OCI before reclassifications, net of tax	OCI before reclassifications, net of tax	—	46	(2,873)	—	(2)	(2,829)	OCI before reclassifications, net of tax	—	(140)	(3,047)	—	(6)	(3,193)
Amounts reclassified from AOCI:	Amounts reclassified from AOCI:							Amounts reclassified from AOCI:						
Before tax	Before tax	8	5	32	119	—	164	Before tax	6	1	(6)	105	—	106
Tax effect	Tax effect	3	2	8	27	—	40	Tax effect	—	—	(2)	25	—	23
Amounts reclassified, net of tax	Amounts reclassified, net of tax	5	3	24	92	—	124	Amounts reclassified, net of tax	6	1	(4)	80	—	83
Total OCI, net of tax	Total OCI, net of tax	5	49	(2,849)	92	(2)	(2,705)	Total OCI, net of tax	6	(139)	(3,051)	80	(6)	(3,110)
AOCI balance, June 30, 2022		\$ (73)	\$ 45	\$ (6,476)	\$ (2,736)	\$ —	\$ (9,240)							
AOCI balance, April 1, 2023		\$ (1,549)	\$ 47	\$ (8,542)	\$ (2,533)	\$ (4)	\$ (12,581)							
AOCI balance, September 30, 2022								AOCI balance, September 30, 2022	\$ (67)	\$ (94)	\$ (9,527)	\$ (2,656)	\$ (6)	\$ (12,350)
AOCI balance, July 1, 2023								AOCI balance, July 1, 2023	\$ (1,541)	\$ (270)	\$ (9,092)	\$ (2,468)	\$ (3)	\$ (13,374)
OCI before reclassifications, net of tax	OCI before reclassifications, net of tax	(5)	(321)	(496)	—	1	(821)	OCI before reclassifications, net of tax	10	(268)	(1,938)	—	(1)	(2,197)
Amounts reclassified from AOCI:	Amounts reclassified from AOCI:							Amounts reclassified from AOCI:						
Before tax	Before tax	17	5	(71)	82	—	33	Before tax	16	17	(100)	82	—	15
Tax effect	Tax effect	4	1	(17)	17	—	5	Tax effect	3	4	(23)	19	—	3
Amounts reclassified, net of tax	Amounts reclassified, net of tax	13	4	(54)	65	—	28	Amounts reclassified, net of tax	13	13	(77)	63	—	12
Total OCI, net of tax	Total OCI, net of tax	8	(317)	(550)	65	1	(793)	Total OCI, net of tax	23	(255)	(2,015)	63	(1)	(2,185)
AOCI balance, June 30, 2023		\$ (1,541)	\$ (270)	\$ (9,092)	\$ (2,468)	\$ (3)	\$ (13,374)							
AOCI balance, September 30, 2023								AOCI balance, September 30, 2023	\$ (1,518)	\$ (525)	\$ (11,107)	\$ (2,405)	\$ (4)	\$ (15,559)
(Dollars in millions)	Pension and OPEB							Pension and OPEB						
	(Dollars in millions)		Costs	Hedges	AFS	HTM	Costs	Hedges	AFS	HTM	Other, net	Total		
		Securities	Securities	Other, net	Total			Securities	Securities	net	Total			
AOCI balance, January 1, 2022	AOCI balance, January 1, 2022	\$ (86)	\$ (9)	\$ (1,510)	\$ —	\$ 1	\$ (1,604)	AOCI balance, January 1, 2022	\$ (86)	\$ (9)	\$ (1,510)	\$ —	\$ 1	\$ (1,604)
OCI before reclassifications, net of tax	OCI before reclassifications, net of tax	2	46	(7,909)	—	(1)	(7,862)	OCI before reclassifications, net of tax	2	(94)	(10,956)	—	(7)	(11,055)
AFS Securities transferred to HTM, net of tax	AFS Securities transferred to HTM, net of tax	—	—	2,872	(2,872)	—	—	AFS Securities transferred to HTM, net of tax	—	—	2,872	(2,872)	—	—

Amounts reclassified from AOCI:	Amounts reclassified from AOCI:	Amounts reclassified from AOCI:
Before tax	16 11 93 176 — 296	Before tax 22 12 87 281 — 402
Tax effect	5 3 22 40 — 70	Tax effect 5 3 20 65 — 93
Amounts reclassified, net of tax	11 8 71 136 — 226	Amounts reclassified, net of tax 17 9 67 216 — 309
Total OCI, net of tax	Total OCI, net of tax 13 54 (7,838) 136 (1) (7,636)	Total OCI, net of tax 19 (85) (10,889) 216 (7) (10,746)
AOCI balance, June 30, 2022	\$ (73) \$ 45 \$ (6,476) \$ (2,736) \$ — \$ (9,240)	AOCI balance, September 30, 2022 \$ (67) \$ (94) \$ (9,527) \$ (2,656) \$ (6) \$ (12,350)
AOCI balance, January 1, 2023	AOCI balance, January 1, 2023 \$ (1,535) \$ (78) \$ (9,395) \$ (2,588) \$ (5) \$ (13,601)	AOCI balance, January 1, 2023 \$ (1,535) \$ (78) \$ (9,395) \$ (2,588) \$ (5) \$ (13,601)
OCI before reclassifications, net of tax	OCI before reclassifications, net of tax (31) (196) 407 — 2 182	OCI before reclassifications, net of tax (21) (464) (1,531) — 1 (2,015)
Amounts reclassified from AOCI:	Amounts reclassified from AOCI:	Amounts reclassified from AOCI:
Before tax	33 5 (136) 152 — 54	Before tax 49 22 (236) 234 — 69
Tax effect	8 1 (32) 32 — 9	Tax effect 11 5 (55) 51 — 12
Amounts reclassified, net of tax	Amounts reclassified, net of tax 25 4 (104) 120 — 45	Amounts reclassified, net of tax 38 17 (181) 183 — 57
Total OCI, net of tax	Total OCI, net of tax (6) (192) 303 120 2 227	Total OCI, net of tax 17 (447) (1,712) 183 1 (1,958)
AOCI balance, June 30, 2023	\$ (1,541) \$ (270) \$ (9,092) \$ (2,468) \$ (3) \$ (13,374)	AOCI balance, September 30, 2023 \$ (1,518) \$ (525) \$ (11,107) \$ (2,405) \$ (4) \$ (15,559)
Primary income statement location of amounts reclassified from AOCI	Primary income statement location of amounts reclassified from AOCI	Primary income statement location of amounts reclassified from AOCI
	Net interest gains (losses)	Net interest gains (losses)
	Other income and Net interest income	Other income and Net interest income
	Other expense and Other expense	Other expense and Other expense
	Net interest income	Net interest income

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## NOTE 12. Income Taxes

For the three months ended **June 30, 2023** **September 30, 2023** and 2022, the provision for income taxes was **\$287** **\$245** million and **\$372** **\$363** million, respectively, representing effective tax rates of **17.6%** **17.2%** and **19.5%** **18.2%**, respectively. For the six months ended **June 30, 2023** and 2022, the provision for income taxes was **\$681** million and **\$702** million, respectively, representing effective tax rates of 19.2% for both periods. The lower effective tax rate for the three months ended **June 30, 2023** **September 30, 2023** was primarily driven by lower decreases in the full year forecasted effective tax rate, partially offset by changes in discrete tax items. For the nine months ended **September 30, 2023** and 2022, the provision for income **before taxes** was \$926 million and \$1.1 billion, respectively, representing effective tax rates of 18.6% and 18.8%, respectively. The Company calculated the provision for income taxes by applying the estimated annual effective tax rate to year-to-date pre-tax income and adjusting for discrete items that occurred during the period.

## NOTE 13. Benefit Plans

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

(Dollars in millions)	(Dollars in millions)	Statement	Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,				Nine Months Ended September 30,			
			Income				Income				Income				Income			
			Location	2023	2022		Location	2023	2022		Location	2023	2022		Location	2023	2022	
Personnel																		
Service cost	Service cost	expense	\$ 93	\$ 140	\$ 186	\$ 279	Service cost	expense	\$ 77	\$ 139	\$ 263	\$ 418						
		Other																
Interest cost	Interest cost	expense	112	88	223	176	Interest cost	expense	112	87	334	263						
Estimated return on plan assets	Estimated return on plan assets	Other expense	(228)	(270)	(456)	(539)	Estimated return on plan assets	Other expense	(226)	(269)	(682)	(808)						
Amortization and other	Amortization and other	Other expense	19	9	39	17	Amortization and other	Other expense	19	10	59	27						
Net periodic (benefit) cost	Net periodic (benefit) cost		\$ (4)	\$ (33)	\$ (8)	\$ (67)	Net periodic (benefit) cost		\$ (18)	\$ (33)	\$ (26)	\$ (100)						

Truist makes contributions to the qualified pension plans up to the maximum amount deductible for federal income tax purposes. Discretionary contributions totaling \$1.3 billion were made to the Truist pension plan during the **six** **nine** months ended **June 30, 2023** **September 30, 2023**.

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#### NOTE 14. Commitments and Contingencies

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

##### Tax Credit and Certain Equity Investments

The Company invests as a limited partner in certain projects through the New Market Tax Credit program, which is a Federal financial program aimed to stimulate business and real estate investment in underserved communities via a Federal tax credit. Following the first quarter of 2023 adoption of the Investments in Tax Credit Structures accounting standard, these tax credits, referred to as "Other qualified tax credits" below, qualify for the proportional amortization method. **The Company also applied the proportional amortization method to investments through the Production Tax Credits program.** Refer to "Note 1. Basis of Presentation" for additional information.

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

(Dollars in millions)	(Dollars in millions)	Balance Sheet				Balance Sheet			
		Location	Jun 30, 2023	Dec 31, 2022		(Dollars in millions)	Location	Sep 30, 2023	Dec 31, 2022
Investments in affordable housing projects and other qualified tax credits:	Investments in affordable housing projects and other qualified tax credits:					Investments in affordable housing projects and other qualified tax credits:			
Carrying amount	Carrying amount	Other assets	\$ 5,960	\$ 5,869		Carrying amount	Other assets	\$ 6,368	\$ 5,869
Amount of future funding commitments included in carrying amount	Amount of future funding commitments included in carrying amount	Other liabilities		1,762		Amount of future funding commitments included in carrying amount	Other liabilities		1,762
			1,796					2,150	
Lending exposure	Lending exposure	Loans and leases for funded amounts	1,667	1,547		Lending exposure	Loans and leases for funded amounts	1,773	1,547
Renewable energy investments:	Renewable energy investments:					Renewable energy investments:			

Carrying amount	Carrying amount	Other assets	246	264	Carrying amount	Other assets	310	264
Amount of future funding commitments not included in carrying amount	Amount of future funding commitments not included in carrying amount	NA	662	361	Amount of future funding commitments not included in carrying amount	NA	721	361
SBIC and certain other equity method investments:	SBIC and certain other equity method investments:				SBIC and certain other equity method investments:			
Carrying amount	Carrying amount	Other assets	633	596	Carrying amount	Other assets	670	596
Amount of future funding commitments not included in carrying amount	Amount of future funding commitments not included in carrying amount	NA	565	532	Amount of future funding commitments not included in carrying amount	NA	603	532

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

(Dollars in millions)	(Dollars in millions)	Income Statement	Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,				Nine Months Ended September 30,			
			Location		2023	2022	Location		2023	2022	Location		2023	2022	Location		2023	2022
			Tax credits:	Investments in affordable housing projects, other qualified tax credits, and other community development investments	Provision for income taxes	\$ 160	\$ 151	Provision for income taxes	\$ 317	\$ 302	Provision for income taxes	\$ 163	\$ 163	\$ 480	\$ 465	Provision for income taxes	\$ 153	\$ 143
Investments in affordable housing projects, other qualified tax credits, and other community development investments	Investments in affordable housing projects, other qualified tax credits, and other community development investments																	
Amortization and other changes in carrying amount:	Amortization and other changes in carrying amount:																	
Investments in affordable housing projects and other qualified tax credits <sup>(1)</sup>	Investments in affordable housing projects and other qualified tax credits <sup>(1)</sup>																	
Other community development investments <sup>(1)</sup>	Other community development investments <sup>(1)</sup>	Other noninterest income	3	20	5	39												

(1) In the first quarter of 2023, the Company adopted the Investments in Tax Credit Structures accounting standard. As a result, amortization related to these tax credits started being recognized in the Provision for income taxes as of the adoption of this standard. This activity was previously recognized in Other income. Refer to "Note 1. Basis of Presentation" for additional information.

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#### Letters of Credit and Financial Guarantees

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

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Commitments to extend, originate, or purchase credit and other commitments	Commitments to extend, originate, or purchase credit and other commitments	\$ 215,275	\$ 216,838	Commitments to extend, originate, or purchase credit and other commitments	\$ 212,827	\$ 216,838
Residential mortgage loans sold with recourse	Residential mortgage loans sold with recourse	184	200	Residential mortgage loans sold with recourse	180	200
CRE mortgages serviced for others covered by recourse provisions	CRE mortgages serviced for others covered by recourse provisions	9,698	9,955	CRE mortgages serviced for others covered by recourse provisions	9,718	9,955
Other loans serviced for others covered by recourse provisions	Other loans serviced for others covered by recourse provisions	759	723	Other loans serviced for others covered by recourse provisions	819	723
Letters of credit	Letters of credit	5,893	6,030	Letters of credit	6,306	6,030

#### Total Return Swaps

The Company facilitates matched book TRS transactions on behalf of clients, whereby a VIE purchases reference assets identified by a client and the Company enters into a TRS with the VIE, with a mirror-image TRS facing the client. The Company provides senior financing to the VIE in the form of demand notes to fund the purchase of the reference assets. Reference assets are typically fixed income instruments primarily composed of syndicated bank loans. The TRS contracts pass through interest and other cash flows on the reference assets to the third-party clients, along with exposing those clients to decreases in value on the assets and providing them with the rights to appreciation on the assets. The terms of the TRS contracts require the third parties to post initial margin collateral, as well as ongoing margin as the fair values of the underlying reference assets change. The following table provides a summary of the TRS transactions with VIE purchases. VIE assets include trading loans and bonds:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Total return swaps:	Total return swaps:			Total return swaps:		
VIE assets	VIE assets	\$ 1,812	\$ 1,830	VIE assets	\$ 1,780	\$ 1,830
Trading loans and bonds	Trading loans and bonds	1,734	1,790	Trading loans and bonds	1,732	1,790
VIE liabilities	VIE liabilities	43	163	VIE liabilities	92	163

The Company concluded that the associated VIEs should be consolidated because the Company has (i) the power to direct the activities that most significantly impact the economic performance of the VIE and (ii) the obligation to absorb losses and the right to receive benefits, which could potentially be significant. The activities of the VIEs are restricted to buying and selling the reference assets, and the risks/benefits of any such assets owned by the VIEs are passed to the third-party clients via the TRS contracts. For additional information on TRS contracts and the related VIEs, see "Note 16. Derivative Financial Instruments."

#### Pledged Assets

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Pledged securities	Pledged securities	\$ 40,590	\$ 38,012	Pledged securities	\$ 39,702	\$ 38,012

Pledged loans:		Pledged loans:		Pledged loans:	
FRB	FRB	72,823	71,234	FRB	74,463
FHLB	FHLB	68,987	68,988	FHLB	68,488
Unused borrowing capacity:	Unused borrowing capacity:			Unused borrowing capacity:	
FRB	FRB	52,737	49,250	FRB	54,633
FHLB	FHLB	23,219	20,770	FHLB	23,615

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#### ***Litigation and Regulatory Matters***

Truist and/or its subsidiaries are routinely named as defendants in or parties to numerous actual or threatened legal proceedings, including civil litigation and regulatory investigations or enforcement matters, arising from the ordinary conduct of its regular business activities. The matters range from individual actions involving a single plaintiff to class action lawsuits with many class members and can involve claims for substantial or indeterminate alleged damages or for injunctive or other relief. Investigations may involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations, and could result in fines, penalties, restitution, and/or alterations in Truist's business practices. These legal proceedings are at varying stages of adjudication, arbitration, or investigation and may consist of a variety of claims, including common law tort and contract claims, as well as statutory antitrust, securities, and consumer protection claims. The ultimate resolution of any proceeding and the timing of such resolution is uncertain and inherently difficult to predict. It is possible that the ultimate resolution of these matters, including those described below, if unfavorable, may be material to the consolidated financial position, consolidated results of operations, or consolidated cash flows of Truist, or cause significant reputational consequences.

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Truist establishes accruals for legal matters when potential losses associated with the actions become probable and the amount of loss can be reasonably estimated. There is no assurance that the ultimate resolution of these matters will not significantly exceed the amounts that Truist has accrued. Accruals for legal matters are based on management's best judgment after consultation with counsel and others.

The Company estimates reasonably possible losses, in excess of amounts accrued, of up to approximately \$200 million as of **June 30, 2023** **September 30, 2023**. This estimate does not represent Truist's maximum loss exposure, and actual losses may vary significantly. Also, the outcome of a particular matter may be one that the Company did not take into account in its estimate because the Company deemed the likelihood of that outcome to be remote. In addition, the matters underlying this estimate will change from time to time. Estimated losses are based upon currently available information and involve considerable judgment, given that claims often include significant legal uncertainties, damages alleged by plaintiffs are often unspecified or overstated, discovery may not have started or may not be complete, and material facts may be disputed or unsubstantiated, among other factors.

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

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

#### **Bickerstaff v. SunTrust Bank**

This class action case was filed in the Fulton County State Court on July 12, 2010, and an amended complaint was filed on August 9, 2010. Plaintiff asserts alleges that all overdraft fees charged to his account which related to debit card and ATM transactions are actually interest charges and therefore subject to the usury laws of Georgia. Plaintiff has brought The amended complaint asserts claims for violations of civil and criminal usury laws, conversion, and money had and received, and seeks damages on a class-wide basis, including refunds of challenged overdraft fees and pre-judgment interest. On October 6, 2017, the trial court granted plaintiff's motion for class certification and defined the class as "Every Georgia citizen who had or has one or more accounts with SunTrust Bank and who, from July 12, 2006, to October 6, 2017 (i) had at least one overdraft of \$500.00 or less resulting from an ATM or debit card transaction (the "Transaction"); (ii) paid any Overdraft Fees as a result of the Transaction; and (iii) did not receive a refund of those Fees," and the granting of a certified class was affirmed on appeal. The Company previously filed On behalf of the certified class as currently defined, Plaintiff seeks a motion return of up to \$452 million in paid overdraft fees from the 2006 to 2017 period above, plus prejudgment interest. Truist intends to file motions to amend the class definition in which it sought to narrow the scope of the class, and renewed motions to compel arbitration against certain class members, which and for summary judgment by the court found were premature. On September 22, 2022, the trial court entered a scheduling order holding that the court will consider such motions after discovery, which is ongoing, is completed current dispositive motion deadline of October 31, 2023. Trial is presently set to commence on April 29, 2024. The Company continues to believe that it has substantial defenses against the underlying claims are without merit claims.

#### **United Services Automobile Association v. Truist Bank**

USAA filed a lawsuit on July 29, 2022 against the Company in the United States District Court for the Eastern District of Texas alleging that the Company's mobile remote deposit capture ("RDC") systems ~~infringe~~ infringed three patents held by USAA. The complaint ~~seeks~~ sought damages, including for alleged willful infringement and a corresponding request that the amount of actual damages be trebled, as well as injunctive and other equitable relief. USAA later amended its complaint to assert two additional RDC patents in the lawsuit. The Company filed its answer and affirmative defenses on October 11, 2022, denying that it ~~infringes~~ infringed any of the patents at issue in the lawsuit and asserting that USAA's patents are ~~were~~ invalid or unenforceable. On December 30, 2022, the Company filed a motion for leave to amend its answer to assert further asserted counterclaims seeking damages as well as injunctive relief against USAA for infringing ~~four~~ six patents owned by the Company and practiced by USAA's mobile remote deposit capture RDC systems. On March 13, 2023, the Company also filed petitions for inter partes review ("IPR") at the Patent Trial and Appeal Board challenging the validity of each of the five patents asserted by USAA filed a motion in the lawsuit, and review was granted for leave to file a first amended complaint asserting infringement claims related to a fourth USAA patent. On April 8, 2023, the Company's motion for leave to amend its answer to assert counterclaims was granted. On April 14, 2023, USAA filed a motion seeking to sever the Company's counterclaims from the case, and on May 1, 2023, USAA filed a motion to dismiss claims related to two of the counterclaim patents and denied for one of the patents. On May 3, 2023, USAA filed a motion for leave to file a second amended complaint asserting infringement claims related to a fifth USAA patent. On May 15, 2023, the Company filed a motion for leave to file a second amended answer and counterclaims to bring claims against USAA for infringement related to two additional patents owned by the Company. On June 21, 2023, the district court entered an order granting both USAA's and the Company's pending motions for leave to amend their pleadings. On June 27, 2023, USAA filed an updated motion to sever, seeking to sever the two additional patents asserted by Truist from the case, and USAA also moved to dismiss claims related to these patents on July 6, 2023. Discovery in the district court proceedings is ongoing, and trial is presently set to commence on March 18, 2024.

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At the Patent Trial and Appeal Board, the Company filed separate petitions for inter partes review on October 11, November 7, and November 15, 2022 challenging the validity of each of the first three patents asserted by USAA in the lawsuit. In addition, on April 13, 2023 Effective September 29, 2023, the Company filed and USAA entered into a petition for inter partes review challenging Settlement and Patent License Agreement resolving the validity lawsuit. The lawsuit was dismissed with prejudice on October 10, 2023, and the Company's pending IPR proceedings regarding USAA's RDC patents have been terminated. The financial impact of the fourth patent USAA added to the lawsuit. On May 16, 2023, the Patent Trial and Appeal Board denied institution of resolution did not have a material adverse effect on the Company's petitions for inter partes review challenging one of the first three USAA patents, and the Company has filed a Request for Rehearing by the Director of one of the decisions denying institution. On May 18 and June 14, 2023, the Patent Trial and Appeal Board granted institution of the Company's petitions for inter partes review challenging the second and third patents originally brought by USAA in its lawsuit. For those patents for which institution of the petitions for inter partes review has been granted, the Patent Trial and Appeal Board will review the validity of the claims in the applicable patent(s) upon further proceedings which will include briefing by the parties and a hearing before the assigned panel. financial condition or operating results.

#### Recordkeeping Matters

The SEC and CFTC have requested information from various subsidiaries of the Company that conduct broker-dealer, investment adviser, and swap dealer activities regarding compliance with applicable recordkeeping requirements for business-related electronic communications. The Company is cooperating with these requests. The SEC and CFTC have been conducting similar investigations of other financial institutions regarding business-related communications sent over unapproved electronic messaging channels and have entered into a number of resolutions with various institutions to date.

#### FDIC Special Assessment

During the second quarter of 2023, the FDIC issued a proposed rule to impose a special assessment to recover the losses to the Deposit Insurance Fund following the recent bank failures. The assessment would be based on an insured depository institution's estimated uninsured deposits reported as of December 31, 2022. If the final rule is adopted as proposed, the special assessment for Truist is estimated at approximately ~~\$460 million~~ \$460 million to be recognized at the time the rule is finalized and paid in eight quarterly installments beginning in the first quarter of 2024. The actual assessment may vary as a result of the final rule, including any changes to the calculation methodology. Additionally, the FDIC would have the ability to cease collection early, extend the collection period to collect any difference between the estimated and actual losses to the Deposit Insurance Fund, and impose a final shortfall assessment on a one-time basis.

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#### **NOTE 15. Fair Value Disclosures**

##### ***Recurring Fair Value Measurements***

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

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

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

June 30, 2023 (Dollars in millions)		Netting					September 30, 2023 (Dollars in millions)					
		Total	Level 1	Level 2	Level 3	Adjustments <sup>(1)</sup>						
Assets:	Assets:						Assets:					
Trading assets:	Trading assets:						Trading assets:					
U.S. Treasury	U.S. Treasury	\$ 142	\$ —	\$ 142	\$ —	\$ —	U.S. Treasury	\$ 117	\$ —	\$ 117	\$ —	
GSE	GSE	50	—	50	—	—	GSE	47	—	47	—	
Agency MBS - residential	Agency MBS - residential	—	—	—	—	—	Agency MBS - residential	—	—	—	—	
States and political subdivisions	States and political subdivisions	466	—	466	—	—	States and political subdivisions	511	—	511	—	
Corporate and other debt securities	Corporate and other debt securities	1,368	—	1,368	—	—	Corporate and other debt securities	1,480	—	1,480	—	
Loans	Loans	1,701	—	1,701	—	—	Loans	1,775	—	1,775	—	
Other	Other	370	306	64	—	—	Other	454	363	91	—	
Total trading assets	Total trading assets	4,097	306	3,791	—	—	Total trading assets	4,384	363	4,021	—	
AFS securities:	AFS securities:						AFS securities:					
U.S. Treasury	U.S. Treasury	9,718	—	9,718	—	—	U.S. Treasury	10,361	—	10,361	—	
GSE	GSE	288	—	288	—	—	GSE	324	—	324	—	
Agency MBS - residential	Agency MBS - residential	53,195	—	53,195	—	—	Agency MBS - residential	49,076	—	49,076	—	
Agency MBS - commercial	Agency MBS - commercial	2,292	—	2,292	—	—	Agency MBS - commercial	2,135	—	2,135	—	
States and political subdivisions	States and political subdivisions	418	—	418	—	—	States and political subdivisions	394	—	394	—	
Non-agency MBS	Non-agency MBS	3,028	—	3,028	—	—	Non-agency MBS	2,808	—	2,808	—	
Other	Other	26	—	26	—	—	Other	19	—	19	—	
Total AFS securities	Total AFS securities	68,965	—	68,965	—	—	Total AFS securities	65,117	—	65,117	—	
LHFS at fair value	LHFS at fair value	1,645	—	1,645	—	—	LHFS at fair value	1,269	—	1,269	—	
Loans and leases	Loans and leases	16	—	—	16	—	Loans and leases	16	—	—	16	
Loan servicing rights at fair value	Loan servicing rights at fair value	3,497	—	—	3,497	—	Loan servicing rights at fair value	3,537	—	—	3,537	
Other assets:	Other assets:						Other assets:					
Derivative assets	Derivative assets	805	907	1,819	2	(1,923)	Derivative assets	749	685	2,090	1	(2,027)
Equity securities	Equity securities	910	803	107	—	—	Equity securities	330	227	103	—	—
Total assets	Total assets	\$ 79,935	\$ 2,016	\$ 76,327	\$ 3,515	\$ (1,923)	Total assets	\$ 75,402	\$ 1,275	\$ 72,600	\$ 3,554	\$ (2,027)
Liabilities:	Liabilities:						Liabilities:					

Derivative liabilities	Derivative liabilities	\$ 3,128	\$ 486	\$ 4,665	\$ 33	\$ (2,056)	Derivative liabilities	\$ 3,474	\$ 428	\$ 5,002	\$ 40	\$ (1,996)
Securities sold short	Securities sold short	1,585	263	1,322	—	—	Securities sold short	1,718	214	1,504	—	—
Total liabilities	Total liabilities	\$ 4,713	\$ 749	\$ 5,987	\$ 33	\$ (2,056)	Total liabilities	\$ 5,192	\$ 642	\$ 6,506	\$ 40	\$ (1,996)

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(Dollars in millions)

	Total	Level 1	Level 2	Level 3	Netting Adjustments <sup>(1)</sup>
<b>Assets:</b>					
Trading assets:					
U.S. Treasury	\$ 137	\$ —	\$ 137	\$ —	\$ —
GSE	457	—	457	—	—
Agency MBS - residential	804	—	804	—	—
Agency MBS - commercial	62	—	62	—	—
States and political subdivisions	422	—	422	—	—
Corporate and other debt securities	761	—	761	—	—
Loans	1,960	—	1,960	—	—
Other	302	261	41	—	—
<b>Total trading assets</b>	<b>4,905</b>	<b>261</b>	<b>4,644</b>	<b>—</b>	<b>—</b>
AFS securities:					
U.S. Treasury	10,295	—	10,295	—	—
GSE	303	—	303	—	—
Agency MBS - residential	55,225	—	55,225	—	—
Agency MBS - commercial	2,424	—	2,424	—	—
States and political subdivisions	416	—	416	—	—
Non-agency MBS	3,117	—	3,117	—	—
Other	21	—	21	—	—
<b>Total AFS securities</b>	<b>71,801</b>	<b>—</b>	<b>71,801</b>	<b>—</b>	<b>—</b>
LHFS at fair value	1,065	—	1,065	—	—
Loans and leases	18	—	—	18	—
Loan servicing rights at fair value	3,758	—	—	3,758	—
Other assets:					
Derivative assets	684	472	1,980	1	(1,769)
Equity securities	898	796	102	—	—
<b>Total assets</b>	<b>\$ 83,129</b>	<b>\$ 1,529</b>	<b>\$ 79,592</b>	<b>\$ 3,777</b>	<b>\$ (1,769)</b>
<b>Liabilities:</b>					
Derivative liabilities	\$ 2,971	\$ 364	\$ 4,348	\$ 37	\$ (1,778)
Securities sold short	1,551	114	1,437	—	—
<b>Total liabilities</b>	<b>\$ 4,522</b>	<b>\$ 478</b>	<b>\$ 5,785</b>	<b>\$ 37</b>	<b>\$ (1,778)</b>

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

At **June 30, 2023** **September 30, 2023** and December 31, 2022, investments totaling **\$379 million** **\$402 million** and **\$385 million**, respectively, have been excluded from the table above as they are valued based on net asset value as a practical expedient. These investments primarily consist of certain SBIC funds.

For additional information on the valuation techniques and significant inputs for Level 2 and Level 3 assets and liabilities that are measured at fair value on a recurring basis, see "Note 18. Fair Value Disclosures" of the Annual Report on Form 10-K for the year ended December 31, 2022.

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Activity for Level 3 assets and liabilities is summarized below:

Three Months Ended June 30, 2023		and 2022			Loans and Leases			Loan Servicing Rights			Net Derivatives		
(Dollars in millions)													
Balance at April 1, 2022		\$ 21			\$ 3,013			\$ (74)					
Three Months Ended September 30, 2023 and 2022 (Dollars in millions)													
Balance at July 1, 2022													
Total realized and unrealized gains (losses):	Total realized and unrealized gains (losses):				Total realized and unrealized gains (losses):								
Included in earnings	Included in earnings	—	260	(93)	Included in earnings	—	190	(61)					
Purchases	Purchases	—	195	—	Purchases	—	126	—					
Issuances	Issuances	—	123	23	Issuances	—	130	(30)					
Sales	Sales	—	(1)	—	Sales	—	(6)	—					
Settlements	Settlements	—	(124)	108	Settlements	—	(109)	56					
Transfers out of level 3 and other		(1)			—			—					
Balance at June 30, 2022		\$ 20			\$ 3,466			\$ (36)					
Balance at April 1, 2023		\$ 17			\$ 3,303			\$ (18)					
Other					Other			(1)			—		
Balance at September 30, 2022					Balance at September 30, 2022			\$ 19			\$ 3,797		
Balance at July 1, 2023					Balance at July 1, 2023			\$ 16			\$ 3,497		
Total realized and unrealized gains (losses):	Total realized and unrealized gains (losses):				Total realized and unrealized gains (losses):								
Included in earnings	Included in earnings	—	70	(20)	Included in earnings	—	151	(25)					
Purchases		—	123	—									
Issuances	Issuances	—	92	18	Issuances	—	78	1					
Sales	Sales	—	(1)	—	Sales	—	(102)	—					
Settlements	Settlements	(1)	(90)	(11)	Settlements	—	(87)	16					
Balance at June 30, 2023		\$ 16			\$ 3,497			\$ (31)					
Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at June 30, 2023		\$ —			\$ 71			\$ (9)					

Balance at September 30, 2023	Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at September 30, 2023	Balance at September 30, 2023

Six Months Ended June 30, 2023 and 2022								
		Loans and Leases		Loan Servicing Rights		Net Derivatives		
(Dollars in millions)								
Nine Months Ended September 30, 2023 and 2022	(Dollars in millions)							
Balance at January 1, 2022	Balance at January 1, 2022	\$ 23	\$ 2,633	\$ (12)	Balance at January 1, 2022	\$ 23	\$ 2,633	\$ (12)
Total realized and unrealized gains (losses):	Total realized and unrealized gains (losses):				Total realized and unrealized gains (losses):			
Included in earnings	Included in earnings	—	617	(263)	Included in earnings	—	807	(324)
Purchases	Purchases	—	195	—	Purchases	—	321	—
Issuances	Issuances	—	281	40	Issuances	—	411	10
Sales	Sales	—	(1)	—	Sales	—	(7)	—
Settlements	Settlements	—	(259)	199	Settlements	—	(368)	255
Other	Other	(3)	—	—	Other	(4)	—	—
Balance at June 30, 2022		\$ 20	\$ 3,466	\$ (36)				

Balance at September 30, 2022								
		Loans and Leases		Loan Servicing Rights		Net Derivatives		
(Dollars in millions)								
Balance at January 1, 2023	Balance at January 1, 2023	\$ 18	\$ 3,758	\$ (36)	Balance at January 1, 2023	\$ 18	\$ 3,758	\$ (36)
Total realized and unrealized gains (losses):	Total realized and unrealized gains (losses):				Total realized and unrealized gains (losses):			
Included in earnings	Included in earnings	—	65	(22)	Included in earnings	—	216	(47)
Purchases	Purchases	—	123	—	Purchases	—	123	—
Issuances	Issuances	—	140	16	Issuances	—	218	17
Sales	Sales	—	(429)	—	Sales	—	(531)	—
Settlements	Settlements	(2)	(160)	11	Settlements	(2)	(247)	27

Balance at June 30, 2023	\$ 16	\$ 3,497	\$ (31)		Balance at		
Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at June 30, 2023	—	\$ 16	\$ (20)		Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at September 30, 2023	\$ 16	\$ 3,537
Balance at September 30, 2023					Balance at September 30, 2023	\$ (39)	
Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at September 30, 2023					Change in unrealized gains (losses) included in earnings for the period, attributable to assets and liabilities still held at September 30, 2023	\$ 166	\$ (39)
Primary income statement location of realized gains (losses) included in earnings	Primary income statement location of realized gains (losses) included in earnings	Other income	Mortgage banking income	Mortgage banking income	Primary income statement location of realized gains (losses) included in earnings	Other income	Mortgage banking income

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#### Fair Value Option

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

(Dollars in millions)	June 30, 2023			December 31, 2022		
	Fair Value	UPB	Difference	Fair Value	UPB	Difference
Trading loans	\$ 1,701	\$ 1,819	\$ (118)	\$ 1,960	\$ 2,101	\$ (141)
Loans and leases	16	18	(2)	18	20	(2)
LHFS at fair value	1,645	1,645	—	1,065	1,056	9

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(Dollars in millions)	September 30, 2023			December 31, 2022		
	Fair Value	UPB	Difference	Fair Value	UPB	Difference
Trading loans	\$ 1,775	\$ 1,864	\$ (89)	\$ 1,960	\$ 2,101	\$ (141)
Loans and leases	16	17	(1)	18	20	(2)
LHFS at fair value	1,269	1,288	(19)	1,065	1,056	9

#### Nonrecurring Fair Value Measurements

The following table provides information about certain assets measured at fair value on a nonrecurring basis still held as of period end. The carrying values represent end of period values, which approximate the fair value measurements that occurred on the various measurement dates throughout the period. These assets are considered to be Level 3 assets.

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023		Dec 31, 2022		(Dollars in millions)	Sep 30, 2023		Dec 31, 2022	
Carrying value:	Carrying value:					Carrying value:				
LHFS	LHFS	\$	123	\$	271	LHFS	\$	119	\$	271
Loans and leases	Loans and leases			738	500	Loans and leases		679		500
Other	Other		91		120	Other		506		120

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

(Dollars in millions)	(Dollars in millions)	Six Months Ended June 30,		Nine Months Ended September 30,	
		2023	2022	(Dollars in millions)	2023
Valuation adjustments:	Valuation adjustments:			Valuation adjustments:	
LHFS	LHFS	\$	(27)	LHFS	\$
Loans and leases	Loans and leases		(311)	Loans and leases	
Other <sup>(1)</sup>	Other <sup>(1)</sup>		(86)	Other <sup>(1)</sup>	
			(50)		(198)
					(87)

(1) Prior period amounts were revised.

LHFS with valuation adjustments in the table above consisted primarily of residential mortgages and commercial loans that were valued using market prices and measured at LOCOM. The table above excludes \$155 million and \$108 million of LHFS carried at cost at June 30, 2023 September 30, 2023 and December 31, 2022, respectively, that did not require a valuation adjustment during the period. Additionally, the table above excludes \$98 million of charge-offs related to the student loan portfolio sale that occurred in the second quarter of 2023, which was previously provided for. The remainder of LHFS is carried at fair value.

Loans and leases consist of larger commercial loans and leases that are collateral-dependent and other secured loans and leases that have been charged-off to the fair value of the collateral. Valuation adjustments for loans and leases are primarily recorded in the Provision for credit losses in the Consolidated Statement of Income. Refer to "Note 1. Basis of Presentation" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional discussion of individually evaluated loans and leases.

Other includes foreclosed real estate, other foreclosed property, ROU assets, premises and equipment, OREO, and OREO, held for sale operating leases, and consists primarily of residential homes, commercial properties, vacant lots, and automobiles. ROU assets are measured based on the fair value of the assets, which considers the potential for sublease income. The remaining assets are measured at LOCOM, less costs to sell.

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#### Financial Instruments Not Recorded at Fair Value

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

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023		December 31, 2022		(Dollars in millions)	Fair Value	September 30, 2023		December 31, 2022		
		Hierarchy	Carrying Amount	Fair Value	Carrying Amount			Hierarchy	Carrying Amount	Fair Value	Carrying Amount	
Financial assets:	Financial assets:					Financial assets:						
HTM securities	HTM securities	Level 2	\$ 55,958	\$ 45,956	\$ 57,713	\$ 47,791	HTM securities	Level 2	\$ 54,942	\$ 42,501	\$ 57,713	\$ 47,791

Loans and leases	Loans and leases						Loans and leases				
HFI, net of ALLL	HFI, net of ALLL	Level 3	317,470	308,846	321,596	308,738	HFI, net of ALLL	Level 3	310,990	299,829	321,596
Financial liabilities:	Financial liabilities:						Financial liabilities:				
Time deposits	Time deposits	Level 2	42,227	41,992	23,474	23,383	Time deposits	Level 2	42,148	41,900	23,474
Long-term debt	Long-term debt	Level 2	44,749	43,072	43,203	40,951	Long-term debt	Level 2	41,232	39,705	43,203
											40,951

The carrying value of the RUFC, which approximates the fair value of unfunded commitments, was \$273 million and \$272 million at June 30, 2023 September 30, 2023 and December 31, 2022, respectively.

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## NOTE 16. Derivative Financial Instruments

### Impact of Derivatives on the Consolidated Balance Sheets

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

(Dollars in millions)	(Dollars in millions)	June 30, 2023			December 31, 2022			September 30, 2023		
		Fair Value		Fair Value		Fair Value		Fair Value		
		Notional Amount	Assets	Notional Amount	Assets	Notional Amount	Assets	Notional Amount	Assets	
Cash flow hedges:	Cash flow hedges:									
Interest rate contracts:	Interest rate contracts:									
Swaps hedging commercial loans	Swaps hedging commercial loans	\$ 21,400	\$ —	\$ —	\$ 16,650	\$ —	\$ —	\$ 20,900	\$ —	\$ — \$ 1
Fair value hedges:	Fair value hedges:									
Interest rate contracts:	Interest rate contracts:									
Swaps hedging long-term debt	Swaps hedging long-term debt	19,268	—	(66)	16,393	—	(68)	19,268	—	(56) 1
Swaps hedging AFS securities	Swaps hedging AFS securities	8,627	—	—	7,097	—	—	20,052	—	—
Total	Total	27,895	—	(66)	23,490	—	(68)	39,320	—	(56) 2
Not designated as hedges:	Not designated as hedges:									
Client-related and other risk management:	Client-related and other risk management:									
Interest rate contracts:	Interest rate contracts:									
Swaps	Swaps	295,199	599	(2,620)	155,670	579	(2,665)	158,550	618	(3,026) 15
Options	Options	44,020	164	(188)	29,840	172	(192)	38,430	145	(168) 2
Forward commitments	Forward commitments	211	—	—	1,495	8	(2)	372	4	(2)
Other	Other	3,337	—	—	3,823	1	—	3,239	—	—
Equity contracts	Equity contracts	36,590	1,058	(1,481)	33,185	644	(901)	40,653	824	(1,331) 3
Credit contracts:	Credit contracts:									
Trading assets	Trading assets	120	—	—	140	—	—	600	—	—

Loans and leases	Loans and leases	465	—	(1)	394	—	—	Loans and leases	465	—	—
Risk participation agreements	Risk participation agreements	7,473	—	(2)	6,824	—	(3)	Risk participation agreements	7,638	—	(2)
Total return swaps	Total return swaps	1,802	62	(7)	1,729	81	(2)	Total return swaps	1,693	41	(10)
Foreign exchange contracts	Foreign exchange contracts	23,940	284	(277)	19,022	364	(380)	Foreign exchange contracts	21,679	346	(298)
Commodity	Commodity	9,062	439	(429)	4,881	444	(447)	Commodity	9,156	476	(465)
Total	Total	422,219	2,606	(5,005)	257,003	2,293	(4,592)	Total	282,475	2,454	(5,302)
Mortgage banking:	Mortgage banking:							Mortgage banking:			
Interest rate contracts:	Interest rate contracts:							Interest rate contracts:			
Swaps	Swaps	277	—	—	115	—	—	Swaps	148	—	—
Options <sup>(1)</sup>	Options <sup>(1)</sup>	400	1	—	400	1	—	Options <sup>(1)</sup>	400	3	—
Interest rate lock commitments	Interest rate lock commitments	1,426	2	(16)	999	1	(17)	Interest rate lock commitments	1,259	1	(23)
When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	2,600	39	—	1,728	24	(6)	When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	2,013	56	—
Other	Other	99	—	—	140	1	—	Other	68	—	—
Total	Total	4,802	42	(16)	3,382	27	(23)	Total	3,888	60	(23)
MSRs:	MSRs:							MSRs:			
Interest rate contracts:	Interest rate contracts:							Interest rate contracts:			
Swaps	Swaps	14,605	—	—	14,566	—	—	Swaps	13,355	1	—
Options <sup>(1)</sup>	Options <sup>(1)</sup>	15,882	80	(89)	15,505	125	(48)	Options <sup>(1)</sup>	17,112	261	(77)
When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	871	—	(7)	884	8	(15)	When issued securities, forward rate agreements and forward commitments <sup>(1)</sup>	712	—	(10)
Other	Other	2,161	—	(1)	1,532	—	(3)	Other	2,009	—	(2)
Total	Total	33,519	80	(97)	32,487	133	(66)	Total	33,188	262	(89)
Total derivatives not designated as hedges	Total derivatives not designated as hedges	460,540	2,728	(5,118)	292,872	2,453	(4,681)	Total derivatives not designated as hedges	319,551	2,776	(5,414)
Total derivatives	Total derivatives	\$509,835	2,728	(5,184)	\$333,012	2,453	(4,749)	Total derivatives	\$379,771	2,776	(5,470)
Gross amounts in the Consolidated Balance Sheets:	Gross amounts in the Consolidated Balance Sheets:							Gross amounts in the Consolidated Balance Sheets:			
Amounts subject to master netting arrangements and exchange traded derivatives	Amounts subject to master netting arrangements and exchange traded derivatives							Amounts subject to master netting arrangements and exchange traded derivatives			
Cash collateral (received) posted for amounts subject to master netting arrangements	Cash collateral (received) posted for amounts subject to master netting arrangements							Cash collateral (received) posted for amounts subject to master netting arrangements			
Net amount	Net amount	\$ 805	\$ (3,128)		\$ 684	\$ (2,971)		Net amount	\$ 749	\$ (3,474)	

(1) In the second quarter of 2023, Truist reclassified TBA MBS options into the options line item. Prior periods were reclassified to conform to the current presentation.

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The following table presents the offsetting of derivative instruments including financial instrument collateral related to legally enforceable master netting agreements and amounts held or pledged as collateral. U.S. GAAP does not permit netting of non-cash collateral balances in the Consolidated Balance Sheets:

June 30, 2023 (Dollars in millions)		Net Amount in Consolidated Financial		Held/Pledged			
		Gross Amount	Amount Offset	Balance Sheets	Instruments	Net Amount	
September 30, 2023 (Dollars in millions)						September 30, 2023 (Dollars in millions)	Net Amount in Consolidated Financial
Derivative assets:	Derivative assets:					Derivative assets:	
Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ 1,738	\$ (1,438)	\$ 300	\$ —	\$ 300	Derivatives subject to master netting arrangement or similar arrangement
Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	83	—	83	—	83	Derivatives not subject to master netting arrangement or similar arrangement
Exchange traded derivatives	Exchange traded derivatives	907	(485)	422	—	422	Exchange traded derivatives
Total derivative assets	Total derivative assets	\$ 2,728	\$ (1,923)	\$ 805	\$ —	\$ 805	Total derivative assets
Derivative liabilities:	Derivative liabilities:					Derivative liabilities:	
Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ (4,020)	\$ 1,571	\$ (2,449)	\$ 126	\$ (2,323)	Derivatives subject to master netting arrangement or similar arrangement
Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	(678)	—	(678)	—	(678)	Derivatives not subject to master netting arrangement or similar arrangement
Exchange traded derivatives	Exchange traded derivatives	(486)	485	(1)	—	(1)	Exchange traded derivatives

Total derivative liabilities		Total derivative liabilities						Total derivative liabilities		Total derivative liabilities								
		Net Amount in Held/Pledged								Net Amount in Held/Pledged								
December 31, 2022	December 31, 2022	Consolidated		Financial		December 31, 2022	Amount	Consolidated		Financial		December 31, 2022	Amount	Consolidated		Financial		
(Dollars in millions)	(Dollars in millions)	Gross Amount	Amount Offset	Balance Sheets	Instruments	Net Amount	(Dollars in millions)	Gross Amount	Offset	Balance Sheets	Instruments	Net Amount	(Dollars in millions)	Gross Amount	Offset	Balance Sheets	Instruments	Net Amount
Derivative assets:	Derivative assets:																	
Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ 1,895	\$ (1,408)	\$ 487	\$ —	\$ 487		Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ 1,895	\$ (1,408)	\$ 487	\$ —	\$ 487				
Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	86	—	86	—	86		Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	86	—	86	—	86				
Exchange traded derivatives	Exchange traded derivatives	472	(361)	111	—	111		Exchange traded derivatives	Exchange traded derivatives	472	(361)	111	—	111				
Total derivative assets	Total derivative assets	\$ 2,453	\$ (1,769)	\$ 684	\$ —	\$ 684		Total derivative assets	Total derivative assets	\$ 2,453	\$ (1,769)	\$ 684	\$ —	\$ 684				
Derivative liabilities:	Derivative liabilities:							Derivative liabilities:	Derivative liabilities:									
Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ (3,688)	\$ 1,417	\$ (2,271)	\$ 43	\$ (2,228)		Derivatives subject to master netting arrangement or similar arrangement	Derivatives subject to master netting arrangement or similar arrangement	\$ (3,688)	\$ 1,417	\$ (2,271)	\$ 43	\$ (2,228)				
Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	(697)	—	(697)	—	(697)		Derivatives not subject to master netting arrangement or similar arrangement	Derivatives not subject to master netting arrangement or similar arrangement	(697)	—	(697)	—	(697)				
Exchange traded derivatives	Exchange traded derivatives	(364)	361	(3)	—	(3)		Exchange traded derivatives	Exchange traded derivatives	(364)	361	(3)	—	(3)				
Total derivative liabilities	Total derivative liabilities	\$ (4,749)	\$ 1,778	\$ (2,971)	\$ 43	\$ (2,928)		Total derivative liabilities	Total derivative liabilities	\$ (4,749)	\$ 1,778	\$ (2,971)	\$ 43	\$ (2,928)				

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

(Dollars in millions)	June 30, 2023				December 31, 2022				September 30, 2023				December 31, 2022			
	Hedge Basis Adjustment				Hedge Basis Adjustment				Hedge Basis Adjustment				Hedge Basis Adjustment			
	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items	Hedged Asset /	Items
	(Dollars in millions)	Basis	Currently Designated	Discontinued Hedges	Basis	Currently Designated	Discontinued Hedges	Basis	Currently Designated	Discontinued Hedges	Basis	Currently Designated	Discontinued Hedges	Basis	Currently Designated	Discontinued Hedges

AFS securities <sup>(1)</sup>	AFS securities <sup>(1)</sup>	\$ 37,365	\$ (576)	\$ (4)	\$ 38,773	\$ (630)	\$ (4)	AFS securities <sup>(1)</sup>	\$ 45,402	\$ (926)	\$ (4)	\$ 38,773	\$ (630)	\$ (4)
Loans and leases	Loans and leases	347	—	9	353	—	10	Loans and leases	331	—	8	353	—	10
Long-term debt	Long-term debt	30,333	(579)	(141)	25,378	(780)	218	Long-term debt	28,242	(855)	(192)	25,378	(780)	218

(1) The amortized cost of AFS securities was \$44.6 billion at **June 30, 2023** September 30, 2023 and \$46.2 billion at December 31, 2022. Further, as of **June 30, 2023** September 30, 2023, closed portfolios of securities hedged under the portfolio layer method have an amortized cost of \$23.0 billion, \$51.5 billion, of which \$8.6 billion \$20.1 billion was designated as hedged. The remaining amount of amortized cost is from securities with terminated hedges where the basis adjustment is being amortized into earnings using the effective interest method over the contractual life of the security.

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

#### Derivatives Designated as Hedging Instruments under GAAP

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

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

(Dollars in millions)	(Dollars in millions)	Three Months Ended June 30,		Six Months Ended June 30,		(Dollars in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Pre-tax gain (loss) recognized in OCI:	Pre-tax gain (loss) recognized in OCI:					Pre-tax gain (loss) recognized in OCI:				
Commercial loans	Commercial loans	\$ (419)	\$ 59	\$ (256)	\$ 59	Commercial loans	\$ (351)	\$ (182)	\$ (607)	\$ (123)
Pre-tax gain (loss) reclassified from AOCI into interest expense:	Pre-tax gain (loss) reclassified from AOCI into interest expense:					Pre-tax gain (loss) reclassified from AOCI into interest expense:				
Long-term debt	Long-term debt	—	(5)	—	(11)	Long-term debt	—	(1)	—	(12)
Commercial Loans	Commercial Loans	(5)	—	(5)	—	Commercial Loans	(17)	—	(22)	—

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

(Dollars in millions)	(Dollars in millions)	Three Months Ended June 30,		Six Months Ended June 30,		(Dollars in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Investment securities:	Investment securities:					Investment securities:				
Amounts related to interest settlements	Amounts related to interest settlements	\$ 87	\$ 9	\$ 163	\$ 4	Amounts related to interest settlements	\$ 119	\$ 36	\$ 282	\$ 40
Recognized on derivatives	Recognized on derivatives	42	60	(53)	474	Recognized on derivatives	326	157	273	631
Recognized on hedged items	Recognized on hedged items	(31)	(42)	75	(444)	Recognized on hedged items	(323)	(142)	(248)	(586)
Net income (expense) recognized <sup>(1)</sup>	Net income (expense) recognized <sup>(1)</sup>	98	27	185	34	Net income (expense) recognized <sup>(1)</sup>	122	51	307	85
Loans and leases:	Loans and leases:					Loans and leases:				
Recognized on hedged items	Recognized on hedged items	—	—	(1)	(1)	Recognized on hedged items	(1)	(1)	(2)	(2)

Net income (expense) recognized	Net income (expense) recognized	—	—	(1)	(1)	Net income (expense) recognized	(1)	(1)	(2)	(2)
<b>Long-term debt:</b>										
Amounts related to interest settlements	Amounts related to interest settlements	(47)	3	(93)	19	Amounts related to interest settlements	(56)	(23)	(149)	(4)
Recognized on derivatives	Recognized on derivatives	(291)	(38)	(135)	(467)	Recognized on derivatives	(319)	(445)	(454)	(912)
Recognized on hedged items	Recognized on hedged items	299	82	157	568	Recognized on hedged items	326	482	483	1,050
Net income (expense) recognized	Net income (expense) recognized	(39)	47	(71)	120	Net income (expense) recognized	(49)	14	(120)	134
Net income (expense) recognized, total	Net income (expense) recognized, total	\$ 59	\$ 74	\$ 113	\$ 153	Net income (expense) recognized, total	\$ 72	\$ 64	\$ 185	\$ 217

(1) Includes \$12 million and \$22 \$33 million of income recognized for the three and **six** nine months ended **June 30, 2023** September 30, 2023, respectively, and \$17 \$15 million and \$25 \$41 million for the three and **six** nine months ended **June 30, 2022** September 30, 2022, respectively, from securities with terminated hedges that were reclassified to HTM. The income recognized was offset by the amortization of the fair value mark.

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Cash flow hedges:	Cash flow hedges:			Cash flow hedges:		
Net unrecognized after-tax gain (loss) on active hedges recorded in AOCI	Net unrecognized after-tax gain (loss) on active hedges recorded in AOCI	\$ (311)	\$ (118)	Net unrecognized after-tax gain (loss) on active hedges recorded in AOCI	\$ (573)	\$ (118)
Net unrecognized after-tax gain (loss) on terminated hedges recorded in AOCI (to be recognized in earnings through 2029)	Net unrecognized after-tax gain (loss) on terminated hedges recorded in AOCI (to be recognized in earnings through 2029)	41	40	Net unrecognized after-tax gain (loss) on terminated hedges recorded in AOCI (to be recognized in earnings through 2029)	48	40
Estimated portion of net after-tax gain (loss) on active and terminated hedges to be reclassified from AOCI into earnings during the next 12 months	Estimated portion of net after-tax gain (loss) on active and terminated hedges to be reclassified from AOCI into earnings during the next 12 months	(142)	(31)	Estimated portion of net after-tax gain (loss) on active and terminated hedges to be reclassified from AOCI into earnings during the next 12 months	(201)	(31)

Maximum time period over which Truist is hedging a portion of the variability in future cash flows for forecasted transactions excluding those transactions relating to the payment of variable interest on existing instruments	Maximum time period over which Truist is hedging a portion of the variability in future cash flows for forecasted transactions excluding those transactions relating to the payment of variable interest on existing instruments	5 years	6 years	Maximum time period over which Truist is hedging a portion of the variability in future cash flows for forecasted transactions excluding those transactions relating to the payment of variable interest on existing instruments	5 years	6 years
Fair value hedges: Fair value hedges:						
Unrecognized pre-tax net gain (loss) on terminated hedges (to be recognized as interest primarily through 2033) <sup>(1)</sup>		\$ 290	\$ 669			
Unrecognized pre-tax net gain (loss) on terminated hedges						
Portion of pre-tax net gain (loss) on terminated hedges to be recognized as a change in interest during the next 12 months	Portion of pre-tax net gain (loss) on terminated hedges to be recognized as a change in interest during the next 12 months	39	163	Portion of pre-tax net gain (loss) on terminated hedges to be recognized as a change in interest during the next 12 months	22	163

(1) Includes deferred gains that are recorded in AOCI as a result of the reclassification to HTM of previously hedged securities of \$436 million at June 30, 2023 September 30, 2023 and \$457 million at December 31, 2022.

#### Derivatives Not Designated as Hedging Instruments under GAAP

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

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

(Dollars in millions)	(Dollars in millions)	Location	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
			Income Statement		Income Statement		Income Statement		Income Statement	
			2023	2022	2023	2022	2023	2022	2023	2022
Client-related and other risk management:	Client-related and other risk management:									
Interest rate contracts	Interest rate contracts	Investment banking and trading	\$ 52	\$ 72	\$ 86	\$ 128	Interest rate contracts	Investment banking and trading	\$ 37	\$ 59
Foreign exchange contracts	Foreign exchange contracts	Investment banking and trading	(26)	147	(29)	179	Foreign exchange contracts	Investment banking and trading	118	202
		income and other income					income and other income	income and other income	89	381

Equity contracts	Equity contracts	Investment banking and trading income and other income	(22)	2	(20)	7	Equity contracts	Investment banking and trading income and other income	(14)	(57)	(34)	(50)
Credit contracts	Credit contracts	Investment banking and trading income and other income	(26)	83	(59)	91	Credit contracts	Investment banking and trading income and other income	(33)	(7)	(92)	84
Commodity contracts	Commodity contracts	Investment banking and trading income	7	(5)	17	—	Commodity contracts	Investment banking and trading income	3	9	20	9
Mortgage banking:	Mortgage banking:						Mortgage banking:					
Interest rate contracts - residential	Interest rate contracts - residential	Mortgage banking income	23	217	22	478	Interest rate contracts - residential	Mortgage banking income	39	94	61	572
Interest rate contracts - commercial	Interest rate contracts - commercial	Mortgage banking income	(2)	—	(1)	(1)	Interest rate contracts - commercial	Mortgage banking income	—	6	(1)	5
MSRs:	MSRs:						MSRs:					
Interest rate contracts - residential	Interest rate contracts - residential	Mortgage banking income	(83)	(265)	(82)	(614)	Interest rate contracts - residential	Mortgage banking income	(162)	(175)	(244)	(789)
Interest rate contracts - commercial	Interest rate contracts - commercial	Mortgage banking income	(7)	(5)	(4)	(14)	Interest rate contracts - commercial	Mortgage banking income	(9)	(9)	(13)	(23)
Total	Total		\$ (84)	\$ 246	\$ (70)	\$ 254	Total		\$ (21)	\$ 122	\$ (91)	\$ 376

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### Credit Derivative Instruments

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

Truist has entered into risk participation agreements to share the credit exposure with other financial institutions on client-related interest rate derivative contracts. Under these agreements, the Company has guaranteed payment to a dealer counterparty in the event the counterparty experiences a loss on the derivative due to a failure to pay by the counterparty's client. The Company manages its payment risk on its risk participations by monitoring the creditworthiness of the underlying client through the normal credit review process that the Company would have performed had it entered into a derivative directly with the obligors. At June 30, 2023 September 30, 2023, the remaining terms on these risk participations ranged from less than one year to 14 years. The potential future exposure represents the Company's maximum estimated exposure to written risk participations, as measured by projecting a maximum value of the guaranteed derivative instruments based on scenario simulations and assuming 100% default by all obligors on the maximum value.

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

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

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

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Risk participation agreements:	Risk participation agreements:			Risk participation agreements:		
Maximum potential amount of exposure	Maximum potential amount of exposure	\$ 543	\$ 575	Maximum potential amount of exposure	\$ 434	\$ 575
Total return swaps:	Total return swaps:			Total return swaps:		
Cash collateral held	Cash collateral held	461	453	Cash collateral held	435	453

The following table summarizes collateral positions with counterparties:

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Dealer and other counterparties:	Dealer and other counterparties:			Dealer and other counterparties:		
Cash and other collateral received from counterparties	Cash and other collateral received from counterparties	\$ 579	\$ 542	Cash and other collateral received from counterparties	\$ 702	\$ 542
Derivatives in a net gain position secured by collateral received	Derivatives in a net gain position secured by collateral received	668	618	Derivatives in a net gain position secured by collateral received	787	618
Unsecured positions in a net gain with counterparties after collateral postings	Unsecured positions in a net gain with counterparties after collateral postings	89	76	Unsecured positions in a net gain with counterparties after collateral postings	83	76
Cash collateral posted to counterparties	Cash collateral posted to counterparties	837	590	Cash collateral posted to counterparties	789	590
Derivatives in a net loss position secured by collateral	Derivatives in a net loss position secured by collateral	944	692	Derivatives in a net loss position secured by collateral	855	692
Central counterparties clearing:	Central counterparties clearing:			Central counterparties clearing:		
Cash collateral, including initial margin, received from central clearing parties	Cash collateral, including initial margin, received from central clearing parties	—	4	Cash collateral, including initial margin, received from central clearing parties	—	4
Cash collateral, including initial margin, posted to central clearing parties	Cash collateral, including initial margin, posted to central clearing parties	154	45	Cash collateral, including initial margin, posted to central clearing parties	12	45
Derivatives in a net loss position	Derivatives in a net loss position	2	13	Derivatives in a net loss position	—	13
Derivatives in a net gain position	Derivatives in a net gain position	10	12	Derivatives in a net gain position	16	12
Securities pledged to central counterparties clearing	Securities pledged to central counterparties clearing	1,000	639	Securities pledged to central counterparties clearing	1,112	639

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#### NOTE 17. Computation of EPS

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

(Dollars in millions, except per share data, shares in thousands)	Three Months Ended June 30,			Six Months Ended June 30,			(Dollars in millions, except per share data, shares in thousands)	Three Months Ended September 30,			Nine Months Ended September 30,		
	2023	2022	2023	2022	2023	2022		2023	2022	2023	2022	2023	2022
Net income available to common shareholders	Net income available to common shareholders	\$ 1,234	\$ 1,454	\$ 2,644	\$ 2,781	Net income available to common shareholders	\$ 1,071	\$ 1,536	\$ 3,715	\$ 4,317			
Weighted average number of common shares	Weighted average number of common shares	1,331,953	1,330,160	1,330,286	1,329,601	Weighted average number of common shares	1,333,522	1,326,539	1,331,377	1,328,569			
Effect of dilutive outstanding equity-based awards	Effect of dilutive outstanding equity-based awards	5,354	8,704	8,060	10,624	Effect of dilutive outstanding equity-based awards	7,052	10,120	7,664	10,502			
Weighted average number of diluted common shares	Weighted average number of diluted common shares	1,337,307	1,338,864	1,338,346	1,340,225	Weighted average number of diluted common shares	1,340,574	1,336,659	1,339,041	1,339,071			
Basic EPS	Basic EPS	\$ 0.93	\$ 1.09	\$ 1.99	\$ 2.09	Basic EPS	\$ 0.80	\$ 1.16	\$ 2.79	\$ 3.25			
Diluted EPS	Diluted EPS	\$ 0.92	\$ 1.09	\$ 1.98	\$ 2.08	Diluted EPS	\$ 0.80	\$ 1.15	\$ 2.77	\$ 3.22			
Anti-dilutive awards	Anti-dilutive awards	9,123	4,843	4,251	130	Anti-dilutive awards	5,875	—	4,665	85			

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## NOTE 18. Operating Segments

Truist operates and measures business activity across three segments: CB&W, C&CB, and IH, with functional activities included in OT&C. The Company's business segment structure is based on the manner in which financial information is evaluated by management as well as the products and services provided or the type of client served. For additional information, see "Note 21. Operating Segments" of the Annual Report on Form 10-K for the year ended December 31, 2022.

During the first quarter of 2023, Truist realigned Prime Rate Premium Finance Corporation, which includes AFCO Credit Corporation and CAFO Holding Company, into the C&CB segment from the IH segment. Prior period results have been revised to conform to the current presentation. During the second quarter of 2023, Truist updated its segment cost allocation methodology. Results for the first quarter of 2023 have been revised to conform to the current presentation. Management concluded the impact to 2022 was not material.

In conjunction with the Company's April 3, 2023 sale of a 20% stake of the common equity in IH, IH issued \$5.0 billion of 8.25% mandatorily redeemable preferred units to the Company, with the related interest expense, which is fully allocable to the Company, reported in Net intersegment interest income (expense).

Also related to the same transaction, IH was IH's recapitalized from a corporate entity to an LLC, such that each member partner is allocated its share of IH's Insurance Holding's income before taxes, and beginning in the second quarter of 2023 the Company recognizes its associated income tax provision through Other, Treasury & Corporate, OT&C. The Company elected not to restate prior periods for this change based on IH's previous status as a corporate entity. The Company recognized \$54 million \$30 million and \$84 million for the second quarter 2023 three and nine months ended September 30, 2023, respectively, of tax provision related to IH in Other, Treasury & Corporate, OT&C. In the third quarter of 2023, IH recognized \$3 million of taxes for certain state jurisdictions that impose income taxes on partnerships and LLCs.

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The following table presents results by segment:

Three Months Ended June 30, (Dollars in millions)		CB&W		C&CB		IH		OT&C(i)		Total		Three Months Ended September 30, (Dollars in millions)		CB&W		
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Net interest income (expense)	Net interest income (expense)	\$ 1,454	\$ 1,568	\$ 2,420	\$ 1,305	\$ 1	\$ 1	\$ (250)	\$ 533	\$ 3,625	\$ 3,407	Net interest income (expense)	\$ 1,269	\$ 1,690	\$ 2,427	\$ 1,635
Net intersegment interest income (expense)	Net intersegment interest income (expense)	1,214	725	(720)	54	(85)	5	(409)	(784)	—	—	Net intersegment interest income (expense)	1,388	992	(776)	10
Segment net interest income	Segment net interest income	2,668	2,293	1,700	1,359	(84)	6	(659)	(251)	3,625	3,407	Segment net interest income	2,657	2,682	1,651	1,645
Allocated provision for credit losses	Allocated provision for credit losses	224	199	312	(27)	—	—	2	(1)	538	171	Allocated provision for credit losses	248	283	254	(48)
Segment net interest income after provision	Segment net interest income after provision	2,444	2,094	1,388	1,386	(84)	6	(661)	(250)	3,087	3,236	Segment net interest income after provision	2,409	2,399	1,397	1,693
Noninterest income	Noninterest income	828	831	576	688	944	830	(55)	(101)	2,293	2,248	Noninterest income	756	836	584	645
Amortization of intangibles	Amortization of intangibles	68	79	31	33	32	31	—	—	131	143	Amortization of intangibles	67	76	31	33
Other noninterest expense	Other noninterest expense	1,980	1,848	841	782	673	579	123	228	3,617	3,437	Other noninterest expense	1,998	1,854	843	795
Income (loss) before taxes	Income (loss) before taxes	1,224	998	1,092	1,259	155	226	(839)	(579)	1,632	1,904	Income (loss) before taxes	1,100	1,305	1,107	1,510
Provision (benefit) for income taxes	Provision (benefit) for income taxes	293	238	212	273	—	55	(218)	(194)	287	372	Provision (benefit) for income taxes	266	309	215	324
Segment net income (loss)	Segment net income (loss)	\$ 931	\$ 760	\$ 880	\$ 986	\$ 155	\$ 171	\$ (621)	\$ (385)	\$ 1,345	\$ 1,532	Segment net income (loss)	\$ 834	\$ 996	\$ 892	\$ 1,186
Identifiable assets (period end)	Identifiable assets (period end)	\$163,940	\$165,962	\$209,824	\$197,672	\$9,500	\$7,090	\$171,285	\$174,399	\$554,549	\$545,123	Identifiable assets (period end)	\$161,881	\$170,196	\$205,163	\$198,522
															\$ 8,766	
															\$ 7,459	
															\$166,897	
															\$172	

Six Months Ended June 30,		CB&W		C&CB		IH		OT&C(t)		Total		Nine Months Ended September 30,		CB&W		
(Dollars in millions)		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	(Dollars in millions)	2023	2022	2023	
Net interest income	Net interest income	\$ 3,057	\$ 3,095	\$ 4,726	\$ 2,424	\$ 2	\$ 1	\$ (292)	\$ 1,070	\$ 7,493	\$ 6,590	Net interest income	\$ 4,335	\$ 4,794	\$ 7,144	
(expense)	(expense)											(expense)	\$ 3	\$ 3	\$ (425)	
Net interest income	Net interest income	2,359	1,387	(1,279)	220	(72)	7	(1,008)	(1,614)	—	—	Net interest income	3,773	2,395	(2,050)	
(expense)	(expense)											(expense)	225	(153)	17	
Segment net interest	Segment net interest	5,416	4,482	3,447	2,644	(70)	8	(1,300)	(544)	7,493	6,590	Segment net interest	8,108	7,189	5,094	
income	income											income	4,275	(150)	19	
Allocated provision for credit losses	Allocated provision for credit losses	498	272	544	(177)	—	—	(2)	(19)	1,040	76	Allocated provision for credit losses	746	556	797	
													(229)	—	—	
Segment net interest	Segment net interest	4,918	4,210	2,903	2,821	(70)	8	(1,298)	(525)	6,453	6,514	Segment net interest	7,362	6,633	4,297	
income after provision	income after provision											income after provision	4,504	(150)	19	
Noninterest income	Noninterest income	1,701	1,742	1,206	1,344	1,761	1,563	(141)	(259)	4,527	4,390	Noninterest income	2,457	2,578	1,790	
													1,988	2,562	2,295	
Amortization of intangibles	Amortization of intangibles	137	153	62	66	68	61	—	—	267	280	Amortization of intangibles	204	229	93	
Other noninterest expense	Other noninterest expense	3,968	3,661	1,693	1,538	1,323	1,095	188	680	7,172	6,974	Other noninterest expense	5,971	5,514	2,531	
Income before taxes	Income before taxes	2,514	2,138	2,354	2,561	300	415	(1,627)	(1,464)	3,541	3,650	Income before taxes	3,644	3,468	3,463	
Provision for taxes	Provision for taxes	601	512	474	555	36	102	(430)	(467)	681	702	Provision for taxes	873	827	690	
													876	39	131	
Segment net income	Segment net income	income	\$ 1,913	\$ 1,626	\$ 1,880	\$ 2,006	\$ 264	\$ 313	\$ (1,197)	\$ (997)	\$ 2,860	\$ 2,948	income	\$ 2,771	\$ 2,641	\$ 2,773
(loss)	(loss)												\$ 3,183	\$ 279	\$ 401	
Identifiable assets	Identifiable assets	assets	\$ 163,940	\$ 165,962	\$ 209,824	\$ 197,672	\$ 9,500	\$ 7,090	\$ 171,285	\$ 174,399	\$ 554,549	\$ 545,123	Identifiable assets	\$ 161,881	\$ 170,196	\$ 205,163
(period end)	(period end)												\$ 198,522	\$ 8,766	\$ 7,459	
															\$ 166,897	
															\$ 172	

(1) Includes financial data from business units below the quantitative and qualitative thresholds requiring disclosure.

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

MD&A is intended to assist readers in their analysis of the accompanying Consolidated Financial Statements and supplemental financial information. It should be read in conjunction with the Consolidated Financial Statements, the accompanying Notes to the Consolidated Financial Statements in this Form 10-Q, other information contained in this document, as well as with Truist's Annual Report on Form 10-K for the year ended December 31, 2022.

A description of certain factors that may affect our future results and risk factors is set forth in Part I, Item 1A-Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2022.

#### **Regulatory Considerations**

The regulatory framework applicable to banking organizations is intended primarily for the protection of depositors and the stability of the financial system, rather than for the protection of shareholders and creditors. Truist is subject to banking laws and regulations, and various other laws and regulations, which affect the operations and management of Truist and its ability to make distributions to shareholders. Truist and its subsidiaries are also subject to supervision and examination by multiple regulators. The descriptions below summarize certain updates since the filing of the Annual Report on Form 10-K for the year ended December 31, 2022 to state and federal laws to which Truist is subject. These descriptions do not summarize all possible or proposed changes in current laws or regulations and are not intended to be a substitute for the related statutes or regulatory provisions. Refer to Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional disclosures.

In March 2023, the FRB created the Bank Term Funding Program to support American businesses and households by making additional funding available to eligible depository institutions. This program offers loans up to one year in length to banks, savings associations, credit unions, and other eligible depository institutions pledging any collateral eligible for purchase by the FRB in open market operations, such as U.S. Treasuries, U.S. agency securities, and U.S. agency mortgage-backed securities. These assets will be valued at par.

In July 2023, the aftermath of SEC finalized rules requiring registrants to disclose material cybersecurity incidents that they experience on Form 8-K and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy, and governance. Annual disclosures will be required in Truist's Annual Report on Form 10-K for the recent bank failures, we expect that the banking year ended 2023. The Form 8-K disclosure requirements will become effective beginning on December 18, 2023.

Banking agencies will propose have proposed certain actions including reforms that may impose different capital described below. We continue to evaluate these proposals and liquidity requirements, including increased requirements to issue long term debt. On July 27, 2023, the potential impacts, if adopted as proposed, on the Company and Truist Bank.

In July 2023, the U.S. banking regulators issued the first a proposal to revise the risk-based capital standards applicable to the Company and Truist Bank. We continue This proposal would introduce new approaches for credit risk, operational risk, market risk and credit valuation adjustment risk that generally align with the approaches for these risks under the global Basel Accord adopted by the Basel Committee. The proposal would introduce a new measure of risk-weighted assets, which would reflect the proposed new standardized approaches for credit risk, operational risk and credit valuation adjustment risk, as well as a proposed new measure for market risk that would be based on both internal models and standardized supervisory models of market risk. The proposal includes a proposed effective date of July 1, 2025, subject to evaluate a three-year transition period ending July 1, 2028, over which the expanded total risk-weighted assets would be phased in.

In August 2023, the U.S. banking regulators proposed a rule that would require banking organizations with \$100 billion or more in total assets to comply with long-term debt requirements and clean holding company requirements that currently apply only to global systemically important banking organizations. This proposal would also impose a long-term debt requirement on certain categories of insured depository institutions that are not consolidated subsidiaries of U.S. GSIBs, including insured depository institutions with \$100 billion or more in total assets, such as Truist Bank. If adopted, this proposal would require the Company and Truist Bank to each maintain a minimum outstanding eligible long-term debt amount of no less than the greatest of (i) 6% of risk-weighted assets, (ii) 2.5% of total leverage exposure and (iii) 3.5% of average total consolidated assets. Truist Bank would be required to issue the minimum amount of eligible long-term debt to the Company, and the potential impacts, Company would be required to issue the minimum amount of eligible long-term debt externally. In addition, if adopted as proposed, on the clean holding company requirement would limit or prohibit the Company from entering into certain transactions that could impede its orderly resolution, including, for example, prohibiting the Company from entering into transactions that could spread losses to subsidiaries and third parties, as well as limiting the amount of the Company's liabilities that are not eligible long-term debt.

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In August 2023, the FDIC issued a proposal to amend its rules requiring covered insured depository institutions, including Truist Bank, to periodically submit resolution plans to the FDIC. If adopted as proposed, Truist Bank would be required to submit a full resolution plan to the FDIC every two years and Truist Bank's capital requirements, submit an interim supplement in each year that it is not required to submit a full resolution plan. In addition, this proposal would increase the content requirements for plan submissions and introduce a new credibility standard for the FDIC's evaluation of resolution plans, which would be enforceable against the covered insured depository institutions. Separately, the FRB and FDIC also proposed updated guidance on resolution planning requirements applicable to the Company under Section 165(d) of the Dodd-Frank Act.

In addition, the FDIC proposed a special assessment to repay losses to the FDIC's Deposit Insurance Fund. If the final rule is adopted as proposed, the special assessment for Truist is estimated at approximately \$460 million to be recognized at the time the rule is finalized and paid in eight quarterly installments beginning in the first quarter of 2024. Refer to the "Note 14. Commitments and Contingencies" for additional information related to the FDIC's special assessments.

On July 26, 2023, the SEC finalized rules requiring registrants to disclose material cybersecurity incidents that they experience on Form 8-K and to disclose on an annual basis material information regarding their cybersecurity risk management, strategy, and governance. Annual disclosures will be required in Truist's

Annual Report on Form 10-K for the year ended 2023. The Form 8-K disclosure requirements will become effective beginning on the later of 90 days after publication of the final rules in the Federal Register or December 18, 2023.

#### Executive Overview

During The transformative work we announced in the third quarter to improve our financial performance is well underway. We are driving swift and meaningful actions to simplify our organization and reduce expenses. Our continued focus on core clients, paring back non-core and lower-return portfolios, and paying down higher-cost borrowings has made our balance sheet more efficient and helped drive a modest improvement in our net interest margin.

Noninterest expense was flat compared to the second quarter, and down 50 basis points on an adjusted basis, reflecting our expense discipline. Our \$750 million gross cost saves program and efforts to simplify the organization are underway and we continued to make progress adapting to the new operating environment by strengthening our balance sheet and sharpening our strategic focus are focused on expense discipline while also investing in our core businesses.

Second quarter financial results were mixed as revenue headwinds from higher funding costs franchise and lower-than-anticipated capital markets activity were partially offset by record insurance income. We prudently increased our provision and allowance amid the uncertain economic backdrop. Adjusted expenses were up as anticipated for the quarter. However, we are accelerating our plans to adjust our cost base to reflect efficiency opportunities and changing conditions. risk management systems.

Our CET1 capital ratio increased 50 basis points driven by the investment cost save program includes:

- Reductions in IH force
  - Spans and organic capital generation. The most recent FRB stress test highlighted our capacity layers
  - Consolidation of redundant/similar functions
  - Select business restructuring
  - Geographic simplification
- Organizational alignment and simplification
  - Consolidate businesses for operational efficiency
  - More efficient branch network and staffing structure
  - Simplified and streamlined compensation and benefits programs
  - Reallocate investments to respond to stressed scenarios and we announced plans to maintain our strong quarterly common stock dividend at \$0.52 per share, subject to board approval. core businesses
- Rationalize technology spend
  - Focus on opportunities in core businesses

We are executing remain strongly committed to improving our capital position, which increased 29 basis points in the third quarter. Asset quality continues to normalize but remains in-line with our expectations and allowance coverage ratios.

As we continue to diligently execute on this critical work to capitalize on our strategy competitive advantages and drive efficiencies, we are fundamentally changing how we operate to optimize drive revenue growth, franchise value and increased benefit to our core businesses exemplified by shareholders, now and into the sale future.

On October 2, 2023, Truist announced changes to its Board of our non-core student loan portfolio at net carrying value Directors. On December 31, 2023, the retirements of directors Kelly S. King, Nido R. Qubein, David M. Ratcliffe and Thomas N. Thompson will occur due to these directors reaching Truist's mandatory retirement age. In addition, Board members Anna R. Cablik, Paul D. Donahue, Easter A. Maynard and Frank P. Scruggs, Jr. notified Truist on September 26, 2023, that they have chosen to conclude their service as directors effective as of December 31, 2023. Their decisions are to address other professional and personal commitments and are not due to any disagreement with no income impact. We also made solid progress towards shifting our loan mix towards higher-return assets, Truist on any matter relating to Truist's operations, policies or practices. The Board and Truist's management express their deep appreciation to these directors for their dedicated service and many significant contributions to Truist.

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Our unwavering foundation of purpose to inspire and build better lives and communities, the dedication of our talented teammates, the momentum created by maximizing our diverse business model, and key leadership positions in growth markets are competitive advantages that are propelling Truist to reach its full potential.

Detailed below are actions that we have taken to fulfill our purpose to inspire and build better lives and communities, followed by a discussion of our financial results for the second quarter of 2023.

- In May, we announced the launch of Truist Long Game, our mobile app that leverages behavioral economics to reward clients for building financial wellness. This is also the first product from Truist Foundry, our very own start-up tasked with creating digital solutions to help meet clients where they are.
- Truist is also highlighting small business owners through our Small Business Community Heroes initiative, which is all about focusing on the small business owners who work tirelessly to serve our neighbors, create jobs, build our communities, and help drive our economy.
- Truist teammates dedicated more than 16,000 hours during the second quarter of 2023 to volunteer in their communities.

## Financial Results

Net income available to common shareholders for the **second** **third** quarter of 2023 of **\$1.2 billion** **\$1.1 billion** was down **15.1%** **30%** compared with the **second** **third** quarter of 2022. On a diluted per common share basis, earnings for the **second** **third** quarter of 2023 were **\$0.92**, **\$0.80**, a decrease of **\$0.17**, **\$0.35**, or **15.6%** **30%**, compared to the **second** **third** quarter of 2022. Truist's results of operations for the **second** **third** quarter of 2023 produced an annualized return on average assets of **0.95%** **0.86%** and an annualized return on average common shareholders' equity of **8.6%** **7.5%** compared to prior year returns of **1.14%** **1.19%** and **10.3%** **10.7%**, respectively.

- Results for the **second** **third** quarter of 2023 included merger-related and restructuring charges of **\$54 million** **\$75 million** (**\$41.58 million** after-tax, or **\$0.03** **\$0.04** per share) and a small loss on extinguishment of debt.
- Results for the **second** **third** quarter of 2022 included **\$121 million** **\$62 million** (**\$92.48 million** after-tax, or **\$0.07** **\$0.04** per share) of merger-related and restructuring charges **\$117 million** and **\$90 million** (**\$89.69 million** after-tax, or **\$0.07** **\$0.05** per share) of incremental operating expenses related to the **Merger**, and a gain on the redemption of **FHLB** advances of **\$39 million** (**\$30 million** after-tax, or **\$0.02** per share). **Merger**.

Taxable-equivalent net interest income for the **second** **third** quarter of 2023 was up **\$244 million** **\$162 million**, or **7.1%** **4.3%**, compared to the **second** **third** quarter of 2022 primarily due to higher **market interest rates** funding costs and **strong loan growth**. These increases were lower **purchase accounting accretion**, partially offset by lower **purchase accounting accretion**, **higher market interest rates**. Net interest margin was **2.91%** **2.95%**, up two down 17 basis points.

- The yield on the total loan portfolio was **6.07%** **6.25%**, up **216.176** basis points, primarily reflecting higher **market interest rates**, partially offset by lower **purchase accounting accretion**. The yield on the average securities portfolio was **2.17%** **2.26%**, up **35.31** basis points primarily due to the higher rate environment. **Average deposits decreased \$19.1 billion**, or **4.5%**, **average short-term borrowings increased \$7.5 billion**, and **average long-term debt increased \$12.0 billion**.
- The average cost of total deposits was **1.51%** **1.81%**, up **142.150** basis points. The average cost of short-term borrowings was **5.19%** **5.47%**, up **393.313** basis points. The average cost of long-term debt was **4.62%** **4.51%**, up **287.208** basis points. The increase in rates on deposits and other funding sources was largely attributable to the higher rate environment.

Noninterest income was up **\$45 million**, or **2.0%**, relatively stable compared to the **second** **third** quarter of 2022 due to higher **insurance other** income and **other insurance** income, partially offset by lower **service charges on deposits** and lower **investment banking and trading** income. **Service charges on deposits** include an **\$87 million** reduction due to **client refund accruals** resulting from a revision in deposit service fee protocols.

Noninterest expense was up **\$168 million** **\$134 million**, or **4.7%** **3.7%**, compared to the **second** **third** quarter of 2022 due to higher personnel expense, other expense, and regulatory costs, partially offset by lower professional fees and outside processing, marketing and customer development, and equipment expenses. **Merger-related costs**, which included merger-related and restructuring charges. **Merger-related and restructuring charges**, and as well as incremental operating expenses related to the merger, decreased **\$67 million** and **\$117 million** **\$77 million**, respectively, primarily due to the completion of integration-related activities. Adjusted noninterest expenses, which exclude merger-related costs, the amortization of intangibles, and the aforementioned gains and losses on the early extinguishment of debt, increased **\$321 million** **\$221 million**, or **9.9%** **6.7%**, and includes the impact of **\$70 million** of higher other expenses due to costs associated with the change to the deposit service fee protocols and resolution of certain legal matters.

The effective tax rate decreased compared to the **second** **third** quarter of 2022 primarily driven by lower **income before taxes**. **decreases in the full year forecasted effective tax rate**, partially offset by changes in discrete tax items.

**Asset quality** An increase in the loan loss reserve reflects normalization and modest deterioration in commercial portfolios. **of asset quality**.

- Nonperforming loans and leases held for investment were **0.47%** **0.46%** of loans and leases held for investment at **June 30, 2023** **September 30, 2023**, up 11 down one basis points point compared to **March 31, 2023** **June 30, 2023**. The increase in nonperforming assets was concentrated in the **CRE** and **commercial and industrial** portfolios.

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- The allowance for credit losses was **\$4.9 billion** **\$5.0 billion** and includes **\$4.6 billion** **\$4.7 billion** for the allowance for loan and lease losses and **\$273 million** **\$277 million** for the reserve for unfunded commitments. The ALLL ratio was **1.43%** **1.49%**, up six basis points compared with **March 31, 2023** primarily due to an updated economic outlook. **June 30, 2023**.
- The provision for credit losses was **\$538 million** **\$497 million** compared to **\$171 million** **\$234 million** for the **second** **third** quarter of 2022. The increase in the current quarter provision expense primarily reflects higher net charge-offs and an updated economic outlook. **allowance build**.
- The net charge-off ratio was **54.51** basis points, up **32.24** basis points compared to the **second** **third** quarter of 2022 driven by the sale of the student loan portfolio, which had a 12 basis point impact, as well as due to higher charge-offs in the **CRE**, **commercial and industrial**, **CRE**, and **indirect auto** portfolios.

Capital and liquidity strengthened during the **second** **third** quarter of 2023.

- **Truist** **Truist's** CET1 ratio was **9.6%** **9.9%** as of **June 30, 2023** **September 30, 2023**. The increase since **March 31, 2023** **June 30, 2023** resulted from the minority stake sale in **IH** and **organic capital generation**. **Truist** closed the sale of the minority stake in **IH** on April 3, 2023, which added 31 basis points to the risk-based regulatory capital ratios. **generation and RWA optimization**.

- Truist declared common dividends of \$0.52 per share during the **second** **third** quarter of 2023. The dividend payout ratio for the **second** **third** quarter of 2023 was **56%** **65%**. Truist did not repurchase any shares in the **second** **third** quarter of 2023.
- Truist's average consolidated LCR was **112%** **110%** for the three months ended **June 30, 2023** **September 30, 2023**, compared to the regulatory minimum of 100%.
- Truist has significant and strong access to liquidity with \$178 billion of available liquidity as of June 30, 2023 compared to \$171 billion as of December 31, 2022.

## Analysis of Results of Operations

### Net Interest Income and NIM

Taxable-equivalent net interest income for the **second** **third** quarter of 2023 was up \$244 million down \$162 million, or **7.1%** **4.3%**, compared to the **second** **third** quarter of 2022 primarily due to higher market interest rates funding costs and strong loan growth. These increases were lower purchase accounting accretion, partially offset by lower purchase accounting accretion. Net interest margin was **2.91%** **2.95%**, up two down 17 basis points.

- Average earning assets increased **\$30.3 billion** **\$6.4 billion**, or **6.4%** **1.3%**, primarily due to growth in average total loans of **\$28.4 billion** **\$8.0 billion**, or **9.5%** **2.6%**, and growth in other earning assets of **\$13.8 billion** **\$9.4 billion**, or **65%** **48%**, primarily due to an increase in balances held at the Federal Reserve to support liquidity, build, partially offset by a decrease in average securities of **\$10.3 billion** **\$9.9 billion**, or **6.9%** **6.8%**.
- The yield on the total loan portfolio was **6.07%** **6.25%**, up **216** **176** basis points, primarily reflecting higher market interest rates, partially offset by lower purchase accounting accretion. The yield on the average securities portfolio was **2.17%** **2.26%**, up **35** **31** basis points primarily due to the higher rate environment.
- Average deposits decreased **\$23.9 billion** **\$19.1 billion**, or **5.6%** **4.5%**, average short-term borrowings increased **\$14.4 billion** **\$7.5 billion**, and average long-term debt increased **\$32.4 billion**, or **104%** **\$12.0 billion**.
- The average cost of total deposits was **1.51%** **1.81%**, up **142** **150** basis points. The average cost of short-term borrowings was **5.19%** **5.47%**, up **393** **313** basis points. The average cost of long-term debt was **4.62%** **4.51%**, up **287** **208** basis points. The increase in rates on deposits and other funding sources was largely attributable to the higher rate environment.

Taxable-equivalent net interest income for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** was up **\$954 million** **\$792 million**, or **14%** **7.6%**, compared to the same period in 2022 primarily due to higher market interest rates and strong loan growth. These increases were partially offset by lower purchase accounting accretion. Net interest margin was **3.04%** **3.01%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **21** **eight** basis points compared to the prior period.

- Average earning assets increased **\$29.7 billion** **\$21.9 billion**, or **6.3%** **4.6%**, compared to the prior period primarily due to growth in average total loans of **\$31.7 billion** **\$23.7 billion**, or **11%** **7.9%**, and growth in other earning assets of **\$10.2 billion** **\$9.9 billion**, or **51%** **50%**, primarily due to an increase in balances held at the Federal Reserve to support liquidity build, partially offset by a **\$11.2 billion** **\$10.8 billion**, or **7.4%** **7.2%**, decrease in average securities.
- The yield on the total loan portfolio was **5.94%** **6.04%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **214** **200** basis points, compared to the prior period primarily reflecting higher market interest rates, partially offset by lower purchase accounting accretion. The yield on the average securities portfolio was **2.16%** **2.19%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **41** **37** basis points compared to the prior period primarily due to the higher rate environment.
- Average deposits decreased **\$15.4 billion** **\$16.6 billion**, or **3.7%** **4.0%**, while average short-term borrowings increased **\$15.7 billion** **\$13.0 billion**, or **190%** **114%**, compared to the prior period and average long-term debt increased **\$24.1 billion** **\$20.0 billion**, or **72%** **61%**.
- The average cost of total deposits was **1.31%** **1.48%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **125** **133** basis points compared to the prior period. The average cost of short-term borrowings was **4.94%** **5.13%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **396** **345** basis points compared to the prior period. The average cost on long-term debt was **4.37%** **4.41%** for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, up **276** **253** basis points compared to the prior period. The increase in rates on deposits and other funding sources was largely attributable to the higher rate environment.

As of **June 30, 2023** **September 30, 2023**, the remaining unamortized fair value marks on the loan and lease portfolio and long-term debt were **\$579 million** **\$528 million** and **\$59 million** **\$49 million**, respectively. As of December 31, 2022, the remaining unamortized fair value marks on the loan and lease portfolio and long-term debt were \$741 million and \$81 million, respectively.

The remaining unamortized purchase accounting fair value mark on loans and leases consists of **\$389 million** **\$367 million** for consumer loans and leases, and **\$190 million** **\$161 million** for commercial loans and leases. These amounts will be recognized over the remaining contractual lives of the underlying instruments or as paydowns occur.

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

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

Three Months Ended June 30, (Dollars in millions)	Average Balances <sup>(1)</sup>		Annualized Yield/Rate <sup>(2)</sup>		Income/Expense		Incr. (Decr.)	Change due to		
	2023	2022	2023	2022	2023	2022		Rate	Volume	
<b>Assets</b>										
AFS and HTM securities at amortized cost:										
U.S. Treasury	\$ 11,115	\$ 10,544	1.10 %	0.86 %	\$ 30	\$ 22	\$ 8	\$ 7	\$ 1	
GSE	329	255	2.70	1.96	3	1	2	2	—	
Agency MBS	122,647	133,339	2.25	1.88	690	625	65	117	(52)	
States and political subdivisions	425	371	4.18	3.83	5	4	1	—	1	
Non-agency MBS	3,852	4,097	2.32	2.30	22	23	(1)	—	(1)	
Other	25	75	5.20	3.66	—	1	(1)	—	(1)	
<b>Total securities</b>	<b>138,393</b>	<b>148,681</b>	<b>2.17</b>	<b>1.82</b>	<b>750</b>	<b>676</b>	<b>74</b>	<b>126</b>	<b>(52)</b>	
Interest earning trading assets	4,445	6,073	6.73	3.55	75	55	20	37	(17)	
Other earning assets <sup>(3)</sup>	34,988	21,203	5.02	0.85	437	45	392	346	46	
Loans and leases, net of unearned income:										
Commercial and industrial	166,588	145,558	6.28	3.24	2,610	1,174	1,436	1,244	192	
CRE	22,706	22,508	6.73	3.41	384	193	191	189	2	
Commercial Construction	5,921	5,256	7.64	3.46	111	43	68	62	6	
Residential mortgage	56,320	49,237	3.77	3.58	531	440	91	24	67	
Home equity	10,478	10,677	7.26	4.52	190	118	72	74	(2)	
Indirect auto	26,558	26,496	6.01	5.47	398	362	36	35	1	
Other consumer	28,189	25,918	7.10	6.00	499	391	108	73	35	
Student	4,766	6,331	6.76	4.20	80	66	14	33	(19)	
Credit card	4,846	4,728	11.48	8.91	137	105	32	29	3	
<b>Total loans and leases HFI</b>	<b>326,372</b>	<b>296,709</b>	<b>6.07</b>	<b>3.91</b>	<b>4,940</b>	<b>2,892</b>	<b>2,048</b>	<b>1,763</b>	<b>285</b>	
LHFS	1,886	3,152	5.94	4.20	28	33	(5)	11	(16)	
<b>Total loans and leases</b>	<b>328,258</b>	<b>299,861</b>	<b>6.07</b>	<b>3.91</b>	<b>4,968</b>	<b>2,925</b>	<b>2,043</b>	<b>1,774</b>	<b>269</b>	
Total earning assets	506,084	475,818	4.93	3.12	6,230	3,701	2,529	2,283	246	
Nonearning assets	59,738	64,750								
<b>Total assets</b>	<b>\$ 565,822</b>	<b>\$ 540,568</b>								
<b>Liabilities and Shareholders' Equity</b>										
Interest-bearing deposits:										
Interest-checking	\$ 102,105	\$ 112,375	1.91	0.15	487	43	444	448	(4)	
Money market and savings	138,149	148,632	1.99	0.13	686	50	636	640	(4)	
Time deposits	35,844	14,133	3.73	0.17	333	6	327	305	22	
<b>Total interest-bearing deposits</b>	<b>276,098</b>	<b>275,140</b>	<b>2.19</b>	<b>0.14</b>	<b>1,506</b>	<b>99</b>	<b>1,407</b>	<b>1,393</b>	<b>14</b>	
Short-term borrowings	23,991	9,618	5.19	1.26	311	30	281	190	91	
Long-term debt	63,665	31,263	4.62	1.75	734	137	597	366	231	
<b>Total interest-bearing liabilities</b>	<b>363,754</b>	<b>316,021</b>	<b>2.81</b>	<b>0.34</b>	<b>2,551</b>	<b>266</b>	<b>2,285</b>	<b>1,949</b>	<b>336</b>	
Noninterest-bearing deposits	123,728	148,610								
Other liabilities	14,239	12,437								
Shareholders' equity	64,101	63,500								
<b>Total liabilities and shareholders' equity</b>	<b>\$ 565,822</b>	<b>\$ 540,568</b>								
Average interest-rate spread			2.12 %	2.78 %						
NIM/net interest income - taxable equivalent			2.91 %	2.89 %	\$ 3,679	\$ 3,435	\$ 244	\$ 334	\$ (90)	
Taxable-equivalent adjustment					\$ 54	\$ 28				
Memo: Total deposits	\$ 399,826	\$ 423,750	1.51 %	0.09 %	\$ 1,506	\$ 99	\$ 1,407			

(1) Represents daily average balances. Excludes basis adjustments for fair value hedges.

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

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

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Table 1-2: Taxable-Equivalent Net Interest Income and Rate / Volume Analysis

Six Months Ended June 30, (Dollars in millions)		Average Balance <sup>(1)</sup>		Annualized Yield/Rate <sup>(2)</sup>		Income/Expense		Incr.	(Decr.)		Change due to		
		2023	2022	2023	2022	2023	2022	Rate					
<b>Table 1-1: Taxable-Equivalent Net Interest Income and Rate / Volume Analysis</b>													
Three Months Ended September 30, (Dollars in millions)													
								</td					

Total loans and leases	Total loans and leases	327,905	296,193	5.94	3.80	9,673	5,594	4,079	3,491	588	Total loans and leases	319,881	311,876	6.25	4.49	5,030	3,526	1,504	1,435	69
Total earning assets	Total earning assets	502,636	472,896	4.83	3.01	12,066	7,084	4,982	4,468	514	Total earning assets	488,794	482,349	5.11	3.63	6,286	4,407	1,879	1,803	76
Nonearning assets	Nonearning assets	60,105	65,391								Nonearning assets	58,910	63,257							
Total assets	Total assets	\$562,741	\$538,287								Total assets	\$547,704	\$545,606							
Liabilities and Shareholders' Equity	Liabilities and Shareholders' Equity										Liabilities and Shareholders' Equity									
Interest-bearing deposits:	Interest-bearing deposits:										Interest-bearing deposits:									
Interest-checking	Interest-checking	\$105,477	\$112,268	1.75	0.10	917	57	860	864	(4)	Interest-checking	\$101,252	\$111,645	2.29	0.56	584	158	426	442	(16)
Money market and savings	Money market and savings	138,972	145,085	1.69	0.08	1,162	61	1,101	1,104	(3)	Money market and savings	139,961	147,659	2.35	0.43	829	159	670	679	(9)
Time deposits	Time deposits	32,276	14,885	3.45	0.18	552	13	539	506	33	Time deposits	40,920	14,751	4.05	0.40	418	14	404	338	66
Total interest-bearing deposits	Total interest-bearing deposits	276,725	272,238	1.92	0.10	2,631	131	2,500	2,474	26	Total interest-bearing deposits	282,133	274,055	2.57	0.48	1,831	331	1,500	1,459	41
Short-term borrowings	Short-term borrowings	24,023	8,289	4.94	0.98	589	40	549	374	175	Short-term borrowings	24,894	17,392	5.47	2.34	343	103	240	181	59
Long-term debt	Long-term debt	57,396	33,289	4.37	1.61	1,248	269	979	689	290	Long-term debt	43,353	31,381	4.51	2.43	491	190	301	208	93
Total interest-bearing liabilities	Total interest-bearing liabilities	358,144	313,816	2.51	0.28	4,468	440	4,028	3,537	491	Total interest-bearing liabilities	350,380	322,828	3.02	0.77	2,665	624	2,041	1,848	193
Noninterest-bearing deposits	Noninterest-bearing deposits	127,393	147,279								Noninterest-bearing deposits	118,905	146,041							
Other liabilities	Other liabilities	14,109	12,052								Other liabilities	15,107	13,227							
Shareholders' equity	Shareholders' equity	63,095	65,140								Shareholders' equity	63,312	63,510							
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	\$562,741	\$538,287								Total liabilities and shareholders' equity	\$547,704	\$545,606							
Average interest-rate spread	Average interest-rate spread	2.32 %	2.73 %								Average interest-rate spread	2.09 %	2.86 %							
NIM/net interest income - taxable equivalent	NIM/net interest income - taxable equivalent	3.04 %	2.83 %	\$ 7,598	\$ 6,644	\$ 954	\$ 931	\$ 23			NIM/net interest income - taxable equivalent	2.95 %	3.12 %	\$ 3,621	\$ 3,783	\$ (162)		\$ (45)	\$ (117)	
Taxable-equivalent adjustment	Taxable-equivalent adjustment			\$ 105	\$ 54						Taxable-equivalent adjustment			\$ 57	\$ 38					
Memo: Total deposits	Memo: Total deposits	\$404,118	\$419,517	1.31 %	0.06 %	\$ 2,631	\$ 131	\$ 2,500			Memo: Total deposits	\$401,038	\$420,096	1.81 %	0.31 %	\$ 1,831	\$ 331	\$ 1,500		

(1) Represents daily average balances. Excludes basis adjustments for fair value hedges.

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

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

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Table 1-2: Taxable-Equivalent Net Interest Income and Rate / Volume Analysis

Nine Months Ended September 30, (Dollars in millions)		Average Balances <sup>(1)</sup>		Annualized Yield/Rate <sup>(2)</sup>		Income/Expense		Incr. (Dec.)	Change due to			
		2023	2022	2023	2022	2023	2022		Rate	Volume		
<b>Assets</b>												
AFS and HTM securities at amortized cost:												
U.S. Treasury		\$ 11,039	\$ 10,457	1.14 %	0.84 %	\$ 94	\$ 66	\$ 28	\$ 24	\$ 4		
GSE		334	557	2.83	2.19	8	8	—	3	(3)		
Agency MBS		122,473	133,338	2.27	1.87	2,085	1,870	215	376	(161)		
States and political subdivisions		424	380	4.12	3.82	13	11	2	1	1		

Non-agency MBS	3,846	4,112	2.33	2.29	67	71	(4)	1	(5)
Other	23	51	5.34	3.46	1	1	—	1	(1)
Total securities	138,139	148,895	2.19	1.82	2,268	2,027	241	406	(165)
Interest earning trading assets	4,759	5,784	6.54	3.67	234	160	74	106	(32)
Other earning assets <sup>(3)</sup>	29,872	19,924	5.13	1.24	1,147	184	963	831	132
Loans and leases, net of unearned income:									
Commercial and industrial	165,231	145,566	6.26	3.42	7,732	3,725	4,007	3,447	560
CRE	22,736	22,765	6.64	3.52	1,135	606	529	530	(1)
Commercial Construction	5,994	5,196	7.54	3.80	332	140	192	166	26
Residential mortgage	56,291	50,180	3.76	3.58	1,589	1,346	243	71	172
Home equity	10,483	10,755	7.22	4.68	566	376	190	200	(10)
Indirect auto	26,381	26,888	5.99	5.47	1,182	1,101	81	102	(21)
Other consumer	28,242	25,930	7.10	6.15	1,500	1,193	307	195	112
Student	3,280	6,310	6.92	4.54	170	214	(44)	84	(128)
Credit card	4,836	4,721	11.51	9.29	416	328	88	80	8
Total loans and leases HFI	323,474	298,311	6.04	4.04	14,622	9,029	5,593	4,875	718
LHFS	1,727	3,167	6.25	3.82	81	91	(10)	42	(52)
Total loans and leases	325,201	301,478	6.04	4.04	14,703	9,120	5,583	4,917	666
Total earning assets	497,971	476,081	4.92	3.22	18,352	11,491	6,861	6,260	601
Nonearning assets	59,703	64,673							
Total assets	\$ 557,674	\$ 540,754							
Liabilities and Shareholders' Equity									
Interest-bearing deposits:									
Interest-checking	\$ 104,053	\$ 112,058	1.93	0.26	1,501	215	1,286	1,303	(17)
Money market and savings	139,305	145,953	1.91	0.20	1,991	220	1,771	1,781	(10)
Time deposits	35,189	14,840	3.68	0.25	970	27	943	858	85
Total interest-bearing deposits	278,547	272,851	2.14	0.23	4,462	462	4,000	3,942	58
Short-term borrowings	24,317	11,356	5.13	1.68	932	143	789	507	282
Long-term debt	52,663	32,646	4.41	1.88	1,739	459	1,280	879	401
Total interest-bearing liabilities	355,527	316,853	2.68	0.45	7,133	1,064	6,069	5,328	741
Noninterest-bearing deposits	124,533	146,862							
Other liabilities	14,446	12,448							
Shareholders' equity	63,168	64,591							
Total liabilities and shareholders' equity	\$ 557,674	\$ 540,754							
Average interest-rate spread			2.24 %	2.77 %					
NIM/net interest income - taxable equivalent			3.01 %	2.93 %	\$ 11,219	\$ 10,427	\$ 792	\$ 932	\$ (140)
Taxable-equivalent adjustment					\$ 162	\$ 92			
Memo: Total deposits	\$ 403,080	\$ 419,713	1.48 %	0.15 %	\$ 4,462	\$ 462	\$ 4,000		

(1) Represents daily average balances. Excludes basis adjustments for fair value hedges.

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

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

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#### Provision for Credit Losses

The provision for credit losses was \$538 million \$497 million compared to \$234 million for the second third quarter of 2023 2022. The net charge-off ratio for the current quarter of 0.51% was up 24 basis points compared to \$171 million for the second quarter of 2022, prior quarter.

- The increase in the current quarter provision expense primarily reflects an allowance build and higher net charge-offs and an updated economic outlook.
- The net charge-off ratio was up compared to the second quarter of 2022 driven by the sale of the student loan portfolio as well as higher charge-offs in the CRE, commercial and industrial, CRE, and indirect auto portfolios.

The provision for credit losses was \$1.0 billion \$1.5 billion for the six nine months ended June 30, 2023 September 30, 2023 compared to \$76 million \$310 million in the same period in 2022. The net charge-off ratio for the current period of 0.46% 0.47% was up 23 22 basis points compared to the prior period.

- The increase in the current quarter provision expense primarily reflects an allowance build and higher net charge-offs and an updated economic outlook.
- The net charge-off ratio was up compared to the prior period driven by higher charge-offs in the commercial and industrial, CRE, indirect auto, other consumer, and CRE credit card portfolios as well as the sale of the student loan portfolio.

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

#### Noninterest Income

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

Table 2: Noninterest Income	Table 2: Noninterest Income										Table 2: Noninterest Income																										
	Three Months Ended June 30,					% Change		Six Months Ended June 30,					% Change		Three Months Ended September 30,					% Change																	
	(Dollars in millions)		(Dollars in millions)		2023	2022	2023 vs. 2022	2023	2022	2023 vs. 2022	(Dollars in millions)		2023	2022	2023 vs. 2022	(Dollars in millions)		2023	2022	2023 vs. 2022	(Dollars in millions)		2023	2022	2023 vs. 2022												
Insurance income	Insurance income	\$ 935	\$ 825	13.3 %	\$ 1,748	\$ 1,552	12.6 %	Insurance income	\$ 793	\$ 725	9.4 %	\$ 2,541	\$ 2,277	11.6 %	Wealth management income	Wealth management income	343	334	2.7	1,012	1,014	(0.2)	Investment banking and trading income	Investment banking and trading income	185	222	(16.7)	657	738	(11.0)							
Service charges on deposits	Service charges on deposits	240	254	(5.5)	489	506	(3.4)	Service charges on deposits	152	263	(42.2)	641	769	(16.6)	Card and payment related fees	Card and payment related fees	236	246	(4.1)	466	458	1.7	Card and payment related fees	Card and payment related fees	238	241	(1.2)	704	699	0.7							
Mortgage banking income	Mortgage banking income	99	100	(1.0)	241	221	9.0	Mortgage banking income	102	122	(16.4)	343	343	—	Lending related fees	Lending related fees	86	100	(14.0)	192	185	3.8	Lending related fees	Lending related fees	102	80	27.5	294	265	10.9							
Operating lease income	Operating lease income	64	66	(3.0)	131	124	5.6	Operating lease income	63	66	(4.5)	194	190	2.1	Securities gains (losses)	Securities gains (losses)	—	(1)	NM	—	(1)	NM	—	Securities gains (losses)	Securities gains (losses)	—	(1)	NM	(71)	NM							
Other income	Other income	92	66	39.4	119	218	(45.4)	Other income	130	50	160.0	249	268	(7.1)	Total noninterest income	Total noninterest income	\$ 2,293	\$ 2,248	2.0	\$ 4,527	\$ 4,390	3.1	Total noninterest income	Total noninterest income	\$ 2,108	\$ 2,102	0.3	\$ 6,635	\$ 6,492	2.2							

Noninterest income was up \$45 million, or 2.0%, for the second quarter of 2023 relatively stable compared to the second quarter of 2022 due to higher insurance other income and other insurance income, partially offset by lower service charges on deposits and lower investment banking and trading income.

- Insurance Other income increased primarily due to strong 9.1% organic growth higher income on certain equity investments and acquisitions.

- Other income increased primarily due to higher income from investments held for certain post-retirement benefits (which is primarily offset by higher personnel expense), partially offset by derivative collateral related costs.
- Insurance income increased primarily due to 6.3% organic growth and acquisitions.
- Service charges on deposits decreased primarily due to an \$87 million reduction in deposit service charge fees due to client refund accruals resulting from a revision in deposit service fee protocols, as well as reduced overdraft fees.
- Investment banking and trading income decreased due to lower structured real estate income, partially offset by higher merger and lower trading income, acquisition activity and equity originations.

Noninterest income was up \$137 million \$143 million, or 3.1% 2.2%, for the **six** **nine** months ended **June 30, 2023** **September 30, 2023** compared to the same period in 2022 due to higher insurance income, partially offset by lower service charges on deposits, investment banking and trading income, and lower other income. The prior period included \$70 million \$71 million of securities losses and a \$74 million gain on the redemption of noncontrolling equity interest (included in other income).

- Insurance income increased primarily due to strong 7.0% 6.8% organic growth and acquisitions.
- Service charges on deposits decreased primarily due to the aforementioned service fee protocol revision, as well as reduced overdraft fees.
- Investment banking and trading income decreased due to lower structured real estate income, partially offset by higher merger and acquisition fees. fees as well as higher equity and bond originations.

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- Other income decreased primarily due to higher derivative collateral related costs and the aforementioned gain on the redemption of noncontrolling equity in the prior period, and higher derivative collateral related costs, partially offset by higher income from investments held for certain post-retirement benefits (which is primarily offset by higher personnel expense).

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#### Noninterest Expense

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

Table 3: Noninterest Expense (Dollars in millions)	Table 3: Noninterest Expense						Table 3: Noninterest Expense									
	Three Months Ended June 30, (Dollars in millions)		% Change 2023 vs. 2022		Six Months Ended June 30, (Dollars in millions)		% Change 2023 vs. 2022		Three Months Ended September 30, (Dollars in millions)		% Change 2023 vs. 2022		Nine Months Ended September 30, (Dollars in millions)		% Change 2023 vs. 2022	
	2023	2022	2022	2023	2023	2022	2022	2023	2022	2022	2023	2022	2023	2022	2023	2022
Personnel expense	Personnel expense	\$ 2,256	\$ 2,102	7.3 %	\$ 4,437	\$ 4,153	6.8 %	Personnel expense	\$ 2,200	\$ 2,116	4.0 %	\$ 6,637	\$ 6,269	5.9 %		
Professional fees and outside processing	Professional fees and outside processing	352	349	0.9	666	712	(6.5)	Professional fees and outside processing	317	352	(9.9)	983	1,064	(7.6)		
Software expense	Software expense	237	234	1.3	451	466	(3.2)	Software expense	238	225	5.8	689	691	(0.3)		
Net occupancy expense	Net occupancy expense	180	181	(0.6)	363	389	(6.7)	Net occupancy expense	180	176	2.3	543	565	(3.9)		
Amortization of intangibles	Amortization of intangibles	131	143	(8.4)	267	280	(4.6)	Amortization of intangibles	130	140	(7.1)	397	420	(5.5)		
Equipment expense	Equipment expense	92	114	(19.3)	202	232	(12.9)	Equipment expense	97	122	(20.5)	299	354	(15.5)		
Marketing and customer development	Marketing and customer development	79	93	(15.1)	157	177	(11.3)	Marketing and customer development	78	105	(25.7)	235	282	(16.7)		

Operating lease depreciation	Operating lease depreciation	44	47	(6.4)	90	95	(5.3)	Operating lease depreciation	43	45	(4.4)	133	140	(5.0)
Regulatory costs	Regulatory costs	73	44	65.9	148	79	87.3	Regulatory costs	77	52	48.1	225	131	71.8
Merger-related and restructuring charges	Merger-related and restructuring charges	54	121	(55.4)	117	337	(65.3)	Merger-related and restructuring charges	75	62	21.0	192	399	(51.9)
Other expense	Other expense	250	152	64.5	541	334	62.0	Other expense	312	218	43.1	853	552	54.5
Total noninterest expense	Total noninterest expense	\$ 3,748	\$ 3,580	4.7	\$ 7,439	\$ 7,254	2.6	Total noninterest expense	\$ 3,747	\$ 3,613	3.7	\$ 11,186	\$ 10,867	2.9

Noninterest expense was up \$168 million \$134 million, or 4.7% 3.7%, compared to the third quarter of 2022 due to higher personnel expense, other expense, and regulatory costs, partially offset by lower professional fees and outside processing and marketing and customer development. Merger-related costs, which included merger-related and restructuring charges, as well as incremental operating expenses related to the merger decreased \$77 million, primarily due to the completion of integration-related activities. Adjusted noninterest expenses, which exclude merger-related costs, the amortization of intangibles, and gains and losses on the early extinguishment of debt increased \$221 million, or 6.7%.

- Personnel expense increased due to investments in teammates by increasing Truist's minimum wage, the impact from acquisitions, and investments in revenue producing businesses and enterprise technology, as well as higher other post-retirement benefit expense (which is almost entirely offset by higher other income). These increases were partially offset by lower pension expenses and lower incentives.
- Other expense increased primarily due to higher pension expense (driven primarily by lower plan assets) and includes \$70 million of costs associated with a revision in deposit service fee protocols as well as settlement of certain litigation matters, including a settlement and patent licensing agreement that resolved the USAA remote deposit capture patent infringement lawsuit, partially offset by lower operating losses.
- Regulatory costs increased primarily due to an increase in the FDIC's deposit insurance assessment rate.
- Professional fees and outside processing expenses decreased due to prior period incremental operating expenses related to the merger, partially offset by higher enterprise technology and other investments.
- Marketing and customer development decreased due to reduced marketing compared to the prior year.

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Noninterest expense was up \$319 million, or 2.9%, for the second quarter of 2023 nine months ended September 30, 2023 compared to the second quarter of same period in 2022 due to higher personnel expense, other expense, and regulatory costs, partially offset by lower merger-related and restructuring charges. charges, professional fees and outside processing expenses, equipment expense, and marketing and customer development expense. Merger-related and restructuring charges and incremental operating expenses related to the merger decreased \$67 million \$207 million and \$117 million \$409 million, respectively, due to the completion of integration-related activities. The second quarter of 2022 prior period also included a gain on the redemption of FHLB advances of \$39 million. Adjusted noninterest expenses, which exclude merger-related costs, the amortization of intangibles, and gains and losses on the early extinguishment of debt, increased \$321 million \$915 million, or 9.9% 9.5%.

- Personnel expense increased due to investments in teammates by increasing Truist's minimum wage, the impact from acquisitions, investments in revenue producing businesses and enterprise technology, and higher other post-retirement benefit expense (which is almost entirely offset by higher other income), partially offset by lower pension expenses.
- Other expense increased primarily due to higher pension expense (driven primarily by lower plan assets), and includes \$70 million of costs associated with a revision in deposit service fee protocols as well as settlement of certain litigation matters, including a settlement and patent licensing agreement that resolved the USAA remote deposit capture patent infringement lawsuit, partially offset by lower operating losses.
- Regulatory costs increased primarily due to an increase in the FDIC's deposit insurance assessment rate.

Noninterest. Professional fees and outside processing expense was up \$185 million, or 2.6%, for the six months ended June 30, 2023 compared to the same period in 2022 decreased due to higher personnel expense, other expense, and regulatory costs, partially offset by lower merger-related and restructuring charges. Merger-related and restructuring charges and prior period incremental operating expenses related to the merger, decreased \$220 million and \$319 million, respectively, due to the completion of integration-related activities. The prior period included a gain on the redemption of FHLB advances of \$39 million. Adjusted noninterest expenses, which exclude merger-related costs, the amortization of intangibles, and gains and losses on the early extinguishment of debt, increased \$694 million, or 11%.

- Personnel expense increased due to investments in teammates partially offset by increasing Truist's minimum wage, the impact from acquisitions, investments in revenue producing businesses and higher enterprise technology and higher other post-retirement benefit expense (which is almost entirely offset by higher other income), partially offset by lower pension expenses. investments.

- Other Equipment expense increased primarily decreased due to higher pension expense (driven primarily by lower plan assets), partially offset by lower operating losses, retirement of certain technology related equipment.
- Regulatory costs increased primarily Marketing and customer development expense decreased due to an increase in reduced marketing compared to the FDIC's deposit insurance assessment rate prior year.

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#### Merger-Related and Restructuring Charges

The following table presents a summary of merger-related and restructuring charges and the related accruals. The 2023 merger-related and restructuring costs predominately reflect various restructuring initiatives, including costs for severance and other benefits and costs related to exiting facilities.

Table 4: Merger-Related and Restructuring Accrual Activity

(Dollars in millions)	(Dollars in millions)	Three Months Ended June 30, 2023			Six Months Ended June 30, 2023			Three Months Ended September 30, 2023			Nine Months Ended September 30, 2023							
		Accrual		at Jun	Accrual		at Jun	Accrual		at Sep	Accrual		at Sep					
		1, 2023	Expense	Utilized	2023	1, 2023	Expense	Utilized	2023	1, 2023	Expense	Utilized	2023					
Severance and personnel-related	Severance and personnel-related	\$ 17	\$ 40	\$ (39)	\$ 18	\$ 9	\$ 79	\$ (70)	\$ 18	\$ 18	\$ 60	\$ (61)	\$ 17	\$ 9	\$ 139	\$ (131)	\$ 17	
Occupancy and equipment	Occupancy and equipment	—	11	(11)	—	—	30	(30)	—	—	5	(5)	—	—	35	(35)	—	
Professional services	Professional services	1	2	(3)	—	12	3	(15)	—	—	4	(4)	—	12	7	(19)	—	
Other	Other	4	1	(3)	2	5	5	(8)	2	Other	2	6	(6)	2	5	11	(14)	2
Total	Total	\$ 22	\$ 54	\$ (56)	\$ 20	\$ 26	\$ 117	\$ (123)	\$ 20	Total	\$ 20	\$ 75	\$ (76)	\$ 19	\$ 26	\$ 192	\$ (199)	\$ 19

#### Provision for Income Taxes

The provision for income taxes was \$287 \$245 million for the three months ended June 30, 2023 September 30, 2023, compared to \$372 \$363 million for the earlier quarter, same quarter in 2022. The effective tax rate for three months ended June 30, 2023 September 30, 2023 was 17.6% 17.2% compared to 19.5% 18.2% for the earlier quarter. The effective tax rate decreased compared to the second third quarter of 2022 primarily driven by lower income before taxes, decreases in the full year forecasted effective tax rate, partially offset by changes in discrete tax items.

The provision for income taxes was \$681 \$926 million for the six nine months ended June 30, 2023 September 30, 2023, compared to \$702 million \$1.1 billion for the same period in 2022. The effective tax rate for six nine months ended June 30, 2023 September 30, 2023 and 2022 was 19.2%, 18.6% and 18.8%, respectively.

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#### Segment Results

Truist operates and measures business activity across three segments: Consumer Banking and Wealth, Corporate and Commercial Banking, and Insurance Holdings, with functional activities included in Other, Treasury, and Corporate. The Company's business segment structure is based on the manner in which financial information is evaluated by management as well as the products and services provided or the type of client served.

During the first quarter of 2023, Truist realigned Prime Rate Premium Finance Corporation, which includes AFCO Credit Corporation and CAFO Holding Company, into the C&CB segment from the IH segment. Prior period results have been revised to conform to the current presentation. During the second quarter of 2023, Truist updated its segment cost allocation methodology. Results for the first quarter of 2023 have been revised to conform to the current presentation. Management concluded the impact to 2022 was not material.

In conjunction with the Company's April 3, 2023 sale of a 20% stake of the common equity in IH, IH issued \$5 billion of 8.25% mandatorily redeemable preferred units to the Company, with the related interest expense, which is fully allocable to the Company, reported in Net intersegment interest income (expense).

Also related to the same transaction, IH was recapitalized from a corporate entity to an LLC, such that each member is allocated its share of IH's income before taxes, and beginning in the second quarter of 2023 the Company recognizes its associated income tax provision through Other, Treasury & Corporate, OT&C. The Company elected not to restate prior periods for this change based on IH's previous status as a corporate entity. The Company recognized \$54 million \$30 million and \$84 million for the second quarter 2023 three and nine months ended September 30, 2023, respectively, of tax provision related to IH in Other, Treasury & Corporate, OT&C. In the third quarter of 2023, IH recognized \$3 million of taxes for certain state jurisdictions that impose income taxes on partnerships and LLCs.

See "Note 18. Operating Segments" herein and "Note 21. Operating Segments" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional disclosures related to Truist's reportable business segments, including additional details related to results of operations. Fluctuations in noninterest income and noninterest expense are more fully discussed in the Noninterest Income and Noninterest Expense sections above.

Table 5: Net Income by Reportable Segment

(Dollars in millions)	(Dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,				Nine Months Ended September 30,					
		2023		2022		2023 vs. 2022		2023		2022		2023 vs. 2022		2023		2022		2023 vs. 2022	
		2023	2022	Change	2023	2022	Change	2023	2022	Change	2023	2022	Change	2023	2022	Change	2023	2022	Change
Consumer Banking and Wealth	Consumer Banking and Wealth	\$ 931	\$ 760	22.5 %	\$ 1,913	\$ 1,626	17.7 %	\$ 834	\$ 996	(16.3)%	\$ 2,771	\$ 2,641	4.9 %						
Corporate and Commercial Banking	Corporate and Banking	880	986	(10.8)	1,880	2,006	(6.3)	892	1,186	(24.8)	2,773	3,183	(12.9)						
Insurance Holdings	Insurance Holdings	155	171	(9.4)	264	313	(15.7)	17	85	(80.0)	279	401	(30.4)						
Other, Treasury & Corporate	Other, Treasury & Corporate	(621)	(385)	(61.3)	(1,197)	(997)	(20.1)	Treasury & Corporate	(560)	(630)	11.1	(1,780)	(1,640)	(8.5)					
Truist Financial Corporation	Truist Corporation	\$1,345	\$1,532	(12.2)	\$2,860	\$2,948	(3.0)	Truist Financial Corporation	\$1,183	\$1,637	(27.7)	\$4,043	\$4,585	(11.8)					

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### Consumer Banking and Wealth

CB&W net income was \$931 million \$834 million for the second third quarter of 2023, an increase a decrease of \$171 million \$162 million compared to the second third quarter of 2022.

- Segment net interest income increased \$375 million decreased \$25 million primarily driven by favorable funding credit on deposits attributable to the higher rate environment lower average deposit balances, decrease in loan spread and higher lower average loan balances, partially offset by a decrease in loan spread, lower average deposit balances, and lower purchase accounting accretion. higher funding credit on deposits.
- The provision for credit losses increased \$25 million decreased \$35 million reflecting an allowance release whereas the earlier period included an allowance build, partially offset by higher charge offs in the indirect auto and other consumer portfolios as well as an updated economic outlook. The impact of the student loan sale in the current quarter was net neutral to provision. portfolios.
- Noninterest income was flat decreased \$80 million compared to earlier quarter. quarter primarily due to decreased service charge fees on deposits driven by client refund accruals resulting from a revision in deposit service fee protocols as well as reduced overdraft fees, partially offset by higher residential mortgage income and wealth brokerage fees and commissions.
- Noninterest expense increased \$121 million \$135 million compared to the earlier quarter driven by higher corporate technology, costs, salaries expense, pension cost risk, and corporate risk operations support expenses along with higher operations support expenses pension cost and FDIC's deposit insurance assessment rate, partially offset by lower operational losses, merger-related and restructuring charges, marketing and customer development and professional fees and outside processing.

CB&W average loans and leases held for investment increased \$8.6 billion decreased \$3.7 billion, or 6.4% 2.6%, for the second third quarter of 2023 compared to the second third quarter of 2022, primarily driven by the sale of the student loan portfolio at the end of the second quarter of 2023 and a decrease in indirect auto balances, partially offset by increases in residential mortgage, balances, Service Finance, and Sheffield loans along with an increase in commercial lending in Wealth, partially offset by runoff in the student loan portfolio and other partnership lending programs and lower mortgage warehouse lending. balances.

CB&W average total deposits decreased **\$19.1 billion** **\$14.8 billion**, or **7.4%** **5.9%**, for the **second** **third** quarter of 2023 compared to the **second** **third** quarter of 2022, primarily driven by decreases in interest-bearing checking, money market and savings, and noninterest-bearing deposits, partially offset by an increase in time deposits.

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#### Corporate and Commercial Banking

C&CB net income was **\$880 million** **\$892 million** for the **second** **third** quarter of 2023, a decrease of **\$106 million** **\$294 million** compared to the **second** **third** quarter of 2022.

- Segment net interest income **increased \$341 million** primarily due to **higher funding credit on deposits and higher average loan balances, partially offset by lower purchase accounting accretion**, the earlier quarter.
- The provision for credit losses increased **\$339 million** **\$302 million** which reflects **an increase in reserves driven by an updated economic outlook, higher commercial and industrial loan charge offs, an allowance build, and loan growth in the current quarter as well as an allowance release in the earlier quarter**.
- Noninterest income decreased **\$112 million** **\$61 million** compared to the earlier quarter primarily due to lower structured real estate fees, core trading revenues, and commercial mortgage income, partially offset by **higher income from credit default swaps, and lending related fees, fees, merger and acquisition activity, and equity originations**.
- Noninterest expense increased **\$57 million** **\$46 million** compared to the earlier quarter primarily due to higher corporate technology expenses and merger-related and restructuring charges, partially offset by lower corporate marketing expense.

C&CB average loans held for investment increased **\$18.8 billion** **\$12.3 billion**, or **11%** **7.3%**, for the **second** **third** quarter of 2023 compared to the **second** **third** quarter of 2022, primarily due to increases in core commercial and industrial loans.

C&CB average total deposits decreased **\$16.3 billion** **\$16.2 billion**, or 11%, for the **second** **third** quarter of 2023 compared to the **second** **third** quarter of 2022, primarily due to declines in average noninterest-bearing deposits, partially offset by increases in money market and savings.

#### Insurance Holdings

IH net income was **\$155 million** **\$17 million** for the **second** **third** quarter of 2023, a decrease of **\$16 million** **\$68 million** compared to the **second** **third** quarter of 2022.

- Segment net interest income decreased **\$90 million** **\$91 million** driven primarily by interest expense accruals on new intercompany mandatorily redeemable preferred units resulting from the recapitalization of IH.
- Noninterest income increased **\$114 million** **\$70 million** primarily due to continued organic growth and acquisitions.
- Noninterest expense increased **\$95 million** **\$73 million** primarily due to the impact of acquisitions, investments in new hires and teammates, performance-driven incentive expense, and higher professional fees and outside processing.

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#### Other, Treasury & Corporate

OT&C generated a net loss of **\$621 million** **\$560 million** in the **second** **third** quarter of 2023, compared to a net loss of **\$385 million** **\$630 million** in the **second** **third** quarter of 2022.

- Net Segment net interest income decreased \$408 million** **\$71 million** primarily due to higher rates on Treasury funding and funding credit on deposits to other segments, partially offset by **higher funding charges to other segments and interest income on cash balances and securities resulting from the higher rate environment**.
- The provision for credit losses was flat compared to the earlier quarter.
- Noninterest income increased **\$46 million** **\$77 million** primarily due to higher income from investments held for certain post-retirement benefits (which is primarily offset by higher personnel expense).
- Noninterest expense decreased **\$105 million** **\$120 million** compared to the earlier quarter primarily due to a decrease in incremental operating expenses related to the merger as well as credit from other segments for corporate technology project support, partially offset by an increase in **operating charge-offs due to costs associated with a revision in deposit service fee protocols as well as settlement of certain litigation matters, including a settlement and patent licensing agreement that resolved the USAA remote deposit capture patent infringement lawsuit, professional fees and outside processing and personnel expenses, expenses excluding merger related costs**.

**Six Nine Months of 2023 compared to Six Nine Months of 2022**

#### Consumer Banking and Wealth

CB&W net income was \$1.9 billion \$2.8 billion for the **six nine** months ended **June 30, 2023** September 30, 2023, an increase of \$287 million \$130 million, or 18% 4.9%, compared to the prior year.

- Segment net interest income increased \$934 million \$919 million driven by favorable funding credit on deposits attributable to the higher rate environment and higher average loans, partially offset by higher funding costs, lower average deposits, and lower purchase accounting accretion.
- The provision for credit losses increased \$226 million \$190 million reflecting an updated economic outlook in the current period, a reserve release in the earlier period, and higher charge offs in the indirect auto and other consumer portfolios, portfolios, an allowance build in the current period, and a reserve release in the earlier period. The impact of the student loan sale in the **current second** quarter was net neutral to provision.

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- Noninterest income decreased \$41 million \$121 million primarily due to decreased service charge fees on deposits driven by client refund accruals resulting from a revision in deposit service fee protocols and a gain on the redemption of noncontrolling equity interest in the earlier period, as well as lower service charges on deposits and lower wealth management income, partially offset by higher mortgage banking income in the current period.
- Noninterest expense increased \$291 million \$432 million primarily driven by higher corporate technology costs, salaries expense, pension cost, and corporate risk support along with higher and operations support expenses, and FDIC's deposit insurance assessment rate, partially offset by lower operational losses, marketing and customer development, merger-related and restructuring charges, and professional fees and outside processing, processing, operational losses, and amortization of intangibles.

CB&W average loans and leases held for investment increased \$9.9 \$5.3 billion, or 8.0% 3.9%, for the **six nine** months ended **June 30, 2023** September 30, 2023 compared to the prior year driven primarily by an increase in residential mortgage loans as well as increases in the and Service Finance prime auto, and recreational lending portfolios. These increases were loans, partially offset by runoff in the sale of the student loan portfolio and other partnership lending programs and lower mortgage warehouse lending, in second quarter 2023.

CB&W average total deposits decreased \$17.1 \$16.8 billion, or 6.7% 6.5%, for the **six nine** months ended **June 30, 2023** September 30, 2023 compared to the prior year primarily due to decreases in average interest-bearing checking, money market and savings, and noninterest-bearing deposits, partially offset by an increase in time deposits.

Truist Wealth had assets under management of \$191 billion \$188 billion as of **June 30, 2023** September 30, 2023, an increase of \$11 billion \$14 billion, or 6.0% 8.2%, compared to the prior year primarily due to higher markets and positive net asset flows.

#### Corporate and Commercial Banking

C&CB net income was \$1.9 \$2.8 billion for the **six nine** months ended **June 30, 2023** September 30, 2023, a decrease of \$126 million \$410 million, or 6.3% 12.9%, compared to the prior year.

- Segment net interest income increased \$803 million \$819 million primarily due to higher funding credit on deposits and higher average loan balances, partially offset by lower purchase accounting accretion.
- The provision for credit losses increased \$721 million \$1.0 billion which reflects an increase in reserves driven by an updated economic outlook, allowance build, higher charge offs, and loan growth in the current period as well as an allowance release in the earlier period.
- Noninterest income decreased \$138 million \$198 million primarily due to lower structured real estate fees, other investment income, higher derivative collateral related costs, and lower commercial mortgage income, as well as lower income from credit default swaps, partially offset by increases in merger and acquisition fees, fees, lending related fees, and equity originations.
- Noninterest expense increased \$151 million \$191 million primarily due to higher corporate technology expenses, personnel expenses, merger-related and restructuring charges, personnel expenses, and FDIC insurance expense, partially offset by lower corporate marketing expense.

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C&CB average loans and leases held for investment increased \$22.7 \$19.7 billion, or 14% 12%, for the **six nine** months ended **June 30, 2023** September 30, 2023 compared to the prior year driven by an increase in the commercial and industrial portfolio loans.

C&CB average total deposits decreased \$13.5 \$14.0 billion, or 9.1% 9.6%, for the **six nine** months ended **June 30, 2023** September 30, 2023 compared to the prior year primarily due to a decrease in average noninterest-bearing deposits, partially offset by an increase in money market and savings.

#### Insurance Holdings

IH net income was \$264 million \$279 million for the **six nine** months ended **June 30, 2023** September 30, 2023, a decrease of \$49 million \$122 million, or 16% 30%, compared to the prior year.

- Segment net interest income decreased \$78 million \$169 million driven primarily by interest expense accruals on new intercompany mandatorily redeemable preferred units resulting from the recapitalization of IH.
- Noninterest income increased \$198 million \$267 million primarily due to continued organic growth and acquisitions.
- Noninterest expense increased \$235 million \$312 million primarily due to the impact of acquisitions, investments in new hires and teammates, performance-driven incentive expense, and higher operational loss reserves.

#### Other, Treasury, and Corporate

OT&C generated a net loss of \$1.2 billion \$1.8 billion for the six nine months ended June 30, 2023 September 30, 2023, compared to a net loss of \$997 million \$1.6 billion in the prior year.

- Segment net interest income decreased \$756 \$847 million due to higher funding credit on deposits to other segments and higher rates on Treasury funding, partially offset by higher funds transfer charges to other segments for loans and higher earnings on cash balances and in the securities portfolio from driven by the higher rate environment.

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- The provision for credit losses increased \$17 \$11 million, which reflects a reserve release in the prior year as well as an updated economic outlook allowance build in the current period.
- Noninterest income increased \$118 million \$195 million primarily due to losses on the sale of securities in the earlier period and valuation changes from assets held for certain post-retirement benefits in the current period, which is primarily offset by higher personnel expense, expense and losses on the sale of securities in the earlier period.
- Noninterest expense decreased \$492 million \$616 million primarily due to a decrease in incremental operating expenses related to the merger and credit from other segments for corporate technology project support, partially offset by an increase in professional fees and outside processing, personnel expenses, operating charge-offs due to costs associated with a revision in deposit service fee protocols as well as settlement of certain litigation matters, including a settlement and patent licensing agreement that resolved the USAA remote deposit capture patent infringement lawsuit, and a gain on the redemption of FHLB advances in the prior year.

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#### Analysis of Financial Condition

##### Investment Activities

The securities portfolio totaled \$124.9 billion \$120.1 billion at June 30, 2023 September 30, 2023, compared to \$129.5 billion at December 31, 2022. U.S. Treasury, GSE, and Agency MBS represents 97% of the total securities portfolio as of June 30, 2023 September 30, 2023 and December 31, 2022. While the overwhelming majority of the portfolio remains in agency MBS securities, the Company also holds AAA rated non-agency MBS as the risk adjusted returns for these securities are more attractive than agency MBS.

- The decrease includes paydowns and maturities of \$5.4 billion \$9.4 billion during 2023.
- As of June 30, 2023 September 30, 2023, 41% of the investment securities portfolio was classified as held-to-maturity based on amortized cost.
- As of June 30, 2023 September 30, 2023 and December 31, 2022, approximately 5.7% of the securities portfolio was variable rate, excluding the impact of swaps.
- The effective duration of the AFS securities portfolio was 5.8 years at September 30, 2023 and 6.2 years at June 30, 2023 and December 31, 2022, excluding the impact of swaps. The effective duration of the HTM securities portfolio was 7.4 7.0 years at June 30, 2023 September 30, 2023 and 7.3 years at December 31, 2022.

##### Lending Activities

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

Table 6: Average Loans and Leases

(Dollars in millions)	(Dollars in millions)	Three Months Ended					Three Months Ended					
		Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	(Dollars in millions)	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
<b>Commercial:</b>												
Commercial and industrial	Commercial and industrial	\$166,588	\$165,095	\$159,308	\$152,123	\$145,558	Commercial and industrial	\$164,022	\$166,588	\$165,095	\$159,308	\$152,123
CRE	CRE	22,706	22,689	22,497	22,245	22,508	CRE	22,812	22,706	22,689	22,497	22,245
Commercial construction	Commercial construction	5,921	5,863	5,711	5,284	5,256	Commercial construction	6,194	5,921	5,863	5,711	5,284

Consumer:	Consumer:							Consumer:						
Residential mortgage	Residential mortgage	56,320	56,422	56,292	53,271	49,237		Residential mortgage	56,135	56,320	56,422	56,292	53,271	
Home equity	Home equity	10,478	10,735	10,887	10,767	10,677		Home equity	10,243	10,478	10,735	10,887	10,767	
Indirect auto	Indirect auto	26,558	27,743	28,117	28,057	26,496		Indirect auto	24,872	26,558	27,743	28,117	28,057	
Other consumer	Other consumer	28,189	27,559	27,479	26,927	25,918		Other consumer	28,963	28,189	27,559	27,479	26,927	
Student	Student	4,766	5,129	5,533	5,958	6,331		Student	—	4,766	5,129	5,533	5,958	
Credit card	Credit card	4,846	4,785	4,842	4,755	4,728		Credit card	4,875	4,846	4,785	4,842	4,755	
Total average loans and leases HFI	Total average loans and leases HFI	\$326,372	\$326,020	\$320,666	\$309,387	\$296,709		Total average loans and leases HFI	\$318,116	\$326,372	\$326,020	\$320,666	\$309,387	

Average loans held for investment increased \$352 million decreased \$8.3 billion, or 0.1% 2.5%, compared to the prior quarter, while period-end loans held for investment were \$322.1 billion, down \$5.6 billion compared to March 31, 2023, primarily due to the sale of the student loan portfolio at the end of the second quarter of 2023 and loan growth moderation balance sheet optimization in lower return portfolios. Excluding the student loan sale, average loans held for investment declined 1.1% compared to the prior quarter.

- Average commercial loans increased 0.8% decreased 1.1% due to a seasonal increase decline in mortgage warehouse lending and growth within the core commercial and industrial portfolio.
- Average consumer loans decreased 1.0% 4.8% due to lower indirect auto production, the continued run-off sale of the student loan portfolio (prior to the sale at the end of the period), and lower home equity balances, indirect auto production, partially offset by growth in higher-return point-of-sale lending in the other consumer portfolio (Service Finance and Sheffield).

At June 30, 2023 September 30, 2023 and December 31, 2022, 53% of loans and leases HFI were variable rate.

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#### Asset Quality

The following tables summarize asset quality information:

Table 7: Asset Quality

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	(Dollars in millions)	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
NPAs:	NPAs:						NPAs:					
NPLs:	NPLs:						NPLs:					
Commercial and industrial	Commercial and industrial	\$ 562	\$ 394	\$ 398	\$ 443	\$ 393	Commercial and industrial	\$ 561	\$ 562	\$ 394	\$ 398	\$ 443
CRE	CRE	275	117	82	5	19	CRE	289	275	117	82	5
Commercial construction	Commercial construction	16	1	—	—	—	Commercial construction	29	16	1	—	—
Residential mortgage	Residential mortgage	221	233	240	227	269	Residential mortgage	132	221	233	240	227
Home equity	Home equity	129	132	135	132	133	Home equity	123	129	132	135	132
Indirect auto	Indirect auto	262	270	289	260	244	Indirect auto	266	262	270	289	260
Other consumer	Other consumer	46	45	44	39	32	Other consumer	52	46	45	44	39
Total NPLs HFI	Total NPLs HFI	1,511	1,192	1,188	1,106	1,090	Total NPLs HFI	1,452	1,511	1,192	1,188	1,106
Loans held for sale	Loans held for sale	13	—	—	72	33	Loans held for sale	75	13	—	—	72

Table 7: Asset Quality

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	(Dollars in millions)	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
NPAs:	NPAs:						NPAs:					
NPLs:	NPLs:						NPLs:					
Commercial and industrial	Commercial and industrial	\$ 562	\$ 394	\$ 398	\$ 443	\$ 393	Commercial and industrial	\$ 561	\$ 562	\$ 394	\$ 398	\$ 443
CRE	CRE	275	117	82	5	19	CRE	289	275	117	82	5
Commercial construction	Commercial construction	16	1	—	—	—	Commercial construction	29	16	1	—	—
Residential mortgage	Residential mortgage	221	233	240	227	269	Residential mortgage	132	221	233	240	227
Home equity	Home equity	129	132	135	132	133	Home equity	123	129	132	135	132
Indirect auto	Indirect auto	262	270	289	260	244	Indirect auto	266	262	270	289	260
Other consumer	Other consumer	46	45	44	39	32	Other consumer	52	46	45	44	39
Total NPLs HFI	Total NPLs HFI	1,511	1,192	1,188	1,106	1,090	Total NPLs HFI	1,452	1,511	1,192	1,188	1,106
Loans held for sale	Loans held for sale	13	—	—	72	33	Loans held for sale	75	13	—	—	72

Total nonaccrual loans and leases	Total nonaccrual loans and leases	1,524	1,192	1,188	1,178	1,123	Total nonaccrual loans and leases	1,527	1,524	1,192	1,188	1,178
Foreclosed real estate	Foreclosed real estate	3	3	4	4	3	Foreclosed real estate	3	3	3	4	4
Other foreclosed property	Other foreclosed property	56	66	58	58	47	Other foreclosed property	54	56	66	58	58
Total nonperforming assets	Total nonperforming assets	\$ 1,583	\$ 1,261	\$ 1,250	\$ 1,240	\$ 1,173	Total nonperforming assets	\$ 1,584	\$ 1,583	\$ 1,261	\$ 1,250	\$ 1,240
Loans 90 days or more past due and still accruing:	Loans 90 days or more past due and still accruing:						Loans 90 days or more past due and still accruing:					
Commercial and industrial	Commercial and industrial	\$ 36	\$ 35	\$ 49	\$ 44	\$ 27	Commercial and industrial	\$ 15	\$ 36	\$ 35	\$ 49	\$ 44
CRE	CRE	—	—	1	1	3	CRE	—	—	—	1	1
Commercial construction	Commercial construction	5	—	—	—	3	Commercial construction	—	5	—	—	—
Residential mortgage - government guaranteed	Residential mortgage - government guaranteed	541	649	759	808	884	Residential mortgage - government guaranteed	456	541	649	759	808
Residential mortgage - nonguaranteed	Residential mortgage - nonguaranteed	23	25	27	26	27	Residential mortgage - nonguaranteed	30	23	25	27	26
Home equity	Home equity	7	10	12	9	8	Home equity	9	7	10	12	9
Indirect auto	Indirect auto	—	—	1	1	1	Indirect auto	1	—	—	1	1
Other consumer	Other consumer	12	10	13	9	5	Other consumer	16	12	10	13	9
Student - government guaranteed	Student - government guaranteed	—	590	702	770	796	Student - government guaranteed	—	—	590	702	770
Student - nonguaranteed	Student - nonguaranteed	—	4	4	5	5	Student - nonguaranteed	—	—	4	4	5
Credit card	Credit card	38	38	37	36	28	Credit card	47	38	38	37	36
Total loans 90 days or more past due and still accruing	Total loans 90 days or more past due and still accruing	\$ 662	\$ 1,361	\$ 1,605	\$ 1,709	\$ 1,787	Total loans 90 days or more past due and still accruing	\$ 574	\$ 662	\$ 1,361	\$ 1,605	\$ 1,709
Loans 30-89 days past due and still accruing:	Loans 30-89 days past due and still accruing:						Loans 30-89 days past due and still accruing:					
Commercial and industrial	Commercial and industrial	\$ 142	\$ 125	\$ 256	\$ 162	\$ 223	Commercial and industrial	\$ 98	\$ 142	\$ 125	\$ 256	\$ 162
CRE	CRE	38	34	25	15	10	CRE	28	38	34	25	15
Commercial construction	Commercial construction	6	3	5	3	4	Commercial construction	1	6	3	5	3
Residential mortgage - government guaranteed	Residential mortgage - government guaranteed	267	232	268	234	233	Residential mortgage - government guaranteed	293	267	232	268	234
Residential mortgage - nonguaranteed	Residential mortgage - nonguaranteed	254	259	346	300	302	Residential mortgage - nonguaranteed	270	254	259	346	300
Home equity	Home equity	56	65	68	67	68	Home equity	61	56	65	68	67
Indirect auto	Indirect auto	549	511	646	591	584	Indirect auto	598	549	511	646	591
Other consumer	Other consumer	175	164	187	152	166	Other consumer	219	175	164	187	152

Student - government guaranteed	Student - government guaranteed	—	350	396	375	447	Student - government guaranteed	—	—	350	396	375
Student - nonguaranteed	Student - nonguaranteed	—	6	6	6	6	Student - nonguaranteed	—	—	6	6	6
Credit card	Credit card	63	56	64	52	48	Credit card	68	63	56	64	52
Total loans 30-89 days past due and still accruing	Total loans 30-89 days past due and still accruing	\$ 1,550	\$ 1,805	\$ 2,267	\$ 1,957	\$ 2,091	Total loans 30-89 days past due and still accruing	\$ 1,636	\$ 1,550	\$ 1,805	\$ 2,267	\$ 1,957

Nonperforming assets totaled \$1.6 billion at **June 30, 2023** **September 30, 2023**, up \$322 million flat compared to **March 31, 2023** **June 30, 2023**. Nonperforming loans and leases held for investment were **0.47%** **0.46%** of loans and leases held for investment at **June 30, 2023** **September 30, 2023**, up 11 down one basis points point compared to **March 31, 2023** **June 30, 2023**. The increase in nonperforming assets was concentrated in the CRE and commercial and industrial portfolios.

Loans 90 days or more past due and still accruing totaled **\$662 million** **\$574 million** at **June 30, 2023** **September 30, 2023**, down **\$699 million** **\$88 million**, or **twenty-one** **three** basis points as a percentage of loans and leases, compared with the prior quarter primarily due to the **sale of government guaranteed student loans** and a decline in government guaranteed residential mortgages. Excluding government guaranteed loans, the ratio of loans 90 days or more past due and still accruing as a percentage of loans and leases was 0.04% at **June 30, 2023** **September 30, 2023**, unchanged from **March 31, 2023** **June 30, 2023**.

Loans 30-89 days past due and still accruing of \$1.6 billion at **June 30, 2023** **September 30, 2023** were down \$255 million up \$86 million, or 7 four basis points as a percentage of loans and leases, compared to the prior quarter primarily due to **declines increases in government guaranteed student loans as a result of exiting the consumer portfolio**, partially offset by **decreases in the commercial portfolio**.

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Problem loans include NPLs and loans that are 90 days or more past due and still accruing as disclosed in Table 7. In addition, for the commercial portfolio segment, loans that are rated special mention or substandard performing are closely monitored by management as potential problem loans. Refer to "Note 5. Loans and ACL" for the amortized cost basis of loans by origination year and credit quality indicator as well as additional disclosures related to NPLs.

Table 8: Asset Quality Ratios	Table 8: Asset Quality Ratios						Table 8: Asset Quality Ratios					
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022		Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	
Loans 30-89 days past due and still accruing as a percentage of loans and leases HFI	Loans 30-89 days past due and still accruing as a percentage of loans and leases HFI	0.48 %	0.55 %	0.70 %	0.62 %	0.69 %	Loans 30-89 days past due and still accruing as a percentage of loans and leases HFI	0.52 %	0.48 %	0.55 %	0.70 %	0.62 %
Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI	Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI	0.21	0.42	0.49	0.54	0.59	Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI	0.18	0.21	0.42	0.49	0.54
NPLs as a percentage of loans and leases HFI	NPLs as a percentage of loans and leases HFI	0.47	0.36	0.36	0.35	0.36	NPLs as a percentage of loans and leases HFI	0.46	0.47	0.36	0.36	0.35
NPLs as a percentage of total loans and leases <sup>(1)</sup>	NPLs as a percentage of total loans and leases <sup>(1)</sup>	0.47	0.36	0.36	0.37	0.37	NPLs as a percentage of total loans and leases <sup>(1)</sup>	0.48	0.47	0.36	0.36	0.37
NPAs as a percentage of:	NPAs as a percentage of:						NPAs as a percentage of:					
Total assets <sup>(1)</sup>	Total assets <sup>(1)</sup>	0.29	0.22	0.23	0.23	0.22	Total assets <sup>(1)</sup>	0.29	0.29	0.22	0.23	0.23
Loans and leases HFI plus foreclosed property	Loans and leases HFI plus foreclosed property	0.49	0.38	0.38	0.37	0.38	Loans and leases HFI plus foreclosed property	0.48	0.49	0.38	0.38	0.37

ALLL as a percentage of loans and leases HFI	ALLL as a percentage of loans and leases HFI	1.43	1.37	1.34	1.34	1.38	ALLL as a percentage of loans and leases HFI	1.49	1.43	1.37	1.34	1.34
Ratio of ALLL to NPLs	Ratio of ALLL to NPLs	3.0x	3.8x	3.7x	3.8x	3.8x	Ratio of ALLL to NPLs	3.2x	3.0x	3.8x	3.7x	3.8x
Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI, excluding government guaranteed <sup>(2)</sup>	Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI, excluding government guaranteed <sup>(2)</sup>	0.04 %	0.04 %	0.04 %	0.04 %	0.04 %	Loans 90 days or more past due and still accruing as a percentage of loans and leases HFI, excluding government guaranteed <sup>(2)</sup>	0.04 %	0.04 %	0.04 %	0.04 %	0.04 %

(1) Includes LHFS.

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

**Table 9: Asset Quality Ratios (Continued)**

	Table 9: Asset Quality Ratios (Continued)								Table 9: Asset Quality Ratios (Continued)							
	As of/For the Year-to-Date								As of/For the Year-to-Date							
	Three Months Ended				Period Ended June 30				Three Months Ended				Period Ended Sept. 30			
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2023	2023	2022		Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	2023	2022	
Net charge-offs as a percentage of average loans and leases HFI:	Net charge-offs as a percentage of average loans and leases HFI:								Net charge-offs as a percentage of average loans and leases HFI:							
Commercial:	Commercial:								Commercial:							
Commercial and industrial	Commercial and industrial	0.23 %	0.15 %	0.08 %	0.02 %	0.01 %	0.19 %	0.03 %	Commercial and industrial	0.17 %	0.23 %	0.15 %	0.08 %	0.02 %	0.18 %	0.02 %
CRE	CRE	0.62	0.09	0.19	(0.01)	(0.10)	0.35	(0.04)	CRE	1.31	0.62	0.09	0.19	(0.01)	0.68	(0.03)
Commercial construction	Commercial construction	(0.02)	(0.04)	(0.06)	(0.10)	(0.08)	(0.03)	(0.05)	Commercial construction	(0.03)	(0.02)	(0.04)	(0.06)	(0.10)	(0.03)	(0.07)
Consumer:	Consumer:								Consumer:							
Residential mortgage	Residential mortgage	(0.01)	—	(0.02)	0.01	(0.02)	(0.01)	(0.02)	Residential mortgage	0.05	(0.01)	—	(0.02)	0.01	0.01	(0.01)
Home equity	Home equity	(0.12)	(0.15)	(0.01)	(0.13)	(0.17)	(0.14)	(0.14)	Home equity	(0.10)	(0.12)	(0.15)	(0.01)	(0.13)	(0.13)	(0.14)
Indirect auto	Indirect auto	1.28	1.47	1.52	1.15	0.77	1.38	1.00	Indirect auto	1.75	1.28	1.47	1.52	1.15	1.50	1.05
Other consumer	Other consumer	1.20	1.29	1.11	1.31	1.27	1.25	1.07	Other consumer	1.37	1.20	1.29	1.11	1.31	1.29	1.16
Student	Student	8.67	0.42	0.34	0.40	0.30	4.42	0.31	Student	—	8.67	0.42	0.34	0.40	4.40	0.34
Credit card	Credit card	3.66	3.54	3.68	2.80	2.63	3.60	2.70	Credit card	3.78	3.66	3.54	3.68	2.80	3.66	2.74
Total <sup>(1)</sup>	Total <sup>(1)</sup>	0.54	0.37	0.34	0.27	0.22	0.46	0.23	Total <sup>(1)</sup>	0.51	0.54	0.37	0.34	0.27	0.47	0.25
Ratio of ALLL to net charge-offs <sup>(2)</sup>	Ratio of ALLL to net charge-offs <sup>(2)</sup>	2.6x	3.7x	4.1x	5.0x	6.5x	3.1x	6.2x	Ratio of ALLL to net charge-offs <sup>(2)</sup>	2.9x	2.6x	3.7x	4.1x	5.0x	3.1x	5.7x

Ratios are annualized, as applicable.

(1) 2Q23 includes 12 basis point impact from student loan portfolio sale.

(2) Excluding the impact from the student loan charge-offs, the ALLL to annualized net charge-offs was 3.4X at June 30, 2023.

The following table presents activity related to NPAs:

Table 10: Rollforward of NPAs (Dollars in millions)	Table 10: Rollforward of NPAs (Dollars in millions)		Table 10: Rollforward of NPAs (Dollars in millions)		2023	2022
	2023	2022	2023	2022		
Balance, January 1	\$ 1,250	\$ 1,163	Balance, January 1	\$ 1,250	\$ 1,163	
New NPAs	1,563	836	New NPAs	2,365	1,452	
Advances and principal increases	463	175	Advances and principal increases	648	307	
Disposals of foreclosed assets <sup>(1)</sup>	(300)	(215)	Disposals of foreclosed assets <sup>(1)</sup>	(449)	(331)	
Disposals of NPLs <sup>(2)</sup>	(80)	(68)	Disposals of NPLs <sup>(2)</sup>	(132)	(80)	
Charge-offs and losses	(414)	(194)	Charge-offs and losses	(708)	(332)	
Payments	(628)	(347)	Payments	(1,022)	(590)	
Transfers to performing status	(263)	(190)	Transfers to performing status	(359)	(364)	
Other, net	(8)	13	Other, net	(9)	15	
Ending balance, June 30	\$ 1,583	\$ 1,173				
Ending balance, September 30			Ending balance, September 30	\$ 1,584	\$ 1,240	

(1) Includes charge-offs and losses recorded upon sale of \$84 million \$131 million and \$50 million \$87 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

(2) Includes charge-offs and losses recorded upon sale of \$24 million \$31 million and a net gain upon sale of \$1 million for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively.

#### CRE and Commercial Construction

Truist has noted that the CRE and commercial construction portfolios have the potential for heightened risk in the current environment. Truist maintains a high-quality portfolio through disciplined risk management and prudent client selection. In addition, the Company's exposure to large CRE tends to have more institutional sponsorship and the Company has reduced exposure to smaller CRE. Truist's CRE and commercial construction portfolios were \$28.8 billion \$29.1 billion as of June 30, 2023 September 30, 2023.

Our office portfolio, which makes up approximately 18% 17% of total CRE and commercial construction loans, is weighted towards Class A properties as of June 30, 2023 September 30, 2023. Truist maintains rigorous credit risk management surveillance routines across all loan portfolios. During 2023, Truist performed multiple reviews of the CRE office portfolio. Nonperforming loans and criticized loans in this portfolio have increased in this period.

Table 11: CRE and Commercial Construction by Type	Table 11: CRE and Commercial Construction by Type					Table 11: CRE and Commercial Construction by Type				
	June 30, 2023					December 31, 2022				
	(Dollars in millions)	(Dollars in millions)	LHFI	NPL	(Dollars in millions)	LHFI	NPL	(Dollars in millions)	LHFI	NPL
CRE and commercial construction:	CRE and commercial construction:				CRE and commercial construction:					
Multifamily	Multifamily	\$ 8,590	\$ 17	\$ 7,762	\$ —	Multifamily	\$ 9,161	\$ 30	\$ 7,762	\$ —
Office	Office	5,158	264	5,258	75	Office	5,070	278	5,258	75
Industrial					Industrial	4,846	3	4,329	—	
Retail	Retail	4,548	4	4,668	2	Retail	4,345	5	4,668	2
Industrial		4,731	—	4,329	—					

Hotel	Hotel	2,601	—	2,965	—	Hotel	2,542	—	2,965	—
Other	Other	3,140	6	3,543	5	Other	3,115	2	3,543	5
Total	Total	\$ 28,768	\$ 291	\$ 28,525	\$ 82	Total	\$ 29,079	\$ 318	\$ 28,525	\$ 82

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

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## ACL

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

**Table 12: Activity in ACL**

(Dollars in millions)	Table 12: Activity in ACL						
	Three Months Ended				Six Months Ended June 30,		
	Jun 30,	Mar 31,	Dec 31,	Sep 30,	Jun 30,	2023	2022
(Dollars in millions)	(Dollars in millions)	2023	2023	2022	2022	2023	2022
Balance, beginning of period <sup>(1)</sup>	Balance, beginning of period <sup>(1)</sup>	\$ 4,761	\$ 4,649	\$ 4,455	\$ 4,434	\$ 4,423	\$ 4,649
Provision for credit losses	Provision for credit losses	558	482	467	234	171	1,040
Charge-offs:	Charge-offs:						
Commercial and industrial	Commercial and industrial	(107)	(75)	(44)	(51)	(17)	(182)
CRE	CRE	(35)	(6)	(11)	—	(1)	(41)
Commercial construction	Commercial construction	—	—	—	—	—	(1)
Residential mortgage	Residential mortgage	(1)	(1)	(1)	(4)	(2)	(4)
Home equity	Home equity	(2)	(2)	(6)	(3)	(3)	(4)
Indirect auto	Indirect auto	(115)	(127)	(129)	(103)	(77)	(242)
Other consumer	Other consumer	(104)	(105)	(96)	(109)	(100)	(209)
Student	Student	(103)	(5)	(5)	(7)	(4)	(108)
Credit card	Credit card	(53)	(51)	(53)	(42)	(40)	(104)
Total charge-offs	Total charge-offs	(520)	(372)	(345)	(319)	(244)	(892)
Recoveries:	Recoveries:						
Commercial and industrial	Commercial and industrial	13	13	14	43	13	26
CRE	CRE	—	1	1	—	6	1
Commercial construction	Commercial construction	—	1	1	2	1	2
Residential mortgage	Residential mortgage	2	2	3	3	4	10
Home equity	Home equity	5	6	6	8	6	11
Indirect auto	Indirect auto	31	26	21	21	26	57
Other consumer	Other consumer	20	17	17	21	20	37
Student	Student	—	—	1	—	—	—
Credit card	Credit card	9	9	8	8	9	18

**Table 12: Activity in ACL**

(Dollars in millions)	Table 12: Activity in ACL						
	Three Months Ended				Nine Months Ended September 30,		
	Sep 30,	Jun 30,	Mar 31,	Dec 31,	Sep 30,	2023	2022
(Dollars in millions)	(Dollars in millions)	2023	2023	2022	2022	2023	2022
Balance, beginning of period <sup>(1)</sup>	Balance, beginning of period <sup>(1)</sup>	\$ 4,879	\$ 4,761	\$ 4,649	\$ 4,455	\$ 4,434	\$ 4,649
Provision for credit losses	Provision for credit losses	497	558	482	467	234	1,537
Charge-offs:	Charge-offs:						
Commercial and industrial	Commercial and industrial	(98)	(107)	(75)	(44)	(51)	(280)
CRE	CRE	(77)	(35)	(6)	(11)	—	(118)
Commercial construction	Commercial construction	—	—	—	—	—	(1)
Residential mortgage	Residential mortgage	(8)	(1)	(1)	(1)	(4)	(10)
Home equity	Home equity	(4)	(2)	(2)	(6)	(3)	(8)
Indirect auto	Indirect auto	(135)	(115)	(127)	(129)	(103)	(377)
Other consumer	Other consumer	(120)	(104)	(105)	(96)	(109)	(329)
Student	Student	—	(103)	(5)	(5)	(7)	(108)
Credit card	Credit card	(55)	(53)	(51)	(42)	(159)	(123)
Total charge-offs	Total charge-offs	(497)	(520)	(372)	(345)	(319)	(1,389)
Recoveries:	Recoveries:						
Commercial and industrial	Commercial and industrial	28	13	13	14	43	54
CRE	CRE	2	—	1	1	—	3
Commercial construction	Commercial construction	—	—	1	1	2	1
Residential mortgage	Residential mortgage	1	2	2	3	3	5
Home equity	Home equity	7	5	6	6	8	18
Indirect auto	Indirect auto	25	31	26	21	21	82
Other consumer	Other consumer	20	20	17	17	21	57
Student	Student	—	—	—	1	—	—
Credit card	Credit card	9	9	9	8	8	27

Total recoveries	Total recoveries	80	75	72	106	85	155	168	Total recoveries	92	80	75	72	106	247	274
Net charge-offs	Net charge-offs	(440)	(297)	(273)	(213)	(159)	(737)	(337)	Net charge-offs	(405)	(440)	(297)	(273)	(213)	(1,142)	(550)
Other <sup>(2)</sup>	Other <sup>(2)</sup>	—	(73)	—	—	(1)	(73)	—	Other <sup>(2)</sup>	(1)	—	(73)	—	—	—	(74)
Balance, end of period	Balance, end of period	\$ 4,879	\$ 4,761	\$ 4,649	\$ 4,455	\$ 4,434	\$ 4,879	\$ 4,434	Balance, end of period	\$ 4,970	\$ 4,879	\$ 4,761	\$ 4,649	\$ 4,455	\$ 4,970	\$ 4,455
ACL <sup>(1)</sup>	ACL <sup>(1)</sup>								ACL <sup>(1)</sup>							
ALLL	ALLL	\$ 4,606	\$ 4,479	\$ 4,377	\$ 4,205	\$ 4,187			ALLL	\$ 4,693	\$ 4,606	\$ 4,479	\$ 4,377	\$ 4,205		
RUFC	RUFC	273	282	272	250	247			RUFC	277	273	282	272	250		
Total ACL	Total ACL	\$ 4,879	\$ 4,761	\$ 4,649	\$ 4,455	\$ 4,434			Total ACL	\$ 4,970	\$ 4,879	\$ 4,761	\$ 4,649	\$ 4,455		

(1) Excludes provision for credit losses and allowances related to other financial assets at amortized cost.

(2) The first quarter of 2023 includes the impact from the adoption of the Troubled Debt Restructurings and Vintage Disclosures accounting standard.

The allowance for credit losses was \$4.9 billion \$5.0 billion and includes \$4.6 billion \$4.7 billion for the allowance for loan and lease losses and \$273 million \$277 million for the reserve for unfunded commitments. The ALLL ratio was 1.43% 1.49%, up six basis points compared with March 31, 2023 primarily due to an updated economic outlook. June 30, 2023. The ALLL covered nonperforming loans and leases held for investment 3.0X 3.2X compared to 3.8X 3.0X at March 31, 2023 June 30, 2023. At June 30, 2023 September 30, 2023, the ALLL was 2.6X 2.9X annualized net charge-offs, compared to 3.7X 2.6X at March 31, 2023 June 30, 2023. The ALLL to annualized net charge-offs for the current prior quarter was impacted by the charge-off related to the sale of the student loan portfolio. Excluding the impact from the student loan charge-offs, the ALLL to annualized net charge-offs was 3.4X at June 30, 2023.

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

Table 13: Allocation of ALLL by Category

(Dollars in millions)	(Dollars in millions)	June 30, 2023			December 31, 2022			September 30, 2023			December 31, 2022			
		% ALLL		% Loans	% ALLL		% Loans	% ALLL		% Loans	% ALLL		% Loans	
		in Each	Category	in Each	Category	in Each	Category	in Each	Category	in Each	Category	in Each	Category	
Commercial and industrial	Commercial and industrial	\$ 1,536	33.5 %	52.0 %	\$ 1,409	32.3 %	50.3 %	\$ 1,351	28.8 %	51.5 %	\$ 1,409	32.3 %	50.3 %	
CRE	CRE	402	8.7	7.1	224	5.1	7.0	CRE	605	12.9	7.2	224	5.1	7.0
Commercial construction	Commercial construction	109	2.4	1.8	46	1.1	1.8	Commercial construction	165	3.5	2.0	46	1.1	1.8
Residential mortgage	Residential mortgage	320	6.9	17.5	399	9.1	17.4	Residential mortgage	301	6.4	17.7	399	9.1	17.4
Home equity	Home equity	85	1.8	3.2	90	2.0	3.3	Home equity	86	1.8	3.2	90	2.0	3.3
Indirect auto	Indirect auto	981	21.3	8.0	981	22.4	8.6	Indirect auto	945	20.1	7.6	981	22.4	8.6
Other consumer	Other consumer	808	17.5	8.9	770	17.6	8.5	Other consumer	866	18.5	9.2	770	17.6	8.5
Student	Student	—	—	—	98	2.2	1.6	Student	—	—	—	98	2.2	1.6
Credit card	Credit card	365	7.9	1.5	360	8.2	1.5	Credit card	374	8.0	1.6	360	8.2	1.5
Total ALLL	Total ALLL	4,606	100.0 %	100.0 %	4,377	100.0 %	100.0 %	Total ALLL	4,693	100.0 %	100.0 %	4,377	100.0 %	100.0 %
RUFC	RUFC	273		272				RUFC	277		272			
Total ACL	Total ACL	\$ 4,879		\$ 4,649				Total ACL	\$ 4,970		\$ 4,649			

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

Truist has limited ability to monitor the delinquency status of the first lien, unless the first lien is held or serviced by Truist. Truist estimates credit losses on second lien loans where the first lien is delinquent based on historical experience; the increased risk of loss on these credits is reflected in the ALLL. As of **June 30, 2023** **September 30, 2023**, Truist held or serviced the first lien on 32% of its second lien positions.

#### Other Assets

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

Table 14: Other Assets as of Period End	Table 14: Other Assets as of Period End				Table 14: Other Assets as of Period End			
(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	(Dollars in millions)	Dec 31, 2022	
Bank-owned life insurance	Bank-owned life insurance	\$ 7,667	\$ 7,618	Bank-owned life insurance	\$ 7,694	\$ 7,618		
Tax credit and other private equity investments	Tax credit and other private equity investments	6,943	6,825	Tax credit and other private equity investments	7,449	6,825		
Prepaid pension assets	Prepaid pension assets	5,927	4,539	Prepaid pension assets	5,964	4,539		
DTAs	DTAs	2,682	3,027	DTAs	3,545	3,027		
Accounts receivable	Accounts receivable	3,129	2,682	Accounts receivable	2,659	2,682		
Accrued income	Accrued income	2,133	2,265	Accrued income	2,335	2,265		
Leased assets and related assets	Leased assets and related assets	2,045	2,082	Leased assets and related assets	1,914	2,082		
FHLB stock	FHLB stock	1,258	1,279	FHLB stock	1,284	1,279		
ROU assets	ROU assets	1,128	1,193	ROU assets	1,112	1,193		
Prepaid expenses	Prepaid expenses	1,204	1,162	Prepaid expenses	1,143	1,162		
Equity securities at fair value	Equity securities at fair value	910	898	Equity securities at fair value	330	898		
Derivative assets	Derivative assets	805	684	Derivative assets	749	684		
Other	Other	598	874	Other	615	874		
Total other assets	Total other assets	\$ 36,429	\$ 35,128	Total other assets	\$ 36,793	\$ 35,128		

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#### Funding Activities

##### *Deposits*

The following table presents average deposits:

Table 15: Average Deposits

(Dollars in millions)	(Dollars in millions)	Three Months Ended					(Dollars in millions)	Three Months Ended				
		Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022		Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022
Noninterest-bearing deposits	Noninterest-bearing deposits	\$ 123,728	\$ 131,099	\$ 141,032	\$ 146,041	\$ 148,610	Noninterest-bearing deposits	\$ 118,905	\$ 123,728	\$ 131,099	\$ 141,032	\$ 146,041
Interest checking	Interest checking	102,105	108,886	110,001	111,645	112,375	Interest checking	101,252	102,105	108,886	110,001	111,645

Money market and savings	Money market and savings	138,149	139,802	144,730	147,659	148,632	Money market and savings	139,961	138,149	139,802	144,730	147,659
Time deposits	Time deposits	35,844	28,671	17,513	14,751	14,133	Time deposits	40,920	35,844	28,671	17,513	14,751
Total average deposits	Total average deposits	\$399,826	\$408,458	\$413,276	\$420,096	\$423,750	Total deposits	\$401,038	\$399,826	\$408,458	\$413,276	\$420,096

Average deposits for the **second** **third** quarter of 2023 were **\$399.8 billion** **\$401.0 billion**, a decrease an increase of **\$8.6 billion** **\$1.2 billion**, or **2.1%** **0.3%**, compared to the prior quarter. The decrease in deposits was primarily due to the impact of client tax payments and prior quarter activity.

Average noninterest-bearing deposits decreased **5.6%** **3.9%** compared to the prior quarter and represented **30.9%** **29.6%** of total deposits for the **third** quarter of 2023 compared to **30.9%** for the **second** quarter of 2023 compared to **32.1%** for the **first** quarter of 2023 and **35.1%** **34.8%** compared to the **year ago** quarter. Average **interest checking and money market and savings** declined **6.2%** and **1.2%**, respectively, compared to the prior quarter. Average **time deposits** increased **25%** **14%** due to an increase increases in retail client time deposits, primarily due to migration from other deposit products, and brokered time deposits. Average brokered deposits were **\$26.2 billion** **\$33.0 billion**, up **\$5.0 billion** **\$6.8 billion** compared to the prior quarter.

Truist has a very granular and relationship-based deposit franchise. Approximately **63%** **64%** of deposits are insured or collateralized. Truist deposit accounts are typically based on long-term relationships and include multiple products and services.

The estimated amount of deposits that are uninsured was **\$164.5 billion**, **\$171.8 billion**, **\$175.9 billion**, and **\$189.6 billion** as of **September 30, 2023**, **June 30, 2023**, **March 31, 2023**, and **December 31, 2022**, respectively, calculated using the same methodology as the Call Report for Truist Bank. The decrease in uninsured deposits from December 31, 2022 to June 30, 2023 was largely due to commercial clients that chose to diversify into money market mutual funds or across multiple banks late in the first quarter. These outflows were primarily higher-cost, non-operational deposits. The decrease in uninsured deposits during the **third** quarter of 2023 was primarily due to the maturity of large denominated negotiable certificates of deposit.

#### Borrowings

At **June 30, 2023** **September 30, 2023**, short-term borrowings totaled **\$24.5 billion** **\$23.5 billion**, an increase of **\$1.0 billion** **\$63 million** compared to December 31, 2022. Average short-term borrowings were **\$24.0 billion** **\$24.3 billion**, or **4.9%** **5.1%** of total funding, for the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, as compared to **\$8.3 billion** **\$11.4 billion**, or **1.8%** **2.4%**, for the same period in the prior year.

Long-term debt provides funding and, to a lesser extent, regulatory capital, and primarily consists of senior and subordinated notes issued by Truist and Truist Bank. Long-term debt totaled **\$44.7 billion** **\$41.2 billion** at **June 30, 2023** **September 30, 2023**, an increase a decrease of **\$1.5 billion** **\$2.0 billion** compared to December 31, 2022. During the **six** **nine** months ended **June 30, 2023** **September 30, 2023**, the Company had:

- Maturities and redemptions of **\$4.0 billion** **\$4.5 billion** of senior notes.
- Issued **\$6.3 billion** fixed-to-floating rate senior notes with interest rates between **4.87%** and **6.05%** due from June 8, 2027 to June 8, 2034.
- Net redemptions of **\$500 million** **\$3.2 billion** of FHLB floating rate advances as issuances in the first quarter of 2023 were **redeemed** more than offset by redemptions in the **second** **quarter**, and **third** quarters.

In July 2023, Truist announced it will redeem all **\$500 million** principal amount outstanding of its **3.69%** fixed-to-floating rate senior bank notes due August 2, 2024 on the redemption date of August 2, 2023.

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#### Shareholders' Equity

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

Table 16: Book Value per Common Share

(Dollars in millions, except per share data, shares in thousands)	(Dollars in millions, except per share data, shares in thousands)	(Dollars in millions, except per share data, shares in thousands)		
			Jun 30, 2023	Dec 31, 2022
Common equity per common share	Common equity per common share	Common equity per common share	\$ 42.68	\$ 40.58
Non-GAAP capital measure: <sup>(1)</sup>	Non-GAAP capital measure: <sup>(1)</sup>	Non-GAAP capital measure: <sup>(1)</sup>		

Tangible common equity per common share	Tangible common equity per common share	\$ 20.44	\$ 18.04	Tangible common equity per common share	\$ 19.25	\$ 18.04
Calculation of tangible common equity: <sup>(1)</sup>	Calculation of tangible common equity: <sup>(1)</sup>			Calculation of tangible common equity: <sup>(1)</sup>		
Total shareholders' equity	Total shareholders' equity	\$ 63,681	\$ 60,537	Total shareholders' equity	\$ 62,007	\$ 60,537
Less:	Less:			Less:		
Preferred stock	Preferred stock	6,673	6,673	Preferred stock	6,673	6,673
Noncontrolling interests	Noncontrolling interests	155	23	Noncontrolling interests	167	23
Goodwill and intangible assets, net of deferred taxes	Goodwill and intangible assets, net of deferred taxes	29,628	29,908	Goodwill and intangible assets, net of deferred taxes	29,491	29,908
Tangible common equity	Tangible common equity	\$ 27,225	\$ 23,933	Tangible common equity	\$ 25,676	\$ 23,933
Common shares outstanding at end of period	Common shares outstanding at end of period	1,331,976	1,326,829	Common shares outstanding at end of period	1,333,668	1,326,829

(1) Tangible common equity and related measures are non-GAAP measures that exclude the impact of intangible assets, net of deferred taxes, and their related amortization. These measures are useful for evaluating the performance of a business consistently, whether acquired or developed internally. Truist's management uses these measures to assess profitability, returns relative to balance sheet risk, and shareholder value.

Total shareholders' equity was \$63.7 billion \$62.0 billion at June 30, 2023 September 30, 2023, an increase of \$3.1 billion \$1.5 billion from December 31, 2022. This increase includes \$2.9 billion \$4.0 billion in net income and \$1.4 billion received in connection with the IH minority stake sale, net of tax, and a \$227 million increase in AOCI, partially offset by \$1.6 billion \$2.4 billion in common and preferred dividends, dividends and a \$2.0 billion decrease in AOCI. Truist's book value per common share at June 30, 2023 September 30, 2023 was \$42.68, \$41.37, compared to \$40.58 at December 31, 2022. Truist TBVPS of \$20.44 \$19.25 at June 30, 2023 September 30, 2023, increased 13% 6.7% compared to December 31, 2022.

#### **Risk Management**

Truist maintains a comprehensive risk management framework supported by people, processes, and systems to identify, measure, monitor, manage, and report significant risks arising from its exposures and business activities. Effective risk management involves optimizing risk and return while operating in a safe and sound manner, and promoting compliance with applicable laws and regulations. The Company's risk management framework promotes the execution of business strategies and objectives in alignment with its risk appetite.

Truist has developed and employs a risk framework that further guides business functions in identifying, measuring, responding to, monitoring, and reporting on possible exposures to the organization. The risk taxonomy drives internal risk measurement and monitoring and enables Truist to clearly and transparently communicate to stakeholders the level of potential risk the Company faces and the Company's position on managing risk to acceptable levels.

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

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

Truist's compensation plans are designed to consider teammate's adherence to and successful implementation of Truist's risk values and associated policies and procedures. The Company's compensation structure supports its core values and sound risk management practices in an effort to promote judicious risk-taking behavior.

Refer to Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional disclosures under the section titled "Risk Management."

#### **Market Risk**

Market risk is the risk to current or anticipated earnings, capital, or economic value arising from changes in the market value of portfolios, securities, or other financial instruments. Market risk results from changes in the level, volatility, or correlations among financial market risk factors or prices, including interest rates, credit spreads, foreign exchange rates, equity, and commodity prices.

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

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

#### Interest Rate Market Risk

As a financial institution, Truist is exposed to interest rate risk from assets, liabilities, and off-balance sheet positions. To keep net interest margin as stable as possible, Truist actively manages its interest rate risk exposure through the strategic repricing of its assets and liabilities, taking into account the volumes, maturities, and mix. Truist primarily uses **three** methods to measure and monitor its interest rate risk: (i) simulations of possible changes to net interest income **over the next two years** based on **instantaneous and gradual changes in interest rates**; **rates** and (ii) **analysis of interest rate shock scenarios**; and (iii) **analysis of economic value of equity based on changes in interest rates**.

The Company's simulation model takes into account assumptions related to prepayment trends, using a combination of market data and internal historical experiences for deposits and loans, as well as scheduled maturities and payments, and the expected outlook for the economy and interest rates. These assumptions are reviewed and adjusted monthly to reflect changes in current interest rates compared to the rates applicable to Truist's assets and liabilities. The model also considers Truist's current and prospective liquidity position, current balance sheet volumes, projected growth and/or contractions, accessibility of funds for short-term needs and capital maintenance.

Deposit betas (the sensitivity of deposit rate changes relative to market rate changes) are an important assumption in the interest rate risk modeling process. Truist applies deposit beta assumptions to non-maturity interest-bearing deposit accounts when determining its interest rate sensitivity. Non-maturity, interest-bearing deposit accounts include interest checking accounts, savings accounts, and money market accounts that do not have a contractual maturity. Truist applies an average deposit beta of approximately 50% to its interest-bearing accounts when determining its interest rate sensitivity, which is consistent with Truist's long-term expectations. Truist also regularly conducts sensitivity analyses on other key variables, including noninterest-bearing deposits, to determine the impact these variables could have on the Company's interest rate risk position. The predictive value of the simulation model depends upon the accuracy of the assumptions, but management believes that it provides helpful information for the management of interest rate risk.

The following table shows the effect that the indicated changes in interest rates would have on net interest income as projected for the next 12 months assuming a gradual change in interest rates as described below.

**Table 17: Interest Sensitivity Simulation Analysis**

Interest Rate Scenario			Annualized Hypothetical Percentage Change in Net Interest Income	
Gradual Change in Prime Rate (bps)	Prime Rate		Jun 30, 2023	Jun 30, 2022
	Jun 30, 2023	Jun 30, 2022		
Up 100	9.25 %	5.75 %	(1.00)%	1.68 %
Up 50	8.75	5.25	(0.61)	1.65
No Change	8.25	4.75	—	—
Down 50 <sup>(1)</sup>	7.75	4.25	(0.04)	(2.86)
Down 100 <sup>(1)</sup>	7.25	3.75	0.09	(3.94)

(1) The Down 50 and 100 rate scenarios incorporate a floor of one basis point.

**Table 17: Interest Sensitivity Simulation Analysis**

Interest Rate Scenario			Annualized Hypothetical Percentage Change in Net Interest Income	
Gradual Change in Prime Rate (bps)	Prime Rate		Sep 30, 2023	Sep 30, 2022
	Sep 30, 2023	Sep 30, 2022		
Up 100	9.50 %	7.25 %	(1.03)%	0.37 %
Up 50	9.00	6.75	(0.67)	0.39
No Change	8.50	6.25	—	—
Down 50	8.00	5.75	0.11	(1.77)
Down 100	7.50	5.25	0.29	(2.43)

Rate sensitivity decreased compared Net interest income is liability sensitive as elevated rates and quantitative tightening have led to prior periods, primarily driven by higher starting rates, a reduction in deposits, rotation into interest bearing deposits, and higher deposit betas as rates betas.

Interest rate scenarios in table 17 assume no change in deposit mix. Further rotation from non-interest bearing into interest bearing deposits would increase and move into the highest beta tiers, and the addition liability sensitivity of forward starting swaps. Truist's balance sheet.

Management considers how the interest rate risk position could be impacted by changes in balance sheet mix. Liquidity in the banking industry was very strong post-COVID-19, which resulted in growth in noninterest-bearing demand deposits. However, with the significant increase in rates in 2022 and the first half of 2023, noninterest-bearing deposits have begun to shift to interest-bearing accounts. Additional movement above what is currently projected would reduce the asset sensitivity of Truist's balance sheet because the Company may increase interest-bearing funds to offset the loss of these advantageous noninterest-bearing deposits. Alternatively, the Company may reduce the size of its investment portfolio to offset the loss of noninterest-bearing demand deposits to limit the impact on the balance sheet's asset sensitivity. The behavior of these noninterest-bearing deposits is one of the most important assumptions used in determining the interest rate risk position of Truist.

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The following table shows the results of Truist's interest-rate sensitivity position assuming the loss of additional demand deposits and an associated increase in managed rate deposits versus current projections under various interest rate scenarios. For purposes of this analysis, Truist modeled the incremental beta of managed rate deposits for the replacement of the demand deposits at 100%

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Table 18: Deposit Mix Sensitivity Analysis

Gradual Change in Rates	Gradual Change in Rates (bps)	Base Scenario	Results Assuming a Decrease in Noninterest-Bearing Demand Deposits			Results Assuming a Decrease in Noninterest-Bearing Demand Deposits		
			in 30, 2023 <sup>(1)</sup> tds	at June	\$40 Billion	in September 2023 <sup>(1)</sup>	at	\$40 Billion
Up 100	Up 100	(1.00)%	(1.77)%	(2.54)%	Up 100	(1.03) %	(1.81)%	(2.58)%
Up 50	Up 50	(0.61)	(1.17)	(1.74)	Up 50	(0.67)	(1.23)	(1.80)

(1) The base scenario is equal to the annualized hypothetical percentage change in net interest income at June 30, 2023 September 30, 2023 as presented in the preceding table.

Truist uses financial instruments including derivatives to manage interest rate risk related to securities, commercial loans, MSRs, mortgage banking operations, long-term debt, and other funding sources. Truist has utilized derivatives to facilitate transactions on behalf of its clients and as part of associated hedging activities. As of June 30, 2023 September 30, 2023, Truist had derivative financial instruments outstanding with notional amounts totaling \$509.8 billion \$379.8 billion. See "Note 16. Derivative Financial Instruments" for additional disclosures. In the second third quarter of 2023, there was a \$135 billion increase \$125 billion decrease in notional amounts on derivatives with central clearing parties as a result of the conversion from LIBOR to SOFR. This increased The decline in notional amount is a short term impact due to the maturity of short-term LIBOR swaps entered into in the second quarter of 2023 to maintain LIBOR cashflows until the phase out of the LIBOR reference rate on June 30th, 2023. All remaining short-term impacts of the conversion with most of the increase maturing are expected to mature in the third and fourth quarter of 2023.

#### LIBOR Transition

The remaining tenors of U.S. dollar LIBOR ceased publication on June 30, 2023. To prepare for the transition to an alternative reference rate, management formed a cross-functional project team to address the LIBOR transition. The project team performed an assessment to identify the risks related to the transition from LIBOR to a new index or multiple indices and provides updates to Executive Leadership and the Board on progress. Training has been provided for impacted teammates and will continue during the second half of 2023. Truist provided timely notices and information to impacted clients about the transition during the first half to new interest rates post cessation. Most contracts were transitioned to new rates in July and August 2023. A small number of 2023 contracts utilize longer tenor LIBOR rates and will transition by late 2023 (3-month LIBOR) or early 2024 (6-month and 12-month LIBOR) based on contractual agreements. Truist continues to manage the impact has materially completed LIBOR transition efforts, primarily utilizing SOFR replacement rates, and closed formal project efforts as of LIBOR-based contracts and other financial instruments, systems implications, hedging strategies, and related operational and market risks. September 2023.

Contract fallback language for LIBOR contracts was reviewed to identify required remediation to support the transition away from LIBOR. Impacted lines of business have remediated substantially all of these contracts to include standardized fallback language or amended contracts to new reference rates ahead of cessation. Fallback language used to remediate loan agreements was generally consistent with ARRC recommendations and included use of "hardwired fallback" language, which will transition transitioned loans to a SOFR based rate after June 30, 2023. Similarly, fallback language used to remediate LIBOR based derivatives was generally consistent with ISDA publications.

Loan contracts, excluding mortgage loans, that mature post June 30, 2023 will transition primarily to SOFR following the cessation date. For contracts remaining without fallback language, Truist leveraged the LIBOR Act and corresponding safe harbor provision to transition these loans to SOFR. Truist's adjustable-rate mortgage products had consistent and

adequate fallback language to transition to SOFR, based on lender discretion and as supported by the LIBOR Act; therefore, these contracts did not require remediation. For many consumer lending portfolios, LIBOR ~~will transition~~ transitioned to the SOFR rate specified in the LIBOR Act and the rules promulgated thereunder by the FRB and ~~will~~ benefit from the safe harbor provisions of the LIBOR Act.

Derivatives that reference LIBOR ~~will transition~~ transitioned to a SOFR-based replacement rate as set forth in the ISDA protocol addressing LIBOR fallbacks between the Company and its counterparties which have adhered to the protocol, through bilateral amendments between the Company and each of its counterparties, or as established under the LIBOR Act and rules promulgated thereunder by the FRB. Fallback language used to remediate LIBOR based derivatives was generally consistent with ISDA publications.

The Company's preferred securities and the Company's and Truist Bank's floating rate notes that reference LIBOR ~~will transition~~ transitioned to a SOFR based rate utilizing application of the LIBOR Act and the rules promulgated thereunder by the FRB. Truist ~~recently~~ announced that these securities would move to a 3-month adjusted ~~term~~ Term SOFR in accordance with the LIBOR Act. See "Note 12. Shareholders' Equity" in Truist's Annual Report on Form 10-K for information about preferred stock using LIBOR.

Alternatives, such as SOFR, may react differently from LIBOR in times of economic stress. Truist expects SOFR to be the primary pricing benchmark used across the industry and will continue to offer additional SOFR based products. Additional alternative reference rates will be supported based on market demand. For a further discussion of the various risks associated with the cessation of LIBOR and the transition to alternative reference rates, refer to the section titled "Item1A. Risk Factors" in the Form 10-K for the year ended December 31, 2022.

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#### Market Risk from Trading Activities

As a financial intermediary, Truist provides its clients access to derivatives, foreign exchange and securities markets, which generate market risks. Trading market risk is managed using a comprehensive risk management approach, which includes measuring risk using VaR, stress testing, and sensitivity analysis. Risk metrics are monitored against a suite of limits on a daily basis at both the trading desk level and at the aggregate portfolio level, which is intended to ensure that exposures are in line with Truist's risk appetite.

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

#### Covered Trading Positions

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

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

#### Securitizations

As of ~~June 30, 2023~~ September 30, 2023, the aggregate market value of on-balance sheet securitization positions subject to the Market Risk Rule was ~~\$56~~ \$91 million, all of which were non-agency asset backed securities positions. Consistent with the Market Risk Rule requirements, the Company performs pre-purchase due diligence on each securitization position to identify the characteristics including, but not limited to, deal structure and the asset quality of the underlying assets, that materially affect valuation and performance. Securitization positions are subject to Truist's comprehensive risk management framework, which includes daily monitoring against a suite of limits. There were no off-balance sheet securitization positions during the reporting period.

#### Correlation Trading Positions

The trading portfolio of covered positions did not contain any correlation trading positions as of ~~June 30, 2023~~ September 30, 2023.

#### VaR-Based Measures

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

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

June 30, 2023 September 30, 2023 and 2022. Average one and ten-day VaR measures for the second quarter three months ended June 30, 2023 September 30, 2023 increased from the same period of last year, primarily driven by higher market making inventory.

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Table 19: VaR-based Measures

Table 19: VaR-based Measures

(Dollars in millions)	Table 19: VaR-based Measures								Table 19: VaR-based Measures									
	Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,				Nine Months Ended September 30,					
	2023		2022		2023		2022		2023		2022		2023		2022			
	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day	10-Day	1-Day		
	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding	Holding		
(Dollars in millions)	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period		
VaR-based Measures:	VaR-based Measures:								VaR-based Measures:									
Maximum	Maximum	\$ 24	\$ 9	\$ 26	\$ 7	\$ 24	\$ 9	\$ 38	\$ 14	Maximum	\$ 22	\$ 9	\$ 27	\$ 7	\$ 24	\$ 9	\$ 38	\$ 14
Average	Average	18	7	13	4	17	6	16	5	Average	18	7	18	5	17	6	17	5
Minimum	Minimum	14	5	6	3	10	4	6	3	Minimum	15	5	13	4	10	4	6	3
Period-end	Period-end	17	7	26	7	17	7	26	7	Period-end	17	7	20	6	17	7	20	6
VaR by Risk Class:	VaR by Risk Class:								VaR by Risk Class:									
Interest Rate Risk	Interest Rate Risk	4	4	4	4	4	4	4	4	Interest Rate Risk	6	8	6	8	6	8	6	8
Credit Spread Risk	Credit Spread Risk	6	6	6	6	6	6	6	6	Credit Spread Risk	6	7	6	7	6	7	6	7
Equity Price Risk	Equity Price Risk	4	3	4	3	4	3	4	3	Equity Price Risk	4	2	4	2	4	2	4	2
Foreign Exchange Risk	Foreign Exchange Risk	1	—	1	—	1	—	1	—	Foreign Exchange Risk	—	—	—	—	—	—	—	—
Portfolio Diversification	Portfolio Diversification	(8)	(7)	(8)	(7)	(8)	(7)	(8)	(7)	Portfolio Diversification	(10)	(11)	(10)	(11)	(10)	(11)	(10)	(11)
Period-end	Period-end	7	7	7	7	7	7	7	7	Period-end	6	6	6	6	6	6	6	6

#### Stressed VaR-based measures

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

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

(Dollars in millions)	Table 20: Stressed VaR-based Measures - 10 Day Holding Period								Table 20: Stressed VaR-based Measures - 10 Day Holding Period									
	(Dollars in millions)	Three Months Ended June 30,				Six Months Ended June 30,				(Dollars in millions)	Three Months Ended September 30,				Nine Months Ended September 30,			
		2023	2022	2023	2022	2023	2022	2023	2022		2023	2022	2023	2022	2023	2022		
Maximum	Maximum	\$ 96	\$ 87	\$ 96	\$ 109	Maximum	\$ 130	\$ 91	\$ 130	\$ 109	Average	85	65	61	69	61	69	
Average	Average	54	66	49	71	Minimum	44	48	25	40	Minimum	44	48	25	40	25	40	
Minimum	Minimum	25	40	25	40	Period-end	119	65	119	65	Period-end	119	65	119	65	119	65	
Period-end	Period-end	96	81	96	81													

Compared to the prior year, Stressed VaR measures decreased over the nine months ended September 30 this year, primarily due to higher diversification benefits in 2023.

#### Specific Risk Measures

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

#### VaR Model Backtesting

In accordance with the Market Risk Rule, the Company evaluates the accuracy of its VaR model through daily backtesting by comparing aggregate daily trading gains and losses (excluding fees, commissions, reserves, net interest income, and intraday trading) from covered positions with the corresponding daily VaR-based measures generated by the model. As illustrated in the following graph, there were no Company-wide VaR backtesting exceptions during the twelve months ended June 30, 2023 September 30, 2023. The total number of Company-wide VaR backtesting exceptions over the preceding twelve months is used to determine the multiplication factor for the VaR-based capital requirement under the Market Risk Rule. The capital multiplication factor increases from a minimum of three to a maximum of four, depending on the number of exceptions. All Company-wide VaR backtesting exceptions are thoroughly reviewed in the context of VaR model use and performance. There was no change in the capital multiplication factor over the preceding twelve months.

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#### Model Risk Oversight

MRO is responsible for the independent model validation of all decision tools and models including trading market risk models. The validation activities are conducted in accordance with MRO policy, which incorporates regulatory guidance related to the evaluation of model conceptual soundness, ongoing monitoring, and outcomes analysis. As part of ongoing monitoring efforts, the performance of all trading risk models are reviewed regularly to preemptively address emerging developments in financial markets, assess evolving modeling approaches, and identify potential model enhancement.

#### Stress Testing

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

#### Liquidity

Liquidity represents the continuing ability to meet funding needs, including deposit withdrawals, repayment of borrowings and other liabilities, and funding of loan commitments. In addition to the level of liquid assets, such as cash, cash equivalents, and AFS securities, other factors affect the ability to meet liquidity needs, including access to a variety of funding sources, maintaining borrowing capacity, growing core deposits, loan repayment, and the ability to securitize or package loans for sale.

Truist monitors the ability to meet client demand for funds under both normal and stressed market conditions. In considering its liquidity position, management evaluates Truist's funding mix based on client core funding, client rate-sensitive funding, and national markets funding. In addition, management evaluates exposure to rate-sensitive funding sources that mature in one year or less. Management also measures liquidity needs against 30 days of stressed cash outflows for Truist and Truist Bank. To ensure a strong liquidity position and compliance with regulatory requirements, management maintains a liquid asset buffer of cash on hand and highly liquid unencumbered securities.

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#### Internal Liquidity Stress Testing

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

Truist maintains a liquidity buffer of cash on hand and highly liquid unencumbered securities that is sufficient to meet the projected net stressed cash-flow needs and maintain compliance with regulatory requirements. The liquidity buffer consists of unencumbered highly liquid assets and Truist's liquidity buffer is substantially the same in composition to what qualifies as HQLA under the LCR Rule.

#### Contingency Funding Plan

Truist has a contingency funding plan designed to ensure that liquidity sources are sufficient to meet ongoing obligations and commitments, particularly in the event of a liquidity contraction. This plan is designed to examine and quantify the organization's liquidity under the various internal liquidity stress scenarios and is periodically tested to assess the plan's reliability. Additionally, the plan provides a framework for management and other teammates to follow in the event of a liquidity contraction or in anticipation of such an event. The plan addresses authority for activation and decision making, liquidity options, and the responsibilities of key departments in the event of a liquidity contraction.

#### LCR and HQLA

The LCR rule requires that Truist and Truist Bank maintain an amount of eligible HQLA that is sufficient to meet its estimated total net cash outflows over a prospective 30 calendar-day period of stress. Eligible HQLA, for purposes of calculating the LCR, is the amount of unencumbered HQLA that satisfy operational requirements of the LCR rule. Truist and Truist Bank are subject to the Category III reduced LCR requirements. Truist held average weighted eligible HQLA of **\$84.8 billion** **\$83.8 billion** and Truist's average LCR was **112%** **110%** for the three months ended **June 30, 2023** **September 30, 2023**.

Effective July 2021, Truist became subject to final rules implementing the NSFR, which are designed to ensure that banking organizations maintain a stable, long-term funding profile in relation to their asset composition and off-balance sheet activities. At **June 30, 2023** and **March 31, 2023** **September 30, 2023**, Truist's NSFR Truist was **127%** compliant with this requirement.

#### Sources of Funds

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

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

Table 21: Selected Liquidity Sources (Dollars in millions)	Table 21: Selected Liquidity Sources (Dollars in millions)					Table 21: Selected Liquidity Sources (Dollars in millions)				
	Jun 30, 2023			Dec 31, 2022		Sep 30, 2023			Dec 31, 2022	
Unused borrowing capacity:	Unused borrowing capacity:					Unused borrowing capacity:				
FRB	FRB	\$	52,737	\$	49,250	FRB	\$	54,633	\$	49,250
FHLB	FHLB		23,219		20,770	FHLB		23,615		20,770
Available investment securities (after haircuts)	Available investment securities (after haircuts)		77,875		85,401	Available investment securities (after haircuts)		73,010		85,401
Available secured borrowing capacity	Available secured borrowing capacity		153,831		155,421	Available secured borrowing capacity		151,258		155,421
Eligible cash at the FRB	Eligible cash at the FRB		24,658		15,556	Eligible cash at the FRB		24,177		15,556
Total	Total	\$	178,489	\$	170,977	Total	\$	175,435	\$	170,977

At **June 30, 2023** **September 30, 2023**, Truist Bank's available secured borrowing capacity represented approximately **3.2** **3.5** times the amount of wholesale funding maturities in one-year or less. Truist additionally has the ability to increase sources of funding by pledging available investment securities to receive the par value of the collateral under the FRB Bank Term Funding Program.

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Parent Company

The Parent Company serves as the primary source of capital for the operating subsidiaries. The Parent Company's assets consist primarily of cash on deposit with Truist Bank, equity investments in subsidiaries, advances to subsidiaries, and notes receivable from subsidiaries. The principal obligations of the Parent Company are payments on long-term debt. The main sources of funds for the Parent Company are dividends and management fees from subsidiaries, repayments of advances to subsidiaries, and proceeds from the issuance of equity and long-term debt. The primary uses of funds by the Parent Company are investments in subsidiaries, advances to subsidiaries, dividend payments to common and preferred shareholders, repurchases of common stock, and payments on and, from time-to-time, potential repurchases or redemptions of a portion of an outstanding tranche of the long-term debt of the Parent Company or the Bank (as may be permitted by the terms of each respective series). See "Note 22. Parent Company Financial Information" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional information regarding dividends from subsidiaries and debt transactions.

Access to funding at the Parent Company is more sensitive to market disruptions. Therefore, Truist prudently manages cash levels at the Parent Company to cover a minimum of one year of projected cash outflows which includes unfunded external commitments, debt service, common and preferred dividends and scheduled debt maturities, without the benefit of any new cash inflows. Truist maintains a significant buffer above the projected one year of cash outflows. In determining the buffer, Truist considers cash requirements for common and preferred dividends, unfunded commitments to affiliates, serving as a source of strength to Truist Bank, and being able to withstand sustained market disruptions that could limit access to the capital markets. At June 30, 2023 September 30, 2023 and December 31, 2022, the Parent Company had 47 42 months and 37 months, respectively, of cash on hand to satisfy projected cash outflows, and 25 months and 22 months, respectively, when including the payment of common stock dividends.

#### Credit Ratings

Credit ratings are forward-looking opinions of rating agencies as to the Company's ability to meet its financial commitments and repay its securities and obligations in accordance with their terms of issuance. Credit ratings influence both borrowing costs and access to the capital markets. The Company's credit ratings are continuously monitored by the rating agencies and are subject to change at any time. As Truist seeks to maintain high-quality credit ratings, management meets with the major rating agencies on a regular basis to provide financial and business updates and to discuss current outlooks and trends. See Item 1A, "Risk Factors" in Truist's Annual Report on Form 10-K for the year ended December 31, 2022 for additional information regarding factors that influence credit ratings and potential risks that could materialize in the event of downgrade in the Company's credit ratings: Recent changes in the Company's credit ratings and outlooks include:

- On March 31, 2023, S&P Global Ratings affirmed the ratings of Truist and Truist Bank and revised the outlook on those ratings to "stable" from "positive," citing heightened market volatility in the wake of recent bank failures and, with inflation still elevated, higher uncertainty, and greater downside risk in the economic outlook. The change in outlook was part of a broader action by S&P Global Ratings whereby the "positive" outlook on three other large U.S. banks was revised to "stable."
- On August 7, 2023, Moody's Investors Service placed the long-term ratings and certain short-term ratings of Truist and Truist Bank "under review for downgrade," citing Truist's comparatively low, though improving, level of capitalization, along with weaknesses in asset-liability management. The review also reflects Moody's Investor Service view that the stability of U.S. banks' deposit funding has declined, as reflected in the agency's decision to lower the U.S. macro profile.
- On August 11, 2023, DBRS, Inc. affirmed the ratings of Truist and Truist Bank and maintained a "stable" ratings outlook, citing Truist's highly scaled and diversified regional banking franchise, conservative risk profile, and sound liquidity management and capital levels. In affirming the ratings, DBRS, Inc. also noted the ratings take into account the more challenging operating environment and the expectation that funding costs and asset quality metrics could worsen from current levels, providing some pressure to earnings, and that credit deterioration associated with normalization of the credit cycle would be manageable.
- On August 21, 2023, S&P Global Ratings affirmed the ratings of Truist and Truist Bank and maintained a "stable" ratings outlook, citing Truist's strong market position and diversified business model as a substantial offset to deposit and margin pressures. S&P Global Ratings viewed Truist's capital ratios unfavorably after considering unrealized losses on securities but also wrote that Truist has the earnings capacity to build its capital ratios and support franchise growth over time.
- After the end of the third quarter, on October 16, 2023, Fitch Ratings affirmed the ratings of Truist and Truist Bank and revised the ratings outlook to "negative" from "stable." In affirming Truist's ratings, Fitch Ratings cited the company's diverse revenue model, solid asset quality, and expected capital build over the rating horizon; however, "negative" ratings outlook reflects the view of Fitch Ratings that Truist currently has less "headroom" to face increasing earnings pressures than similarly-rated peers.

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#### Capital

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

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Truist regularly performs stress testing on its capital levels and is required to periodically submit the Company's capital plans and stress testing results to the banking regulators. Management regularly monitors the capital position of Truist on both a consolidated and bank-level basis. In this regard, management's objective is to maintain capital at levels that are in excess of internal capital limits, which are above the regulatory "well capitalized" minimums. Management has implemented internal stress capital ratio minimums to evaluate whether capital ratios calculated after the effect of alternative capital actions are likely to remain above internal minimums. Breaches of internal stressed minimums prompt a review of the planned capital actions included in Truist's capital plan.

Table 22: Capital Requirements

	Minimum Capital	Well Capitalized		Minimum Capital Plus Stress	
		Truist	Truist Bank	Capital Buffer <sup>(1)</sup>	Capital Buffer <sup>(1)</sup>
CET1	4.5 %	NA	6.5 %	7.0 %	
Tier 1 capital	6.0	6.0 %	8.0	8.5	
Total capital	8.0	10.0	10.0	10.5	
Leverage ratio	4.0	NA	5.0	NA	
Supplementary leverage ratio	3.0	NA	NA	NA	

(1) Reflects a SCB requirement of 2.5% applicable to Truist as of June 30, 2023. Truist's SCB requirement, received in the CCAR 2022 CCAR process, is effective of 2.5% applicable from October 1, 2022 to through September 30, 2023. Under Beginning on October 1, 2023, through September 30, 2024, Truist will be subject to a 2.9% SCB received in the CCAR 2023 CCAR process, Truist was notified its preliminary SCB requirement would remain 2.9% from October 1, 2023 through September 30, 2024, process.

Truist's capital ratios are presented in the following table:

Table 23: Capital Ratios - Truist Financial Corporation

(Dollars in millions)	(Dollars in millions)	Jun 30, 2023	Dec 31, 2022	(Dollars in millions)	Sep 30, 2023	Dec 31, 2022
Risk-based:	Risk-based: (preliminary)			Risk-based: (preliminary)		
CET1	CET1	9.6 %	9.0 %	CET1	9.9 %	9.0 %
Tier 1 capital	Tier 1 capital	11.1	10.5	Tier 1 capital	11.4	10.5
Total capital	Total capital	13.2	12.4	Total capital	13.5	12.4
Leverage ratio	Leverage ratio	8.8	8.5	Leverage ratio	9.2	8.5
Supplementary leverage ratio	Supplementary leverage ratio	7.5	7.3	Supplementary leverage ratio	7.8	7.3
Risk-weighted assets	Risk-weighted assets	\$434,985	\$434,413	Risk-weighted assets	\$428,682	\$434,413

Capital ratios remained strong compared to the regulatory requirements for well capitalized banks. Truist declared common dividends of \$0.52 per share during the second third quarter of 2023. The dividend payout ratio for the second third quarter of 2023 was 56% 65%. Truist did not repurchase any shares in the second third quarter of 2023.

Truist's CET1 ratio was 9.6% 9.9% as of June 30, 2023 September 30, 2023. The increase since December 31, 2022 June 30, 2023 resulted from the minority stake sale in IH and organic capital generation. Truist closed the sale of the minority stake in IH on April 3, 2023, which added 31 basis points to the risk-based regulatory capital ratios. generation and RWA optimization.

Truist completed the 2023 CCAR process and received the preliminary SCB requirement of 2.9% for the period October 1, 2023 to September 30, 2024. The Federal Reserve will provide Truist with its final SCB requirement by August 31, 2023.

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### Share Repurchase Activity

Table 24: Share Repurchase Activity

(Dollars in millions, except per share data, shares in thousands)	Total Number of Shares Purchased <sup>(1)</sup>	Total Number of Shares Purchased		
		Average Price Paid Per Share <sup>(2)</sup>	as part of Publicly Announced Plans <sup>(3)</sup>	Approximate Dollar Value of Shares that may yet be Purchased Under the Plans <sup>(3)</sup>
April July 1, 2023 to April 30, 2023 July 31, 2023	—	\$	—	— \$ 4,100
May August 1, 2023 to May 31, 2023 August 31, 2023	—	—	—	— 4,100
June September 1, 2023 to June 30, 2023 September 30, 2023	—	—	—	— 4,100
Total	—	\$	—	—

(1) Includes shares exchanged or surrendered in connection with the exercise of equity-based awards under equity-based compensation plans.

(2) Excludes commissions.

(3) **In July 2022, The repurchase authority previously approved by the Board of Directors approved, effective October 1, 2022, new repurchase authority to effectuate repurchases up to an aggregate of \$4.1 billion in shares of the Company's common stock through** expired on September 30, 2023.

#### **Critical Accounting Policies**

The accounting and reporting policies of Truist are in accordance with GAAP and conform to the accounting and reporting guidelines prescribed by bank regulatory authorities. Truist's financial position and results of operations are affected by management's application of accounting policies, including estimates, assumptions, and judgments made to arrive at the carrying value of assets and liabilities, and amounts reported for revenues and expenses. Different assumptions in the application of these policies could result in material changes in the consolidated financial position and/or consolidated results of operations, and related disclosures. Material estimates that are particularly susceptible to significant change include the determination of the ACL; determination of fair value for securities, MSRs, LHFS, trading loans, and derivative assets and liabilities; goodwill and other intangible assets; income taxes; and pension and postretirement benefit obligations. Understanding Truist's accounting policies is fundamental to understanding the consolidated financial position and consolidated results of operations. The critical accounting policies are discussed in MD&A in Truist's Annual Report on Form 10-K for the year ended December 31, 2022. Significant accounting policies and changes in accounting principles and effects of new accounting pronouncements are discussed in "Note 1. Basis of Presentation" in Form 10-K for the year ended December 31, 2022. Disclosures regarding the effects of new accounting pronouncements are included in "Note 1. Basis of Presentation" in this report. There have been no changes to the significant accounting policies during 2023.

#### **Goodwill and Other Intangible Assets**

The Company performs goodwill impairment analysis annually as of October 1 or more often if events or circumstances indicate that it is more-likely-than-not that the fair value of a reporting unit is below its carrying value. During the third quarter of 2023, the Company observed continuing declines in its financial forecasts for its CB&W and C&CB reporting units. The Company considered such declines in the context of industry related factors, including a decline in bank share prices, concluding that a triggering event had occurred for its CB&W and C&CB reporting units, and therefore Truist performed a quantitative test for these reporting units as of August 1, 2023. Truist also elected to perform a quantitative test for the IH reporting unit concurrent with the other units. The quantitative impairment test estimates the fair value of the reporting units using the income approach (weighted 50%) and two market based approaches: the guideline public company (weighted 30%) and guideline transaction (weighted 20%) methods. The income approach utilizes a discounted cash flow analysis. The guideline public company approach utilizes comparable public company information, key valuation multiples, and considers a market control premium associated with cost synergies and other cash flow benefits that arise from obtaining control over a reporting unit, and guideline transactions, when applicable. The guideline transaction method uses market observable transaction multiples for non-regulatory assisted transactions occurring within the past 12 months, which inherently incorporate a premium associated with the benefits of obtaining control.

The inputs and assumptions specific to each reporting unit are incorporated in the valuations, including projections of future cash flows, discount rates, applicable valuation multiples based on the comparable public company information, and guideline transaction information. Truist also assesses the reasonableness of the aggregate estimated fair value of the reporting units by comparison to its market capitalization over a reasonable period of time, including consideration of expected acquirer expense synergies, historic bank control premiums, and the current market.

Multi-year financial forecasts are developed for each reporting unit by considering several inputs and assumptions such as net interest margin, expected credit losses, noninterest income, noninterest expense, and required capital. The projection of net interest margin and noninterest expense are the most significant inputs to the financial projections of the CB&W and C&CB reporting units. The long-term growth rate used in determining the terminal value of each reporting unit was 3% as of August 1, 2023, based on management's assessment of the minimum expected terminal growth rate of each reporting unit. Discount rates are estimated based on the Capital Asset Pricing Model, which considers the risk-free interest rate, market risk premium, beta, and unsystematic risk adjustments specific to a particular reporting unit. The discount rates are also calibrated based on risks related to the projected cash flows of each reporting unit. The discount rates utilized for the CB&W, C&CB, and IH reporting units as of August 1, 2023 were 12.5%, 11.5%, and 10.0%, respectively.

Based on the Company's interim impairment test of goodwill, it was determined for the CB&W, C&CB, and IH reporting units that the respective reporting units' fair value was in excess of its respective carrying value as of August 1, 2023; however, for the CB&W and C&CB reporting units the fair value of the reporting unit exceeded its carrying value by less than 10%, indicating that the goodwill of these reporting units may be at risk of impairment. Circumstances that could negatively impact the fair value for the CB&W and C&CB reporting units in the future include sustained decrease in Truist stock price, continued decline in industry peer multiples, an increase in the applicable discount rate and further deterioration in the reporting units' forecasts.

The estimated fair value of a reporting unit is highly sensitive to changes in management's estimates and assumptions; therefore, in some instances, changes in these assumptions could impact whether the fair value of a reporting unit is greater than its carrying value. The Company performs sensitivity analyses around these assumptions in order to assess the reasonableness of the assumptions, and the resulting estimated fair values. The analysis of the CB&W and C&CB reporting unit at August 1, 2023, indicated that if the discount rates were increased 120 basis points and 100 basis points, respectively, the reporting unit's fair value would be less than its carrying value, resulting in goodwill impairment. Ultimately, future potential changes in these assumptions may impact the estimated fair value of a reporting unit and cause the fair value of the reporting unit to be below its carrying

value. Additionally, a reporting unit's carrying value could change based on market conditions, change in the underlying makeup of the reporting unit, or the risk profile of those reporting units, which could impact whether the fair value of a reporting unit is less than carrying value.

The Company monitored events and circumstances during the period from August 1, 2023 through September 30, 2023, including macroeconomic and market factors, industry and banking sector events, Truist specific performance indicators, a comparison of management's forecast and assumptions to those used in its August 1, 2023 quantitative impairment test, and the sensitivity of the August 1, 2023 quantitative test results to changes in assumptions through September 30, 2023. Based on these considerations, management concluded that it was not more-likely-than-not that the fair value of one or more of its reporting units is below its respective carrying amount as of September 30, 2023.

#### ITEM 4. CONTROLS AND PROCEDURES

##### *Evaluation of Disclosure Controls and Procedures*

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

##### *Changes in Internal Control over Financial Reporting*

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

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the quarter ended **June 30, 2023** **September 30, 2023** that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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## PART II. OTHER INFORMATION

#### ITEM 1. LEGAL PROCEEDINGS

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

#### ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors disclosed in Truist's Annual Report on Form 10-K for the year ended December 31, 2022. Additional risks and uncertainties not currently known to Truist or that management has deemed to be immaterial also may materially adversely affect Truist's business, financial condition, or operating results.

#### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, AND USE OF PROCEEDS, AND ISSUER PURCHASE OF EQUITY SECURITIES

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

#### ITEM 5. OTHER INFORMATION

(c) During the three months ended **June 30, 2023** **September 30, 2023**, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

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## ITEM 6. EXHIBITS

Exhibit No.	Description	Location
3.1	Bylaws of Truist Financial Corporation, as Amended and Restated, Effective September 27, 2023.	<a href="#">Incorporated herein by reference to Exhibit 3.1 of the of the Current Report on Form 8-K, filed October 2, 2023.</a>
10.1*	Sixth Amendment to the Truist Financial Corporation Non-Qualified Deferred Compensation Trust Pension Plan (October 1, 2020 Restatement)	<a href="#">Filed herewith.</a>
10.2*	First Fifth Amendment and Resolutions to the Truist Financial Corporation Non-Qualified Deferred Compensation 401(k) Savings Plan (August 1, 2020 Restatement)	<a href="#">Filed herewith.</a>
11	Statement re computation of earnings per share.	<a href="#">Filed herewith as Computation of EPS note to the consolidated financial statements.</a>
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	<a href="#">Filed herewith.</a>
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	<a href="#">Filed herewith.</a>
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.	<a href="#">Filed herewith.</a>
101.INS	XBRL Instance Document – the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.	Filed herewith.
101.SCH	XBRL Taxonomy Extension Schema.	Filed herewith.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.	Filed herewith.
101.LAB	XBRL Taxonomy Extension Label Linkbase.	Filed herewith.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.	Filed herewith.
101.DEF	XBRL Taxonomy Definition Linkbase.	Filed herewith.
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101).	Filed herewith.

\* Management compensatory plan or arrangement.

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## SIGNATURES

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

TRUIST FINANCIAL CORPORATION  
(Registrant)

Date: July 31, October 30, 2023

By: /s/ Michael B. Maguire

Michael B. Maguire

Senior Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

Date: July 31, October 30, 2023

By: /s/ Cynthia B. Powell

Cynthia B. Powell

Executive Vice President and Corporate Controller  
(Principal Accounting Officer)

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Exhibit 10.1

TRUIST FINANCIAL CORPORATION  
NON-QUALIFIED  
DEFERRED COMPENSATION TRUST

SIXTH AMENDMENT  
TO THE  
TRUIST FINANCIAL CORPORATION PENSION PLAN  
(October 1, 2020 Restatement)

This Agreement ("Trust Agreement") is made this WHEREASday of, to be effective as of July 1, 2023, by and between TRUIST FINANCIAL CORPORATION (the "Company") and TRUIST BANK (the "Trustee").

**RECITALS**

The Company is the sponsor of the Truist Financial Corporation Non-Qualified Defined Contribution Pension Plan (the "Plan"). The Company wishes to establish an irrevocable trust (the "Trust" "Plan") to hold assets was originally adopted effective as of October 1, 1944;

WHEREAS, the Company Plan was most recently restated effective as a reserve for the discharge of liabilities October 1, 2020;

WHEREAS, under the Plan. The Trust is intended to be a grantor trust with the corpus and income of the Trust treated as assets and income of the Company for federal income tax purposes pursuant to Sections 671 through 677 of the Internal Revenue Code of 1986, as amended (the "Code"). The Company intends that the existence of the Trust will not alter the characteristics Section 7.2.1 of the Plan, for purposes the Board of Directors (the "Board") of Truist Financial Corporation (the "Company") has the Employee Retirement Income Security Act of 1974, as amended ("ERISA") right at any time to amend the Plan; and

WHEREAS, as an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees. In addition, the Company intends that the existence of the Trust will not be construed Board wishes to provide income for tax purposes to any Participant under amend the Plan prior to change the actual payment of benefits thereunder. The Company and the participating employer-parties intend to make contributions to the Trust to provide them with a source of funds to assist it in the meeting of their liabilities under the Plan. formula applicable for participants hired after January 1, 2024.

NOW, THEREFORE, effective January 1, 2024, the Plan is hereby amended in consideration the respects hereinafter set forth:

1. Section 2.1.1 of the premises Plan is amended to read as follows:

2.1.1 For a participant hired by a Participating Employer before January 1, 2024, the annual normal retirement benefit of a retired participant shall be computed on the basis of a single life annuity with respect to him equal to the sum of the amounts determined pursuant to subsections (a) and the mutual and independent promises herein, the parties hereto covenant and agree (b), as follows:

Section 1. Establishment of Trust:

1.1 Trust: (a) The Company hereby establishes 1 percent of the Trust with the Trustee, consisting participant's final average compensation multiplied by his years of such Qualified Assets, as creditable service (as defined in Section 5.1.3, as may 1.14) (not in excess of 35 years); plus

(b) 0.5 percent of the participant's final average compensation in excess of his covered compensation multiplied by his years of creditable service (as defined in Section 1.14) (not in excess of 35 years).

For a participant hired by a Participating Employer on or after January 1, 2024, the annual normal retirement benefit of a retired participant shall be contributed or delivered computed on the basis of a single life annuity with respect to him equal to the Trustee from time sum of the amounts determined pursuant to time subsections (a) and (b), as follows:

(c) 0.94 percent of the participant's final average compensation multiplied by his years of creditable service (as defined in Section 1.14) (not in excess of 35 years); plus

(d) 0.47 percent of the Company. All such contributions, all investments and reinvestments made therewith or proceeds thereof, and all earnings and profits thereon, less all payments and charges as authorized herein, shall constitute the "Trust Fund." The Trust Fund shall be held participant's final average compensation in excess of his covered compensation multiplied by the Trustee his years of creditable service (as defined in trust and shall be dealt with Section 1.14) (not in accordance with the provisions excess of this Trust Agreement. The Company shall execute any and all instruments necessary to vest the Trustee with legal title to 35 years).

any assets so transferred

If a participant was an eligible employee before January 1, 2024, then terminates employment (before or after January 1, 2024) and subsequently is rehired as an eligible employee on or after January 1, 2024, such participant's annual normal retirement benefit shall be determined by using Sections 2.1.1(a) and (b) for creditable service earned prior to such rehire date and using Sections 2.1.1(c) and (d) for creditable service earned on or after such rehire date.

2. Section (f)(2)(i) of Exhibit G of the Plan is amended to read as follows:

(i) As of the last day of each Crediting Period, each Personal Pension Account shall be credited with an Interest Credit equal to the Trustee. The fiscal year product of the Trust (the "Fiscal Year") shall be Personal Pension Account balance as of the twelve-month period ending on each December 31. In accordance with end of the provisions of this Trust Agreement, amounts transferred to this Trust, as determined prior Crediting Period multiplied by the Company from time to time in its sole discretion, and the earnings thereon, shall be used by the Trustee solely in satisfaction of liabilities with respect rate which, if compounded each Crediting Period for an entire calendar year, would yield an effective annual rate equal to the Participants in the Plans and for expenses incurred in the operation of the Trust. Upon satisfaction of all liabilities with respect to all Participants and Beneficiaries under the Plans, the balance, if any, remaining in the Trust shall revert to the Company, subject to the terms of the Trust. References herein to "Participants" shall include Beneficiaries of deceased Participants unless expressly stated to the contrary.

**1.2 Description of Trust:** The Company represents and agrees that the Trust does not fund and is not intended to fund the Plan or any other employee benefit plan or program of the Company. Subject to the provisions of Section 5.1.1, contributions by the Company to the Trust shall be in amounts determined solely by the Company.

**1.3 Copies of the Plan:** Upon execution of the Trust, the Company shall provide the Trustee with a copy of the Plan. Thereafter, any amendment interest rate applicable to the Plan Year in which such Crediting Period begins. The applicable interest rate shall be delivered equal to the Trustee monthly average for 30-year Treasury bond rates for the month of December in the immediately preceding Plan Year, as soon as practicable published in the Federal Reserve Statistical Release. Effective for Crediting Periods beginning on and after adoption.

**1.4 Trust Irrevocable:** The Trust hereby established January 1, 2024, the applicable interest rate shall be irrevocable, and except as specifically provided in Sections 2, 6.3, 6.5, 11 and 12, equal to the Trust Fund shall be held monthly average for 30-year Treasury bond rates for the exclusive purpose month of providing benefits to Participants and defraying expenses of September in the Trust immediately preceding Plan Year, as published in the Federal Reserve Statistical Release, but in accordance with the provisions hereof. Except as specifically provided in Sections 2, 6.3, 6.5, 11 and 12, no part Section 1.411(b)(5)-1(e)(3)(iv)(A) of the income or corpus of Treasury Regulations, for Crediting Periods beginning in the Trust Fund 2024 Plan Year, the Interest Credits provided for that year shall not be recoverable less than what would have been provided by or using an applicable interest rate equal to the monthly average for 30-year Treasury bond rates for the benefit month of the Company.

**1.5 Acceptance:** The Trustee hereby agrees and consents to serve as Trustee of the Trust and accepts the Trust on the terms and subject to the provisions set forth herein and agrees to discharge and perform fully and faithfully all of the duties and obligations imposed upon it under the Trust.

## Section 2. Claims of Company's Creditors:

**2.1 No Security Interest:** The parties hereto intend that the Trust Fund shall be subject to the claims of the Company's general creditors December in the event immediately preceding Plan Year, as published in the Company becomes Insolvent or Bankrupt, as defined in Section 2.5. Accordingly, Federal Reserve Statistical Release. Notwithstanding the Company foregoing, the applicable interest rate for each Plan Year shall not create a security interest in the Trust Fund in favor of the Participants be lower than 3%.

In no event will an acquired employee's Personal Pension Account balance in the Plan or any creditor. The Trust shall not create any preferred claim over creditors be less than such acquired employee's Personal Pension Account balance as of June 30, 2009 (under the Company SunTrust Plan), plus subsequent Interest Credits to such Account if the interest crediting rate were based on the Composite Corporate Bond Rate (described in IRS Notice 2004-34 for any Participant the month of December in the immediately preceding Plan Year, as published in applicable guidance from the Internal Revenue Service). Effective January 1, 2019, because the IRS ceased publishing the Composite Corporate Bond Rate as of December 2017, the Composite

under Corporate Bond Rate (described in IRS Notice 2004-34) in the Plan. All rights previous sentence shall be replaced with the applicable third segment rate used for Code section 417(e) purposes, for the month of a Participant created under December in the immediately preceding Plan against Year. Effective for Crediting Periods beginning on and after January 1, 2024, the Company applicable interest rate shall remain unsecured contractual rights be equal to applicable third segment rate used for Code section 417(e) purposes, for the month of September in the immediately preceding Plan Year, but in accordance with Section 1.411(b)(5)-1(e)(3)(iv)(A) of the Participant.

**2.2 Suspension of Payments:** Notwithstanding any provisions Treasury Regulations, for Crediting Periods beginning in the Trust to 2024 Plan Year, the contrary but subject to the provisions of Section 13.2, if at any time while the Trust is in existence the Company becomes Insolvent or Bankrupt, the Trustee Interest Credits provided for that year shall upon written notice thereof, suspend the payment of all benefits and other amounts from the Trust Fund and hold the Trust Fund for the benefit of the Company's general creditors, and deliver the entire amount of the Trust Fund only as a court of competent jurisdiction, or duly appointed receiver or other person authorized to act by such a court, may direct to make the Trust Fund available to satisfy the claims of the Company's general creditors. Unless the Trustee has actual knowledge of the Company's Insolvency or Bankruptcy, the Trustee shall have no duty to inquire whether the Company is Insolvent or Bankrupt, and the Trustee shall not be protected in making distributions hereunder unless and until the Trustee shall have actual knowledge of such Insolvency or Bankruptcy.

**2.3 Resumption of Payments:** If the Trust shall have any assets following application of Section 2.2, the Trustee shall resume all its duties and responsibilities under the Trust, including payments to the Participants under the Plans, within thirty days of the Trustee's determination that the Company is not Insolvent or Bankrupt or is no longer Insolvent or Bankrupt. In making such determination, the Trustee may retain outside experts competent to advise the Trustee as to whether the Company is in fact Insolvent or Bankrupt. The expense of retaining such outside experts shall be deemed a Trust expense within the meaning of Section 7.2. The first payment to a Participant upon such resumption shall include the aggregate amount of all payments that less than what would have been made provided by using an applicable interest rate equal to the Participant Code section 417(e) purposes, for the month of December in accordance the immediately preceding Plan Year. Acquired employees with Personal Pension Accounts Participants shall continue to receive Interest Credits to their Personal Pension Accounts through the Plans during end of the period Crediting Period immediately preceding their annuity starting date.

Executed on this 27 day of discontinuance less the aggregate amount of payments under the Plans made to the Participant directly by the Company during any period of discontinuance. September, 2023.

TRUIST FINANCIAL CORPORATION

By: /s/Ellen M. Fitzsimmons

**2.4 Notice Title:** Chief Legal Officer and Head of Insolvency: Public  
The Company, by its approval and execution of this Trust Agreement, represents and agrees that the Board of Directors of Truist Financial Corporation and the Committee under the Truist Financial Corporation Non-Qualified Defined Contribution Plan (the "Committee") shall each have Affairs the fiduciary duty and responsibility on behalf of the Company's creditors to give to the Trustee prompt written notice of any event of the Company's Insolvency or Bankruptcy. The Trustee shall be entitled to rely thereon to the exclusion of all directions or claims to pay benefits thereafter made.

**2.5 Insolvency:** The Company shall be deemed to be Insolvent or Bankrupt upon the occurrence of either of the following:

- (a) The Company is unable to pay its debts as they fall due; or
- (b) The Company shall make an assignment for the benefit of creditors, file a petition in bankruptcy, petition or apply to any tribunal for the appointment of a custodian, receiver, liquidator, sequestrator or any trustee for it or a substantial part of its assets, or shall commence

any case under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction (federal or state), whether now or hereafter in effect; or there shall have been filed any such petition or application, or any such case shall have been commenced against it in which an order for relief is entered or which remains undismissed; or the Company by any act or omission shall indicate its consent to, approval of or acquiescence in any such petition, application or case or order for relief or for the appointment of a custodian, receiver or any trustee for the Company or any substantial part of any of the Company's property, or shall suffer any such custodianship, receivership or trusteeship to continue undischarged.

**2.6 Repayment of Amounts Paid to Creditors:** In the event that amounts are paid from the Trust Fund to the Company's creditors (other than payments to Participants under the terms of the Trust), then as soon as practicable, or as soon as the Company is no longer insolvent or Bankrupt, the Company may deposit into the Trust Fund a sum equal to the amount paid from the Trust Fund to such creditors.

### **Section 3. Powers of Trustee:**

#### **3.1 Investment of the Trust Fund:**

3.1.1 The Trustee shall hold, manage, invest and otherwise administer the Trust Fund pursuant to the terms of this Trust Agreement. The Trustee shall be responsible only for contributions actually received by it hereunder. Subject to the provisions of Section 5.1.1, the amount of each contribution by the Company to the Trust Fund shall be determined in the sole discretion of the Company.

3.1.2 The assets of the Trust Fund shall be invested by the Trustee at the direction of or in accordance with the investment guidelines provided from time to time by the Compensation and Human Capital Committee of the Board of Directors of Truist Financial Corporation (the "Compensation Committee") or its delegate. If no such directions or guidelines are received by the Trustee, the assets of the Trust Fund may be invested in short and intermediate term obligations of the United States government or its agencies, savings certificates and certificates of deposit issued by federally-insured financial institutions, cash equivalent deposits or accounts, life insurance policies and guaranteed investment contracts issued by quality insurance companies, mutual funds, and common or collective trust funds which reflect investments of the nature described in this Section 3.1.2.

**3.2 Powers of Trustee:** Except as otherwise provided in this Trust Agreement, the Trustee shall have the following additional powers and authority with respect to all property constituting a part of the Trust Fund:

3.2.1 To receive all interest, issues, dividends, income, profits and properties of every nature due the Trust;

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3.2.2 To retain the properties now or hereafter received by the Trust, or to dispose of them as and when deemed advisable by public or private sale or exchange or otherwise, for cash or upon credit, or partly upon cash and partly upon credit, and upon such terms and conditions as shall be deemed proper;

3.2.3 To participate in any plan of liquidation, reorganization, consolidation, merger, or other financial adjustment of any corporation or business in which the Trust is or shall be financially interested, and to exchange any property held in the Trust for property issued under any such plan;

3.2.4 To invest or reinvest principal and income of the Trust Fund, without distinction, in (i) common or preferred stocks, (ii) bonds, notes or other securities (including commercial paper and other short-term obligations), (iii) cash equivalent deposits or accounts (including such deposits or accounts issued by the Trustee), (iv) mutual funds, or any combination of (i) through (iv) as shall from time to time be determined by the Trustee, or to hold any part of such principal and income in cash as may from time to time be determined by the Trustee;

3.2.5 To hold any investment belonging to the trust in bearer form, or to register and hold the same in the name of the Trustee or in the name of the Trustee's duly authorized nominee;

3.2.6 To borrow for the benefit of the Trust for such periods of time and upon such terms and conditions as may be deemed proper any sum or sums of money, and to secure such loans by pledge of any property belonging to the Trust, without personal liability therefor;

3.2.7 To compromise, arbitrate or otherwise adjust or settle claims in favor of or against the Trust;

3.2.8 To execute such contracts, bills of sale, notes, proxies and other instruments in writing as shall be deemed requisite or desirable in the proper administration of the Trust;

3.2.9 To make distributions from the Trust to Participants under the Plans as provided in this Trust Agreement;

3.2.10 To exercise the right to vote any securities held in the Trust or to grant proxies to vote such securities;

3.2.11 Notwithstanding any other provision of this Trust, to cause any part or all of the money or other property of this Trust to be commingled with the money or other property of trusts created by others by causing such assets to be invested as part of anyone or more common or collective trust funds established and maintained by the Trustee; and

3.2.12 To do all acts and to exercise any and all powers, although not specifically set forth in this Trust Agreement, as the Trustee may deem are for and in the best interest of the Trust.

**3.3 Prudent Person Rule:** In acquiring, investing, reinvesting, exchanging, retaining, selling and managing property pursuant to this Trust Agreement, the Trustee shall observe the standard of judgment and care under the circumstances then prevailing, which an ordinarily prudent person of discretion and intelligence who is a fiduciary of the property of others would observe as such fiduciary; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval given by the Company, the Compensation Committee or the Committee which is contemplated by, and in conformity with, the terms of the Plans or this Trust and is given in writing or by such other method acceptable to the Trustee.

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**3.4 Restrictions on Powers:** Notwithstanding any powers granted to the Trustee pursuant to this Trust Agreement or by applicable law, the Trustee shall not have any powers that could give this Trust the objective of carrying on a business, and dividing the gains therefrom, within the meaning of Section 301.7701-2 of the Procedure and Administrative Regulations promulgated pursuant to the Code.

**Section 4. Trust Obligation To Pay Benefits Under the Plans; Accounts:**

**4.1 Obligation of Trustee:** The Trustee shall pay benefits to Participants under the Plans pursuant to Section 6.2.

**Section 5. Contributions:**

**5.1 Contributions:**

5.1.1 The Company may deliver to the Trustee such Qualified Assets as the Company shall from time to time determine. Notwithstanding any other provision of this Trust Agreement to the contrary, upon a Change of Control (as defined in Section 5.1.5), the Company shall, as soon as possible, but in no event later than 15 days following the Change of Control, deliver to the Trustee Qualified Assets in an amount sufficient to cause the total value of Trust Fund assets, excluding the balance in the Expense Account, to equal the Plan Benefits of all Participants under the Plans as of the date of the Change of Control. Thereafter, and notwithstanding any other provision of this Trust Agreement to the contrary, the Company shall deliver to the Trustee Qualified Assets in an amount sufficient to cause the total value of Trust Fund assets, excluding the balance in the Expense Account, to at all times equal the Plan Benefits of all Participants under the Plans. Contributions shall be made to the Trust Fund only to the extent that such contributions are not otherwise prohibited under Section 409A(b) of the Code.

5.1.2 Notwithstanding the foregoing, the Trustee shall not be liable for any failure by the Company to provide contributions sufficient to pay all benefits under the Plans in full or to cause transfers of Qualified Assets to the Trust to be made.

5.1.3 The term "Qualified Assets" shall refer to: (i) common or preferred stocks with a recognized market; (ii) bonds, notes or other securities with a recognized market (including commercial paper and other short-term obligations); (iii) mutual fund shares; (iv) cash, or cash equivalent deposits or accounts; and (v) such other assets the Trustee, in its sole discretion, agrees to accept.

5.1.4 For purposes of this Trust Agreement, "Plan Benefits" with respect to each Participant shall mean the present value of the sum of the benefits payable under the respective Plans with respect to the Participant, which benefits shall be estimated under the terms of the respective Plans if not then determinable. The amounts of Plan Benefits shall be communicated by the Committee to the Trustee; provided, that if the Committee shall not communicate such amounts to the Trustee in a timely manner, or if the Trustee in its discretion decides that it must make determinations of such amounts in order to fulfill its duties under this Trust Agreement, such determinations shall be made by the Trustee. The expense of retaining any actuaries, counsel, and other experts deemed necessary by the Trustee to make such determinations shall be a Trust expense within the meaning of Section 7.2.

5.1.5 For purposes of this Trust Agreement, "Change of Control" means the earliest of the following dates:

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(1) the date any person or group of persons (as defined in Section 13(d) and 14(d) of the Securities Exchange Act of 1934) together with its or their affiliates, excluding employee benefit plans of the Company, is or becomes, directly or indirectly, the "beneficial owner" (as defined in Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of securities of the Company representing twenty percent (20%) or more of the combined voting power of the Company's then outstanding securities (excluding the acquisition of securities of the Company by an entity at least eighty percent (80%) of the outstanding voting securities of which are, directly or indirectly, beneficially owned by the Company); or

(2) the date, when as a result of a tender offer or exchange offer for the purchase of securities of the Company (other than such an offer by the Company for its own securities), or as a result of a proxy contest, merger, share exchange, consolidation or sale of assets, or as a result of any combination of the foregoing, individuals who at the beginning of any two-year period during the duration of this Trust Agreement constitute the Company's Board of Directors, plus new directors whose election or nomination for election by the Company's shareholders is approved by a vote of at least two-thirds of the directors still in office who were directors at the beginning of such two-year period ("Continuing Directors"), cease for any reason during such two-year period to constitute at least two-thirds (2/3) of the members of such Board of Directors; or

(3) the date the shareholders of the Company approve a merger, share exchange or consolidation of the Company with any other corporation or entity regardless of which entity is the survivor, other than a merger, share exchange or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or being converted into voting securities of the surviving or acquiring entity) at least sixty percent (60%) of the combined voting power of the voting securities of the Company or such surviving or acquiring entity outstanding immediately after such merger or consolidation; or

(4) the date the shareholders of the Company approve a plan of complete liquidation or winding-up of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(5) the date of any event which the Company's Board of Directors determines should constitute a Change of Control.

#### Section 6. Adjustment of Accounts; Payments by the Trustee.

**6.1 Trust Income, Gains and Losses:** Expenses, if not paid pursuant to Section 7.2, shall be charged first to an unallocated account in accordance with rules and regulations adopted by the Committee from time to time and approved by the Trustee.

#### 6.2 Payment of Benefits:

6.2.1 Benefits shall be paid by the Fidelity Management Trust Company ("Fidelity") as directed by the Committee. Upon request by the Committee, the Trustee shall forward funds from the Trust, in the amount described by the Committee, to the Fidelity Management Trust Company to pay such benefits. Fidelity shall be solely responsible for the withholding and reporting of applicable taxes to the appropriate tax authorities.

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#### 6.3 Transfer of Overfunded Assets to the Company:

6.3.1 Subject to Section 6.3.2, at any time that the Committee can demonstrate to the satisfaction of the Trustee that the total value of Trust Fund assets, excluding the balance in the Expense Account, exceeds the Plan Benefits of all Participants under the Plans, the Trustee shall distribute to the Company the lesser of (i) the amount of such excess, or (ii) the total value of Trust Fund assets less the balance of the Expense Account. The selection of Trust Fund assets to distribute to the Company shall be made by the Trustee in the exercise of its sole judgment. A distribution to the Company pursuant to this Section 6.3.1 shall be charged to the unallocated account.

6.3.2 Notwithstanding the provisions contained in this Section 6.3, the Trustee shall be prohibited from transferring Trust Fund assets to the Company in the manner described therein if the Company is then Bankrupt or Insolvent.

**6.4 Valuation of Accounts:** The Trustee shall hold the Participant Accounts as a single fund. The Trust Fund shall be revalued by the Trustee as of each adjustment date at current market values as determined by the Trustee. Net investment gains and losses shall be allocated by the Trustee among the Participant Accounts and the unallocated account in accordance with Section 6.1.

#### Section 7. Taxes, Expenses and Compensation.

**7.1 Taxes:** The Company shall from time to time pay taxes of any and all kinds whatsoever which at any time are levied or assessed upon or become payable in respect of the Trust Fund, the income or any property forming a part thereof, or any security transaction pertaining thereto. The Trustee shall, at Company expense, contest the validity of such taxes in any manner deemed appropriate by the Company or its counsel, but only if it has received an

indemnity bond or other security satisfactory to the Trustee to pay any expenses of such contest. Alternatively, the Company may contest the validity of any such taxes.

**7.2 Expenses and Compensation:** The Trustee shall be paid compensation in accordance with the Trustee's regular schedule of fees for trust services and applicable investment management services, as in effect from time to time, unless the Company and Trustee otherwise agree.

Section 8. Administration and Records:

**8.1 Records:** The Trustee shall keep or cause to be kept accurate and detailed accounts of any investments, receipts, disbursements and other transactions hereunder. All accounts, books and records relating thereto shall be open to inspection and audit at all reasonable times by any person designated by the Company.

**8.2 Settlement of Accounts:** Within sixty days after the close of each Fiscal Year, and within sixty days after the removal or resignation of the Trustee or the termination of the Trust, the Trustee shall file with the Company a written account setting forth all investments, receipts, disbursements and other transactions effected by it during the preceding Fiscal Year, or during such period from the close of the prior Fiscal Year to the date of such

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removal, resignation or termination, including a description of all investments and securities purchased and sold, with the cost or net proceeds of such purchases or sales, and showing all cash, securities and other property held at the end of such Fiscal Year or other period. If within ninety days after the filing of such account the Company has not filed with the Trustee notice or any objection to any act or transaction of the Trustee, the initial account shall become final. If any objection has been filed, and if the Company is satisfied that the objection should be withdrawn, the Company shall in writing filed with the Trustee signify its approval of the account, and it shall become final. If the account is adjusted following an objection thereto, the Trustee shall file with the Company the adjusted account, and if within thirty days after such filing of an adjusted account the Company has not filed with the Trustee notice of any objection to the transactions as so adjusted, the adjusted account shall become final. Unless an account is fraudulent when it becomes final, the Trustee shall, to the maximum extent permitted by applicable law, be forever released and discharged from all liability and accountability with respect to the propriety of its acts and transactions shown in such account.

**8.3 Audit:** The Trustee shall from time to time permit an independent certified public accountant selected by the Company to have access during ordinary business hours to such records as may be necessary to audit the Trustee's accounts.

**8.4 Judicial Settlement:** Nothing contained in the Trust shall be construed as depriving the Trustee or the Company of the right to have a judicial settlement of the Trustee's account.

**8.5 Delivery of Records to Successor:** In the event of removal or resignation of the Trustee, the Trustee shall deliver to the successor trustee all records which shall be required by the successor trustee to enable it to carry out the provisions of the Trust.

**8.6 Tax Filings:** In addition to any returns required of the Trustee by law, the Trustee shall prepare and file such tax reports and other returns as the Company and the Trustee may from time to time agree.

Section 9. Removal or Resignation of the Trustee and Designation of Successor Trustee:

**9.1 Removal:** The Company may remove the Trustee with or without cause upon at least ninety days' notice in writing to the Trustee. Removal of the Trustee shall not be effective until the Company has appointed, in writing, a successor trustee, and such successor has accepted the appointment in writing.

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**9.2 Resignation:** Should the Trustee cease to exist or for any reason fail to act as Trustee, then the Company shall appoint a successor trustee. The Trustee may resign at any time upon at least ninety days' written notice to the Company, whereupon the Company shall appoint a successor trustee.

**9.3 Successor Trustee:** Each successor trustee shall be a bank or a trust company. During the period that the successor trustee shall act as Trustee, such successor shall have the powers, duties and protections herein conferred upon the Trustee. The term "Trustee" wherever used herein, except where the context otherwise requires, shall be deemed to include any successor trustee. Upon designation of a successor trustee in accordance with this Section 9, and acceptance in writing by the successor trustee of its appointment, the resigned or removed Trustee shall promptly assign, transfer, deliver and pay over to the successor trustee, in conformity with the requirements of applicable law, the funds and properties in its control or possession then constituting the Trust Fund.

Section 10. Enforcement of Trust Agreement and Legal Proceedings:

The Company and the Trustee shall have the right to enforce any provision of the Trust. In any action or proceeding affecting the Trust, the only necessary parties shall be the Company, the Trustee and the Participants and, except as otherwise required by applicable law, no other person shall be entitled to any notice or service of process. Any judgment entered in such an action or proceeding shall, to the maximum extent permitted by applicable law, be binding and conclusive on all persons having or claiming to have any interest in the Trust. Time is of the essence of the Trust. In case any provision of the Trust is enforced by the Trustee or by any Participant by legal process or through an attorney-at-law, or under advice therefrom, including but not limited to the collection of amounts due hereunder to either the Trustee or such Participant, or for the benefit of such Participant, then the Company shall pay all costs of such enforcement or collection, including reasonable attorneys' fees.

**Section 11. Termination:**

This Trust shall continue until it terminates following the first to occur of (i) all payments required by Section 6 or other provisions of the Trust have been made, or (ii) the Trust Fund contains no assets and retains no claims to recover assets. If the Trust terminates pursuant to this Section 11, the Trustee, after its final account has been settled as provided in Section 8.2, shall distribute to the Company the net balance of any assets remaining in the Trust Fund. Upon making distribution of the Trust Fund, the Trustee shall be relieved from all further liability. The powers of the Trustee hereunder shall continue so long as any assets of the Trust Fund remain in its hands.

**Section 12. Amendment:**

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**12.1 Consent Required:** Subject to Section 12.2, this Trust may be amended by a written instrument executed by the Trustee and the Company.

**12.2 Other Limitations on Amendment:** Amendment of the Trust shall be subject to the following limitations: (i) no amendment shall cause the Trust, the Plans or the assets of the Trust Fund to be governed by or subject to part 2, 3 or 4 of title I of ERISA; (ii) no amendment shall cause the assets of the Trust Fund to be taxable to Participants prior to distribution therefrom; (iii) no amendment shall make the Trust revocable; and (iv) no amendment shall adversely affect any benefits to Participants under the Plans accrued to the date of such amendment or the amount of assets of the Trust Fund allocable thereto.

**12.3 Compliance with ERISA and the Code:** Notwithstanding anything in this Section 12 to the contrary, the Trust and the Plans shall be amended from time to time (without the consent of any Participant) to maintain the Plans as unfunded plans maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees for purposes of ERISA, the Code and any other applicable law, to maintain the Trust as a grantor trust, to ensure that contributions to the Trust by the Company will not constitute a taxable event and income and gains of the Trust Fund will not be taxable as income and gains to the Trust or Participants, and that benefits paid to Participants from the Trust Fund will be deductible by the Company in the year of payment.

**Section 13. Employer-Parties:**

The Board of Directors of Truist Financial Corporation has, and may in the future, in accordance with the terms of each Plan, authorize its affiliates to become employer-parties to the Plan. The following special provisions shall apply to all employer-parties to the Plans:

**13.1 References to Company:** Subject to the provisions of this Section 13, and unless the context clearly provides otherwise, all references herein to the "Company" shall include all employer-parties to the Plans.

**13.2 Insolvency:** Should any employer-party to a Plan become Bankrupt or Insolvent, only that portion of the Trust Fund with a value equal to the Plan Benefits of the Participants employed by the Bankrupt or Insolvent employer-party shall be subject to the suspension of payment rules set forth in Section 2.2.

**13.3 Liability for Contributions:** The employer-parties shall be severally liable with respect to the contribution obligations set forth in Section 5 and benefits under the Plan. With respect to and at the time of each contribution to the Trust Fund, the Committee shall deliver to the Trustee a written certificate stating the amount or

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portion attributable to each employer-party. On the basis of such certificate, the Trustee shall keep records of the amount contributed to the Trust Fund by each employer-party.

**13.4 Allocation of Reversion:** If any Trust Fund assets are to be distributed to the Company pursuant to Section 6.3 or upon termination of the Trust, the amount to be distributed shall be allocated among the employer-parties to the Plans in the proportion that each employer-party's cumulative contributions bear to the total cumulative contributions made to the Trust Fund.

**Section 14. Miscellaneous:**

**14.1 Nonalienation:** No amount payable to or in respect of any Participant at any time under the Trust shall be subject in any manner to alienation, anticipation, sale, transfer, assignment, bankruptcy, pledge, attachment, charge or encumbrance of any kind. Any attempt to alienate, anticipate, sell, transfer, assign, pledge, attach, charge or otherwise encumber any such amount shall be void, and the Trust Fund shall in no manner be liable for or subject to the debts or liabilities of any Participant. Notwithstanding the foregoing, the Trust Fund shall at all times remain subject to the claims of creditors of the Company in the event the Company becomes Bankrupt or Insolvent.

**14.2 Communications:**

- (a) Communications to the Company shall be addressed to the Company at 214 N Tryon Street, Attn: Steve Reeder, 45<sup>th</sup> Floor, Charlotte NC 28202 or to such other address as the Company may specify in writing.
- (b) Communications to the Trustee shall be addressed to the Trustee at 303 Peachtree Street, Suite 200, Attn: Kathy Kraiss Atlanta, Ga 30308 or to such other address as the Trustee may specify in writing.
- (c) No communication shall be binding on the Trustee until it is received by the Trustee, and no communication shall be binding on the Company until it is received by the Company.

**14.3 Authority to Act:** The Secretary of the Company shall from time to time certify to the Trustee the person or persons authorized to act for the Company, Compensation Committee and the Committee, and shall provide the Trustee with such information regarding the Company, Compensation Committee and the Committee as the Trustee may reasonably request. The Trustee may continue to rely on any such certification until notified to the contrary.

**14.4 Authenticity of Instruments:** The Trustee shall be fully protected in acting upon any instrument, certificate or paper believed by it to be genuine and to be signed or presented by the proper person or persons. The Trustee shall be under no duty to make any investigation or inquiry as to any statement contained in any

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such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained.

**14.5 Binding Effect:** The Trust shall be binding upon the Company and the Trustee and their respective successors and assigns.

**14.6 Inquiry as to Authority:** A third party dealing with the Trustee shall not be required to make inquiry as to the authority of the Trustee to take any action or be under any obligation to follow the proper application by the Trustee of the proceeds of sale of any property sold by the Trustee or to inquire into the validity or propriety of any act of the Trustee.

**14.7 Responsibility for Company or Committee Action:** The Trustee assumes no obligation or responsibility with respect to any action required by the Trust on the part of the Company or the Committee.

**14.8 Grantor Trust:** The Trust is intended to be a trust under which the grantor is treated as the owner for federal income tax purposes in accordance with the provisions of Sections 671 through 677 of the Code. If the Company or the Trustee deems it necessary or advisable to undertake or refrain from undertaking any actions (including, but not limited to, making or refraining from making any elections or filings) in order to ensure that the Company is at all times treated as the owner of the Trust for federal income tax purposes, the Company or the Trustee will undertake or refrain from undertaking (as the case may be) such actions. The Trustee shall be fully protected in acting or refraining from acting in accordance with the provisions of this Section 14.8.

**14.9 Titles Not to Control:** Titles to the Articles and Sections of the Trust are included for convenience only and shall not control the meaning or interpretation of any provision of the Trust.

**14.10 Severability:** Any provision of this Trust prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

**14.11 Laws of North Carolina to Govern:** The Trust shall be governed by and construed, enforced and administered in accordance with the laws of the State of North Carolina.

**14.12 Reports:** The Trustee shall not be required to file any annual or other returns or report to any court, or to give any bond or to secure any order or consent of any court to carry out any of the powers conferred on the Trustee or to make any other reports to any court.

**14.13 Counterparts:** The Trust may be executed in any number of counterparts, each of which shall be deemed to be the original although the others shall not be produced.

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**14.14 Sale of Assets:** Notwithstanding any other provisions hereof, if the Company shall sell or otherwise transfer substantially all of its operating assets to another entity (the "Transferee"), the Company's rights and obligations hereunder shall be assigned by the Company to the Transferee as a part of the same transaction. Following such assignment, and conditional on acceptance thereof by the Transferee, the Transferee shall be substituted for the Company hereunder. Except for such substitution, following such assignment this Trust Agreement shall continue in effect in accordance with its terms. If the Company shall not effect such assignment, with respect to all Participants, the Trustee shall, at the time of the closing of the sale or other transfer distribute to each Participant in cash in a lump sum an amount equal to the sum of (i) the Plan Benefits of the Participant, plus (ii) the estimated income tax liability of the Participant resulting from distribution of the amount in (i) and in this (ii), taking into account all federal, state and local income taxes payable by the Participant as a result of the distribution and determined on the assumption that such Participant is taxed at the highest marginal income tax rate under each taxing jurisdiction. Such distribution shall be made in compliance with the requirements under Code section 409A, and guidance thereunder (including Treasury Regulation section 1.409A-3(j)(4)(ix)(B)). If such sum with respect to all Participants shall exceed the amount then in the Trust, the Trustee shall allocate the sum among all Participants in the proportion that the Plan Benefits of each bears to the Plan Benefits of all, and the Company shall pay to each Participant the sum of the above amounts with respect to the Participant less the amount paid to each by the Trustee. Such payment shall be made by the Company in cash in a lump sum at the time of the sale or other transfer.

**14.15 Securities Laws:** The Company and the Trustee shall take all necessary steps to comply with the applicable registration or other requirements of federal or state securities laws from which no exemption is available.

**14.16 Third-Party Beneficiaries:** The Company and the Trustee each hereby acknowledge and agree that the Participants in the Plans are intended to be third party beneficiaries of this Trust Agreement. As such, the Participants shall have the right to enforce the provisions of this Trust Agreement relating to their right to receive payment of their Plan Benefits from the Trust. Nothing in this Section 14.16 shall in any way be interpreted or construed to limit or restrict any rights the Participants may have under North Carolina law as beneficiaries of the Trust, subject at all times to their status as general, unsecured creditors of the Company.

**14.17 Compliance with Code Section 409A:** This Trust Agreement is intended to comply with the requirements of Code section 409A and the guidance issued thereunder, to the extent it applies with respect to

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amounts held in the Trust. Notwithstanding any other provision herein, this Trust Agreement shall be interpreted, operated, and administered in a manner compliant with Code section 409A to the extent applicable.

IN WITNESS WHEREOF, the amended and restated Trust Agreement has been duly executed by the parties hereto as of the day and year first above written.

TRUIST BANK

Trustee

By: /s/Marilyn K. Zarimba  
Name: Marilyn K. Zarimba  
Title: AVP  
Date: 6/2/23

TRUIST FINANCIAL CORPORATION

By: /s/Ellen M. Fitzsimmons  
Name: Ellen M. Fitzsimmons  
Title: Chief Legal Officer and Head of Public Affairs  
Date: 5/30/23

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Exhibit 10.2

**FIRST AMENDMENT AND RESOLUTIONS  
TO THE  
TRUIST FINANCIAL CORPORATION  
NON-QUALIFIED DEFINED CONTRIBUTION PLAN**

**FIFTH AMENDMENT  
TO THE  
TRUIST FINANCIAL CORPORATION 401(K) SAVINGS PLAN  
(August 1, 2020 Restatement)**

**WHEREAS**, Truist Financial Corporation (the "Company") sponsors the Truist Financial Corporation Non-qualified Defined Contribution Pension Plan (the "Plan") for, formerly named the purpose of (1) supplementing the benefits payable to certain participants under the Truist Financial BB&T Corporation 401(k) Savings Plan, to the extent that such benefits are curtailed by the application was originally adopted effective as of certain limits imposed by the Internal Revenue Code, and (2) providing certain participants in the Company's executive incentive compensation plans with an effective means of deferring a portion of the payments they are entitled to receive under such plans on a pre-tax basis. July 1, 1982;

**WHEREAS**, Article 13 the Plan was most recently restated effective as of August 1, 2020;

**WHEREAS**, under Section 9.3 of the Plan, provides that the Board may, at any time, amend the Plan;

**WHEREAS**, the Board of Directors an officer who is an Executive Manager of the Company has delegated the ability authority to sign a amend the Plan to, among other things, provide for the merger of another plan into the Plan, and make any other amendment to any member if the financial impact on the Company of such amendment is below the Sarbanes Oxley materiality threshold as determined by the Company's Executive Leadership; and Chief Financial Officer (or officer with similar authority);

**WHEREAS**, it has been determined that the financial impact on the Company of this amendment is below the Sarbanes Oxley materiality threshold. threshold; and

**WHEREAS**, the Company wishes to clarify the application of certain Plan limits in accordance with the Plan's prior operation.

**NOW, THEREFORE BE IT RESOLVED**, that, effective July 5, Article IX of September 1, 2023, the Plan is hereby amended to read as follows:

The Plan is intended to be both an excess benefit plan and an unfunded plan of deferred compensation maintained for a select group of highly compensated or management employees. The obligation of the Employer to make payments hereunder may constitute a general unsecured obligation of the Employer to the Participant. Notwithstanding the foregoing, the Company shall establish and maintain a special separate fund as provided for in the document entitled "Truist Financial Corporation Non-Qualified Deferred Compensation Trust." Notwithstanding the foregoing, no Participant or his Beneficiary shall have any legal or equitable rights, interest or claims in any particular asset of the trust or the Employer by reason of the Employer's obligation hereunder, and nothing contained herein shall create or be construed as creating any other fiduciary relationship between the Employer and a Participant or any other person. To the extent that any person acquires a right to receive payments from the trust or the Employer hereunder, such right shall be no greater than the right of an unsecured creditor of the Employer. respects hereinafter set forth:

**BE IT FURTHER RESOLVED**, that effective July 5, 2023, the self-brokerage option allowed under Section 2.1(21) 1.12 of the Plan is closed amended to Participants. Notwithstanding replace the foregoing, Participants who, as last sentence thereof with the following:

For employees of June 30, 2023 CRC Insurance Services, Inc., have amounts deemed invested through for purposes of determining the self-directed brokerage option may continue permissible amount of salary deferral contributions, Roth contributions, and matching contributions, the limit described in this paragraph shall not be applied to use the self-brokerage option.

**BE IT FURTHER RESOLVED**, that effective July 5, 2023, the Truist Financial Corporation Non-Qualified Deferred Compensation Trust (the "Trust") shall be bifurcated into two (2) separate trusts (i.e., "Trust #1" and "Trust #2"). Without limiting the Company's authority to name successor Trustees, Fidelity Management Trust Company shall be the Trustee for Trust #1 and Truist Bank shall be the Trustee for Trust #2.

**BE IT FURTHER RESOLVED**, that, effective July 5, 2023, all current investments in Truist #1 that are not invested in the self-directed brokerage option shall be transferred to Trust #2 and reinvested as determined by the Company.

**BE IT FURTHER RESOLVED**, that, effective July 5, 2023, future contributions made by Participants and/or the Company may, except as otherwise required by the Plan or Trust, be held a participant's compensation on the Company's general ledger and not by Trust #1 or Trust #2.

basis of the earliest payments of compensation during a year.

**BE IT FURTHER RESOLVED**, that effective as of the date hereof, that the appropriate officers of the Company Truist Financial Corporation are hereby empowered to approve or authorize, as the case may be, such further action and the preparation, execution, and delivery of all such instruments and documents, and each of them hereby is, authorized to take all further action and to execute and deliver such further instruments and documents, in the name of the Company, with such modifications not materially affecting their provisions as he or she may deem necessary or appropriate in order to fully carry out the intent and accomplish the purpose of the foregoing amendments and resolutions.

*[Signature on Following Page]*

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**Exhibit 10.2**

Executed on this 28 day of August, 2023.

**TRUIST FINANCIAL CORPORATION**

By: May, 2023 /s/Ellen M. Fitzsimmons

**TRUIST FINANCIAL CORPORATION**

By: /s/Ellen M. Fitzsimmons

Printed Ellen M. Fitzsimmons

Name:

Title: Chief Legal Officer and Head of Public Affairs

Date: 5/2/23

Title: Chief Legal Officer and Head of Public Affairs

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**Exhibit 31.1**

**CERTIFICATIONS**

I, William H. Rogers Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Truist Financial Corporation;
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(s) 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(s) 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.

Date: **July 31, 2023** **October 30, 2023**

/s/ William H. Rogers Jr.

William H. Rogers Jr.  
Chairman and Chief Executive Officer

**Exhibit 31.2**

#### **CERTIFICATIONS**

I, Michael B. Maguire, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Truist Financial Corporation;
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(s) 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(s) 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.

Date: **July 31, 2023** **October 30, 2023**

*/s/ Michael B. Maguire*

Michael B. Maguire  
Senior Executive Vice President and  
Chief Financial Officer

**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 Truist Financial Corporation (the "Company"), do hereby certify that:

1. The Quarterly Report on Form 10-Q for the fiscal period ended **June 30, 2023** **September 30, 2023** (the "Form 10-Q") 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-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: **July 31, 2023** **October 30, 2023**

*/s/ William H. Rogers Jr.*

William H. Rogers Jr.  
Chairman and Chief Executive Officer

*/s/ Michael B. Maguire*

Michael B. Maguire  
Senior Executive Vice President and  
Chief Financial Officer

*A signed original of this written statement required by Section 906 has been provided to Truist Financial Corporation and will be retained by Truist Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.*

#### DISCLAIMER

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