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DELTA REPORT

10-Q

M&T BANK CORP

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	5671
CHANGES	377
DELETIONS	4015
ADDITIONS	1279

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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 September 30, March 31, 2023 2024

or

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

Commission File Number 1-9861

M&T BANK CORPORATION
(Exact name of registrant as specified in its charter)

New York	**16-0968385**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
One M & T &T Plaza Buffalo, New York	**14203**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code:

(716) 635-4000

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

Title of Each Class	Trading Symbols	Name of Each Exchange on Which Registered
Common Stock, $.50 $0.50 par value	MTB	New York Stock Exchange
Perpetual Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series H	MTBPrH	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 definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

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

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

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

Number of shares of the registrant's Common Stock, $0.50 par value, outstanding as of the close of business on November 1, 2023 May 1, 2024: 165,960,333 166,854,421 shares.

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M&T BANK CORPORATION

FORM 10-Q

For the Quarterly Period Ended September 30, 2023 March 31, 2024

GLOSSARY OF TERMS

The following listing includes acronyms and terms used throughout the document.

Term	**Definition**
2022 2023 Annual Report	Form 10-K for the year ended December 31, 2022 December 31, 2023
Bayview Financial	Bayview Financial Holdings, L.P. together with its affiliates
BLG	Bayview Lending Group, LLC
Capital Rules	Capital adequacy standards established by the federal banking agencies
CET1	Common Equity Tier 1
CIT	Collective Investment Trust
The Company	M&T Bank Corporation and its consolidated subsidiaries
DIF	Deposit Insurance Fund
DUS	Delegated Underwriting and Servicing
Executive ALCO Committee	Executive Asset-Liability Liquidity Capital Committee of M&T
FDIC	Federal Deposit Insurance Corporation
FHLB	Federal Home Loan Bank
FOMC	Federal Open Market Committee
FRB	Federal Reserve Bank
Future Factors	Certain risks, uncertainties, and assumptions
GAAP	Accounting principles generally accepted in the United States of America U.S.
ICS GDP	Institutional Client Services
IDI	Insured depository institution Gross Domestic Product
Junior subordinated debentures	Fixed and variable rate junior subordinated deferrable interest debentures
LIBOR	London Interbank Offered Rate
LTV	Loan-to-value
M&T	M&T Bank Corporation
M&T Bank	Manufacturers and Traders Trust Company
MTIA	M&T Insurance Agency, Inc.
PCD	Purchased credit deteriorated

People's United	People's United Financial, Inc.
PPP RWA	Paycheck Protection Program Risk-weighted assets
Protocol SCB	IBOR Fallback Protocol
SEC	Securities and Exchange Commission
Series H Preferred Stock	Series H Perpetual Fixed-to-Floating Rate Non-cumulative Preferred Stock of M&T Stress capital buffer
SOFR	Secured Overnight Financing Rate
Supplement U.S.	IBOR Fallbacks Supplement
VRDB	Variable rate demand bonds
WAS	Wealth Advisory Services United States of America

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

M&T BANK CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET (Unaudited)

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
(Dollars in thousands, except per share)				
(Dollars in millions, except per share)				
Assets				
Cash and due from banks	$ 1,768,864	$ 1,517,244	$ 1,695	$ 1,731
Interest-bearing deposits at banks	30,114,286	24,958,719	32,144	28,069
Federal funds sold	—	3,000		
Trading account	136,998	117,847	99	106
Investment securities				
Available for sale (cost: $11,038,966 at September 30, 2023; $11,193,152 at December 31, 2022)	10,592,409	10,748,961		
Held to maturity (fair value: $13,764,943 at September 30, 2023; $12,375,420 at December 31, 2022)	15,571,120	13,529,969		

Equity and other securities (cost: $1,174,046 at September 30, 2023; $933,766 at December 31, 2022)	1,172,574	931,941		
Available for sale (cost: $12,397 at March 31, 2024; $10,691 at December 31, 2023)			12,134	10,440
Held to maturity (fair value: $13,865 at March 31, 2024; $14,308 at December 31, 2023)			15,078	15,330
Equity and other securities (cost: $1,279 at March 31, 2024; $1,125 at December 31, 2023)			1,284	1,127
Total investment securities	27,336,103	25,210,871	28,496	26,897
Loans and leases	133,133,497	132,074,156		
Unearned discount	(778,812)	(509,993)		
Loans and leases, net of unearned discount	132,354,685	131,564,163		
Loans and leases, net of unearned discount of $928 at March 31, 2024 and $868 at December 31, 2023			134,973	134,068
Allowance for credit losses	(2,052,127)	(1,925,331)	(2,191)	(2,129)
Loans and leases, net	130,302,558	129,638,832	132,782	131,939
Premises and equipment	1,681,051	1,653,628	1,707	1,739
Goodwill	8,465,089	8,490,089	8,465	8,465
Core deposit and other intangible assets	162,275	209,374	132	147
Accrued interest and other assets	9,157,092	8,930,237	9,617	9,171
Total assets	$ 209,124,316	$ 200,729,841	$ 215,137	$ 208,264
Liabilities				
Noninterest-bearing deposits	$ 53,786,987	$ 65,501,860	$ 50,578	$ 49,294
Savings and interest-checking deposits	90,297,219	87,911,463	96,339	93,221
Time deposits	20,043,601	10,101,545	20,279	20,759
Total deposits	164,127,807	163,514,868	167,196	163,274
Short-term borrowings	6,730,663	3,554,951	4,795	5,316
Accrued interest and other liabilities	4,945,918	4,377,495	4,527	4,516

Long-term borrowings	7,123,426	3,964,537	11,450	8,201
Total liabilities	182,927,814	175,411,851	187,968	181,307
Shareholders' equity				
Preferred stock, $1.00 par, 20,000,000 shares authorized; Issued and outstanding: Liquidation preference of $1,000 per share: 350,000 shares at September 30, 2023 and December 31, 2022; Liquidation preference of $10,000 per share: 140,000 shares at September 30, 2023 and December 31, 2022; Liquidation preference of $25 per share: 10,000,000 shares at September 30, 2023 and December 31, 2022	2,010,600	2,010,600		
Common stock, $.50 par, 250,000,000 shares authorized, 179,436,779 shares issued at September 30, 2023 and December 31, 2022	89,718	89,718		
Common stock issuable, 12,140 shares at September 30, 2023; 14,031 shares at December 31, 2022	979	1,112		
Preferred stock, $1.00 par, 20,000,000 shares authorized; Issued and outstanding: Liquidation preference of $1,000 per share: 350,000 shares at March 31, 2024 and December 31, 2023; Liquidation preference of $10,000 per share: 140,000 shares at March 31, 2024 and December 31, 2023; Liquidation preference of $25 per share: 10,000,000 shares at March 31, 2024 and December 31, 2023			2,011	2,011
Common stock, $0.50 par, 250,000,000 shares authorized, 179,436,779 shares issued at March 31, 2024 and December 31, 2023			90	90
Common stock issuable, 11,458 shares at March 31, 2024; 12,217 shares at December 31, 2023			1	1
Additional paid-in capital	10,012,438	10,002,891	9,976	10,020
Retained earnings	17,284,350	15,753,978	17,812	17,524
Accumulated other comprehensive income (loss), net	(941,878)	(790,030)	(589)	(459)
Treasury stock — common, at cost — 13,478,535 shares at September 30, 2023; 10,165,419 shares at December 31, 2022	(2,259,705)	(1,750,279)		
Treasury stock — common, at cost — 12,724,121 shares at March 31, 2024; 13,300,298 shares at December 31, 2023			(2,132)	(2,230)
Total shareholders’ equity	26,196,502	25,317,990	27,169	26,957

Total liabilities and shareholders' equity	$ 209,124,316	$ 200,729,841	$ 215,137	$ 208,264

See accompanying notes to financial statements.

M&T BANK CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30		Three Months Ended March 31,	
(In thousands, except per share)	**2023**	**2022**	**2023**	**2022**		
(Dollars in millions, except per share, shares in thousands)					**2024**	**2023**
Interest income						
Loans and leases, including fees	$ 2,061,570	$ 1,455,612	$ 5,909,035	$ 3,572,954	$ 2,097	$ 1,850
Investment securities						
Fully taxable	199,187	135,766	578,656	294,290	212	181
Exempt from federal taxes	16,425	16,555	49,541	34,388	16	17
Deposits at banks	362,840	172,956	943,686	272,009	419	278
Other	1,377	624	3,091	1,270	1	1
Total interest income	2,641,399	1,781,513	7,484,009	4,174,911	2,745	2,327
Interest expense						
Savings and interest-checking deposits	494,219	68,690	1,139,649	103,344	615	277
Time deposits	201,541	1,124	441,075	3,748	225	89
Short-term borrowings	69,481	2,670	223,253	6,090	84	58

Long-term borrowings	100,770	30,338	287,251	67,147	141	85
Total interest expense	866,011	102,822	2,091,228	180,329	1,065	509
Net interest income	1,775,388	1,678,691	5,392,781	3,994,582	1,680	1,818
Provision for credit losses	150,000	115,000	420,000	427,000	200	120
Net interest income after provision for credit losses	1,625,388	1,563,691	4,972,781	3,567,582	1,480	1,698
Other income						
Mortgage banking revenues	104,478	83,041	296,575	275,115	104	85
Service charges on deposit accounts	121,360	115,213	353,603	340,890	124	113
Trust income	155,092	186,577	521,357	545,874	160	194
Brokerage services income	26,988	21,086	76,155	65,414	29	24
Trading account and other non-hedging derivative gains	9,379	5,081	37,808	12,743	9	12
Gain (loss) on bank investment securities	(235)	(1,108)	353	(1,913)	2	—
Other revenues from operations	142,519	153,189	664,034	436,943	152	159
Total other income	559,581	563,079	1,949,885	1,675,066	580	587
Other expense						
Salaries and employee benefits	726,940	736,354	2,272,547	2,090,075	833	808
Equipment and net occupancy	130,842	127,117	386,435	337,584	129	127
Outside data processing and software	110,691	95,068	322,909	268,607	120	106
Professional and other services					85	125
FDIC assessments	29,364	28,105	87,054	66,266	60	30
Advertising and marketing	22,898	21,398	82,314	58,057	20	31

Printing, postage and supplies	13,96 4	14,76 8	42,34 6	40,48 8		
Amortization of core deposit and other intangible assets	14,94 6	18,38 4	47,09 9	38,02 4	15	17
Other costs of operations	227,8 93	238,0 59	688,6 23	743,0 47	134	115
Total other expense	1,277, 538	1,279, 253	3,929, 327	3,642, 148	1,396	1,359
Income before taxes	907,4 31	847,5 17	2,993, 339	1,600, 500	664	926
Income taxes	217,4 90	200,9 21	734,7 40	374,2 08	133	224
Net income	689,9 $ 41	646,5 $ 96	2,258, $ 599	1,226, $ 292	$ 531	$ 702
Net income available to common shareholders						
Basic	663,7 $ 63	620,5 $ 49	2,179, $ 802	1,152, $ 400	$ 505	$ 676
Diluted	663,7 66	620,5 54	2,179, 812	1,152, 406	505	676
Net income per common share						
Basic	$ 4.00	$ 3.55	$ 13.09	$ 7.18	3.04	4.03
Diluted	3.98	3.53	13.05	7.14	3.02	4.01
Average common shares outstanding						
Basic	165,9 09	174,6 09	166,4 88	160,4 74	166,460	167,732
Diluted	166,5 70	175,6 82	167,0 93	161,2 95	167,084	168,410

See accompanying notes to financial statements.

M&T BANK CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30		Three Months Ended March 31,	
(In thousands)	2023	2022	2023	2022		
(Dollars in millions)					2024	2023
Net income	$ 689,941	$ 646,596	$ 2,258,599	$ 1,226,292	$ 531	$ 702
Other comprehensive income (loss), net of tax and reclassification adjustments:						
Net unrealized losses on investment securities	(3,108)	(218,852)	(1,778)	(425,770)		
Net unrealized gains (losses) on investment securities					(10)	65
Cash flow hedges adjustments	(70,255)	(172,285)	(145,612)	(344,534)	(117)	81
Defined benefit plans liability adjustments					(1)	(2)
Foreign currency translation adjustments	(2,457)	(5,359)	53	(11,271)	(2)	1
Defined benefit plans liability adjustments	(1,258)	2,993	(4,511)	9,160		
Total other comprehensive income (loss)	(77,078)	(393,503)	(151,848)	(772,415)	(130)	145
Total comprehensive income	$ 612,863	$ 253,093	$ 2,106,751	$ 453,877	$ 401	$ 847

See accompanying notes to financial statements.

M&T BANK CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

	Nine Months Ended September 30	
(In thousands)	2023	2022

(Dollars in millions)			Three Months Ended March 31, 2024	2023
Cash flows from operating activities				
Net income	$ 2,258,599	$ 1,226,292	$ 531	$ 702
Adjustments to reconcile net income to net cash provided by operating activities				
Adjustments to reconcile net income to net cash provided by operating activities:				
Provision for credit losses	420,000	427,000	200	120
Depreciation and amortization of premises and equipment	226,786	219,737	80	76
Amortization of capitalized servicing rights	93,799	75,165	35	20
Amortization of core deposit and other intangible assets	47,099	38,024	15	17
Provision for deferred income taxes	(39,922)	(89,413)	2	11
Asset write-downs	3,318	7,358	6	1
Net gain on sales of assets	(244,413)	(14,583)	(1)	(12)
Net change in accrued interest receivable, payable	232,610	(58,629)	27	55
Net change in other accrued income and expense	207,845	(71,004)	(74)	(43)
Net change in loans originated for sale	(257,145)	560,861	(352)	(274)
Net change in trading account and other non-hedging derivative assets and liabilities	156,145	1,299,313	139	(245)
Net cash provided by operating activities	3,104,721	3,620,121	608	428
Cash flows from investing activities				
Proceeds from sales of investment securities				
Proceeds from sales of investment securities:				
Available for sale			4	—
Equity and other securities	809,058	42,999	110	521
Proceeds from maturities of investment securities				
Proceeds from maturities of investment securities:				
Available for sale	512,669	641,573	1,989	141
Held to maturity	923,707	1,053,989	257	281
Purchases of investment securities				
Purchases of investment securities:				
Available for sale	(343,946)	(7,219,785)	(4,145)	(337)
Held to maturity	(2,947,627)	(796,312)	—	(2,948)
Equity and other securities	(1,049,338)	(155,290)	(264)	(792)
Net increase in loans and leases	(850,349)	(58,942)	(724)	(1,166)
Net (increase) decrease in interest-bearing deposits at banks	(5,155,567)	25,674,122	(4,075)	2,652
Capital expenditures, net	(168,213)	(126,810)	(35)	(55)
Net decrease in loan servicing advances	305,622	1,324,912	81	207

Acquisition, net of cash consideration				
Bank and bank holding company	—	393,923		
Other, net	(592,921)	(516,504)	(280)	(251)
Net cash provided (used) by investing activities	(8,556,905)	20,257,875		
Net cash used by investing activities			(7,082)	(1,747)
Cash flows from financing activities				
Net increase (decrease) in deposits	607,737	(20,663,949)	3,921	(4,441)
Net increase (decrease) in short-term borrowings	3,175,712	(24,111)	(521)	3,440
Proceeds from long-term borrowings	4,032,374	499,250	3,357	3,486
Payments on long-term borrowings	(780,715)	(907,191)	(49)	—
Purchases of treasury stock	(594,000)	(1,200,000)	—	(594)
Dividends paid — common	(652,338)	(578,968)	(221)	(221)
Dividends paid — preferred	(83,435)	(80,600)	(34)	(34)
Other, net	(4,531)	(4,194)	(15)	(19)
Net cash provided (used) by financing activities	5,700,804	(22,959,763)		
Net increase in cash, cash equivalents and restricted cash	248,620	918,233		
Net cash provided by financing activities			6,438	1,617
Net increase (decrease) in cash, cash equivalents and restricted cash			(36)	298
Cash, cash equivalents and restricted cash at beginning of period	1,520,244	1,337,577	1,731	1,520
Cash, cash equivalents and restricted cash at end of period	$ 1,768,864	$ 2,255,810	$ 1,695	$ 1,818
Supplemental disclosure of cash flow information				
Interest received during the period	$ 7,428,629	$ 4,145,231	$ 2,716	$ 2,289
Interest paid during the period	1,779,089	214,552	999	410
Income taxes paid during the period	430,802	362,866	41	22
Supplemental schedule of noncash investing and financing activities				
Real estate acquired in settlement of loans	$ 16,818	$ 21,017	19	7
Additions to right-of-use assets under operating leases	88,263	99,705	19	31
Acquisition of bank and bank holding company				
Common stock issued	—	8,286,515		
Common stock awards converted	—	104,810		
Fair value of				
Assets acquired (noncash)	—	63,757,316		
Liabilities assumed	—	55,499,314		
Preferred stock converted	—	260,600		

See accompanying notes to financial statements.

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M&T BANK CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)

Dollars in thousands, except per share	Preferred Stock	Common Stock	Common Stock Issuable	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss), Net	Treasury Stock	Total
Three Months Ended September 30, 2023								
Balance — July 1, 2023	$ 2,010,600	$ 89,718	$ 972	$ 10,000,335	$ 16,836,810	$ (864,800)	$ (2,272,702)	$ 25,800,933
Total comprehensive income	—	—	—	—	689,941	(77,078)	—	612,863
Preferred stock cash dividends (a)	—	—	—	—	(24,941)	—	—	(24,941)
Purchases of treasury stock (b)	—	—	—	—	—	—	—	—
Stock-based compensation transactions, net (b)	—	—	7	12,103	(469)	—	12,997	24,638
Common stock cash dividends — $1.30 per share	—	—	—	—	(216,991)	—	—	(216,991)
Balance — September 30, 2023	$ 2,010,600	$ 89,718	$ 979	$ 10,012,438	$ 17,284,350	$ (941,878)	$ (2,259,705)	$ 26,196,502
Nine Months Ended September 30, 2023								
Balance — January 1, 2023	$ 2,010,600	$ 89,718	$ 1,112	$ 10,002,891	$ 15,753,978	$ (790,030)	$ (1,750,279)	$ 25,317,990
Total comprehensive income	—	—	—	—	2,258,599	(151,848)	—	2,106,751
Preferred stock cash dividends (a)	—	—	—	—	(74,822)	—	—	(74,822)
Purchases of treasury stock (b)	—	—	—	—	—	—	(599,940)	(599,940)
Stock-based compensation transactions, net (b)	—	—	(133)	9,547	(1,415)	—	90,514	98,513
Common stock cash dividends — $3.90 per share	—	—	—	—	(651,990)	—	—	(651,990)
Balance — September 30, 2023	$ 2,010,600	$ 89,718	$ 979	$ 10,012,438	$ 17,284,350	$ (941,878)	$ (2,259,705)	$ 26,196,502
Three Months Ended September 30, 2022								

Balance — July 1, 2022	$ 2,010,600	$ 89,718	$ 1,090	$ 9,986,881	$ 14,808,637	$ (506,490)	$ (595,905)	$ 25,794,531
Total comprehensive income	—	—	—	—	646,596	(393,503)	—	253,093
Preferred stock cash dividends (a)	—	—	—	—	(24,941)	—	—	(24,941)
Purchases of treasury stock	—	—	—	—	—	—	(600,000)	(600,000)
Stock-based compensation transactions, net	—	—	8	7,514	(327)	—	36,752	43,947
Common stock cash dividends — $1.20 per share	—	—	—	—	(210,137)	—	—	(210,137)
Balance — September 30, 2022	$ 2,010,600	$ 89,718	$ 1,098	$ 9,994,395	$ 15,219,828	$ (899,993)	$ (1,159,153)	$ 25,256,493
Nine Months Ended September 30, 2022								
Balance — January 1, 2022	$ 1,750,000	$ 79,871	$ 1,212	$ 6,635,000	$ 14,646,448	$ (127,578)	$ (5,081,548)	$ 17,903,405
Total comprehensive income	—	—	—	—	1,226,292	(772,415)	—	453,877
Acquisition of People's United Financial, Inc.:								
Common stock issued	—	9,824	—	3,256,821	—	—	5,019,870	8,286,515
Common stock awards converted	—	—	—	104,810	—	—	—	104,810
Conversion of Series H preferred stock	260,600	—	—	—	—	—	—	260,600
Preferred stock cash dividends (a)	—	—	—	—	(71,647)	—	—	(71,647)
Purchases of treasury stock	—	—	—	—	—	—	(1,200,000)	(1,200,000)
Stock-based compensation transactions, net	—	23	(114)	(2,236)	(970)	—	102,525	99,228
Common stock cash dividends — $3.60 per share	—	—	—	—	(580,295)	—	—	(580,295)
Balance — September 30, 2022	$ 2,010,600	$ 89,718	$ 1,098	$ 9,994,395	$ 15,219,828	$ (899,993)	$ (1,159,153)	$ 25,256,493

(Dollars in millions, except per share)	Preferred Stock	Common Stock	Common Stock Issuable	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss), Net	Treasury Stock	Total
Three Months Ended March 31, 2024								
Balance — January 1, 2024	$ 2,011	$ 90	$ 1	$ 10,020	$ 17,524	$ (459)	$ (2,230)	$ 26,957
Total comprehensive income	—	—	—	—	531	(130)	—	401
Preferred stock cash dividends (a)	—	—	—	—	(25)	—	—	(25)
Stock-based compensation transactions, net	—	—	—	(44)	—	—	98	54
Common stock cash dividends — $1.30 per share	—	—	—	—	(218)	—	—	(218)

Balance — March 31, 2024	$ 2,011	$ 90	$ 1	$ 9,976	$ 17,812	$ (589)	$ (2,132)	$ 27,169
Three Months Ended March 31, 2023								
Balance — January 1, 2023	$ 2,011	$ 90	$ 1	$ 10,002	$ 15,754	$ (790)	$ (1,750)	$ 25,318
Total comprehensive income	—	—	—	—	702	145	—	847
Preferred stock cash dividends (a)	—	—	—	—	(25)	—	—	(25)
Purchases of treasury stock	—	—	—	—	—	—	(600)	(600)
Stock-based compensation transactions, net	—	—	—	(16)	(1)	—	72	55
Common stock cash dividends — $1.30 per share	—	—	—	—	(218)	—	—	(218)
Balance — March 31, 2023	$ 2,011	$ 90	$ 1	$ 9,986	$ 16,212	$ (645)	$ (2,278)	$ 25,377

(a) For the three-month and nine-month periods ended September 30, 2023, March 31, 2024 and 2023, dividends per preferred share were: Preferred Series E - $16.125 and $48.375, respectively; ; Preferred Series F - $128.125 and $384.375, respectively; ; Preferred Series G - $125.00 and $375.00, respectively; ; Preferred Series H - $0.3516 and $1.0547, respectively; ; and Preferred Series I - $87.50 and $262.50, respectively. Dividends per preferred share for the three-month and nine-month periods ended September 30, 2022 were: Preferred Series E - $16.125 and $48.375, respectively; Preferred Series F - $128.125 and $384.375, respectively; Preferred Series G - $125.00 and $375.00, respectively; Preferred Series H - $0.3516 and $0.7031, respectively; and Preferred Series I - $87.50. and $269.31, respectively.

(b)*Effective January 1, 2023 amounts are inclusive of 1% U.S. government excise taxes receivable or payable.*

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

1. Significant accounting policies

The consolidated interim financial statements of the Company were compiled in accordance with GAAP using the accounting policies set forth in note 1 of Notes to Financial Statements included in the 2022 2023 Annual Report, except as disclosed described in note 16 of Notes to Financial Statements herein. the following table. The financial statements contain all adjustments which are, in the opinion of management, necessary for a fair statement of the Company's financial position, results of operations and cash flows for the interim periods presented.

2. Acquisition and divestiture Recent accounting developments

Acquisition

On April 1, 2022, M&T completed the acquisition of People's United. Through subsidiaries, People's United provided commercial banking, retail banking and wealth management services to individual, corporate and municipal customers through a network of branches located in Connecticut, southeastern New York, Massachusetts, Vermont, New Hampshire and Maine. Following the merger, People's United Bank, National Association, a national banking association and a wholly owned subsidiary of People's United, merged with and into M&T Bank, the principal banking subsidiary of M&T, with M&T Bank as the surviving entity. The results of operations acquired from People's United have been included in the Company's financial results since April 1, 2022.

Pursuant to the terms of the merger agreement dated February 22, 2021, People's United shareholders received consideration valued at .118 of an M&T common share in exchange for each common share of People's United. The purchase price totaled approximately $8.4 billion (with the price based on M&T's closing price of $164.66 per share as of April 1, 2022). M&T issued 50,325,004 common shares in completing the transaction. Additionally, People's United outstanding preferred stock was converted into new shares of Series H Preferred Stock of M&T. The acquisition of People's United expanded the Company's geographical footprint and management expects the Company will benefit from greater geographical diversity and the advantages of scale associated with a larger company.

2. Acquisition and divestiture, continued

The People's United transaction has been accounted for using the acquisition method of accounting and, accordingly, assets acquired, liabilities assumed and preferred stock converted were recorded at estimated fair value on the acquisition date. The consideration paid for People's United common equity and the amounts of identifiable assets acquired, liabilities assumed and preferred stock converted as of the acquisition date follows:

		(In thousands)
Consideration:		
Common stock issued (50,325,004 shares)	$	8,286,515
Common stock awards converted		104,810
Cash		1,824
Total consideration		8,393,149
Net assets acquired:		
Identifiable assets		
Cash and due from banks		395,747
Interest-bearing deposits at banks		9,193,346
Investment securities		11,574,689
Loans and leases		35,840,648
Core deposit and other intangible assets		261,000
Other assets		2,979,388
Total identifiable assets acquired		60,244,818

Liabilities and preferred stock	
Deposits	52,967,915
Borrowings	1,389,012
Other liabilities	1,142,387
Total liabilities assumed	55,499,314
Preferred stock	260,600
Total liabilities and preferred stock	55,759,914
Net assets acquired	4,484,904
Goodwill	$ 3,908,245

GAAP requires loans and leases obtained through an acquisition that have experienced a more-than-insignificant deterioration in credit quality since origination be considered PCD. The Company considered several factors in the determination of PCD loans, including loan grades assigned to acquired commercial loans and leases and commercial real estate loans utilizing the Company's loan grading system and delinquency status and history for acquired loans backed by residential real estate. For PCD loans and leases, the initial estimate of expected credit losses of $99 million was established through an adjustment to increase both the initial carrying value and allowance for credit losses. GAAP also provides that an allowance for credit losses on loans acquired, but not classified as PCD, also be recognized above and beyond the impact of forecasted losses used in determining fair value. Accordingly, the Company recorded $242 million of provision for credit losses for non-PCD acquired loans and leases at the acquisition date. The following table reconciles the unpaid principal balance to the fair value of loans and leases at April 1, 2022:

	PCD		Non-PCD	
	(In thousands)			
Unpaid principal balance	$ 3,410,506	(a)	$ 32,896,454	
Allowance for credit losses at acquisition	(99,000)	(a)	—	
Other discount	(106,814)		(260,498)	(b)
Fair value	$ 3,204,692		$ 32,635,956	

(a) *The unpaid principal balance and allowance for credit losses at acquisition is net of charge-offs of $33 million recognized on the PCD loans.*

(b) *Includes approximately $242 million of principal balances not expected to be collected.*

Standard	Description	Required date of adoption	Effect on consolidated financial statements
Standards Adopted in 2024			

	Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method	The amendments permit an election to account for tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. Under the proportional amortization method, the initial cost of the investment is amortized in proportion to the income tax credits and other income tax benefits received and the net amortization and income tax credits and other income tax benefits are recognized in the income statement as a component of income tax expense (benefit).	January 1, 2024	As described in note 11, the Company adopted the amended guidance effective January 1, 2024 using a modified retrospective transition. The guidance did not have a material impact on the Company's consolidated financial statements.

2. Acquisition and divestiture, continued

In connection with the acquisition, the Company recorded approximately $3.9 billion of goodwill, which represents the excess of the purchase price over the fair value of the net assets acquired, and $261 million of core deposit and other intangible assets. The core deposit and other intangible assets are being amortized over periods of three to seven years.

The following table presents certain pro forma information as if People's United had been acquired on January 1, 2021. These results combine the historical results of People's United into the Company's Consolidated Statement of Income and, while adjustments were made for the estimated impact of certain fair valuation adjustments and other acquisition-related activity, they are not indicative of what would have occurred had the acquisition taken place as indicated. For example, merger-related expenses noted below are included in the periods where such expenses were incurred. Additionally, the Company expects to achieve operating cost savings and other business synergies as a result of the acquisition which are not reflected in the pro forma amounts that follow:

	Pro forma

		Nine months ended September 30, 2022
		(In thousands)
Total revenues (a)	$	6,134,400
Net income		1,399,913

(a) *Represents the total of net interest income and other income.*

In connection with the People's United acquisition, the Company incurred merger-related expenses related to systems conversions and other costs of integrating and conforming acquired operations with and into the Company. Those expenses consisted largely of professional services, temporary help fees and other costs associated with actual or planned systems conversions and/or integration of operations and the introduction of the Company to its new customers; costs related to termination of existing contractual arrangements for various services; initial marketing and promotion expenses designed to introduce M&T Bank to its new customers; severance (for former People's United employees); travel costs; and other costs of completing the transaction and commencing operations in new markets and offices. The Company did not incur any People's United merger-related expenses during the three and nine months ended September 30, 2023. Merger-related expenses incurred in the three and nine months ended September 30, 2022 totaled approximately $53 million and $293 million, respectively, and consisted predominantly of professional services, including legal expenses and technology-related activities to prepare for planned integration efforts, and severance for former People's United employees. The Company also recognized a $242 million provision for credit losses on acquired loans that were not deemed to be PCD on April 1, 2022.

Divestiture

On December 19, 2022 April 29, 2023, the Company announced that it had entered into a definitive agreement to sell sold its CIT business to a private equity firm. The transaction was completed on April 29, 2023 and resulted in a pre-tax gain of $225 million ($157 million after-tax effect) that has been included in other "other revenues from operations operations" in the Consolidated Statement of Income for in the nine-month period ended September 30, 2023. second quarter of 2023. Prior to the sale, the CIT business contributed $60 million and $121 45 million to trust income in the nine three months ended September 30, 2023 and 2022, respectively. March 31, 2023. After considering expenses, the results of operations from the CIT business were not material to the Company's consolidated results of operations in those periods. that period.

3. Investment securities

The amortized cost and estimated fair value of investment securities were as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
	(In thousands)							
September 30, 2023								
(Dollars in millions)								
March 31, 2024								
Investment securities available for sale:								
U.S. Treasury and federal agencies	$ 7,935,658	$ —	$ 200,551	$ 7,735,107	$ 7,818	$ —	$ 99	$ 7,719
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	544,263	—	18,794	525,469	1,355	1	13	1,343
Residential	2,382,810	8	214,531	2,168,287	3,053	—	143	2,910
Other debt securities	176,235	146	12,835	163,546	171	—	9	162
	11,038,966	154	446,711	10,592,409	12,397	1	264	12,134
Investment securities held to maturity:								
U.S. Treasury and federal agencies	1,001,991	—	48,706	953,285	1,007	—	33	974
Obligations of states and political subdivisions	2,511,784	—	219,149	2,292,635	2,466	—	94	2,372
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	2,031,532	—	233,055	1,798,477	2,035	—	154	1,881
Residential	9,979,882	—	1,306,934	8,672,948	9,527	—	935	8,592

Privately issued	44,319	9,041	7,374	45,986	41	9	6	44
Other debt securities	1,612	—	—	1,612	2	—	—	2
	15,571,120	9,041	1,815,218	13,764,943	15,078	9	1,222	13,865
Total debt securities	$ 26,610,086	$ 9,195	$ 2,261,929	$ 24,357,352	$ 27,475	$ 10	$ 1,486	$ 25,999
Equity and other securities:								
Readily marketable equity — at fair value	$ 260,688	$ 2,425	$ 3,897	$ 259,216	$ 351	$ 8	$ 3	$ 356
Other — at cost	913,358	—	—	913,358	928	—	—	928
Total equity and other securities	$ 1,174,046	$ 2,425	$ 3,897	$ 1,172,574	$ 1,279	$ 8	$ 3	$ 1,284
December 31, 2022								
December 31, 2023								
Investment securities available for sale:								
U.S. Treasury and federal agencies	$ 7,913,932	$ 200	$ 243,172	$ 7,670,960	$ 7,818	$ —	$ 113	$ 7,705
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	594,779	—	20,480	574,299	425	—	9	416
Residential	2,501,334	65	171,281	2,330,118	2,272	—	118	2,154
Other debt securities	183,107	250	9,773	173,584	176	—	11	165
	11,193,152	515	444,706	10,748,961	10,691	—	251	10,440
Investment securities held to maturity:								
U.S. Treasury and federal agencies	1,054,035	—	45,747	1,008,288	1,005	—	31	974

Obligations of states and political subdivisions	2,577,078	4	116,512	2,460,570	2,501	—	67	2,434
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	912,431	—	103,528	808,903	2,033	—	130	1,903
Residential	8,934,918	1,451	891,063	8,045,306	9,747	4	802	8,949
Privately issued	49,742	8,833	7,987	50,588	42	9	5	46
Other debt securities	1,765	—	—	1,765	2	—	—	2
	13,529,969	10,288	1,164,837	12,375,420	15,330	13	1,035	14,308
Total debt securities	$ 24,723,121	$ 10,803	$ 1,609,543	$ 23,124,381	$ 26,021	$ 13	$ 1,286	$ 24,748
Equity and other securities:								
Readily marketable equity — at fair value	$ 153,283	$ 2,120	$ 3,945	$ 151,458	$ 266	$ 5	$ 3	$ 268
Other — at cost	780,483	—	—	780,483	859	—	—	859
Total equity and other securities	$ 933,766	$ 2,120	$ 3,945	$ 931,941	$ 1,125	$ 5	$ 3	$ 1,127

3. Investment securities, continued

There were no significant gross realized gains or losses from sales of investment securities for the three-month and nine-month periods ended September 30, 2023 March 31, 2024 and 2022. 2023. Unrealized losses on equity securities are included in gain "gain (loss) on bank investment securities securities" in the Consolidated Statement of Income.

At September 30, 2023 March 31, 2024, the amortized cost and estimated fair value of debt securities by contractual maturity were as follows:

	Amortized Cost	Estimated Fair Value		
	(In thousands)			
(Dollars in millions)			Amortized Cost	Estimated Fair Value
Debt securities available for sale:				
Due in one year or less	$ 4,619,339	$ 4,544,581	$ 3,248	$ 3,209
Due after one year through five years	3,437,580	3,306,540	4,691	4,628
Due after five years through ten years	24,974	22,400	50	44
Due after ten years	30,000	25,132	—	—
	8,111,893	7,898,653	7,989	7,881
Mortgage-backed securities available for sale	2,927,073	2,693,756		
Mortgage-backed securities			4,408	4,253
	$ 11,038,966	$ 10,592,409	$ 12,397	$ 12,134
Debt securities held to maturity:				
Due in one year or less	$ 14,164	$ 13,967	$ 588	$ 575
Due after one year through five years	1,151,126	1,097,310	635	611
Due after five years through ten years	1,306,208	1,223,790	1,369	1,333
Due after ten years	1,043,889	912,465	883	829
	3,515,387	3,247,532	3,475	3,348
Mortgage-backed securities held to maturity	12,055,733	10,517,411		
Mortgage-backed securities			11,603	10,517
	$ 15,571,120	$ 13,764,943	$ 15,078	$ 13,865

3. Investment securities, continued

A summary of investment securities that as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 had been in a continuous unrealized loss position for less than twelve months and those that had been in a continuous unrealized loss position for twelve months or longer follows:

	Less Than 12 Months		12 Months or More		Less Than 12 Months		12 Months or More	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses				
	(In thousands)							
September 30, 2023								
(Dollars in millions)					Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
March 31, 2024								
Investment securities available for sale:								
U.S. Treasury and federal agencies	$ 226,045	$ 3,741	$ 7,509,062	$ 196,810	$ 2,242	$ 10	$ 5,177	$ 89
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	81,949	5,146	443,520	13,648	765	6	393	7
Residential	240,610	13,246	1,926,504	201,285	813	6	1,964	137
Other debt securities	6,553	202	152,192	12,633	—	—	156	9
	555,157	22,335	10,031,278	424,376	3,820	22	7,690	242
Investment securities held to maturity:								
U.S. Treasury and federal agencies	48,825	1,193	904,460	47,513	49	1	925	32
Obligations of states and political subdivisions	235,273	15,423	2,055,317	203,726	43	—	2,284	94
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	1,015,480	97,998	782,997	135,057	172	9	1,709	145
Residential	2,570,788	146,021	6,102,160	1,160,913	1,133	12	7,459	923

Privately issued	1,927	82	32,081	7,292	—	—	33	6
	3,872,293	260,717	9,877,015	1,554,501	1,397	22	12,410	1,200
Total	$ 4,427,450	$ 283,052	$ 19,908,293	$ 1,978,877	$ 5,217	$ 44	$ 20,100	$ 1,442
December 31, 2022								
December 31, 2023								
Investment securities available for sale:								
U.S. Treasury and federal agencies	$ 6,706,413	$ 183,760	$ 841,945	$ 59,412	$ 229	$ 1	$ 7,474	$ 112
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	574,299	20,480	—	—	74	1	330	8
Residential	2,295,873	169,489	28,305	1,792	151	2	1,959	116
Other debt securities	93,458	3,604	73,280	6,169	6	—	154	11
	9,670,043	377,333	943,530	67,373	460	4	9,917	247
Investment securities held to maturity:								
U.S. Treasury and federal agencies	1,008,288	45,747	—	—	50	—	924	31
Obligations of states and political subdivisions	2,449,420	116,512	—	—	218	3	2,172	64
Mortgage-backed securities:								
Government issued or guaranteed:								
Commercial	808,903	103,528	—	—	328	9	1,575	121
Residential	6,292,462	619,403	1,319,300	271,660	955	11	7,139	791

Privately issued	—	—	35,661	7,987	—	—	34	5
	10,559,073	885,190	1,354,961	279,647	1,551	23	11,844	1,012
Total	$ 20,229,116	$ 1,262,523	$ 2,298,491	$ 347,020	$ 2,011	$ 27	$ 21,761	$ 1,259

3. Investment securities, continued

The Company owned 4,279 4,088 individual debt securities with aggregate gross unrealized losses of $2.3 1.5 billion at September 30, 2023 March 31, 2024. Based on a review of each of the securities in the investment securities portfolio at September 30, 2023 March 31, 2024, the Company concluded that it expected to recover the amortized cost basis of its investment. As of September 30, 2023 March 31, 2024, the Company does not intend to sell, nor is it anticipated that it would be required to sell, any of its impaired investment securities at a loss. At September 30, 2023 March 31, 2024, the Company has not identified events or changes in circumstances which may have a significant adverse effect on the fair value of the $913 928 million of cost method equity securities.

The Company estimated no material allowance for credit losses for its investment securities classified as held-to-maturity at September 30, 2023 March 31, 2024 or December 31, 2022 December 31, 2023.

At September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, investment securities with carrying values of $8.2 9.6 billion (including $696 357 million related to repurchase transactions) and $7.9 8.2 billion (including $567 393 million related to repurchase transactions), respectively, were pledged to secure borrowings, lines of credit and governmental deposits.

4. Loans and leases and the allowance for credit losses

A summary of current, past due and nonaccrual loans as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 follows:

	Current	30-89 Days Past Due	Accruing Loans Past Due 90 Days or More	Nonaccrual	Total
	(In thousands)				
September 30, 2023					
Commercial, financial, leasing, etc.	$ 44,298,562	$ 252,987	$ 21,064	$ 485,420	$ 45,058,033
Real estate:					
Commercial	34,018,257	424,005	65,426	1,236,087	35,743,775
Residential builder and developer	1,090,355	6,786	—	3,353	1,100,494
Other commercial construction	6,371,793	221,532	—	136,004	6,729,329
Residential	21,342,546	645,696	261,290	240,753	22,490,285

(Dollars in millions)	Current	30-89 Days Past Due	Accruing Loans Past Due 90 Days or More	Nonaccrual	Total
March 31, 2024					
Commercial and industrial	$ 56,803	$ 219	$ 11	$ 864	$ 57,897
Real estate:					
Commercial (a)	24,119	163	31	855	25,168
Residential builder and developer	984	48	—	3	1,035
Other commercial construction	5,915	155	2	141	6,213
Residential (b)	21,118	627	245	202	22,192

Residential — limited documentation	865,988	29,747	—	62,250	957,985	801	30	—	53	884
Consumer:										
Home equity lines and loans	4,578,381	36,014	—	78,316	4,692,711	4,437	34	—	87	4,558
Recreational finance	9,448,458	67,149	—	30,524	9,546,131	10,553	71	—	30	10,654
Automobile	3,855,578	46,257	—	15,959	3,917,794	4,252	43	—	13	4,308
Other	2,040,303	18,324	6,249	53,272	2,118,148	1,982	20	8	54	2,064
Total	$ 127,910,221	$ 1,748,497	$ 354,029	$ 2,341,938	$ 132,354,685	$ 130,964	$ 1,410	$ 297	$ 2,302	$ 134,973
December 31, 2022										
Commercial, financial, leasing, etc.	$ 40,982,398	$ 448,462	$ 72,502	$ 347,204	$ 41,850,566					
December 31, 2023										
Commercial and industrial						$ 56,091	$ 238	$ 11	$ 670	$ 57,010
Real estate:										
Commercial	34,972,627	311,188	67,696	1,396,662	36,748,173					
Commercial (a)						24,072	311	25	869	25,277
Residential builder and developer	1,304,798	8,703	—	1,229	1,314,730	1,065	5	—	3	1,073

Other commercial construction	6,936,661	239,521	549	124,937	7,301,668	6,322	159	1	171	6,653
Residential	21,491,506	595,897	345,402	272,090	22,704,895					
Residential (b)						21,080	763	295	215	22,353
Residential — limited documentation	950,782	22,456	—	77,814	1,051,052	825	31	—	55	911
Consumer:										
Home equity lines and loans	4,891,311	30,787	—	84,788	5,006,886	4,528	40	—	81	4,649
Recreational finance	8,974,171	54,593	—	44,630	9,073,394	9,935	87	—	36	10,058
Automobile	4,393,206	44,486	—	39,584	4,477,276	3,918	60	—	14	3,992
Other	1,958,196	22,961	4,869	49,497	2,035,523	2,003	30	7	52	2,092
Total	$ 126,855,656	$ 1,779,054	$ 491,018	$ 2,438,435	$ 131,564,163	$ 129,839	$ 1,724	$ 339	$ 2,166	$ 134,068

(a) *Commercial real estate loans held for sale were $563 million at March 31, 2024 and $189 million at December 31, 2023.*

(b) *One-to-four family residential mortgage loans held for sale were $165 million at March 31, 2024 and $190 million at December 31, 2023.*

4. Loans and leases and the allowance for credit losses, continued

One-to-four family residential mortgage loans held for sale were $205 million and $32 million at September 30, 2023 and December 31, 2022, respectively. Commercial real estate loans held for sale were $226 million at September 30, 2023 and $131 million at December 31, 2022.

Credit quality indicators

The Company utilizes a loan grading system to differentiate risk amongst its commercial and industrial loans and commercial real estate loans. Loans with a lower expectation of default are assigned one of ten possible “pass” loan grades and are generally ascribed lower loss factors when determining the allowance for credit losses. Loans with an elevated level of credit risk are classified as “criticized” and are ascribed a higher loss factor when determining the allowance for credit losses. Criticized loans may be classified as “nonaccrual” if the Company no longer expects to collect all amounts according to the contractual terms of the loan agreement or the loan is delinquent 90 days or more.

Line of business personnel in different geographic locations with support from and review by the Company’s credit risk personnel review and reassign loan grades based on their detailed knowledge of individual borrowers and their judgment of the impact on such borrowers resulting from changing conditions in their respective regions. Factors considered in assigning loan grades include borrower-specific information related to expected future cash flows and operating results, collateral values, geographic location, financial condition and performance, payment status, and other information. The Company’s policy is that at least annually, updated financial information be obtained from commercial borrowers associated with pass grade loans and additional analysis performed. On a quarterly basis, the Company’s credit personnel review all criticized commercial and industrial loans and commercial real estate loans greater than $5 million to determine the appropriateness of the assigned loan grade, including whether the loan should be reported as accruing or nonaccruing.

4. Loans and leases and the allowance for credit losses, continued

The following table summarizes the loan grades applied at September 30, 2023March 31, 2024 to the various classes of the Company’s commercial and industrial loans and commercial real estate loans and gross charge-offs for those types of loans for the three-month and nine-month periodsperiod ended September 30, 2023March 31, 2024 by origination year.

Term Loans by Origination Year	Revolving	Revolving Loans Converted to Term	Term Loans by Origination Year	Revolving	Revolving Loans Converted to Term

	2023	2022	2021	2020	2019	Prior	Loans	Loans	Total
	(In thousands)								
Commercial, financial, leasing, etc.:									
Loan grades:									
Pass	$ 5,789,909	7,017,863	4,114,909	1,510,693	1,238,701	1,995,635	20,869,512	56,263	$ 42,593,485
Criticized accrual	109,004	264,016	180,450	113,930	99,434	307,309	878,730	26,255	1,979,128
Criticized nonaccrual	12,337	57,857	42,081	33,338	21,447	68,028	240,285	10,047	485,420

(Dollars in millions)	2024	2023	2022	2021	2020	Prior	Loans	Loans	Total
Commercial and industrial:									
Pass	$ 2,012	$ 8,129	$ 7,567	$ 4,441	$ 2,099	$ 6,456	$ 22,719	$ 74	$ 53,497
Criticized accrual	32	306	422	277	117	602	1,745	35	3,536
Criticized nonaccrual	2	54	89	62	71	206	364	16	864

Total commercial, financial, leasing, etc.	$ 5,911,250	7,339,736	4,337,440	1,657,961	1,359,582	2,370,972	21,988,527	92,565	$ 45,058,033
Gross charge-offs three months ended September 30, 2023	$ 2,124	7,929	2,998	1,766	2,539	3,300	6,188	—	$ 26,844
Gross charge-offs nine months ended September 30, 2023	$ 2,959	18,887	11,108	8,518	7,056	11,615	6,961	—	$ 67,104
Total commercial and industrial	$ 2,046	$ 8,489	$ 8,078	$ 4,780	$ 2,287	$ 7,264	$ 24,828	$ 125	$ 57,897
Gross charge-offs	$ —	$ 7	$ 9	$ 4	$ 3	$ 5	$ 50	$ —	$ 78
Real estate:									
Commercial:									
Loan grades:									

Pass	$ 2,553,454	3,578,095	2,989,307	2,978,906	4,446,005	12,208,078	710,648	—	$ 29,464,493	$ 696	$ 1,783	$ 1,652	$ 1,331	$ 2,013	$ 11,278	$ 435	$ —	$ 19,188
Criticized accrual	725	630,132	478,637	494,243	905,654	2,510,960	22,844	—	5,043,195	—	273	815	464	558	3,008	7	—	5,125
Criticized nonaccrual	245	54,904	14,255	159,956	151,052	831,527	24,148	—	1,236,087	—	—	46	11	101	695	2	—	855
Total commercial real estate	$ 2,554,424	4,263,131	3,482,199	3,633,105	5,502,711	15,550,565	757,640	—	$ 35,743,775	$ 696	$ 2,056	$ 2,513	$ 1,806	$ 2,672	$ 14,981	$ 444	$ —	$ 25,168

Gross charge-offs three months ended September 30, 2023	$—	—	—	—	—	48,093	—	—	$48,093									
Gross charge-offs nine months ended September 30, 2023	$—	—	—	424	77,906	100,004	—	—	$178,334									
Gross charge-offs										$ —	$ —	$ —	$ —	$ —	$ 13	$ —	$ —	$ 13
Residential builder and developer:																		
Loan grades:																		
Pass	$ 433,338	337,680	67,233	6,818	2,050	13,503	133,839	—	$ 994,461	$ 89	$ 509	$ 187	$ 34	$ 5	$ 14	$ 102	$ —	$ 940
Criticized accrual	310	11,867	25,379	—	64,125	336	663	—	102,680	—	2	21	21	—	46	2	—	92
Criticized nonaccrual	—	—	2,835	—	518	—	—	—	3,353	—	—	—	2	—	1	—	—	3

Total residential builder and developer	$ 433,648	349,547	95,447	6,818	66,693	13,839	134,502	—	$ 1,100,494	$ 89	$ 511	$ 208	$ 57	$ 5	$ 61	$ 104	$ —	$ 1,035
Gross charge-offs three months ended September 30, 2023	$ —	245	—	—	—	—	—	—	$ 245									
Gross charge-offs nine months ended September 30, 2023	$ —	245	—	—	—	55	1,678	—	$ 1,978									
Gross charge-offs										$ —	$ —	$ —	$ —	$ —	$ 1	$ —	$ —	$ 1
Other commercial construction:																		
Loan grades:																		
Pass	$ 636,314	1,481,975	1,023,831	676,613	465,423	204,511	20,171	—	$ 4,508,838	$ 27	$ 990	$ 1,231	$ 590	$ 273	$ 589	$ 45	$ —	$ 3,745

Criticized accrual	7,180	130,644	184,379	531,138	837,446	393,700	—	—	2,084,487	—	75	538	460	567	687	—	—	2,327
Criticized nonaccrual	—	—	10,018	46,626	50,165	26,237	2,958	—	136,004	—	—	11	10	45	75	—	—	141
Total other commercial construction	$ 643,494	1,612,619	1,218,228	1,254,377	1,353,034	624,448	23,129	—	$ 6,729,329	$ 27	$ 1,065	$ 1,780	$ 1,060	$ 885	$ 1,351	$ 45	$ —	$ 6,213
Gross charge-offs three months ended September 30, 2023	$ —	—	—	—	3,236	—	—	—	$ 3,236									
Gross charge-offs nine months ended September 30, 2023	$ —	—	—	—	3,236	—	—	—	$ 3,236									
Gross charge-offs										$ —	$ —	$ 2	$ —	$ —	$ 7	$ 2	$ —	$ 11

NOTES TO FINANCIAL STATEMENTS, CONTINUED

4. Loans and leases and the allowance for credit losses, continued

The Company considers repayment performance a significant indicator of credit quality for its residential real estate loan and consumer loan portfolios. A summary of loans in accrual and nonaccrual status at September 30, 2023March 31, 2024 for the various classes of the Company’s residential real estate loans and consumer loans and gross charge-offs for those types of loans for the three-month and nine-month periodsperiod ended September 30, 2023March 31, 2024 by origination year follows:

(Dollars in millions)	Term Loans by Origination Year 2024	2023	2022	2021	2020	Prior	Revolving Loans	Revolving Loans Converted to Term Loans	Total
Residential:									
Current	$ 478	$ 1,499	$ 4,667	$ 3,717	$ 2,533	$ 8,131	$ 93	$ —	$ 21,118
30-89 days past due	—	6	107	62	30	422	—	—	627
Accruing loans past due 90 days or more	—	2	21	19	15	188	—	—	245
Nonaccrual	—	1	15	10	2	173	1	—	202
Total residential	$ 478	$ 1,508	$ 4,810	$ 3,808	$ 2,580	$ 8,914	$ 94	$ —	$ 22,192
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 1	$ —	$ —	$ 1
Residential - limited documentation:									
Current	$ —	$ —	$ —	$ —	$ —	$ 801	$ —	$ —	$ 801
30-89 days past due	—	—	—	—	—	30	—	—	30
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	53	—	—	53
Total residential - limited documentation	$ —	$ —	$ —	$ —	$ —	$ 884	$ —	$ —	$ 884
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Consumer:									
Home equity lines and loans:									
Current	$ —	$ —	$ —	$ 2	$ 2	$ 105	$ 2,972	$ 1,356	$ 4,437

30-89 days past due	—	—	—	—	—	3	—	31	34
Accruing loans past due									
90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	5	1	81	87
Total home equity lines and loans	$ —	$ —	$ —	$ 2	$ 2	$ 113	$ 2,973	$ 1,468	$ 4,558
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 1	$ 1
Recreational finance:									
Current	$ 1,028	$ 2,531	$ 2,252	$ 1,790	$ 1,233	$ 1,719	$ —	$ —	$ 10,553
30-89 days past due	1	11	12	14	13	20	—	—	71
Accruing loans past due									
90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	4	6	6	4	10	—	—	30
Total recreational finance	$ 1,029	$ 2,546	$ 2,270	$ 1,810	$ 1,250	$ 1,749	$ —	$ —	$ 10,654
Gross charge-offs	$ —	$ 3	$ 5	$ 6	$ 4	$ 7	$ —	$ —	$ 25
Automobile:									
Current	$ 684	$ 1,026	$ 1,004	$ 942	$ 371	$ 225	$ —	$ —	$ 4,252
30-89 days past due	1	7	11	11	6	7	—	—	43
Accruing loans past due									
90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	2	2	3	2	4	—	—	13
Total automobile	$ 685	$ 1,035	$ 1,017	$ 956	$ 379	$ 236	$ —	$ —	$ 4,308
Gross charge-offs	$ —	$ 2	$ 2	$ 2	$ 1	$ 1	$ —	$ —	$ 8
Other:									
Current	$ 69	$ 219	$ 155	$ 105	$ 28	$ 27	$ 1,378	$ 1	$ 1,982
30-89 days past due	1	1	3	1	—	1	12	1	20
Accruing loans past due									
90 days or more	—	—	—	—	—	—	8	—	8
Nonaccrual	1	1	1	—	—	—	51	—	54
Total other	$ 71	$ 221	$ 159	$ 106	$ 28	$ 28	$ 1,449	$ 2	$ 2,064
Gross charge-offs	$ 1	$ 3	$ 3	$ 1	$ 1	$ —	$ 16	$ —	$ 25
Total loans and leases at March 31, 2024	$ 5,121	$ 17,431	$ 20,835	$ 14,385	$ 10,088	$ 35,581	$ 29,937	$ 1,595	$ 134,973
Total gross charge-offs for the three months ended March 31, 2024	$ 1	$ 15	$ 21	$ 13	$ 9	$ 35	$ 68	$ 1	$ 163

4. Loans and leases and the allowance for credit losses, continued

	Term Loans by Origination Year						Revolving	Revolving Loans Converted to Term	
	2023	2022	2021	2020	2019	Prior	Loans	Loans	Total
					(In thousands)				
Residential:									
Current	$ 1,349,605	4,827,335	3,817,652	2,605,414	1,240,538	7,419,338	82,664	—	$ 21,342,546
30-89 days past due	8,385	87,178	68,811	41,367	22,082	416,816	1,057	—	645,696
Accruing loans past due 90 days or more	913	27,348	19,355	13,736	13,169	186,769	—	—	261,290
Nonaccrual	971	14,353	13,730	3,500	8,529	192,207	7,463	—	240,753
Total residential	$ 1,359,874	4,956,214	3,919,548	2,664,017	1,284,318	8,215,130	91,184	—	$ 22,490,285
Gross charge-offs three months ended September 30, 2023	$ —	31	—	—	—	248	—	—	$ 279
Gross charge-offs nine months ended September 30, 2023	$ —	164	192	21	139	2,173	—	—	$ 2,689
Residential - limited documentation:									
Current	$ —	—	—	—	—	865,988	—	—	$ 865,988
30-89 days past due	—	—	—	—	—	29,747	—	—	29,747
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	62,250	—	—	62,250
Total residential - limited documentation	$ —	—	—	—	—	957,985	—	—	$ 957,985
Gross charge-offs three months ended September 30, 2023	$ —	—	—	—	—	1,053	—	—	$ 1,053
Gross charge-offs nine months ended September 30, 2023	$ —	—	—	—	—	1,416	—	—	$ 1,416
Consumer:									
Home equity lines and loans:									
Current	$ 75	27	1,918	1,874	13,594	103,236	3,032,468	1,425,189	$ 4,578,381
30-89 days past due	—	—	—	144	232	2,104	—	33,534	36,014

Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	19	—	27	6,091	1,158	71,021	78,316
Total home equity lines and loans	$ 75	27	1,937	2,018	13,853	111,431	3,033,626	1,529,744	$ 4,692,711
Gross charge-offs three months ended September 30, 2023	$ —	—	—	—	—	—	—	1,522	$ 1,522
Gross charge-offs nine months ended September 30, 2023	$ —	—	—	—	—	84	1,298	3,339	$ 4,721
Recreational finance:									
Current	$ 1,824,498	2,438,925	1,944,826	1,344,923	820,557	1,074,729	—	—	$ 9,448,458
30-89 days past due	5,564	11,669	15,168	12,145	7,973	14,630	—	—	67,149
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	1,138	3,935	6,338	5,477	4,013	9,623	—	—	30,524
Total recreational finance	$ 1,831,200	2,454,529	1,966,332	1,362,545	832,543	1,098,982	—	—	$ 9,546,131
Gross charge-offs three months ended September 30, 2023	$ 1,261	3,415	3,475	2,377	1,872	3,673	—	—	$ 16,073
Gross charge-offs nine months ended September 30, 2023	$ 2,134	8,565	9,502	8,108	6,035	11,030	—	—	$ 45,374
Automobile:									
Current	$ 653,170	1,192,810	1,164,074	489,259	236,991	119,274	—	—	$ 3,855,578
30-89 days past due	3,019	12,198	13,492	6,866	5,582	5,100	—	—	46,257
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	1,148	2,679	4,632	2,525	2,217	2,758	—	—	15,959
Total automobile	$ 657,337	1,207,687	1,182,198	498,650	244,790	127,132	—	—	$ 3,917,794
Gross charge-offs three months ended September 30, 2023	$ 476	1,584	1,288	625	436	579	—	—	$ 4,988
Gross charge-offs nine months ended September 30, 2023	$ 557	4,403	5,272	2,502	1,919	1,977	—	—	$ 16,630
Other:									
Current	$ 209,451	200,204	128,475	38,232	19,931	19,668	1,421,161	3,181	$ 2,040,303
30-89 days past due	2,592	2,055	1,546	314	185	383	10,337	912	18,324
Accruing loans past due 90 days or more	—	—	—	—	—	208	6,041	—	6,249
Nonaccrual	1,805	852	430	119	149	305	49,408	204	53,272
Total other	$ 213,848	203,111	130,451	38,665	20,265	20,564	1,486,947	4,297	$ 2,118,148

Gross charge-offs three months ended September 30, 2023	$ 5,716	2,200	1,222	323	263	348	9,723	—	$ 19,795
Gross charge-offs nine months ended September 30, 2023	$ 11,829	14,060	6,218	2,927	3,178	9,682	9,915	—	$ 57,809
Total loans and leases at September 30, 2023	$ 13,605,150	22,386,601	16,333,780	11,118,156	10,677,789	29,091,048	27,515,555	1,626,606	$ 132,354,685
Total gross charge-offs for the three months ended September 30, 2023	$ 9,577	15,404	8,983	5,091	8,346	57,294	15,911	1,522	$ 122,128
Total gross charge-offs for the nine months ended September 30, 2023	$ 17,479	46,324	32,292	22,500	99,469	138,036	19,852	3,339	$ 379,291

4. Loans and leases and the allowance for credit losses, continued

The following table summarizes the loan grades applied at December 31, 2022 December 31, 2023 to the various classes of the Company's commercial and industrial loans and commercial real estate loans by origination year.

	Term Loans by Origination Year						Revolving Loans	Revolving Loans Converted to Term Loans	
	2022	2021	2020	2019	2018	Prior			Total
	(In thousands)								
Commercial, financial, leasing, etc.:									
Loan grades:									

	Term Loans by Origination Year						Revolving	Revolving Loans Converted to Term	
(Dollars in millions)	**2023**	**2022**	**2021**	**2020**	**2019**	**Prior**	**Loans**	**Loans**	**Total**

Commercial and industrial:										**Commercial and industrial:**									
Pass	$ 8,575,130	4,952,758	2,024,603	1,796,047	817,569	1,970,947	19,444,247	40,471	$ 39,621,772		$ 8,689	$ 8,087	$ 4,800	$ 2,248	$ 2,169	$ 4,843	$ 22,345	$ 70	$ 53,251
Criticized accrual	247,626	222,861	190,368	116,881	71,485	246,846	768,497	17,026	1,881,590		292	279	277	142	127	481	1,460	31	3,089
Criticized nonaccrual	18,379	52,067	37,608	36,241	35,689	59,146	100,972	7,102	347,204		29	68	56	75	36	150	243	13	670
Total commercial, financial, leasing, etc.	$ 8,841,135	5,227,686	2,252,579	1,949,169	924,743	2,276,939	20,313,716	64,599	$ 41,850,566										

Total commercial and industrial										$ 9,010	$ 8,434	$ 5,133	$ 2,465	$ 2,332	$ 5,474	$ 24,048	$ 114	$ 57,010
Real estate:																		
Commercial:																		
Loan grades:																		
Pass	$ 4,136,890	3,379,900	3,388,590	4,557,065	3,293,380	10,905,956	869,981	—	$ 30,531,762	$ 2,048	$ 1,742	$ 1,367	$ 2,011	$ 3,059	$ 8,491	$ 440	$ —	$ 19,158
Criticized accrual	324,652	463,484	467,557	688,239	937,421	1,890,297	48,099	—	4,819,749	227	891	465	456	966	2,238	7	—	5,250
Criticized nonaccrual	11,541	22,459	183,986	297,106	170,382	688,079	23,109	—	1,396,662	—	46	3	113	93	611	3	—	869

Total commercial real estate	$ 4,473,083	3,865,843	4,040,133	5,542,410	4,401,183	13,484,332	941,189	—	$ 36,748,173	$ 2,275	$ 2,679	$ 1,835	$ 2,580	$ 4,118	$ 11,340	$ 450	$ —	$ 25,277
Residential builder and developer:																		
Loan grades:																		
Pass	$ 680,705	230,079	11,280	22,111	12,812	9,865	150,404	—	$ 1,117,256	$ 530	$ 252	$ 41	$ 6	$ 2	$ 12	$ 116	$ —	$ 959
Criticized accrual	2,969	28,472	9,952	108,968	15,069	—	30,815	—	196,245	1	18	30	—	59	—	3	—	111
Criticized nonaccrual	57	654	—	518	—	—	—	—	1,229	—	—	3	—	—	—	—	—	3

Total residential builder and developer	$ 683,731	259,205	21,232	131,597	27,881	9,865	181,219	—	$ 1,314,730	$ 531	$ 270	$ 74	$ 6	$ 61	$ 12	$ 119	$ —	$ 1,073
Other commercial construction:																		
Loan grades:																		
Pass	$ 1,032,774	1,080,141	1,225,845	1,185,685	366,686	297,355	15,575	—	$ 5,204,061	$ 813	$ 1,366	$ 651	$ 373	$ 646	$ 187	$ 30	$ —	$ 4,066
Criticized accrual	37,893	145,199	320,463	1,025,371	299,350	144,394	—	—	1,972,670	53	391	390	691	565	326	—	—	2,416

Criticized nonaccrual	—	9,992	44,037	35,841	10,542	22,099	2,426	—	124,937	—	14	10	46	50	49	2	—	171
Total other commercial construction	$ 1,070,667	1,235,332	1,590,345	2,246,897	676,578	463,848	18,001	—	$ 7,301,668	$ 866	$ 1,771	$ 1,051	$ 1,110	$ 1,261	$ 562	$ 32	$ —	$ 6,653

4. Loans and leases and the allowance for credit losses, continued

A summary of loans in accrual and nonaccrual status at December 31, 2022 December 31, 2023 for the various classes of the Company's residential real estate loans and consumer loans by origination year follows:

	Term Loans by Origination Year							Revolving Loans Converted to Term Loans	
	2022	2021	2020	2019	2018	Prior	Revolving Loans		Total
					(In thousands)				
Residential:									
Current	$ 5,071,379	4,001,652	2,717,371	1,392,866	753,908	7,523,890	30,440	—	$ 21,491,506
30-89 days past due	59,477	51,308	40,337	21,849	23,126	399,301	499	—	595,897

Accruing loans past due 90 days or more	12,012	39,934	20,067	14,050	14,007	245,332	—	—	345,402
Nonaccrual	5,686	10,865	2,583	9,860	4,650	231,093	7,353	—	272,090
Total residential	$ 5,148,554	4,103,759	2,780,358	1,438,625	795,691	8,399,616	38,292	—	$ 22,704,895
Residential - limited documentation:									
Current	$ —	—	—	—	—	950,782	—	—	$ 950,782
30-89 days past due	—	—	—	—	—	22,456	—	—	22,456
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	77,814	—	—	77,814
Total residential - limited documentation	$ —	—	—	—	—	1,051,052	—	—	$ 1,051,052
Consumer:									
Home equity lines and loans:									
Current	$ 930	2,109	2,441	15,361	23,321	97,282	3,262,533	1,487,334	$ 4,891,311
30-89 days past due	—	—	—	171	126	2,030	—	28,460	30,787
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	15	—	536	334	6,458	2,799	74,646	84,788
Total home equity lines and loans	$ 930	2,124	2,441	16,068	23,781	105,770	3,265,332	1,590,440	$ 5,006,886
Recreational finance:									
Current	$ 2,842,091	2,280,627	1,587,629	963,907	486,964	812,953	—	—	$ 8,974,171
30-89 days past due	8,648	9,525	12,412	8,387	5,202	10,419	—	—	54,593
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	3,533	7,440	9,427	7,625	5,344	11,261	—	—	44,630
Total recreational finance	$ 2,854,272	2,297,592	1,609,468	979,919	497,510	834,633	—	—	$ 9,073,394
Automobile:									
Current	$ 1,491,076	1,557,676	702,711	378,962	167,438	95,343	—	—	$ 4,393,206
30-89 days past due	6,926	13,324	7,284	7,239	5,464	4,249	—	—	44,486
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	2,493	10,698	7,372	7,520	5,620	5,881	—	—	39,584
Total automobile	$ 1,500,495	1,581,698	717,367	393,721	178,522	105,473	—	—	$ 4,477,276
Other:									
Current	$ 274,530	172,238	58,339	38,439	8,217	23,163	1,375,049	8,221	$ 1,958,196

30-89 days past due	3,783	1,450	326	386	141	569	15,655	651	22,961
Accruing loans past due 90 days or more	—	—	—	—	—	226	4,643	—	4,869
Nonaccrual	2,745	830	332	371	120	465	44,449	185	49,497
Total other	$ 281,058	174,518	58,997	39,196	8,478	24,423	1,439,796	9,057	$ 2,035,523
Total loans and leases at December 31, 2022	$ 24,853,925	18,747,757	13,072,920	12,737,602	7,534,367	26,755,951	26,197,545	1,664,096	$ 131,564,163

	Term Loans by Origination Year							Revolving Loans Converted to Term	
(Dollars in millions)	**2023**	**2022**	**2021**	**2020**	**2019**	**Prior**	**Revolving Loans**	**Loans**	**Total**
Residential:									
Current	$ 1,726	$ 4,709	$ 3,732	$ 2,543	$ 1,215	$ 7,060	$ 95	$ —	$ 21,080
30-89 days past due	18	120	88	52	28	457	—	—	763
Accruing loans past due 90 days or more	1	30	28	17	14	205	—	—	295
Nonaccrual	1	17	10	3	4	179	1	—	215
Total residential	$ 1,746	$ 4,876	$ 3,858	$ 2,615	$ 1,261	$ 7,901	$ 96	$ —	$ 22,353
Residential - limited documentation:									
Current	$ —	$ —	$ —	$ —	$ —	$ 825	$ —	$ —	$ 825
30-89 days past due	—	—	—	—	—	31	—	—	31
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	55	—	—	55
Total residential - limited documentation	$ —	$ —	$ —	$ —	$ —	$ 911	$ —	$ —	$ 911
Consumer:									
Home equity lines and loans:									
Current	$ —	$ —	$ 2	$ 2	$ 13	$ 98	$ 3,022	$ 1,391	$ 4,528
30-89 days past due	—	—	—	—	—	3	—	37	40
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	—	—	—	—	—	5	3	73	81
Total home equity lines and loans	$ —	$ —	$ 2	$ 2	$ 13	$ 106	$ 3,025	$ 1,501	$ 4,649
Recreational finance:									

Current	$ 2,653	$ 2,338	$ 1,857	$ 1,286	$ 781	$ 1,020	$ —	$ —	$ 9,935
30-89 days past due	11	16	19	14	11	16	—	—	87
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	3	5	8	6	5	9	—	—	36
Total recreational finance	$ 2,667	$ 2,359	$ 1,884	$ 1,306	$ 797	$ 1,045	$ —	$ —	$ 10,058
Automobile:									
Current	$ 1,063	$ 1,096	$ 1,047	$ 427	$ 198	$ 87	$ —	$ —	$ 3,918
30-89 days past due	8	15	17	9	6	5	—	—	60
Accruing loans past due 90 days or more	—	—	—	—	—	—	—	—	—
Nonaccrual	2	3	3	2	2	2	—	—	14
Total automobile	$ 1,073	$ 1,114	$ 1,067	$ 438	$ 206	$ 94	$ —	$ —	$ 3,992
Other:									
Current	$ 250	$ 176	$ 118	$ 33	$ 13	$ 18	$ 1,392	$ 3	$ 2,003
30-89 days past due	3	3	2	—	—	1	20	1	30
Accruing loans past due 90 days or more	—	—	—	—	—	—	7	—	7
Nonaccrual	2	1	1	—	—	—	48	—	52
Total other	$ 255	$ 180	$ 121	$ 33	$ 13	$ 19	$ 1,467	$ 4	$ 2,092
Total loans and leases at December 31, 2023	$ 18,423	$ 21,683	$ 15,025	$ 10,555	$ 10,062	$ 27,464	$ 29,237	$ 1,619	$ 134,068

4. Loans and leases and the allowance for credit losses, continued

Allowance for credit losses

For purposes of determining the level of the allowance for credit losses, the Company evaluates its loan and lease portfolio by type. Changes in the allowance for credit losses for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 were as follows:

Commercial,

	Financial, Leasing, etc.	Real Estate Commercial	Real Estate Residential	Consumer	Total
			(In thousands)		
Three Months Ended September 30, 2023					
Beginning balance	$ 511,929	765,676	118,392	602,369	$ 1,998,366
Provision for credit losses	45,637	73,588	(3,390)	34,165	150,000
Net charge-offs					
Charge-offs	(26,844)	(51,574)	(1,332)	(42,378)	(122,128)
Recoveries	6,976	4,290	824	13,799	25,889
Net charge-offs	(19,868)	(47,284)	(508)	(28,579)	(96,239)
Ending balance	$ 537,698	791,980	114,494	607,955	$ 2,052,127
Three Months Ended September 30, 2022					
Beginning balance	$ 414,473	708,393	124,326	576,598	$ 1,823,790
Provision for credit losses	43,343	26,949	(11,169)	55,877	115,000
Net charge-offs					
Charge-offs	(37,396)	(35,213)	(2,572)	(26,086)	(101,267)
Recoveries	22,022	401	2,234	13,411	38,068
Net charge-offs	(15,374)	(34,812)	(338)	(12,675)	(63,199)
Ending balance	$ 442,442	700,530	112,819	619,800	$ 1,875,591

Changes in the allowance for credit losses for the nine months ended September 30, 2023 and 2022 were as follows:

	Commercial, Financial, Leasing, etc.	Real Estate Commercial	Real Estate Residential	Consumer	Total
		(In thousands)			
Nine Months Ended September 30, 2023					
Beginning balance	$ 502,153	676,684	115,092	631,402	$ 1,925,331
Provision for credit losses	69,801	290,672	(955)	60,482	420,000
Net charge-offs					

(Dollars in millions)	Commercial and industrial	Real Estate Commercial	Real Estate Residential	Consumer	Total
Three Months Ended March 31, 2024					
Beginning balance	$ 620	$ 764	$ 116	$ 629	$ 2,129
Provision for credit losses	137	9	2	52	200
Net charge-offs:					

Charge-offs	(67,104)	(183,548)	(4,105)	(124,534)	(379,291)	(78)	(25)	(1)	(59)	(163)
Recoveries	32,848	8,172	4,462	40,605	86,087	5	6	1	13	25
Net (charge-offs) recoveries	(34,256)	(175,376)	357	(83,929)	(293,204)					
Net charge-offs						(73)	(19)	—	(46)	(138)
Ending balance	$ 537,698	791,980	114,494	607,955	$ 2,052,127	$ 684	$ 754	$ 118	$ 635	$ 2,191

Nine Months Ended September 30, 2022					
Beginning balance	$ 283,899	557,239	71,726	556,362	$ 1,469,226
Allowance on acquired PCD loans	41,003	55,812	1,833	352	99,000
Provision for credit losses (a)	167,985	116,288	40,719	102,008	427,000
Net charge-offs					
Charge-offs (b)	(94,555)	(45,809)	(9,407)	(78,148)	(227,919)
Recoveries	44,110	17,000	7,948	39,226	108,284
Net charge-offs	(50,445)	(28,809)	(1,459)	(38,922)	(119,635)
Ending balance	$ 442,442	700,530	112,819	619,800	$ 1,875,591

(a) Includes $242 million related to non-PCD acquired loans for the nine months ended September 30, 2022.

(b) For the nine months ended September 30, 2022, net charge-offs do not reflect $33 million of charge offs related to PCD acquired loans.

Three Months Ended March 31, 2023					
Beginning balance	$ 568	$ 611	$ 115	$ 631	$ 1,925
Provision for credit losses	21	86	(1)	14	120
Net charge-offs:					
Charge-offs	(20)	(29)	(2)	(44)	(95)
Recoveries	10	1	1	13	25
Net charge-offs	(10)	(28)	(1)	(31)	(70)
Ending balance	$ 579	$ 669	$ 113	$ 614	$ 1,975

4. Loans and leases and the allowance for credit losses, continued

Despite the allocation in the preceding tables, the allowance for credit losses is general in nature and is available to absorb losses from any loan or lease type. In determining the allowance for credit losses, accruing loans with similar risk characteristics are generally evaluated collectively. The Company utilizes statistically developed models to project principal balances over the remaining contractual lives of the loan portfolios and to determine estimated credit losses through a reasonable and supportable forecast period. Individual loan credit quality indicators, including loan grade and borrower repayment performance, can inform the models, which have been statistically developed based on historical correlations of credit losses with prevailing economic metrics, including unemployment, gross domestic productGDP and real estate prices. Model forecasts may be adjusted for inherent limitations or biases that have been identified through independent validation and back-testing of model performance to actual realized results. At each of September 30, 2023March 31, 2024 and December 31, 2022December 31, 2023, the Company utilized a reasonable and supportable forecast period of two years. Subsequent to this forecast period the Company reverted, ratably over a one-year period, to historical loss experience to inform its estimate of losses for the remaining contractual life of each portfolio.

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4. Loans and leases and the allowance for credit losses, continued

The Company also estimates losses attributable to specific troubled credits identified through both normal and targeted credit review processes. The amounts of specific loss components in the Company's loan and lease portfolios are determined through a loan-by-loan analysis of larger balance commercial and industrial loans and commercial real estate loans that are in nonaccrual status. Such loss estimates are typically based on expected future cash flows, collateral values and other factors that may impact the borrower's ability to pay. To the extent that those loans are collateral-dependent, they are evaluated based on the fair value of the loan's collateral as estimated at or near the financial statement date. As the quality of a loan deteriorates to the point of classifying the loan as "criticized," the process of obtaining updated collateral valuation information is usually initiated, unless it is not considered warranted given factors such as the relative size of the loan, the characteristics of the collateral or the age of the last valuation. In those cases where current appraisals may not yet be available, prior appraisals are utilized with adjustments, as deemed necessary, for estimates of subsequent declines in values as determined by line of business and/or loan workout personnel. Those adjustments are reviewed and assessed for reasonableness by the Company's credit risk personnel. Accordingly, for real estate collateral securing larger nonaccrual commercial and industrial loans and commercial real estate loans, estimated collateral values are based on current appraisals and estimates of value. For non-real estate loans, collateral is assigned a discounted estimated liquidation value and, depending on the nature of the collateral, is verified through field exams or other procedures. In assessing collateral, real estate and non-real estate values are reduced by an estimate of selling costs.

For residential real estate loans, including home equity loans and lines of credit, the excess of the loan balance over the net realizable value of the property collateralizing the loan is charged-off when the loan becomes 150 days delinquent. That charge-off is based on recent indications of value from external parties that are generally obtained shortly after a loan becomes nonaccrual. Loans to consumers that file for bankruptcy are generally charged-off to estimated net collateral value shortly after the Company is notified of such filings. When evaluating individual home equity loans and lines of credit for charge-off and for purposes of estimating losses in determining the allowance for credit losses, the Company gives consideration to the required repayment of any first lien positions related to collateral property.

Changes in the amount of the allowance for credit losses reflect the outcome of the procedures described herein, including the impact of changes in macroeconomic forecasts as compared with previous forecasts, as well as the impact of portfolio concentrations, imprecision in economic forecasts, geopolitical conditions and other risk factors that might influence the loss estimation process.

The Company’s reserve for off-balance sheet credit exposures was not material at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

4. Loans and leases and the allowance for credit losses, continued

Information with respect to loans and leases that were considered nonaccrual at the beginning and end of the reporting period and the interest income recognized on such loans for the three-month and nine-month periods ended September 30, 2023 March 31, 2024 and 2022 2023 follows:

	Amortized Cost with Allowance	Amortized Cost without Allowance	Total	Amortized Cost		Interest Income Recognized		Amortized Cost with Allowance	Amortized Cost without Allowance	Total	Amortized Cost	Interest Income Recognized
	September 30, 2023			June 30, 2023	January 1, 2023	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023					
	(In thousands)											

Commercial, financial, leasing, etc.	$ 324,774	$ 160,646	$ 485,420	$ 416,022	$ 347,204	$ 3,726	$ 7,914
Real estate:							
Commercial	458,720	777,367	1,236,087	1,383,190	1,396,662	12,446	22,379
Residential builder and developer	3,353	—	3,353	1,193	1,229	—	396
Other commercial construction	4,080	131,924	136,004	146,024	124,937	249	1,974
Residential	90,879	149,874	240,753	238,509	272,090	3,480	12,247

(Dollars in millions)	March 31, 2024			January 1, 2024	Three Months Ended March 31, 2024
Commercial and industrial	$ 590	$ 274	$ 864	$ 670	$ 2
Real estate:					
Commercial	379	476	855	869	6
Residential builder and developer	3	—	3	3	—
Other commercial construction	33	108	141	171	—
Residential	82	120	202	215	3

Residential — limited documentation	21,634	40,616	62,250	66,614	77,814	426	686	18	35	53	55	1
Consumer:												
Home equity lines and loans	48,737	29,579	78,316	77,090	84,788	1,493	5,172	48	39	87	81	1
Recreational finance	20,955	9,569	30,524	32,286	44,630	185	536	18	12	30	36	—
Automobile	11,981	3,978	15,959	21,791	39,584	36	107	7	6	13	14	—
Other	53,100	172	53,272	52,862	49,497	66	233	54	—	54	52	—
Total	$ 1,038,213	$ 1,303,725	$ 2,341,938	$ 2,435,581	$ 2,438,435	$ 22,107	$ 51,644	$ 1,232	$ 1,070	$ 2,302	$ 2,166	$ 13

	September 30, 2022			June 30, 2022	January 1, 2022	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2022
	(In thousands)						
Commercial, financial, leasing, etc.	$ 207,841	$ 160,325	$ 368,166	$ 442,496	$ 221,022	$ 4,708	$ 20,423
Real estate:							
Commercial	394,502	1,011,698	1,406,200	1,476,658	1,069,280	7,059	14,944
Residential builder and developer	1,930	—	1,930	518	3,005	—	1,687
Other commercial construction	25,235	40,952	66,187	73,046	111,405	22	3,398

(Dollars in millions)	March 31, 2023			January 1, 2023	Three Months Ended March 31, 2023
Commercial and industrial	$ 227	$ 342	$ 569	$ 504	$ 3
Real estate:					
Commercial	364	966	1,330	1,240	5
Residential builder and developer	3	—	3	1	—
Other commercial construction	94	49	143	125	2

Residential	160,704	124,691	285,395	331,376	355,858	8,059	21,397	125	129	254	272	5
Residential — limited documentation	61,297	34,085	95,382	112,608	122,888	229	456	40	29	69	78	—
Consumer:												
Home equity lines and loans	38,324	39,884	78,208	79,445	70,488	669	3,291	39	42	81	85	2
Recreational finance	31,295	7,423	38,718	33,414	27,811	166	488	24	10	34	45	—
Automobile	36,075	4,243	40,318	36,266	34,037	35	110	23	4	27	40	—
Other	48,741	81	48,822	47,178	44,289	84	268	47	—	47	49	—

Total	$ 1,005,944	$ 1,423,382	$ 2,429,326	$ 2,633,005	$ 2,060,083	$ 21,031	$ 66,462	$ 986	$ 1,571	$ 2,557	$ 2,439	$ 17

4. Loans and leases and the allowance for credit losses, continued

Loan modifications

During the normal course of business, the Company modifies loans to maximize recovery efforts from borrowers experiencing financial difficulty. Such loan modifications typically include payment deferrals and interest rate reductions but may also include other modified terms. Those modified loans may be considered nonaccrual if the Company does not expect to collect the contractual cash flows owed under the loan agreement. On January 1, 2023 the Company adopted amended guidance that eliminated the accounting guidance for troubled debt restructurings while expanding disclosure requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. The amended guidance also requires disclosure of current period gross charge-offs by year of origination.

4. Loans and leases and the allowance for credit losses, continued

The table that follows summarizes the Company’s loan modification activities to borrowers experiencing financial difficulty for the three-month and nine-month periods ended September 30, 2023: March 31, 2024 and 2023:

	Amortized cost at September 30, 2023						Amortized cost at March 31, 2024
	Payment Deferral	Interest Rate Reduction	Other	Combination of Modification Types (a)	Total (b)	Percent of Total Loan Class at Period End	
	(Dollars in thousands)						

Three Months Ended September 30, 2023						
Commercial, financial, leasing, etc.	$ 39,058	$ —	$ —	$ 1,204	$ 40,262	0.09 %
Real estate:						
Commercial	273,201	—	—	6,253	279,454	0.78 %
Residential builder and developer	—	—	—	—	—	—
Other commercial construction	215,598	—	—	—	215,598	3.20 %

(Dollars in millions)	Payment Deferral	Interest Rate Reduction	Other	Combination of Modification Types (a)	Total (b) (c)	Percent of Total Loan Class
Three Months Ended March 31, 2024						
Commercial and industrial	$ 184	$ —	$ —	$ —	$ 184	.32 %
Real estate:						
Commercial	267	—	—	3	270	1.07
Residential builder and developer	2	—	—	—	2	.18
Other commercial construction	131	—	—	—	131	2.11

Residential	53,239	—	—	1,446	54,685	0.24 %	48	—	—	1	49	.22
Residential — limited documentation	1,721	—	—	—	1,721	0.18 %	2	—	—	—	2	.17
Consumer:												
Home equity lines and loans	125	—	—	150	275	0.01 %	—	—	—	—	—	—
Recreational finance	40	—	—	—	40	—	—	—	—	—	—	—
Automobile	61	—	—	—	61	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—	—
Total	$ 583,043	$ —	$ —	$ 9,053	$ 592,096	0.45 %	$ 634	$ —	$ —	$ 4	$ 638	.47 %

Nine Months Ended September 30, 2023						
Commercial, financial, leasing, etc.	$ 93,583	$ 381	$ —	$ 1,659	$ 95,623	0.21 %

(Dollars in millions)	Amortized cost at March 31, 2023					
	Payment Deferral	Interest Rate Reduction	Other	Combination of Modification Types (a)	Total (b) (c)	Percent of Total Loan Class

Three Months Ended March 31, 2023												
Commercial and industrial							$ 70	$ —	$ —	$ —	$ 70	.13 %
Real estate:												
Commercial	440,195	—	—	14,250	454,445	1.27 %	94	—	—	—	94	.35
Residential builder and developer	70,683	—	—	—	70,683	6.42 %	8	—	—	—	8	.64
Other commercial construction	431,668	—	—	8,253	439,921	6.54 %	92	—	—	—	92	1.39
Residential	120,632	—	—	4,525	125,157	0.56 %	33	—	—	2	35	.15
Residential — limited documentation	9,971	—	—	699	10,670	1.11 %	5	—	—	—	5	.51
Consumer:												
Home equity lines and loans	482	134	—	437	1,053	0.02 %	—	—	—	—	—	—
Recreational finance	240	—	—	—	240	—	—	—	—	—	—	—
Automobile	274	—	—	—	274	0.01 %	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—	—
Total	$ 1,167,728	$ 51	$ —	$ 29,823	$ 1,198,066	0.91 %	$ 302	$ —	$ —	$ 2	$ 304	.23 %

(a) Predominantly payment deferrals combined with interest rate reductions.

(b) Includes approximately $45 44 million and $92 23 million respectively, of loans guaranteed by government-related entities (predominantly first lien residential mortgage loans) for the three-month and nine-month periods ended September 30, 2023. March 31, 2024 and 2023, respectively.

(c) Excludes unfunded commitments to extend credit totaling $29 million and $11 million for the three-month periods ended March 31, 2024 and 2023, respectively.

4. Loans and leases and the allowance for credit losses, continued

The financial effects of the modifications for the three-month and nine-month periods ended September 30, 2023 March 31, 2024 and 2023 include an increase in the weighted-average remaining term for commercial and industrial loans of 1.1 0.7 years and 1.0 1.2 years, respectively, for commercial real estate loans, inclusive of residential builder and development loans and other commercial construction loans of 1.3 0.8 years and1.2years, respectively, and for residential real estate loans of11.5 11.4 years and10.1 9.1 years, respectively.

Modified loans to borrowers experiencing financial difficulty are subject to the allowance for credit losses methodology described herein, including the use of models to inform credit loss estimates and, to the extent larger balance commercial and industrial loans and commercial real estate loans are in nonaccrual status, a loan-by-loan analysis of expected credit losses on those individual loans. Loans to borrowers experiencing financial difficulty that were modified during the three months ended March 31, 2023 and for which there was a subsequent payment default during that period were not material. The following table summarizes the payment status, at September 30, 2023 March 31, 2024, of loans that were modified for during the nine-month twelve-month period ended September 30, 2023: March 31, 2024.

	Payment status at September 30, 2023 (amortized cost)			
	Current	30-89 Days Past Due	Past Due 90 Days or More (a)	Total
Nine Months Ended September 30, 2023	(In thousands)			
Commercial, financial, leasing, etc.	$ 81,558	$ 2,326	$ 11,739	$ 95,623

	Payment status at March 31, 2024 (amortized cost)			
(Dollars in millions)	Current	30-89 Days Past Due	Past Due 90 Days or More (a)	Total
Twelve Months Ended March 31, 2024				

Commercial and industrial					$ 310	$ 7	$ 10	$ 327
Real estate:								
Commercial	433,428	19,022	1,995	454,445	715	33	24	772
Residential builder and developer	70,683	—	—	70,683	14	39	—	53
Other commercial construction	439,921	—	—	439,921	534	5	—	539
Residential (b)	79,331	33,344	12,482	125,157	112	35	30	177
Residential — limited documentation	7,943	932	1,795	10,670	6	2	—	8
Consumer:								
Home equity lines and loans	1,034	19	—	1,053	2	—	—	2
Recreational finance	240	—	—	240	—	—	—	—
Automobile	274	—	—	274	—	—	—	—
Other	—	—	—	—	—	—	—	—
Total	$ 1,114,412	$ 55,643	$ 28,011	$ 1,198,066	$ 1,693	$ 121	$ 64	$ 1,878

(a) Predominantly loan modifications with payment deferrals.

(b) Includes loans guaranteed by government-related entities classified as 30-89 30 to 89 days past due of $28 30 million and as past due 90 days or more of $11 27 million.

Prior to January 1, 2023, if the borrower was experiencing financial difficulty such that the Company did not expect to collect the contractual cash flows owed under the original loan agreement and a concession in loan terms was granted, the Company considered the loan modification as a troubled debt restructuring. The table that follows summarizes the Company's loan modification activities that were considered troubled debt restructurings for the three-month and nine-month periods ended September 30, 2022. The table is not comparative to the preceding table. The Company no longer designates modified loans as a troubled debt restructuring in conjunction with the adoption of amended accounting guidance on January 1, 2023.

4. Loans and leases and the allowance for credit losses, continued

	Post-modification (a)

	Number	Pre-modification Recorded Investment	Principal Deferral	Interest Rate Reduction	Other	Combination of Concession Types	Total
			(Dollars in thousands)				
Three Months Ended September 30, 2022							
Commercial, financial, leasing, etc.	70	$ 32,451	$ 11,237	$ 446	$ 229	$ 21,519	$ 33,431
Real estate:							
Commercial	14	22,951	7,222	—	122	15,543	22,887
Residential	57	14,380	11,094	—	—	3,470	14,564
Residential — limited documentation	2	155	155	—	—	—	155
Consumer:							
Home equity lines and loans	25	1,700	1,504	—	—	196	1,700
Recreational finance	167	6,937	6,937	—	—	—	6,937
Automobile	474	9,755	9,755	—	—	—	9,755
Other	30	371	371	—	—	—	371
Total	839	$ 88,700	$ 48,275	$ 446	$ 351	$ 40,728	$ 89,800
Nine Months Ended September 30, 2022							
Commercial, financial, leasing, etc.	147	$ 79,437	$ 49,671	$ 455	$ 983	$ 30,262	$ 81,371
Real estate:							
Commercial	44	33,349	13,052	—	2,223	17,728	33,003
Residential	221	56,912	40,821	—	—	18,469	59,290
Residential — limited documentation	7	1,231	1,049	—	—	193	1,242
Consumer:							—
Home equity lines and loans	93	6,483	6,089	—	—	461	6,550
Recreational finance	514	19,138	19,131	—	—	—	19,131
Automobile	1,537	29,789	29,759	—	—	—	29,759
Other	128	1,170	1,170	—	—	—	1,170
Total	2,691	$ 227,509	$ 160,742	$ 455	$ 3,206	$ 67,113	$ 231,516

(a) *Financial effects impacting the recorded investment included principal payments or advances, charge-offs and capitalized escrow arrearages. The present value of inte rate concessions, discounted at the effective rate of the original loan, was not material.*

The amount of foreclosed property held by the Company, predominantly consisting of residential real estate, was $37 38 million and $41 39 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. There were $182 165 million and $201 170 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, of loans secured by residential real estate that were in the process of foreclosure. Of all loans in the process of foreclosure at September 30, 2023 March 31, 2024, approximately 35% were government guaranteed.

4. Loans and leases and the allowance for credit losses, continued

The Company pledged certain loans to secure outstanding borrowings and available lines of credit. At September 30, 2023 March 31, 2024, the Company pledged approximately $13.1 14.9 billion of commercial and industrial loans, and including leases, $16.3 16.2 billion of commercial real estate loans, $16.9 18.6 billion of one-to-four family residential real estate loans, $2.6 billion of home equity loans and lines of credit and $10.8 10.9 billion of other consumer loans. loans were pledged to secure outstanding borrowings and available lines of credit from FHLB and the FRB of New York. At December 31, 2022 December 31, 2023, the Company pledged approximately $10.5 13.4 billion of commercial and industrial loans, and including leases, $16.3 16.4 billion of commercial real estate loans, $19.5 18.8 billion of one-to-four family residential real estate loans, $2.4 2.6 billion of homes home equity loans and lines of credit and $10.7 11.0 billion of other consumer loans. loans were pledged to secure outstanding borrowings and available lines of credit from the FHLB and the FRB of New York as described in note 5.

5. Borrowings

	September 30, 2023	December 31, 2022		
	(In thousands)			
(Dollars in millions)			March 31, 2024	December 31, 2023
Short-term borrowings				
Federal funds purchased and repurchase agreements	$ 530,663	$ 354,670	$ 295	$ 316
FHLB Advances	6,200,000	3,200,281		
FHLB advances			4,500	5,000
Total short-term borrowings	$ 6,730,663	$ 3,554,951	$ 4,795	$ 5,316
Long-term borrowings				
Asset-backed notes	$ 516,668	$ —		

FHLB Advances	4,956	5,183		
Senior notes - M&T	1,377,985	1,220,965	$ 3,276	$ 2,482
Senior notes - M&T Bank	3,741,161	1,249,141	3,743	3,741
FHLB advances			2,005	5
Subordinated notes - M&T	76,339	77,337	75	76
Subordinated notes - M&T Bank	857,876	866,296	866	873
Junior subordinated debentures - M&T	538,932	536,080	541	540
Asset-backed notes			934	474
Other	9,509	9,535	10	10
Total long-term borrowings	$ 7,123,426	$ 3,964,537	$ 11,450	$ 8,201

In August 2023, February 2024, M&T Bank advanced $2.0 billion from the FHLB of New York which matures in February 2025 at a subsidiary variable rate of SOFR plus 25 basis points payable quarterly until maturity. In March 2024, M&T issued $850 million of senior notes that mature in March 2032 and pay a 6.082% fixed rate semi-annually until March 2031 after which SOFR plus 2.26% will be paid quarterly until maturity. Also in March 2024, M&T Bank issued asset-backed notes secured by equipment finance loans and leases. automobile loans. A total of $550 511 million of such notes representing the senior-most notes in the securitization, were purchased by third parties. Those asset-backed notes had a weighted average weighted-average estimated life of approximately two years and a weighted average weighted-average interest rate of 5.84 5.29% at the time of securitization. Further information about this financing transaction is provided in note 11 of Notes to Financial Statements herein.

In January 2023, M&T issued $1.0 billion of senior notes that mature in January 2034 and pay a 5.05% fixed rate semi-annually until January 2033 after which SOFR plus 1.85% will be paid quarterly until maturity. Additionally, in January 2023 M&T Bank issued $1.3 billion of senior notes that mature in January 2026 and pay a fixed rate of 4.65% semi-annually until maturity and $1.2 billion of senior notes that mature in January 2028 and pay a fixed rate of 4.70% semi-annually until maturity. In October 2023, M&T issued $750 million of senior notes that mature in October 2029 and pay a fixed rate of 7.41% semi-annually until October 2028 after which SOFR plus 2.80% will be paid quarterly until maturity. 11.

M&T Bank had secured borrowing facilities available with the FHLB of New York and the FRB of New York totaling approximately $14.3 14.6 billion and $15.8 18.4 billion, respectively, at September 30, 2023 March 31, 2024. M&T Bank is required to pledge loans and investment securities as collateral for these borrowing facilities and could increase the availability under such facilities or other available programs including the Bank Term Funding Program of the FRB of New York, by pledging additional assets.

6. Revenue from contracts with customers

The Company generally charges customer accounts or otherwise bills customers upon completion of its services. Typically, the Company's contracts with customers have a duration of one year or less and payment for services is received at least annually, but oftentimes more frequently as services are provided. At September 30, 2023March 31, 2024 and December 31, 2022December 31, 2023, the Company had $6163 million and $7468 million, respectively, of amounts receivable related to recognized revenue from the sources in the accompanying tables. Such amounts are classified in accrued"accrued interest and other assetsassets" in the Company's Consolidated Balance Sheet. In certain situations, the Company is paid in advance of providing services and defers the recognition of revenue until its service obligation is satisfied. At September 30, 2023March 31, 2024 and December 31, 2022December 31, 2023, the Company had deferred revenue of $5152 million and $4854 million, respectively, related to the sources in the accompanying tables recorded in accrued"accrued interest and other liabilitiesliabilities" in the Consolidated Balance Sheet.

The following tables summarize sources of the Company's noninterest income during the three-month and nine-month periods ended September 30, 2023March 31, 2024 and 20222023 that are subject to the revenue recognition accounting guidance.

	Business Banking	Commercial Banking	Commercial Real Estate	Discretionary Portfolio	Residential Mortgage Banking	Retail Banking	All Other	Total
Three Months Ended September 30, 2023				(In thousands)				
Classification in Consolidated Statement of Income								
Service charges on deposit accounts	$ 21,749	31,237	4,551	—	—	62,011	1,812	$ 121,360
Trust income	23	—	—	—	—	—	155,069	155,092
Brokerage services income	—	—	—	—	—	—	26,988	26,988
Other revenues from operations:								
Merchant discount and credit card fees	17,021	19,494	1,171	—	—	4,795	360	42,841
Other	—	5,839	942	13	125	7,605	765	15,289
	$ 38,793	56,570	6,664	13	125	74,411	184,994	$ 361,570
Three Months Ended September 30, 2022								
Classification in Consolidated Statement of Income								
Service charges on deposit accounts	$ 19,277	30,406	3,683	—	—	61,223	624	$ 115,213
Trust income	—	—	—	—	—	—	186,577	186,577
Brokerage services income	—	—	—	—	—	—	21,086	21,086
Other revenues from operations:								

Merchant discount and credit card fees	16,234	17,731	1,104	—	—	6,874	561	42,504
Other	—	9,878	1,961	904	558	3,980	8,767	26,048
	$ 35,511	58,015	6,748	904	558	72,077	217,615	$ 391,428

Nine Months Ended September 30, 2023	Business Banking	Commercial Banking	Commercial Real Estate	Discretionary Portfolio	Residential Mortgage Banking	Retail Banking	All Other	Total
			(In thousands)					
Classification in Consolidated Statement of Income								
Service charges on deposit accounts	$ 62,097	89,940	13,163	—	—	183,141	5,262	$ 353,603
Trust income	52	—	—	—	—	—	521,305	521,357

(Dollars in millions)	Commercial Bank	Retail Bank	Institutional Services and Wealth Management	Total
Three Months Ended March 31, 2024				
Service charges on deposit accounts	$ 40	$ 84	$ —	$ 124
Trust income	1	—	159	160

Brokerage services income	—	—	—	—	—	—	76,155	76,155	2	—	27	29
Other revenues from operations:												
Merchant discount and credit card fees	48,206	53,056	3,406	—	—	16,345	992	122,005				
Merchant discount and credit card interchange fees									17	20	—	37
Other	—	16,441	3,460	51	676	22,679	2,922	46,229	8	7	2	17
	$ 110,355	159,437	20,029	51	676	222,165	606,636	$ 1,119,349	$ 68	$ 111	$ 188	$ 367

Nine Months Ended September 30, 2022												
Three Months Ended March 31, 2023												
Classification in Consolidated Statement of Income												
Service charges on deposit accounts	$ 53,581	85,806	10,903	—	—	185,990	4,610	$ 340,890	$ 34	$ 79	$ —	$ 113
Trust income	—	—	—	—	—	—	545,874	545,874	—	—	194	194
Brokerage services income	—	—	—	—	—	—	65,414	65,414	2	—	22	24
Other revenues from operations:												

Merchant discount and credit card fees	45,874	48,044	2,836	—	—	19,408	946	117,108				
Merchant discount and credit card interchange fees									17	20	—	37
Other	—	13,040	8,228	2,468	3,413	16,752	33,416	77,317	6	8	1	15
	$ 99,455	146,890	21,967	2,468	3,413	222,150	650,260	$ 1,146,603	$ 59	$ 107	$ 217	$ 383

7. Pension plans and other postretirement benefits

The Company provides defined benefit pension and other postretirement benefits (including health care and life insurance benefits) to qualified retired employees. Net periodic cost (benefit) benefit for defined benefit plans consisted of the following:

	Pension Benefits	Other Postretirement Benefits

	Three Months Ended September 30			
	2023	2022	2023	2022
	(In thousands)			
Service cost	$ 2,837	$ 4,423	$ 400	$ 689
Interest cost on projected benefit obligation	28,862	22,060	703	581
Expected return on plan assets	(50,315)	(50,188)	—	—
Amortization of prior service cost (credit)	52	129	(515)	(693)
Amortization of net actuarial loss (gain)	(537)	4,974	(692)	(370)
Net periodic cost (benefit)	$ (19,101)	$ (18,602)	$ (104)	$ 207

	Pension Benefits		Other Postretirement Benefits	
	Nine Months Ended September 30			
	2023	2022	2023	2022
	(In thousands)			
Service cost	$ 8,512	$ 13,237	$ 1,200	$ 1,914
Interest cost on projected benefit obligation	86,585	60,407	2,109	1,607
Expected return on plan assets	(150,945)	(137,421)	—	—
Amortization of prior service cost (credit)	155	387	(1,545)	(2,079)
Amortization of net actuarial loss (gain)	(1,610)	14,921	(2,076)	(1,111)
Net periodic cost (benefit)	$ (57,303)	$ (48,469)	$ (312)	$ 331

	Pension Benefits		Other Postretirement Benefits	
	Three Months Ended March 31,			
(Dollars in millions)	2024	2023	2024	2023
Service cost	$ 2	$ 3	$ —	$ —
Interest cost on projected benefit obligation	29	29	1	1
Expected return on plan assets	(51)	(51)	—	—
Amortization of net actuarial gain	—	(1)	(1)	(1)
Net periodic benefit	$ (20)	$ (20)	$ —	$ —

Service cost is reflected in salaries "salaries and employee benefits expense in benefits" and the Consolidated Statement of Income. The other components of net periodic benefit cost are reflected in other "other costs of operations. operations" in the Consolidated Statement of Income. Expenses incurred in connection with the Company's defined contribution pension and retirement savings plans totaled $37 45 million and $32 44 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $118 million and $98 million for the nine months ended September 30, 2023 and 2022, respectively, and are included in salaries and employee benefits expense. 2023, respectively.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED

8. Earnings per common share

The computations of basic earnings per common share follow:

	Three Months Ended September 30		Nine Months Ended September 30		Three Months Ended March 31,	
	2023	2022	2023	2022		
	(In thousands, except per share)					
(Dollars in millions, except per share, shares in thousands)					2024	2023
Income available to common shareholders:						
Net income	$ 689,941	$ 646,596	$ 2,258,599	$ 1,226,292	$ 531	$ 702
Less: Preferred stock dividends	(24,941)	(24,941)	(74,822)	(71,647)	(25)	(25)
Net income available to common equity	665,000	621,655	2,183,777	1,154,645	506	677
Less: Income attributable to unvested stock-based compensation awards	(1,237)	(1,106)	(3,975)	(2,245)	(1)	(1)
Net income available to common shareholders	$ 663,763	$ 620,549	$ 2,179,802	$ 1,152,400	$ 505	$ 676
Weighted-average shares outstanding:						

Common shares outstanding (including common stock issuable) and unvested stock-based compensation awards	166,217	174,921	166,787	160,793	166,738	168,010
Less: Unvested stock-based compensation awards	(308)	(312)	(299)	(319)	(278)	(278)
Weighted-average shares outstanding	165,909	174,609	166,488	160,474	166,460	167,732
Basic earnings per common share	$ 4.00	$ 3.55	$ 13.09	$ 7.18	$ 3.04	$ 4.03

The computations of diluted earnings per common share follow:

	Three Months Ended September 30		Nine Months Ended September 30		Three Months Ended March 31,	
	2023	2022	2023	2022		
	(In thousands, except per share)					
(Dollars in millions, except per share, shares in thousands)					2024	2023
Net income available to common equity	$ 665,000	$ 621,655	$ 2,183,777	$ 1,154,645	$ 506	$ 677
Less: Income attributable to unvested stock-based compensation awards	(1,234)	(1,101)	(3,965)	(2,239)	(1)	(1)
Net income available to common shareholders	$ 663,766	$ 620,554	$ 2,179,812	$ 1,152,406	$ 505	$ 676
Adjusted weighted-average shares outstanding:						
Common shares outstanding (including common stock issuable) and unvested stock-based compensation awards	166,217	174,921	166,787	160,793	166,738	168,010

Less: Unvested stock-based compensation awards	(308)	(312)	(299)	(319)	(278)	(278)
Plus: Incremental shares from assumed conversion of stock-based compensation awards	661	1,07 3	605	821	624	678
Adjusted weighted-average shares outstanding	166, 570	175, 682	167, 093	161, 295	167,084	168,410
Diluted earnings per common share	$ 3.98	$ 3.53	$ 13.0 5	$ 7.14	$ 3.02	$ 4.01

GAAP defines unvested share-based awards that contain nonforfeitable rights to dividends or dividend equivalents (whether paid or unpaid) as participating securities that shall be included in the computation of earnings per common share pursuant to the two-class method. The Company has issued stock-based compensation awards in the form of restricted stock and restricted stock units which, in accordance with GAAP, are considered participating securities.

Stock-based compensation awards to purchase common stock of M&T representing 1,745,348 1,328,190 common shares and 1,800,385 1,367,054 common shares during the three-month three months ended March 31, 2024 and nine-month periods ended September 30, 2023, respectively, and 252,793 and 314,155 common shares during the three-month and nine-month periods ended September 30, 2022, 2023, respectively, were not included in the computations of diluted earnings per common share because the effect on those periods would have been antidilutive.

9. Comprehensive income

The following tables display the components of other comprehensive income (loss) and amounts reclassified from accumulated other comprehensive income (loss) to net income:

	Investment Securities	Defined Benefit Plans	Other	Total Amount Before Tax	Income Tax	Net	Investment	Cash Flow	Defined Benefit	Total Amount	Income
			(In thousands)								

(Dollars in millions)								Securities	Hedges	Plans	Other	Before Tax		Tax	Net
Balance — January 1, 2023	$ (44 4,19 2)	(272,8 56)	(34 9,1 29)	$ (1,0 66,1 77)		276 ,14 7	$ (79 0,0 30)								
Balance — January 1, 2024								$ (251)	$ (203)	$ (155)	$ (7)	$ (616)		$ 157	$ (459)
Other comprehensive income (loss) before reclassifications:															
Unrealized holding losses, net	(2,3 66)	—	—	(2,3 66)		588	(1,7 78)	(13)	—	—	—	(13)		2	(11)
Foreign currency translation adjustment	—	—	71	71		(18)	53	—	—	—	(2)	(2)		—	(2)
Unrealized losses on cash flow hedges	—	—	(36 5,7 39)	(365 ,739)		90, 679	(27 5,0 60)	—	(243)	—	—	(243)		60	(183)
Total other comprehensive income (loss) before reclassifications	(2,3 66)	—	(36 5,6 68)	(368 ,034)		91, 249	(27 6,7 85)	(13)	(243)	—	(2)	(258)		62	(196)
Amounts reclassified from accumulated other comprehensive income (loss) that (increase) decrease net income:															
Accretion of net gain on terminated cash flow hedges	—	—	(91)	(91)	(b)	23	(68)								
Losses realized in net income								1	—	—	—	1		—	1
Net yield adjustment from cash flow hedges currently in effect	—	—	173 ,05 1	173, 051	(a)	(43 ,53 5)	129 ,51 6	—	87	—	—	87	(a)	(21)	66
Amortization of prior service credit	—	(1,390)	—	(1,3 90)	(c)	155	(1,2 35)								
Amortization of actuarial gains	—	(3,686)	—	(3,6 86)	(c)	410	(3,2 76)								
Amortization of actuarial losses								—	—	(1)	—	(1)	(b)	—	(1)

Total other comprehensive income (loss)	(2,366)	(5,076)	(192,708)	(200,150)	48,302	(151,848)	(12)	(156)	(1)	(2)	(171)	41	(130)
Balance — September 30, 2023	$ (446,558)	(277,932)	(541,837)	$ (1,266,327)	324,449	$ (941,878)							
Balance — March 31, 2024							$ (263)	$ (359)	$ (156)	$ (9)	$ (787)	$ 198	$ (589)
Balance — January 1, 2022	$ 104,691	(360,276)	83,531	$ (172,054)	44,476	$ (127,578)							
Balance — January 1, 2023							$ (444)	$ (336)	$ (273)	$ (13)	$ (1,066)	$ 276	$ (790)
Other comprehensive income (loss) before reclassifications:													
Unrealized holding losses, net	(576,266)	—	—	(576,266)	149,186	(427,080)							
Unrealized holding gains, net							89	—	—	—	89	(24)	65
Foreign currency translation adjustment	—	—	(14,564)	(14,564)	3,293	(11,271)	—	—	—	2	2	(1)	1
Unrealized losses on cash flow hedges	—	—	(429,310)	(429,310)	111,150	(318,160)	—	51	—	—	51	(13)	38
Total other comprehensive income (loss) before reclassifications	(576,266)	—	(443,874)	(1,020,140)	263,629	(756,511)	89	51	—	2	142	(38)	104
Amounts reclassified from accumulated other comprehensive income (loss) that (increase) decrease net income:													
Amortization of unrealized holding losses on held-to-maturity securities	1,766	—	—	1,766 (a)	(456)	1,310							
Accretion of net gain on terminated cash flow hedges	—	—	(90)	(90) (b)	24	(66)							

Net yield adjustment from cash flow hedges currently in effect	—	—	(35, 500)	(35, 500)	(a)	9,1 92	(26, 308)	—	59	—	—	59	(a)	(16)	43
Amortization of prior service credit	—	(1,692)	—	(1,6 92)	(c)	413	(1,2 79)								
Amortization of actuarial losses	—	13,810	—	13,8 10	(c)	(3, 371)	10, 439	—	—	(2)	—	(2)	(b)	—	(2)
Total other comprehensive income (loss)	(57 4,50 0)	12,118	(47 9,4 64)	(1,0 41,8 46)		269 ,43 1	(77 2,4 15)	89	110	(2)	2	199		(54)	145
Balance — September 30, 2022	$ (46 9,80 9)	(348,1 58)	(39 5,9 33)	$ (1,2 13,9 00)		313 ,90 7	$ (89 9,9 93)								
Balance — March 31, 2023								$ (355)	$ (226)	$ (275)	$ (11)	$ (867)		$ 222	$ (645)

(a) Included in interest income. "interest income" in the Consolidated Statement of Income.
(b) Included in interest expense.
(c) Included in other "other costs of operations. operations" in the Consolidated Statement of Income.

Accumulated other comprehensive income (loss), net consisted of the following:

	Investment Securities	Defined Benefit Plans	Other	Total
	(In thousands)			
Balance — December 31, 2022	$ (329,168)	$ (202,186)	$ (258,676)	$ (790,030)
Net loss during period	(1,778)	(4,511)	(145,559)	(151,848)
Balance — September 30, 2023	$ (330,946)	$ (206,697)	$ (404,235)	$ (941,878)

(Dollars in millions)	Investment Securities	Cash Flow Hedges	Defined Benefit Plans	Other	Total
Balance — December 31, 2023	$ (187)	$ (151)	$ (115)	$ (6)	$ (459)
Net loss during period	(10)	(117)	(1)	(2)	(130)
Balance — March 31, 2024	$ (197)	$ (268)	$ (116)	$ (8)	$ (589)

10. Derivative financial instruments

As part of managing interest rate risk, the Company enters into interest rate swap agreements to modify the repricing characteristics of certain portions of the Company's portfolios of earning assets and interest-bearing liabilities. The Company designates interest rate swap agreements utilized in the management of interest rate risk as either fair value hedges or cash flow hedges. Interest rate swap agreements are generally entered into with counterparties that meet established credit standards and most contain master netting, collateral and/or settlement provisions protecting the at-risk party. Based on adherence to the Company's credit standards and the presence of the netting, collateral or settlement provisions, the Company believes that the credit risk inherent in these contracts was not material as of September 30, 2023 March 31, 2024.

The net effect of interest rate swap agreements was to decrease net interest income by $79 100 million and $211 69 million during the three-month and nine-month periods ended September 30, 2023, respectively, March 31, 2024 and to decrease net interest income by $22 million and to increase net interest income by $50 million during the three-month and nine-month periods ended September 30, 2022, 2023, respectively.

Information about interest rate swap agreements entered into for interest rate risk management purposes summarized by type of financial instrument the swap agreements were intended to hedge follows:

	Notional Amount (In thousands)	Average Maturity (In years)	Weighted-Average Rate Fixed	Weighted-Average Rate Variable	Estimated Fair Value Gain (Loss) (a) (In thousands)	Notional Amount	Average Maturity (In years)	Weighted-Average Rate Fixed	Weighted-Average Rate Variable	Estimated Fair Value Gain (Loss) (a)
September 30, 2023										
(Dollars in millions)										
March 31, 2024										
Fair value hedges:										
Fixed rate long-term borrowings (b)	$ 2,000,000	6.6	3.1 %	5.74 %	$ 3,108					
Cash flow hedges:										

Interest payments on variable rate commercial real estate loans (b) (c)	23,97 7,000	2.0	3. 4 5 %	5. 32 %	9,077					
Total	25,97 $ 7,000	2.4			12,18 $ 5					
December 31, 2022										
Fair value hedges:										
Fixed rate long-term borrowings (b)	1,500 $,000	3.3	2. 9 8 %	4. 52 %	$ (833)					
Fixed rate long-term borrowings (b) (c)						$ 3,850	5.9	3.48 %	5.51 %	$ —
Cash flow hedges:										
Interest payments on variable rate commercial real estate loans (b) (d)	15,90 0,000	1.4	1. 9 1 %	4. 38 %	(7,05 9)	23,427	1.7	3.38	5.33	2
Total	17,40 $ 0,000	1.6			(7,89 $ 2)	$ 27,277	2.3			$ 2
December 31, 2023										
Fair value hedges:										
Fixed rate long-term borrowings (b) (e)						$ 3,000	5.8	3.45 %	5.62 %	$ (1)
Cash flow hedges:										
Interest payments on variable rate commercial real estate loans (b) (f)						23,977	1.7	3.45	5.36	11
Total						$ 26,977	2.2			$ 10

(a) *Certain clearinghouse exchanges consider payments by counterparties for variation margin on derivative instruments to be settlements of those positions. The impact of such payments for interest rate swap agreements designated as fair value hedges was a net settlement of losses of $163.9 104 million at September 30, 2023 March 31, 2024 and $65.0 43 million at December 31, 2022 December 31, 2023. The impact of such payments on interest rate swap agreements designated as cash flow hedges was a net settlement of losses of $538.5 361 million at September 30, 2023 March 31, 2024 and $329.7 214 million at December 31, 2022 December 31, 2023.*

(b) *Under the terms of these agreements, the Company receives settlement amounts at a fixed rate and pays at a variable rate.*

(c) *Includes notional amount and terms of $9.4 1.8 billion of forward-starting interest rate swap agreements that become effective in 2023 and 2024. 2025.*

(d) *Includes notional amount and terms of $4.7 6.0 billion of forward-starting interest rate swap agreements that become effective in 2023. 2024 and 2025.*

- 32 - (e) NOTES TO FINANCIAL STATEMENTS, CONTINUED Includes notional amount and terms of $ 1.0 billion of forward-starting interest rate swap agreements that become effective in 2025.

10. Derivative financial (f) Includes notional amount and terms of $9.0 billion of forward-starting interest rate swap agreements that become effective in 2024.

The Company also has utilizes commitments to sell and commitments to originate residential and commercial real estate loans that are considered derivatives. The Company designates certain of to hedge the commitments exposure to sell real estate loans as changes in the fair value hedges of real estate loans held for sale. Such commitments have generally been designated as fair value hedges. The Company also utilizes commitments to sell real estate loans to offset the exposure to changes in the fair value of certain commitments to originate real estate loans for sale. Changes in unrealized gains and losses are included in mortgage banking revenues and, in general, are realized in subsequent periods as the related loans are sold and commitments satisfied.

Other derivative financial instruments not designated as hedging instruments included interest rate contracts, foreign exchange and other option and futures contracts. Interest rate contracts not designated as hedging instruments had notional values of $44.2 43.4 billion and $45.1 44.4 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The notional amounts of foreign exchange and other option and futures contracts not designated as hedging instruments aggregated $1.5 1.7 billion and $1.7 1.5 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

10. Derivative financial instruments, continued

Information about the fair values of derivative instruments in the Company's Consolidated Balance Sheet and Consolidated Statement of Income follows:

	Asset Derivatives		Liability Derivatives		Asset Derivatives		Liability Derivatives	
	Fair Value		Fair Value		Fair Value		Fair Value	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
	(In thousands)							
(Dollars in millions)								
Derivatives designated and qualifying as hedging instruments (a)								
Interest rate swap agreements	$ 12,471	$ 1,202	$ 286	$ 9,094	$ 3	$ 12	$ 1	$ 2
Commitments to sell real estate loans	5,998	3,037	614	9	11	6	1	8

	18,469	4,239	900	9,103	14	18	2	10
Derivatives not designated and qualifying as hedging instruments (a)								
Mortgage banking:								
Mortgage-related commitments to originate real estate loans for sale	2,380	452	53,783	46,025				
Commitments to originate real estate loans for sale					6	15	36	32
Commitments to sell real estate loans	60,036	51,410	83	14	40	35	2	3
	62,416	51,862	53,866	46,039	46	50	38	35
Other:								
Interest rate contracts (b)	323,865	355,806	1,420,668	1,278,180	243	237	1,019	879
Foreign exchange and other option and futures contracts	15,552	24,062	14,361	22,004	15	19	13	19
	339,417	379,868	1,435,029	1,300,184	258	256	1,032	898
Total derivatives	$ 420,302	$ 435,969	$ 1,489,795	$ 1,355,326	$ 318	$ 324	$ 1,072	$ 943

(a) *Asset derivatives are reported in "accrued interest and other assets assets" and liability derivatives are reported in "accrued interest and other liabilities. liabilities" Consolidated Balance Sheet.*

(b) *The impact of variation margin payments at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 was a reduction of the estimated fair value of interest rate contracts not designated as hedging instruments in an asset position of $1.2 893 billion million and $1.1 783 billion, million, respectively, as of each period end, and in a liability position of $15.7 16 million and $29.2 32 million, respectively.*

	Amount of Gain (Loss) Recognized			
	Three Months Ended September 30			
	2023		2022	
	Derivative	Hedged Item	Derivative	Hedged Item
	(In thousands)			
Derivatives in fair value hedging relationships				
Interest rate swap agreements:				
Fixed rate long-term borrowings (a)	$ (60,605)	60,737	$ (50,976)	50,821

Derivatives not designated as hedging instruments		
Interest rate contracts (b)	$ 6,311	$ 6,946
Foreign exchange and other option and futures contracts (b)	4,232	4,462
Total	$ 10,543	$ 11,408

10. Derivative financial instruments, continued

	Amount of Gain (Loss) Recognized				Amount of Gain (Loss) Recognized			
	Nine Months Ended September 30				Three Months Ended March 31,			
	2023		2022		2024		2023	
	Derivative	Hedged Item	Derivative	Hedged Item				
	(In thousands)							
(Dollars in millions)					Derivative	Hedged Item	Derivative	Hedged Item
Derivatives in fair value hedging relationships								
Interest rate swap agreements:								
Fixed rate long-term borrowings (a)	$ (94,997)	95,920	$ (114,932)	114,581	$ (60)	$ 60	$ 12	$ (12)
Derivatives not designated as hedging instruments								
Interest rate contracts (b)	$ 25,027		$ 17,907		$ 3		$ 8	
Foreign exchange and other option and futures contracts (b)	11,377		10,701		4		4	
Total	$ 36,404		$ 28,608		$ 7		$ 12	

(a) Reported as an adjustment to interest expense. "interest expense" in the Consolidated Statement of Income.
(b) Reported as trading "trading account and other non-hedging derivative gains. gains" in the Consolidated Statement of Income.

Carrying Amount of the Hedged Item	Cumulative Amount of Fair Value Hedging Adjustment Increasing (Decreasing) the Carrying Amount of the Hedged Item	Carrying Amount of the Hedged Item	Cumulative Amount of Fair Value Hedging Adjustment Increasing (Decreasing) the Carrying Amount of the Hedged Item

Location in the Consolidated Balance Sheet of the Hedged Items in Fair Value Hedges	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
			(In thousands)	
Long-term debt	$ 1,834,030	$ 1,433,731	$ (161,230)	$ (65,310)

(Dollars in millions)	March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Location in the Consolidated Balance Sheet of the Hedged Items in Fair Value Hedges				
Long-term borrowings	$ 3,742	$ 2,954	$ (104)	$ (44)

The amount of interest income recognized in the Consolidated Statement of Income associated with derivatives designated as cash flow hedges was a decrease of $65 87 million and $22 59 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and a decrease of $173 million and an increase of $36 million for the nine-month period ended September 30, 2023 and 2022, 2023, respectively. As of September 30, 2023 March 31, 2024, the unrealized net loss recognized in other comprehensive income related to cash flow hedges was $529 359 million, of which losses of $13 1 million, $357 227 million, $129 million and $159 2 million related relate to interest rate swap agreements maturing in 2024, 2025, 2026 and 2026, 2027, respectively.

10. Derivative financial instruments, continued

The Company does not offset derivative asset and liability positions in its consolidated financial statements. The Company's exposure to credit risk by entering into derivative contracts is mitigated through master netting agreements and collateral posting or settlement requirements. Master netting agreements covering interest rate and foreign exchange contracts with the same party include a right to set-off that becomes enforceable in the event of default, early termination or under other specific conditions.

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10. Derivative financial instruments, continued

The aggregate fair value of derivative financial instruments in a liability position, which are subject to enforceable master netting arrangements and the related collateral posted, was not material at each of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. Certain of the Company's derivative financial instruments contain provisions that require the Company to maintain specific credit ratings from credit rating agencies to avoid higher collateral posting requirements. If the Company's debt ratings were to fall below specified ratings, the counterparties of the derivative financial instruments could demand immediate incremental collateralization on those instruments in a net liability position. The aggregate fair value of all derivative financial instruments with such credit risk-related contingent features in a net liability position on September 30, 2023 March 31, 2024 was not material.

The aggregate fair value of derivative financial instruments in an asset position with counterparties, which are subject to enforceable master netting arrangements, was $381 232 million at September 30, 2023 March 31, 2024 and $314 179 million at December 31, 2022 December 31, 2023. Counterparties posted collateral relating to those positions of $386 231 million at September 30, 2023 March 31, 2024 and $312 179 million at December 31, 2022 December 31, 2023, respectively. Interest rate swap agreements entered into with customers are subject to the Company's credit risk standards and often contain collateral provisions.

In addition to the derivative contracts noted above, the Company clears certain derivative transactions through a clearinghouse, rather than directly with counterparties. Those transactions cleared through a clearinghouse require initial margin collateral and variation margin payments depending on the contracts being in a net asset or liability position. The amount of initial margin collateral posted by the Company was $143 146 million and $205 129 million at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The fair value asset and liability amounts of derivative contracts have been reduced by variation margin payments treated as settlements as described herein. Variation margin on derivative contracts not treated as settlements continues to represent collateral posted or received by the Company.

11. Variable interest entities and asset securitizations

The Company's securitization activity includes securitizing loans originated for sale into government issued or guaranteed mortgage-backed securities. The Company has not recognized any material losses as a result of having securitized assets.

In August 2023, a subsidiary of March 2024, M&T Bank issued asset-backed notes secured by equipment finance loans and leases. automobile loans. Approximately $666 526 million of such loans and leases were sold into a special purpose trust which in turn issued asset-backed notes to investors. The loans and leases continue to be serviced by the subsidiary. Company. A total of $550 511 million of such notes, representing the senior-most notes in the securitization, were purchased by third parties. Those asset-backed notes had a weighted average weighted-average estimated life of approximately two years and a weighted average weighted-average interest rate of 5.84 5.29% at the time of securitization. Additionally, $88 15 million of asset-backed notes certificates representing subordinate note classes and other the residual interests were issued by of the trust and were retained by the Company. As a result of the retention of the subordinate residual interests and its continued role as servicer of the loans, and leases, the Company is considered to be the primary beneficiary of the securitization trust and, accordingly, the trust has been included in the Company's consolidated financial statements. At September 30, 2023, the remaining balance of the loans

11. Variable interest entities and leases in trust was $643 million and the outstanding asset-backed notes issued to third party investors was $517 million. asset securitizations, continued

M&T has issued junior subordinated debentures payable to various trusts that have issued preferred capital securities. M&T owns the common securities of those trust entities. The Company is not considered to be the primary beneficiary of those entities and, accordingly, the trusts are not included in the Company's consolidated financial statements. At each of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company included the junior subordinated debentures as "long-term borrowings" in its Consolidated Balance Sheet and recognized $22 million in other assets for its "investment" in the common securities of the trusts that will be concomitantly repaid to M&T by the respective trust from the proceeds of M&T's repayment of the junior subordinated debentures associated with preferred capital securities.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

11. Variable interest entities and asset securitizations, continued

The Company has invested as a limited partner in various partnerships that collectively had total assets of approximately $9.8 billion at September 30, 2023 each of March 31, 2024 and $9.2 billion at December 31, 2022 December 31, 2023. Those partnerships generally construct or acquire properties, including properties and facilities that produce renewable energy, for which the investing partners are eligible to receive certain federal income tax credits in accordance with government guidelines. State income tax credits Such investments may also be available in certain circumstances. Such investments also typically provide tax deductible losses to the partners. The partnership investments may also assist the Company in achieving its community reinvestment initiatives. The Company, in its position as limited partner, does not direct the activities that most significantly impact the economic performance of the partnerships and, sustainability initiatives. therefore, the partnership entities are not included in the Company's consolidated financial statements. The Company's investments in qualified affordable housing projects are accounted for using the proportional amortization method whereby those investments are amortized to "income taxes" in the

Consolidated Statement of Income as tax credits and other tax benefits resulting from deductible losses associated with the projects are received. Effective January 1, 2024, the Company adopted amended guidance which permits an election to account for other tax equity investments using the proportional amortization method if certain conditions are met. The Company has elected to apply the proportional amortization method to eligible renewable energy and certain other tax credit investments in addition to the low income housing tax credit investments for which the proportional amortization method had previously been applied. Information on the Company's carrying amount of its investments in tax equity partnerships and its related future funding commitments are presented in the following table:

(Dollars in millions)	**March 31, 2024**	**December 31, 2023**
Affordable housing projects:		
Carrying amount (a)	$ 1,323	$ 1,340
Amount of future funding commitments included in carrying amount (b)	379	410
Contingent commitments	55	55
Renewable energy:		
Carrying amount (a)	79	80
Amount of future funding commitments included in carrying amount (b)	49	31
Other:		
Carrying amount (a)	40	41
Amount of future funding commitments included in carrying amount (b)	—	—

(a) *Included in "accrued interest and other assets" in the Consolidated Balance Sheet.*

(b) *Included in "accrued interest and other liabilities" in the Consolidated Balance Sheet.*

11. Variable interest entities and asset securitizations, continued

The reduction to income tax expense recognized from the Company's investments in partnerships accounted for using the proportional amortization method was $7 million (net of $43 million of investment amortization) and $6 million (net of $41 million of investment amortization) for the three months ended March 31, 2024 and 2023, respectively. The net reduction to income tax expense has been reported in "net change in other accrued income and expense" in the Consolidated Statement of Cash Flows. While the Company has elected to apply the proportional amortization method for renewable energy credit investments, at March 31, 2024 no such investments met the eligibility criteria for application of that method. The reduction to income tax expense recognized from renewable energy credit investments was $11 million and $8 million for the three months ended March 31, 2024 and 2023, respectively. As a limited partner, there is no recourse to the Company by creditors of the partnerships. However, the tax credits that result from the Company's investments in such partnerships are generally subject to recapture should a partnership fail to comply with the respective government regulations. The Company's carrying amount of its investments in such partnerships was $1.4 billion and $1.5 billion at September 30, 2023 and December 31, 2022, respectively, including $491 million and

$545 million of unfunded commitments, at each of those respective dates. Contingent commitments to provide additional capital contributions to these partnerships were $49 million at September 30, 2023. The Company has not provided financial or other support to the partnerships that was not contractually required. The Company's Although the Company currently estimates that no material losses are probable, its maximum exposure to loss from its investments in such partnerships as of September 30, 2023 March 31, 2024 was $2.1 2.2 billion, including possible recapture of certain tax credits. Management currently estimates that no material losses are probable as a result of the Company's involvement with such entities. The Company, in its position as limited partner, does not direct the activities that most significantly impact the economic performance of the partnerships and, therefore, in accordance with the accounting provisions for variable interest entities, the partnership entities are not included in the Company's consolidated financial statements. The Company's investment in qualified affordable housing projects is amortized to income taxes in the Consolidated Statement of Income as tax credits and other tax benefits resulting from deductible losses associated with the projects are received. The Company amortized $46 million and $128 million of its investments in qualified affordable housing projects to income tax expense during the three-month and nine-month periods ended September 30, 2023, respectively, and recognized $52 million and $147 million of tax credits and other tax benefits during those respective periods. Similarly, for the three-month and nine-month periods ended September 30, 2022, the Company amortized $37 million and $94 million of its investments in qualified affordable housing projects to income tax expense, respectively, and recognized $44 million and $108 million of tax credits and other tax benefits during those respective periods.

The Company serves as investment advisor for certain registered money-market funds. The Company has no explicit arrangement to provide support to those funds, but may waive portions of its allowable management fees as a result of market conditions.

12. Fair value measurements

GAAP permits an entity to choose to measure eligible financial instruments and other items at fair value. The Company has not made any fair value elections at September 30, 2023 March 31, 2024.

Pursuant to GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level hierarchy exists in GAAP for fair value measurements based upon the inputs to the valuation of an asset or liability.

- Level 1 — Valuation is based on quoted prices in active markets for identical assets and liabilities.
- Level 2 — Valuation is determined from quoted prices for similar assets or liabilities in active markets, qu prices for identical or similar instruments in markets that are not active or by model-based techniques in whic significant inputs are observable in the market.
- Level 3 — Valuation is derived from model-based and other techniques in which at least one significant inp unobservable and which may be based on the Company's own estimates about the assumptions that ma participants would use to value the asset or liability.

12. Fair value measurements, continued

When available, the Company attempts to use quoted market prices in active markets to determine fair value and classifies such items as Level 1 or Level 2. If quoted market prices in active markets are not available, fair value is often determined using model-based techniques incorporating various assumptions including interest rates, prepayment speeds and credit losses. Assets and liabilities valued using model-based techniques are classified as either Level 2 or Level 3, depending on the lowest level classification of an input that is considered significant to the overall valuation. The following is a description of the valuation methodologies used for the Company's assets and liabilities that are measured on a recurring basis at estimated fair value.

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12. Fair value measurements, continued

Trading account

Mutual funds held in connection with deferred compensation and other arrangements have been classified as Level 1 valuations. Valuations of investments in debt securities can generally be obtained through reference to quoted prices in less active markets for the same or similar securities or through model-based techniques in which all significant inputs are observable and, therefore, such valuations have been classified as Level 2.

Investment Available-for-sale investment securities available for sale and equity securities

The majority of the Company's available-for-sale investment securities have been valued by reference to prices for similar securities or through model-based techniques in which all significant inputs are observable and, therefore, such valuations have been classified as Level 2. Certain investments in mutual funds and equity securities are actively traded and, therefore, have been classified as Level 1 valuations.

Real estate loans held for sale

The Company utilizes commitments to sell real estate loans to hedge the exposure to changes in fair value of real estate loans held for sale. The carrying value of hedged real estate loans held for sale includes changes in estimated fair value during the hedge period. Typically, the Company attempts to hedge real estate loans held for sale from the date of close through the sale date. The fair value of hedged real estate loans held for sale is generally calculated by reference to quoted prices in secondary markets for commitments to sell real estate loans with similar characteristics and, accordingly, such loans have been classified as a Level 2 valuation.

Commitments to originate real estate loans for sale and commitments to sell real estate loans

The Company enters into various commitments to originate real estate loans for sale and commitments to sell real estate loans. Such commitments are accounted for as derivative financial instruments and, therefore, are carried at estimated fair value on the Consolidated Balance Sheet. The estimated fair values of such commitments were generally calculated by reference to quoted prices in secondary markets for commitments to sell real estate loans to certain government-sponsored entities and other parties. The fair valuations of commitments to sell real estate loans generally result in a Level 2 classification. The estimated fair value of commitments to originate real estate loans for sale are adjusted to reflect the Company's anticipated commitment expirations. The estimated commitment expirations are considered significant unobservable inputs contributing to the Level 3 classification of commitments to originate real estate loans for sale. Significant unobservable inputs used in the determination of estimated fair value of commitments to originate real estate loans for sale are included in the accompanying table of significant unobservable inputs to Level 3 measurements.

Interest rate swap agreements used for interest rate risk management

The Company utilizes interest rate swap agreements as part of the management of interest rate risk to modify the repricing characteristics of certain portions of its portfolios of earning assets and interest-bearing liabilities. The Company generally determines the fair value of its interest rate swap agreements using externally developed pricing models based on market observable inputs and, therefore, classifies such valuations as Level 2. The Company has considered counterparty credit risk in the valuation of its interest rate swap agreement assets and has considered its own credit risk in the valuation of its interest rate swap agreement liabilities.

12. Fair value measurements, continued

Other non-hedging derivatives

Other non-hedging derivatives consist primarily of interest rate contracts and foreign exchange contracts with customers who require such services with offsetting positions with third parties to minimize the Company's risk with respect to such transactions. The Company generally determines the fair value of its other non-hedging derivative assets and liabilities using externally developed pricing models based on market observable inputs and, therefore, classifies such valuations as Level 2.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

12. Fair value measurements, continued

The following tables present assets and liabilities at September 30, 2023March 31, 2024 and December 31, 2022 December 31, 2023 measured at estimated fair value on a recurring basis:

	Fair Value Measurements	Level 1	Level 2	Level 3
		(In thousands)		
September 30, 2023				

(Dollars in millions)	Fair Value Measurements	Level 1	Level 2	Level 3 (a)

March 31, 2024								
Trading account	$ 136,998	$ 118,838	$ 18,160	$ —	$ 99	$ 99	$ —	$ —
Investment securities available for sale:								
U.S. Treasury and federal agencies	7,735,107	—	7,735,107	—	7,719	—	7,719	—
Mortgage-backed securities:								
Government issued or guaranteed								
Commercial	525,469	—	525,469	—	1,343	—	1,343	—
Residential	2,168,287	—	2,168,287	—	2,910	—	2,910	—
Other debt securities	163,546	—	163,546	—	162	—	162	—
	10,592,409	—	10,592,409	—	12,134	—	12,134	—
Equity securities	259,216	252,080	7,136	—	356	343	13	—
Real estate loans held for sale	430,720	—	430,720	—	728	—	728	—
Other assets (a)	420,302	—	417,922	2,380				
Other assets (b)					318	—	312	6
Total assets	$ 11,839,645	$ 370,918	$ 11,466,347	$ 2,380	$ 13,635	$ 442	$ 13,187	$ 6
Other liabilities (a)	1,489,795	—	1,436,012	53,783				
Other liabilities (b)					$ 1,072	$ —	$ 1,036	$ 36
Total liabilities	$ 1,489,795	$ —	$ 1,436,012	$ 53,783	$ 1,072	$ —	$ 1,036	$ 36
December 31, 2022								
December 31, 2023								
Trading account	$ 117,847	$ 117,847	$ —	$ —	$ 106	$ 101	$ 5	$ —

Investment securities available for sale:								
U.S. Treasury and federal agencies	7,670,960	—	7,670,960	—	7,705	—	7,705	—
Mortgage-backed securities:								
Government issued or guaranteed								
Commercial	574,299	—	574,299	—	416	—	416	—
Residential	2,330,118	—	2,330,118	—	2,154	—	2,154	—
Other debt securities	173,584	—	173,584	—	165	—	165	—
	10,748,961	—	10,748,961	—	10,440	—	10,440	—
Equity securities	151,458	145,289	6,169	—	268	258	10	—
Real estate loans held for sale	162,393	—	162,393	—	379	—	379	—
Other assets (a)	435,969	—	435,517	452				
Other assets (b)					324	—	309	15
Total assets	$ 11,616,628	$ 263,136	$ 11,353,040	$ 452	$ 11,517	$ 359	$ 11,143	$ 15
Other liabilities (a)	1,355,326	—	1,309,301	46,025				
Other liabilities (b)					$ 943	$ —	$ 911	$ 32
Total liabilities	$ 1,355,326	$ —	$ 1,309,301	$ 46,025	$ 943	$ —	$ 911	$ 32

(a) *Significant unobservable inputs used in the fair value measurement of commitments to originate real estate loans held for sale included weighted-average commitment expirations of 8% at March 31, 2024 and 5% at December 31, 2023. An increase (decrease) in the estimate of expirations for commitments to originate real estate loans would generally result in a lower (higher) fair value measurement. Estimated commitment expirations are derived considering loan type, changes in interest rates and remaining length of time until closing.*

(b) *Comprised predominantly of interest rate swap agreements used for interest rate risk management (Level 2), interest rate and foreign exchange contracts not designa hedging instruments (Level 2), commitments to sell real estate loans (Level 2) and commitments to originate real estate loans to be held for sale (Level 3).*

12. Fair value measurements, continued

The changes in Level 3 assets and liabilities measured at estimated fair value on a recurring basis during the three and nine months ended September 30, 2023 and 2022 were as follows:

	Other Assets and Other Liabilities			
	Three months ended		Nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	(In thousands)			
Beginning balance	$ (37,178)	$ (24,181)	$ (45,573)	$ 6,440
Total gains (losses) realized/unrealized:				
Included in earnings (a)	(10,155)	(9,321)	6,301	(34,630)
Transfers out of Level 3 (b)	(4,070)	(14,804)	(12,131)	(20,116)
Ending balance	$ (51,403)	$ (48,306)	$ (51,403)	$ (48,306)
Changes in net unrealized gains (losses) included in earnings related to instruments still held at period end (a)	$ (12,957)	$ (17,160)	$ (12,341)	$ (48,108)

(a) *Reported as mortgage banking revenues in the Consolidated Statement of Income and includes the fair value of commitment issuances and expirations.*
(b) *Transfers out of Level 3 consist of interest rate locks transferred to closed loans.*

The Company is required, on a nonrecurring basis, to adjust the carrying value of certain assets or provide valuation allowances related to certain assets using fair value measurements. The more significant of those assets follow.

Loans

Loans are generally not recorded at fair value on a recurring basis. Periodically, the Company records nonrecurring adjustments to the carrying value of loans based on fair value measurements for partial charge-offs of the uncollectable portions of those loans. Nonrecurring adjustments also include certain impairment amounts for collateral-dependent loans when establishing the allowance for credit losses. Such amounts are generally based on the fair value of the underlying collateral supporting the loan and, as a result, the carrying value of the loan less the calculated valuation amount does not necessarily represent the fair value of the loan. Real estate collateral is typically valued using appraisals or other indications of value based on recent comparable sales of similar properties or assumptions generally observable in the marketplace and the related nonrecurring fair value measurement adjustments have been classified as Level 2, unless significant adjustments have been made to the valuation that are not readily observable by market participants. Non-real estate collateral supporting commercial and industrial loans generally consists of business assets such as receivables, inventory and equipment. Fair value estimations are typically determined by discounting recorded values of those assets to reflect estimated net realizable value considering specific borrower facts and circumstances and the experience of credit personnel in their dealings with similar borrower collateral liquidations. Such discounts were in the range of 10% to 90% with a weighted-average of 44 38% at September 30, 2023 March 31, 2024. As these discounts are not readily observable and are considered significant, the valuations have been classified as Level 3. Automobile collateral is typically valued by reference to independent pricing sources based on recent sales transactions of similar vehicles and, accordingly, the related nonrecurring fair value measurement adjustments have been classified as Level 2. Collateral values for other consumer installment loans are generally estimated based on historical recovery rates for similar types of loans which at September 30, 2023 March 31, 2024 was 51 46%. As these recovery rates are not readily observable by market participants, such valuation adjustments have been classified as Level 3. Loans subject to nonrecurring fair value measurement were $804 1.0 million billion at September 30, 2023 March 31, 2024 ($316 312 million and $488 707 million of which were classified as Level 2 and Level 3, respectively), $853 923 million at December 31, 2022 December 31, 2023 ($329 234 million and $524 689 million of which were classified as Level 2 and Level 3, respectively) and $706 670 million at September 30, 2022 March 31, 2023 ($439 374 million and $267 296 million of which were classified as Level 2 and Level 3, respectively). Changes in fair value recognized for partial charge-offs of loans and loan impairment reserves on loans held by the Company on September 30, 2023 were decreases of $116 million and $269 million for the three-month and nine-month periods ended September 30, 2023, respectively. Changes in the fair value recognized for partial charge-offs of loans and loan impairment reserves on loans held by the Company on September 30, 2022 March 31, 2024 and 2023 were decreases of $38 175 million and $128 69 million for the three-month and nine-month periods ended September 30, 2022, March 31, 2024 and 2023, respectively.

12. Fair value measurements, continued

Assets taken in foreclosure of defaulted loans

Assets taken in foreclosure of defaulted loans are primarily comprised of commercial and residential real property and are generally measured at the lower of cost or fair value less costs to sell. The fair value of the real property is generally determined using appraisals or other indications of value based on recent comparable sales of similar properties or assumptions generally observable in the marketplace and the related nonrecurring fair value measurement adjustments have generally been classified as Level 2. Assets taken into foreclosure of defaulted loans subject to nonrecurring fair value measurement were not material at each of September 30, 2023 March 31, 2024 and 2022. 2023. Changes in fair value recognized for those foreclosed assets held by the Company were not material during the three-month and nine-month periods ended September 30, 2023 March 31, 2024 and 2022. 2023.

12. Fair value measurements, continued

Capitalized servicing rights

Capitalized servicing rights are initially measured at fair value in the Company's Consolidated Balance Sheet. The Company utilizes the amortization method to subsequently measure its capitalized servicing assets. In accordance with GAAP, the Company must record impairment charges, on a nonrecurring basis, when the carrying value of certain strata exceed their estimated fair value. To estimate the fair value of servicing rights, the Company considers market prices for similar assets, if available, and the present value of expected future cash flows associated with the servicing rights calculated using assumptions that market participants would use in estimating future servicing income and expense. Such assumptions include estimates of the cost of servicing loans, loan default rates, an appropriate discount rate and prepayment speeds. For purposes of evaluating and measuring impairment of capitalized servicing rights, the Company stratifies such assets based on the predominant risk characteristics of the underlying financial instruments that are expected to have the most impact on projected prepayments, cost of servicing and other factors affecting future cash flows associated with the servicing rights. Such factors may include financial asset or loan type, note rate and term. The amount of impairment recognized is the amount by which the carrying value of the capitalized servicing rights for a stratum exceed estimated fair value. Impairment is recognized through a valuation allowance. The determination of fair value of capitalized servicing rights is considered a Level 3 valuation. Capitalized servicing rights related to residential mortgage loans required no valuation allowance at September 30, 2023each of March 31, 2024, December 31, 2023 and December 31, 2022March 31, 2023. A reduction of the valuation allowance of $10 million and $24 million was recognized for the three-month and nine-month periods ended September 30, 2022, respectively.

Significant unobservable inputs to Level 3 measurements

The following table presents quantitative information about significant unobservable inputs used in the fair value measurements for certain Level 3 assets and liabilities at September 30, 2023 and December 31, 2022:

		Fair Value	Valuation Technique	Unobservable Inputs / Assumptions	Range (Weighted-Average)
		(Inthousands)			
September 30, 2023					
Recurring fair value measurements					
Net other assets (liabilities) (a)	$	(51,403)	Discounted cash flow	Commitment expirations	0% - 99% (8%)
December 31, 2022					
Recurring fair value measurements					
Net other assets (liabilities) (a)	$	(45,573)	Discounted cash flow	Commitment expirations	0% - 97% (3%)

(a) *Other Level 3 assets (liabilities) consist of commitments to originate real estate loans.*

Sensitivity of fair value measurements to changes in unobservable inputs

An increase (decrease) in the estimate of expirations for commitments to originate real estate loans would generally result in a lower (higher) fair value measurement. Estimated commitment expirations are derived considering loan type, changes in interest rates and remaining length of time until closing.

12. Fair value measurements, continued

Disclosures of fair value of financial instruments

The carrying amounts and estimated fair value for certain financial instrument assets (liabilities) instruments that are not recorded at fair value in the Consolidated Balance Sheet are presented in the following tables:

	September 30, 2023				
	Carrying Amount	Estimated Fair Value	Level 1	Level 2	Level 3
	(In thousands)				
Financial assets:					
Cash and cash equivalents	$ 1,768,864	1,768,864	1,701,427	67,437	—
Interest-bearing deposits at banks	30,114,286	30,114,286	—	30,114,286	—
Trading account	136,998	136,998	118,838	18,160	—
Investment securities	27,336,103	25,529,926	252,080	25,231,860	45,986
Loans and leases:					
Commercial loans and leases	45,058,033	44,080,119	—	—	44,080,119
Commercial real estate loans	43,573,598	41,273,080	—	226,022	41,047,058
Residential real estate loans	23,448,270	20,746,776	—	6,808,082	13,938,694
Consumer loans	20,274,784	19,351,349	—	—	19,351,349
Allowance for credit losses	(2,052,127)	—	—	—	—
Loans and leases, net	130,302,558	125,451,324	—	7,034,104	118,417,220
Accrued interest receivable	734,036	734,036	—	734,036	—
Financial liabilities:					
Noninterest-bearing deposits	$ (53,786,987)	(53,786,987)	—	(53,786,987)	—
Savings and interest-checking deposits	(90,297,219)	(90,297,219)	—	(90,297,219)	—
Time deposits	(20,043,601)	(19,931,959)	—	(19,931,959)	—
Short-term borrowings	(6,730,663)	(6,730,663)	—	(6,730,663)	—
Long-term borrowings	(7,123,426)	(6,811,799)	—	(6,811,799)	—
Accrued interest payable	(401,752)	(401,752)	—	(401,752)	—
Other financial instruments:					
Commitments to originate real estate loans for sale	$ (51,403)	(51,403)	—	—	(51,403)
Commitments to sell real estate loans	65,337	65,337	—	65,337	—
Other credit-related commitments	(150,708)	(150,708)	—	—	(150,708)
Interest rate swap agreements used for interest rate risk management	12,185	12,185	—	12,185	—

Interest rate and foreign exchange contracts not designated as hedging instruments	(1,095,612)	(1,095,612)	—	(1,095,612)	—

(Dollars in millions)	Carrying Amount	Estimated Fair Value	Level 1	Level 2	Level 3
March 31, 2024					
Financial assets:					
Cash and cash equivalents	$ 1,695	$ 1,695	$ 1,396	$ 299	$ —
Interest-bearing deposits at banks	32,144	32,144	—	32,144	—
Investment securities held to maturity	15,078	13,865	—	13,821	44
Loans and leases, net	132,782	129,771	—	7,354	122,417
Financial liabilities:					
Time deposits	20,279	20,236	—	20,236	—
Short-term borrowings	4,795	4,795	—	4,795	—
Long-term borrowings	11,450	11,370	—	11,370	—
December 31, 2023					
Financial assets:					
Cash and cash equivalents	1,731	1,731	1,668	63	—
Interest-bearing deposits at banks	28,069	28,069	—	28,069	—
Investment securities held to maturity	15,330	14,308	—	14,262	46
Loans and leases, net	131,939	129,138	—	7,240	121,898
Financial liabilities:					
Time deposits	20,759	20,715	—	20,715	—
Short-term borrowings	5,316	5,316	—	5,316	—
Long-term borrowings	8,201	8,107	—	8,107	—

12. Fair value measurements, continued

	December 31, 2022

	Carrying Amount	Estimated Fair Value	Level 1	Level 2	Level 3
			(In thousands)		
Financial assets:					
Cash and cash equivalents	$ 1,517,244	1,517,244	1,371,688	145,556	—
Interest-bearing deposits at banks	24,958,719	24,958,719	—	24,958,719	—
Federal funds sold	3,000	3,000	—	3,000	—
Trading account	117,847	117,847	117,847	—	—
Investment securities	25,210,871	24,056,322	145,289	23,860,445	50,588
Loans and leases:					
Commercial loans and leases	41,850,566	41,139,985	—	—	41,139,985
Commercial real estate loans	45,364,571	43,214,646	—	130,652	43,083,994
Residential real estate loans	23,755,947	21,780,214	—	7,049,540	14,730,674
Consumer loans	20,593,079	20,093,523	—	—	20,093,523
Allowance for credit losses	(1,925,331)	—	—	—	—
Loans and leases, net	129,638,832	126,228,368	—	7,180,192	119,048,176
Accrued interest receivable	646,250	646,250	—	646,250	—
Financial liabilities:					
Noninterest-bearing deposits	$ (65,501,860)	(65,501,860)	—	(65,501,860)	—
Savings and interest-checking deposits	(87,911,463)	(87,911,463)	—	(87,911,463)	—
Time deposits	(10,101,545)	(10,143,110)	—	(10,143,110)	—
Short-term borrowings	(3,554,951)	(3,554,951)	—	(3,554,951)	—
Long-term borrowings	(3,964,537)	(3,926,489)	—	(3,926,489)	—
Accrued interest payable	(81,356)	(81,356)	—	(81,356)	—
Other financial instruments:					
Commitments to originate real estate loans for sale	$ (45,573)	(45,573)	—	—	(45,573)
Commitments to sell real estate loans	54,424	54,424	—	54,424	—
Other credit-related commitments	(148,772)	(148,772)	—	—	(148,772)
Interest rate swap agreements used for interest rate risk management	(7,892)	(7,892)	—	(7,892)	—
Interest rate and foreign exchange contracts not designated as hedging instruments	(920,316)	(920,316)	—	(920,316)	—

With the exception of marketable securities certain off-balance sheet financial instruments and mortgage loans originated for sale, the Company’s Company's financial instruments presented in the preceding tables are not readily marketable and market prices do not exist. The Company, in attempting to comply with the provisions of GAAP that require disclosures of fair value of financial instruments, has not attempted to market its financial instruments to potential buyers, if any exist. Since negotiated prices in illiquid markets depend greatly upon the then present motivations of the buyer and seller, it is reasonable to assume that actual sales prices could vary widely from any estimate of fair value made without the benefit of negotiations. Additionally, changes in market interest rates can dramatically impact the value of financial instruments in a short period of time.

The Company does not believe that the estimated information presented herein is representative of the earnings power or value of the Company. The preceding analysis, which is inherently limited in depicting fair value, also does not consider any value associated with existing customer relationships nor the ability of the Company to create value through loan origination, deposit gathering or fee generating activities. Many of the estimates presented herein are based upon the use of highly subjective information and assumptions and, accordingly, the results may not be precise. Management believes that fair value estimates may not be comparable between financial institutions due to the wide range of permitted valuation techniques and numerous estimates which must be made. Furthermore, because the disclosed fair value amounts were estimated as of the balance sheet date, the amounts actually realized or paid upon maturity or settlement of the various financial instruments could be significantly different.

13. Commitments and contingencies

In the normal course of business, various commitments and contingent liabilities are outstanding. The following table presents the Company's significant commitments. Certain of these commitments are not included in the Company's Consolidated Balance Sheet.

	September 30, 2023	December 31, 2022	March 31,	December 31,
	(In thousands)			
Commitments to extend credit				
Home equity lines of credit	$ 8,167,368	$ 8,261,560		
(Dollars in millions)			**2024**	**2023**
Commitments to extend credit:				
Commercial and industrial			$ 28,439	$ 28,566
Commercial real estate loans to be sold	338,569	348,701	451	916
Other commercial real estate	6,224,142	5,776,116	4,413	5,019
Residential real estate loans to be sold	237,683	31,208	211	163
Other residential real estate	406,667	505,121	393	331
Commercial and other	33,670,583	32,625,840		
Home equity lines of credit			8,080	8,109
Credit cards			5,651	5,578
Other			389	413
Standby letters of credit	2,333,434	2,376,644	2,230	2,289
Commercial letters of credit	72,053	65,066	56	62
Financial guarantees and indemnification contracts	4,209,726	4,022,432	4,129	4,036
Commitments to sell real estate loans	948,190	533,458	1,329	1,400

Commitments to extend credit are agreements to lend to customers, generally having fixed expiration dates or other termination clauses that may require payment of a fee. In addition to the amounts in the preceding table, the Company had discretionary funding commitments to commercial customers of $12.5 12.4 billion and $11.7 12.3 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, that the Company had the unconditional right to cancel prior to funding. Standby and commercial letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. Standby letters of credit generally are contingent upon the failure of the customer to perform according to the terms of the underlying contract with the third party, whereas commercial letters of credit are issued to facilitate commerce and typically result in the commitment being funded when the underlying transaction is consummated between the customer and a third party. The credit risk associated with commitments to extend credit and standby and commercial letters of credit is essentially the same as that involved with extending loans to customers and is subject to normal credit policies. Collateral may be obtained based on management's assessment of the customer's creditworthiness.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED

13. Commitments and contingencies, continued

Financial guarantees and indemnification contracts are predominantly comprised of recourse obligations associated with sold loans and other guarantees and commitments. Included in financial guarantees and indemnification contracts are loan principal amounts sold with recourse in conjunction with the Company's involvement in the Fannie Mae Delegated Underwriting and Servicing DUS program. The Company's maximum credit risk for recourse associated with loans sold under this program totaled approximately $4.0 billion and $3.9 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. At March 31, 2024, the Company estimated that the recourse obligations described above were not material to the Company's consolidated financial position. There have been no material losses incurred as a result of those credit recourse arrangements.

Since many loan commitments, standby letters of credit, and guarantees and indemnification contracts expire without being funded in whole or in part, the contract amounts are not necessarily indicative of future cash flows.

The Company utilizes commitments to sell real estate loans to hedge exposure to changes in the fair value of real estate loans held for sale. Such commitments are accounted for as derivatives and along with commitments to originate real estate loans to be held for sale are generally recorded in the Consolidated Balance Sheet at estimated fair market value.

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NOTES TO FINANCIAL STATEMENTS, CONTINUED

13. Commitments and contingencies, continued

The Company is contractually obligated to repurchase previously sold residential real estate loans that do not ultimately meet investor sale criteria related to underwriting procedures or loan documentation. When required to do so, the Company may reimburse loan purchasers for losses incurred or may repurchase certain loans. The Company reduces residential mortgage banking revenues by an estimate for losses related to its obligations to loan purchasers. The amount of those charges is based on the volume of loans sold, the level of reimbursement requests received from loan purchasers and estimates of losses that may be associated with previously sold loans. At September 30, 2023 March 31, 2024, the Company assessed that its Company's estimated obligation to loan purchasers was not material to the Company’s consolidated financial position.

M&T and its subsidiaries are subject in the normal course of business to various pending and threatened legal proceedings and other matters in which claims for monetary damages are asserted. On an on-going basis management, after consultation with legal counsel, assesses the Company’s liabilities and contingencies in connection with such proceedings. For those matters where it is probable that the Company will incur losses and the amounts of the losses can be reasonably estimated, the Company records an expense and corresponding liability in its consolidated financial statements. To the extent pending or threatened litigation could result in exposure in excess of that liability, the amount of such excess is not currently estimable. Although not considered probable, the range of reasonably possible losses for such matters in the aggregate, beyond the existing recorded liability, was between $0 and $25 million as of September 30, 2023 March 31, 2024. Although the Company does not believe that the outcome of pending legal matters will be material to the Company’s consolidated financial position, it cannot rule out the possibility that such outcomes will be material to the consolidated results of operations for a particular reporting period in the future.

On May 11, 2023, In February 2024, the FDIC released a proposed rule notified member banks that would impose a the loss estimate attributable to certain failed banks in 2023 was approximately $20.4 billion, an increase of approximately $4.1 billion from the estimate of $16.3 billion described in the final rule. The FDIC also indicated that through the receivership of one of the failed banks, it had estimated residual interests in securities that were sold into trusts that could potentially reduce that loss estimate in the amount of $1.7 billion. The FDIC is expected to provide an updated estimate of the Company's special assessment amount with its first quarter 2024 invoice, which is anticipated to recover be received in June 2024. Reflecting the costs update to the DIF resulting from loss estimate and related residual interest, the FDIC’s use, Company recorded an expense of $29 million in March 2023, the Consolidated Statement of Income in the systemic risk exception first quarter of 2024 in addition to the least-cost resolution test under $197 million recorded in the Federal Deposit Insurance Act fourth quarter of 2023, resulting in connection with an accrued liability recorded in "accrued interest and other liabilities" in the receiverships Company's Consolidated Balance Sheet of Silicon Valley Bank $226 million at March 31, 2024 and Signature Bank. $197 million at December 31, 2023. The FDIC stated that it currently estimates those assessed losses to total $15.8 billion and has indicated that the amount of the special assessments would assessment will be adjusted as the its loss estimate changes. Under the proposed rule, the assessment base would be the estimated uninsured deposits that an IDI reported in its Federal Financial Institutions Examination Council Consolidated Reports of Condition and Incomeat December 31, 2022, excluding the first $5 billion in estimated uninsured deposits. For a holding company that has more than one IDI subsidiary, such as M&T, the $5 billion exclusion would be allocated among the company’s IDI subsidiaries in proportion to each IDI’s estimated uninsured deposits. The special assessments would be collected at an annual rate of approximately 12.5 basis points per year (3.13 basis points per quarter) over eight quarters in 2024 and 2025, with the first assessment period beginning January 1, 2024. Under the proposed rule, the estimated loss pursuant to the systemic risk determination would be periodically adjusted, and the FDIC would retain the ability to cease collection early, extend the special assessment collection period and impose a final shortfall special assessment on a one-time basis. M&T expects the special assessments, as currently contemplated, would be tax deductible. Although the proposal could be revised, the total of the assessments for the Company is estimated at $183 million and such amount is expected to be recorded as an expense in the quarter of enactment. estimates change.

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14. Segment information

Reportable segments have been determined based upon the Company's organizational structure and its internal profitability reporting system, which is organized by strategic business unit. Certain strategic business units have been combined for segment information reporting purposes where the nature of the products and services, the type of customer and the distribution of those products and services are similar. The reportable segments are Business Banking, Commercial Banking, Commercial Real Estate, Discretionary Portfolio, Residential Mortgage Banking Bank, Retail Bank and Retail Banking. Institutional Services and Wealth Management.

The financial information of the Company's segments was compiled utilizing the accounting policies described in note 23 of Notes to Financial Statements in the 2022 2023 Annual Report. The management accounting policies and processes utilized in compiling segment financial information are highly subjective and, unlike financial accounting, are not based on authoritative guidance similar to GAAP. As a result, the financial information of the reported segments is not necessarily comparable with similar information reported by other financial institutions. Furthermore, changes in management structure or allocation methodologies and procedures may result in changes in reported segment financial data. As described in the 2022 Annual Report, certain lending relationships within the hospitality sector that had previously received oversight within the Commercial Banking segment were realigned to the Commercial Real Estate segment and certain expenses were reallocated from the All Other segment to various reportable segments in the fourth quarter of 2022. Since acquisition in 2022, the Company also realigned certain operations associated with People's United requiring reclassifications of certain revenues and expenses among the reportable segments. As a result, financial information for the three and nine months ended September 30, 2022 has been reclassified to provide segment information on a comparable basis, as noted in the accompanying tables.

	Three Months Ended September 30, 2022					
	Total Revenues as Previously Reported	Impact of Changes	Total Revenues as Reclassified	Net Income (Loss) as Previously Reported	Impact of Changes	Net Income (Loss) as Reclassified

	Total Revenues as Previously Reported	Impact of Changes	Total Revenues as Reclassified	Net Income (Loss) as Previously Reported	Impact of Changes	Net Income (Loss) as Reclassified
	(In thousands)					
Business Banking	$ 241,629	—	$ 241,629	$ 94,094	(1,476)	$ 92,618
Commercial Banking	510,549	(1,173)	509,376	214,063	(2,838)	211,225
Commercial Real Estate	234,479	12,635	247,114	94,937	15,097	110,034
Discretionary Portfolio	36,622	(24,981)	11,641	11,813	(18,074)	(6,261)
Residential Mortgage Banking	95,091	—	95,091	(3,283)	1,173	(2,110)
Retail Banking	650,229	(2)	650,227	181,639	1,155	182,794
All Other	473,171	13,521	486,692	53,333	4,963	58,296
Total	$ 2,241,770	—	$ 2,241,770	$ 646,596	—	$ 646,596

	Nine Months Ended September 30, 2022					
	Total Revenues as Previously Reported	Impact of Changes	Total Revenues as Reclassified	Net Income (Loss) as Previously Reported	Impact of Changes	Net Income (Loss) as Reclassified
	(In thousands)					
Business Banking	$ 586,605	—	$ 586,605	$ 205,741	(6,008)	$ 199,733
Commercial Banking	1,239,300	(2,550)	1,236,750	521,749	(20,254)	501,495
Commercial Real Estate	676,176	29,707	705,883	314,284	24,941	339,225
Discretionary Portfolio	190,761	(39,866)	150,895	103,283	(30,448)	72,835
Residential Mortgage Banking	346,409	—	346,409	35,028	(2,095)	32,933
Retail Banking	1,523,992	—	1,523,992	379,688	(13,243)	366,445
All Other	1,106,405	12,709	1,119,114	(333,481)	47,107	(286,374)
Total	$ 5,669,648	—	$ 5,669,648	$ 1,226,292	—	$ 1,226,292

14. Segment information, continued

Information about the Company's segments follows:

	Three Months Ended September 30	
	2023	2022

	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)
	(In thousands)					
Business Banking	$ 291,839	$ 980	$ 117,290	$ 241,629	$ 663	$ 92,618
Commercial Banking	453,326	8,224	167,714	509,376	802	211,225
Commercial Real Estate	231,303	188	72,442	247,114	249	110,034
Discretionary Portfolio	(20,672)	(14,110)	(21,586)	11,641	(23,044)	(6,261)
Residential Mortgage Banking	100,444	19,373	(14,422)	95,091	35,647	(2,110)
Retail Banking	876,002	(35)	342,700	650,227	(5)	182,794
All Other	402,727	(14,620)	25,803	486,692	(14,312)	58,296
Total	$ 2,334,969	$ —	$ 689,941	$ 2,241,770	$ —	$ 646,596

	Nine Months Ended September 30					
	2023			2022		
	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)
	(In thousands)					
Business Banking	$ 842,571	$ 2,904	$ 346,704	$ 586,605	$ 2,060	$ 199,733
Commercial Banking	1,420,971	27,742	553,255	1,236,750	2,605	501,495
Commercial Real Estate	674,276	745	192,539	705,883	687	339,225
Discretionary Portfolio	(78,005)	(44,124)	(93,678)	150,895	(74,952)	72,835
Residential Mortgage Banking	280,654	60,599	(41,676)	346,409	110,986	32,933
Retail Banking	2,572,410	(113)	995,927	1,523,992	(12)	366,445
All Other	1,629,789	(47,753)	305,528	1,119,114	(41,374)	(286,374)
Total						1,226,29
	$ 7,342,666	$ —	$ 2,258,599	$ 5,669,648	$ —	$ 2

	Average Total Assets		
	Nine Months Ended September 30		Year Ended December 31
	2023	2022	2022
	(In millions)		
Business Banking	$ 7,968	$ 7,515	$ 7,597
Commercial Banking (b)	49,373	39,293	40,930
Commercial Real Estate (b)	31,878	29,982	30,599
Discretionary Portfolio	50,900	40,987	42,657

Residential Mortgage Banking	2,746	4,370	3,986
Retail Banking	21,261	20,063	20,312
All Other	40,140	45,185	44,171
Total	$ 204,266	$ 187,395	$ 190,252

	Three Months Ended March 31,							
	2024				2023			
(Dollars in millions)	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)	Total Average Assets	Total Revenues(a)	Inter-segment Revenues	Net Income (Loss)	Total Average Assets
Commercial Bank	$ 699	$ 2	$ 201	$ 81,083	$ 811	$ 2	$ 333	$ 79,034
Retail Bank	1,268	—	446	52,232	1,234	—	452	51,293
Institutional Services and Wealth Management	377	3	128	3,636	390	3	110	3,655
All Other	(84)	(5)	(244)	74,527	(30)	(5)	(193)	68,617
Total	$ 2,260	$ —	$ 531	211,47 $ 8	$ 2,405	$ —	$ 702	202,59 $ 9

(a) Total revenues are comprised of net interest income and other income. Net interest income is the difference between taxable-equivalent interest earned on assets and interest paid on liabilities owed by a segment and a funding charge (credit) based on the Company's internal funds transfer and allocation methodology. Segments are charged a cost to fund any assets (e.g. loans) and are paid a funding credit for any funds provided (e.g. deposits). The taxable-equivalent adjustment aggregated $14.3 12 million and $11.8 14 million for the three-month periods ended September 30, 2023 March 31, 2024 and 2022, respectively, and $41.7 million and $25.8 million for the nine-month periods ended September 30, 2023 and 2022 2023 and is eliminated in "All Other" total revenues. Intersegment revenues are included in total revenues of the reportable segments. The elimination of intersegment revenues is included in the determination of "All Other" total revenues.

(b) For the nine months ended September 30, 2022, average total assets totaling approximately $1.17 billion were reclassified to the Commercial Real Estate segment from the Commercial Banking segment as a result of the realignment of certain lending relationships within the hospitality sector.

15. Relationship with BLG and Bayview Financial

M&T holds a 20% minority interest in BLG, a privately-held commercial mortgage company. That investment had no remaining carrying value at September 30, 2023 March 31, 2024 as a result of cumulative losses recognized and cash distributions received in prior years. Cash distributions now received from BLG are recognized as income by M&T and included in other "other revenues from operations. operations" in the Consolidated Statement of Income. That income totaled $20 25 million and $30 20 million for the nine-month periods ended September 30, 2023 and 2022, respectively. There were no cash distributions during the three-month periods ended September 30, 2023 March 31, 2024 and 2022. 2023, respectively.

Bayview Financial, a privately-held specialty finance company, is BLG's majority investor. In addition to their common investment in BLG, the Company and Bayview Financial conduct other business activities with each other. The Company has obtained loan servicing rights for mortgage loans from BLG and Bayview Financial having outstanding principal balances of $1.2 1.1 billion and $1.4 1.2 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. Revenues from those servicing rights were $1 million and $3 2 million in the three-month periods ended September 30, 2023 March 31, 2024 and 2022, respectively, and $5 million and $7 million for the nine-month periods ended September 30, 2023 and 2022, 2023, respectively. The Company sub-services residential mortgage loans for Bayview Financial having outstanding principal balances of $114.6 112.0 billion and $96.0 115.3 billion at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. Revenues earned for sub-servicing loans for Bayview Financial were $30 32 million and $33 million for in each of the three-month periods ended September 30, 2023 March 31, 2024 and 2022, respectively, and $94 million and $119 million in the nine-month periods ended September 30, 2023 and 2022, respectively. 2023. In addition, the Company held $44 41 million and $50 42 million of mortgage-backed securities in its held-to-maturity portfolio at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, that were securitized by Bayview Financial. At September 30, 2023 March 31, 2024, the Company held $765 674 million of Bayview Financial's $3.1 3.7 billion syndicated loan facility.

16. Recent accounting developments

The following table provides a description of accounting standards that were adopted by the Company in 2023 as well as standards that are not effective that could have an impact to the Company’s consolidated financial statements upon adoption.

Standard	Description	Required date of adoption	Effect on consolidated financial statements
Standards Adopted in 2023			

Accounting for Contract Assets and Contract Liabilities from Contracts with Customers in a Business Combination	The amendments require that an entity (acquirer) recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with specified revenue recognition guidance. At the acquisition date, an acquirer should account for the related revenue contracts as if it had originated the contracts and may assess how the acquiree applied the revenue guidance to determine what to record for such contracts. The guidance is generally expected to result in an acquirer recognizing and measuring the acquired contract assets and contract liabilities consistent with how they were recognized and measured in the acquiree's financial statements.	January 1, 2023	The Company adopted the amended guidance effective January 1, 2023 using a prospective transition method and the guidance will be applied, as applicable, to future acquisitions. The Company does not expect the guidance will have a material impact on its consolidated financial statements.
Fair Value Hedging of Multiple Hedge Layers under Portfolio Layer Method	The amendments allow multiple hedged layers to be designated for a single closed portfolio of financial assets or one or more beneficial interests secured by a portfolio of financial instruments. If multiple hedged layers are designated, the amendments require an analysis to be performed to support the expectation that the aggregate amount of the hedged layers is anticipated to be outstanding for the designated hedge periods. Only closed portfolios may be hedged under the portfolio layer method (that is, no assets can be added to the closed portfolio once established), however designating new hedging relationships and dedesignating existing hedging relationships associated with the closed portfolio any time after the closed portfolio is established is permitted.	January 1, 2023	At January 1, 2023 the Company did not have any designated hedging relationships under the portfolio layer method and, therefore, the adoption had no impact on its consolidated financial statements.
Accounting for Troubled Debt Restructurings (TDRs) and Expansion of Vintage Disclosures Applicable to Credit Losses	The amendments (1) eliminate the accounting guidance for TDRs and require enhanced disclosure for certain loan refinancings by creditors when a borrower is experiencing financial difficulty and (2) require disclosure of current-period gross write-offs by year of origination for financing receivables and net investments in leases within credit loss disclosures.	January 1, 2023	The Company adopted the amended guidance effective January 1, 2023 using a prospective transition method and will no longer be required to identify TDRs and apply specialized accounting to such loans. The Company has complied with the modified disclosure requirements in note 4 of Notes to Financial Statements herein.

16. Recent accounting developments, continued

Standard	**Description**	**Required date of adoption**	**Effect on consolidated financial statements**
Standards Not Yet Adopted as of September 30, 2023			

Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions	The amendments clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments also clarify that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. In addition, the amendments require the following disclosures for equity securities subject to contractual sale restrictions: 1. The fair value of equity securities subject to contractual sale restrictions reflected in the balance sheet; 2. The nature and remaining duration of the restriction(s); and 3. The circumstances that could cause a lapse in the restriction(s).	January 1, 2024 Early adoption permitted	The amendments should be applied prospectively with any adjustments from the adoption of the amendments recognized in earnings and disclosed on the date of adoption. The Company does not expect the guidance will have a material impact on its consolidated financial statements.
Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method	The amendments permit an election to account for tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. Under the proportional amortization method, the initial cost of the investment is amortized in proportion to the income tax credits and other income tax benefits received and the net amortization and income tax credits and other income tax benefits are recognized in the income statement as a component of income tax expense (benefit). All of the following conditions must be met to qualify for the proportional amortization method: 1. It is probable that the income tax credits allocable to the tax equity investor will be available. 2. The tax equity investor does not have the ability to exercise significant influence over the operating and financial policies of the underlying project. 3. Substantially all of the projected benefits are from income tax credits and other income tax benefits. Projected benefits include income tax credits, other income tax benefits, and other non-income-tax-related benefits. The projected benefits are determined on a discounted basis, using a discount rate that is consistent with the cash flow assumptions used by the tax equity investor in making its decision to invest in the project. 4. The tax equity investor's projected yield based solely on the cash flows from the income tax credits and other income tax benefits is positive. 5. The tax equity investor is a limited liability investor in the limited liability entity for both legal and tax purposes, and the tax equity	January 1, 2024 Early adoption permitted	The amendments should be applied on either a modified retrospective or a retrospective basis. Under a modified retrospective transition, all investments for which income tax credits or other income tax benefits are still expected to be received must be evaluated as of the beginning of the period of adoption. The assessment of whether the investment qualifies for the proportional amortization method is performed as of the date the investment was entered into. A cumulative-effect adjustment reflecting the difference between the previous method used to account for the tax equity investment and the application of the proportional amortization method since the investment was entered into is recognized in the opening balance of retained earnings as of the beginning of the period of adoption. Under a retrospective transition, all investments for which income tax credits or other income tax benefits are still expected to be received must be evaluated as of the beginning of the earliest period presented. The assessment of whether the investment qualifies for the proportional amortization method is performed as of the date the investment was entered into. A cumulative-effect adjustment reflecting the difference between the previous method used to account for the tax equity investment and the application of the proportional amortization method since the investment was entered into is recognized in the opening balance of retained

	investor's liability is limited to its capital investment. To apply the proportional amortization method, an accounting policy election must be made on a tax-credit-program-by-tax-credit-program basis rather than electing to apply the proportional amortization method at the reporting entity level or to individual investments. When applying the proportional amortization method to qualifying tax equity investments the receipt of the investment tax credits must be accounted for using the flow-through method as prescribed by GAAP, even if the deferral method is applied to other investment tax credits received. In addition, all tax equity investments accounted for using the proportional amortization method must use the delayed equity contribution guidance (which requires that a liability be recognized for delayed equity contributions that are unconditional and legally binding or for equity contributions that are contingent upon a future event when that contingent event becomes probable).		earnings as of the beginning of the earliest period presented. The Company does not expect the guidance will have a material impact on its consolidated financial statements.

16. Recent accounting developments, continued

Business Combinations Joint Venture Formations	The amendments require that a joint venture apply the following key adaptations from the business combinations guidance upon formation: 1. A joint venture is the formation of a new entity without an accounting acquirer.The formation of a joint venture is the creation of a new reporting entity, and none of the assets and/or businesses contributed to the joint venture are viewed as having survived the combination as an independent entity—that is, an accounting acquirer will not be identified. 2.A joint venture measures its identifiable net assets and goodwill, if any, at the formation date. The joint venture formation date is the date on which an entity initially meets the definition of a joint venture. 3. Initial measurement of a joint venture's total net assets is equal to the fair value of 100 percent of the joint venture's equity. The amendments require that a joint venture measure its total net assets upon formation as the fair value of the joint venture as a whole. The fair value of the joint venture as a whole equals the fair value of 100 percent of a joint venture's equity immediately following formation (including any noncontrolling interest in the net assets recognized by the joint venture). 4. A joint venture provides relevant disclosures. The amendments	January 1, 2025 Early adoption permitted	The amendments should be applied on a prospective basis for all joint venture formations with a formation date on or after January 1, 2025. A joint venture that was formed before January 1, 2025 may elect to apply the amendments retrospectively if sufficient information is available. The Company does not expect the guidance will have a material impact on its consolidated financial statements.

	require disclosures to help a user of a joint venture's financial statements understand the nature and financial effect of the joint venture formation in the period in which the formation date occurs. Joint venture disclosure requirements upon formation are different from the requirements for business combinations.		

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

This Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the consolidated financial statements and other information included in this Quarterly Report on Form 10-Q as well as with M&T's 2023 Annual Report. Information regarding the Company's business, its supervision and regulation and potential risks and uncertainties that may affect the Company's business, financial condition, liquidity and results of operations are also included in M&T's 2023 Annual Report.

As described in note 1 of Notes to Financial Statements in M&T's 2023 Annual Report, certain financial reporting changes became effective in the fourth quarter of 2023. Prior periods have been presented in conformity with the new classifications.

Overview

The Company's results of the Company’s operations for the three first quarter of 2024 reflect an elevated interest rate environment which has led to higher costs of interest-bearing liabilities that have modestly outpaced increased yields on the Company's earning assets and nine months ended September 30, 2023 continue to be impacted by multiple hikes by the an elevated level of provision for credit losses. The FOMC of hiked its federal funds target rate totaling 5.25% from March of 2022 through September four times in the first three quarters of 2023, totaling 100 basis points, but has not adjusted that rate since. Included in response to inflationary pressures. The higher interest rate environment has resulted in increased yields on each of the Company’s earning assets, higher costs first quarters of interest-bearing liabilities 2024 and 2023 results were seasonal salaries and employee benefits expenses of $99 million. Results for the first quarter of 2024 also included a shift $29 million estimated increase in the mix Company's FDIC special assessment. In the fourth quarter of those liabilities, including from noninterest-bearing deposits to higher cost deposit products. The provision 2023, an estimate of the FDIC special assessment for credit losses reflects continued downward pressure on commercial real estate values. The Company recognized a gain on the sale M&T of a trust-related business $197 million was recorded in the second quarter Consolidated Statement of 2023. Income. Additional information about the FDIC special assessment is included in note 13 of Notes to Financial Statements. A summary of financial results for the Company is provided below:

SUMMARY OF FINANCIAL RESULTS

Three Months Ended	Percent Change from	Nine Months Ended	Three Months Ended	Change	Three Months Ended	Change

(Dollars in thousands, except per share)	September 30, 2023	September 30, 2022	June 30, 2023	Third Quarter 2022	Second Quarter 2023	September 30, 2023	September 30, 2022	Percent Change
Net interest income	$ 1,775,388	$ 1,678,691	$ 1,799,129	6 %	-1 %	$ 5,392,781	$ 3,994,582	35 %
Taxable-equivalent adjustment	14,335	11,827	13,886	21 %	3 %	41,683	25,787	62 %
Net interest income (taxable-equivalent basis)	1,789,723	1,690,518	1,813,015	6 %	-1 %	5,434,464	4,020,369	35 %

(Dollars in millions, except per share)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Net interest income	$ 1,680	$ 1,722	$ (42)	-2 %	$ 1,680	$ 1,818	$ (138)	-8 %
Taxable-equivalent adjustment (a)	12	13	(1)	-2	12	14	(2)	-6

Net interest income (taxable-equivalent basis) (a)									1,692	1,735	(43)	-2	1,692	1,832	(140)	-8
Provision for credit losses	150,000	115,000	150,000	30 %	—	420,000	427,000	-2 %	200	225	(25)	-11	200	120	80	67
Other income	559,581	563,079	803,171	-1 %	-30 %	1,949,885	1,675,066	16 %	580	578	2	—	580	587	(7)	-1
Other expense	1,277,538	1,279,253	1,292,559	—	-1 %	3,929,327	3,642,148	8 %	1,396	1,450	(54)	-4	1,396	1,359	37	3
Net income	689,941	646,596	867,034	7 %	-20 %	2,258,599	1,226,292	84 %	531	482	49	10	531	702	(171)	-24
Per common share data																
Per common share data:																
Basic earnings	$ 4.00	$ 3.55	$ 5.07	13 %	-21 %	$ 13.09	$ 7.18	82 %	3.04	2.75	0.29	11	3.04	4.03	(0.99)	-25

Diluted earnings	3.98	3.53	5.05	13 %	-21 %	13.05	7.14	83 %	3.02	2.74	0.28	10	3.02	4.01	(0.99)	-25
Performance ratios, annualized																
Return on																
Return on:																
Average assets	1.33 %	1.28 %	1.70 %			1.48 %	.87 %		1.01 %	.92 %			1.01 %	1.40 %		
Average common shareholders' equity	10.99 %	10.43 %	14.27 %			12.33 %	7.24 %		8.14	7.41			8.14	11.74		
Net interest margin	3.79 %	3.68 %	3.91 %			3.91 %	3.15 %		3.52	3.61			3.52	4.04		

On April 1, 2022, M&T closed the acquisition of People's United resulting in the issuance of 50,325,004 common shares. Pursuant

(a) *Net interest income data are presented on a taxable-equivalent basis which is a non-GAAP measure. The taxable-equivalent adjustment represents additional income that would be due if all interest income were subject to the terms of the merger agreement, People's United shareholders income taxes. This adjustment, which is relat interest received consideration valued at .118 of an M&T common share in exchange for each common share of People's United. The purchase price totaled approxim $8.4 billion (with the price on qualified municipal securities, industrial revenue financings and preferred equity securities, is based on M&T's closing price a composite income tax rate of $164.66 per share as of April 1, 2022). Additionally, People's United outstanding preferred stock was converted into new shares of Series H Preferre Stock of M&T.*

approximately 25%.

The People's United transaction has been accounted for using the acquisition method of accounting and, accordingly, assets acquired, liabilities assumed, and consideration exchanged were recorded at estimated fair value on the acquisition date. The Company recorded assets acquired of $64.2 billion, including $35.8 billion of loans and leases and $11.6 billion of investment securities, and liabilities assumed totaling $55.5 billion, including $53.0 billion of deposits. The transaction added $8.4 billion to M&T's common shareholders' equity and $261 million to preferred equity. In connection with the acquisition the Company recorded $3.9 billion of goodwill and $261 million of core deposit and other intangible assets. The acquisition of People's United formed a banking franchise with approximately $200 billion increase in assets serving communities in the Northeast and Mid-Atlantic from Maine to Virginia, including Washington, D.C.

Merger-related expenses incurred in 2022 and associated with the People's United acquisition generally consisted of professional services, temporary help fees and other costs associated with actual or planned conversions of systems and/or integration of operations and the introduction of M&T to its new customers, costs related to terminations of existing contractual arrangements to purchase various services, severance, travel costs, and, in the second quarter of 2022, an initial provision for credit losses on loans not deemed to be PCD on the April 1, 2022 acquisition date of

People's United. The after-tax impact of merger-related expenses associated with M&T's acquisition of People's United for the three- and nine-month periods ended September 30, 2022 was $39 million ($53 million pre-tax) or $.22

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of diluted earnings per common share and $398 million ($535 million pre-tax) or $2.46 of diluted earnings per common share, respectively. The Company did not incur any merger-related expenses during 2023.

Net net income increased $43 million to $690 million in the third quarter of 2023, from $647 million in the third quarter of 2022. As compared with the third quarter of 2022, taxable-equivalent net interest income increased $99 million, reflecting higher yields on earnings assets, partially offset by higher costs of interest-bearing liabilities. The net interest margin expanded 11 basis points to 3.79% in the third quarter of 2023 from 3.68% in the corresponding quarter of 2022. The provision for credit losses was $35 million higher in the recent quarter as compared with the year-earlier fourth quarter of 2023 resulted from the following:

- Net interest income on a taxable-equivalent basis declined $43 million reflecting a softening narrowing of the interest margin by 9 basis points.
- Provision for credit losses declined $25 million reflecting a modest improvement in economic forecasts, part offset by an increase in criticized commercial real estate values. Merger-related and industrial loans.
- Other expenses of $53 million were recognized in the third quarter of 2022.

Net income declined $54 million reflecting a $29 million FDIC assessment in the recent quarter declined $ million from $867 million as compared with $197 million in the second fourth quarter of 2023. As 2023, part offset by seasonally higher salaries and employee benefits expenses.

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The decrease in net income in the first quarter of 2024 as compared with 2023's initial quarter reflects the following:

- Taxable-equivalent net interest income in the first quarter of 2024 declined $140 million, or 8%, when compa with the second quarter of 2023, taxable-equivalent net interest income declined $23 million as rising costs interest-bearing liabilities outpaced higher yields on earnings assets. The net interest margin narrowed 12 b points in the recent quarter from 3.91% in the second quarter of 2023. Noninterest income in the third quarte 2023 declined $244 million from the second first quarter of 2023, reflecting a $225 million gain on sale narrowing of the Company's CIT business in April 2023 and lower CIT-related trust income as a result of sale. Noninterest expense declined $15 million due largely to lower salaries and employee benefits expenses.

For the first nine months of 2023, net income increased $1.03 billion to $2.26 billion as compared with $ billion in the comparable 2022 period. The largest contributors to that increase were one additional quarte operations acquired from People's United in the first nine months of 2023 and higher yields on earning as during that same period, partially offset by rising costs of interest-bearing liabilities. The net interest ma expanded 76 by 52 basis points to 3.91% in the first nine months of 2023 from 3.15% in the year-earlier pe Reflecting a decline in commercial real estate values, the provision for credit losses for the first nine month 2023 was $420 million. points.

- The comparatively higher provision for credit losses in the recent quarter as compared with the first months quarter of 2022 totaled $427 million 2023 reflects declines in commercial real estate values included higher interest rates contributing to a $242 million merger-related provision for credit losses on non-F loans. Additionally, merger-related expenses deterioration in the performance of $535 million were incurred lo to commercial borrowers, including nonautomotive finance dealers and healthcare facilities, and growth in loar certain sectors of the Company's commercial and industrial and consumer loan portfolios.
- Noninterest income in the first nine months quarter of 2022 and a gain on the sale of 2024 declined $7 millio compared with 2023's initial quarter. Lower trust income reflecting the CIT business divestiture in April 2023 recorded partially offset by higher mortgage banking revenues and an increase in service charges on comme deposit accounts.
- Noninterest expenses, excluding the increased FDIC special assessment, rose modestly from 2023's ir quarter. Higher levels of salaries and employee benefits expense, outside data processing and software expe and other costs of operations were partially offset by lower professional and other services, reflecting the divestiture, and lower advertising and marketing costs.

The Company's effective tax rate was 20.0% in the second first quarter of 2023.

M&T repurchased 3,282,449 shares of its common stock at an average cost per share of $182.79 resulting in a total cost of $600 million in 2022's third quarter. No share repurchases occurred 2024, compared with 22.9% in the second fourth quarter of 2023 and third quarters 24.2% in the first quarter of 2023. During The first quarter of 2024 income tax expense reflects a net discrete benefit related to the first nine months resolution of 2023, M&T repurchased 3,838,157 shares a tax matter inherited from the acquisition of its common stock at an average cost per share of $154.76 resulting in a total cost, including the share repurchase excise tax, of $600 million. During the first nine months of 2022, M&T repurchased 6,788,395 shares of its common stock at an average cost per share of $176.77 resulting in a total cost of $1.2 billion.

People's United.

Supplemental Reporting of Non-GAAP Results of Operations

M&T consistently provides supplemental reporting of its results on a “net operating” or “tangible” basis, from which M&T excludes the after-tax effect of amortization of core deposit and other intangible assets (and the related goodwill, core deposit intangible and other intangible asset balances, net of applicable deferred tax amounts) and gains (when realized) and expenses (when incurred) associated with merging acquired operations into the Company, since such items are considered by management to be “nonoperating” in nature. Although “net operating income” as defined by M&T is not a GAAP measure, M&T’s management believes that this information helps investors understand the effect of acquisition activity in reported results.

SUPPLEMENTAL REPORTING OF NON-GAAP RESULTS OF OPERATIONS

	Three Months Ended	Percent Change from	Nine Months Ended

(Dollars in thousands, except per share data)	September 30, 2023	September 30, 2022	June 30, 2023	Third Quarter 2022	Second Quarter 2023	September 30, 2023	September 30, 2022	Percent Change
Net operating income	$ 701,568	$ 700,030	$ 878,661	—	-20 %	$ 2,295,164	$ 1,653,651	39 %
Diluted net operating earnings per common share	$ 4.05	$ 3.83	$ 5.12	6 %	-21 %	$ 13.26	$ 9.78	36 %
Annualized return on average tangible assets	1.41 %	1.44 %	1.80 %			1.57 %	1.23 %	
Annualized return on average tangible common equity	17.41 %	17.89 %	22.73 %			19.70 %	15.13 %	
Efficiency ratio	53.7 %	53.6 %	48.9 %			52.6 %	58.1 %	
Tangible equity per common share (a)	$ 93.99	$ 84.28	$ 91.58	12 %	3 %			

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions, except per share data)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Net operating income	$ 543	$ 494	$ 49	10 %	$ 543	$ 715	$ (172)	-24 %
Diluted net operating earnings per share	3.09	2.81	0.28	10	3.09	4.09	(1.00)	-24
Return on:								
Average tangible assets	1.08 %	.98 %			1.08 %	1.49 %		
Average tangible common equity	12.67	11.70			12.67	19.00		
Efficiency ratio	60.8	62.1			60.8	55.5		
Tangible equity per common share (a)	$ 99.54	$ 98.54	$ 1.00	1 %	$ 99.54	$ 88.81	$ 10.73	12 %

(a) At the period end.

Reconciliations The efficiency ratio measures the relationship of noninterest operating expenses, which exclude expenses M&T considers to be "nonoperating" in nature consisting of amortization of core deposit and other intangible assets and merger-related expenses, to revenues. The calculations of the Company’s efficiency ratio, or noninterest operating expenses divided by the sum of taxable-equivalent net interest income and noninterest income (exclusive of gains and losses from bank investment securities), and reconciliations of GAAP amounts with corresponding non-GAAP amounts are provided presented in table Table 2.

Taxable-equivalent Net Interest Income

Interest income earned on certain of the Company's assets is exempt from federal income tax. Taxable-equivalent net interest income is a non-GAAP measure that adjusts income earned on a tax-exempt asset to present it on an equivalent basis to interest income earned on a fully taxable asset. The Company's average balance sheets accompanied by the annualized taxable-equivalent interest income and expense and the average rate on the Company's earning assets and interest-bearing liabilities are presented as follows.

AVERAGE BALANCE SHEETS AND ANNUALIZED TAXABLE-EQUIVALENT RATES

	2024 First Quarter			2023 Fourth Quarter			2023 Third Quarter		
(Dollars in millions)	**Average Balance**	**Interest**	**Average Rate**	**Average Balance**	**Interest**	**Average Rate**	**Average Balance**	**Interest**	**Average Rate**
Assets									
Earning assets:									
Loans and leases, net of unearned discount (a):									
Commercial and industrial	$ 56,821	$ 987	6.99 %	$ 55,420	$ 979	7.01 %	$ 54,567	$ 943	6.86 %
Commercial real estate	32,696	526	6.36	33,455	560	6.54	34,288	570	6.50
Residential real estate	23,136	247	4.28	23,339	248	4.25	23,573	244	4.14
Consumer	21,143	343	6.54	20,556	332	6.42	20,189	313	6.16
Total loans and leases, net	133,796	2,103	6.32	132,770	2,119	6.33	132,617	2,070	6.19
Interest-bearing deposits at banks	30,647	419	5.49	30,153	416	5.48	26,657	363	5.40
Trading account	105	1	3.42	123	1	3.80	136	1	4.05
Investment securities (b):									
U.S. Treasury and federal agencies	24,625	191	3.11	23,675	173	2.90	24,166	177	2.90
Obligations of states and political subdivisions	2,489	23	3.77	2,507	24	3.75	2,527	24	3.70
Other	1,473	20	5.54	1,308	20	6.04	1,300	21	6.51
Total investment securities	28,587	234	3.30	27,490	217	3.13	27,993	222	3.14
Total earning assets	193,135	2,757	5.74	190,536	2,753	5.73	187,403	2,656	5.62
Allowance for credit losses	(2,156)			(2,073)			(1,998)		

Cash and due from banks	1,687			1,634			1,730		
Other assets	18,81			18,65			18,65		
	2			5			6		
Total assets	211,4			208,7			205,7		
	$ 78			$ 52			$ 91		
Liabilities and shareholders' equity									
Interest-bearing liabilities:									
Interest-bearing deposits:									
Savings and interest-checking deposits	94,86			93,36			89,27		
	$ 7	$ 615	2.61 %	$ 5	$ 606	2.58 %	$ 4	$ 494	2.20 %
Time deposits	20,58			21,22			19,52		
	3	225	4.41	4	230	4.30	8	202	4.09
Total interest-bearing deposits	115,4			114,5			108,8		
	50	840	2.93	89	836	2.90	02	696	2.54
Short-term borrowings	6,228	84	5.42	5,156	69	5.27	5,346	69	5.16
Long-term borrowings	9,773	141	5.81	7,901	113	5.70	7,240	101	5.52
Total interest-bearing liabilities	131,4	1,06		127,6	1,01		121,3		
	51	5	3.26	46	8	3.17	88	866	2.83
Noninterest-bearing deposits	48,61			50,12			53,88		
	5			4			6		
Other liabilities	4,393			4,482			4,497		
Total liabilities	184,4			182,2			179,7		
	59			52			71		
Shareholders' equity	27,01			26,50			26,02		
	9			0			0		
Total liabilities and shareholders' equity	211,4			208,7			205,7		
	$ 78			$ 52			$ 91		
Net interest spread			2.48			2.56			2.79
Contribution of interest-free funds			1.04			1.05			1.00
Net interest income/margin on earning assets		1,69			1,73			1,79	
		$ 2	3.52 %		$ 5	3.61 %		$ 0	3.79 %

(a) Includes nonaccrual loans.
(b) Includes available-for-sale securities at amortized cost.

AVERAGE BALANCE SHEETS AND ANNUALIZED TAXABLE-EQUIVALENT RATES (continued)

	2023 Second Quarter			2023 First Quarter		
(Dollars in millions)	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Assets						
Earning assets:						
Loans and leases, net of unearned discount (a):						
Commercial and industrial	$ 54,572	$ 901	6.63 %	$ 52,510	$ 816	6.30 %
Commercial real estate	34,903	563	6.38	35,245	519	5.89
Residential real estate	23,781	244	4.10	23,770	235	3.96
Consumer	20,289	298	5.88	20,487	287	5.67
Total loans and leases, net	133,545	2,006	6.02	132,012	1,857	5.70
Interest-bearing deposits at banks	23,617	302	5.14	24,312	277	4.64
Trading account	151	1	2.66	123	1	2.32
Investment securities (b):						
U.S. Treasury and federal agencies	24,630	179	2.92	23,795	167	2.85
Obligations of states and political subdivisions	2,555	24	3.71	2,570	24	3.75
Other	1,438	18	4.83	1,257	15	4.38
Total investment securities	28,623	221	3.09	27,622	206	3.00
Total earning assets	185,936	2,530	5.46	184,069	2,341	5.16
Allowance for credit losses	(1,985)			(1,938)		
Cash and due from banks	1,747			1,952		
Other assets	18,678			18,516		
Total assets	$ 204,376			$ 202,599		
Liabilities and shareholders' equity						
Interest-bearing liabilities:						
Interest-bearing deposits:						
Savings and interest-checking deposits	$ 87,210	$ 369	1.69 %	$ 88,053	$ 277	1.28 %
Time deposits	16,009	150	3.77	11,630	89	3.11
Total interest-bearing deposits	103,219	519	2.02	99,683	366	1.49
Short-term borrowings	7,539	96	5.11	4,994	58	4.69
Long-term borrowings	7,516	102	5.43	6,511	85	5.27
Total interest-bearing liabilities	118,274	717	2.43	111,188	509	1.86
Noninterest-bearing deposits	56,180			61,854		
Other liabilities	4,237			4,180		
Total liabilities	178,691			177,222		
Shareholders' equity	25,685			25,377		
Total liabilities and shareholders' equity	$ 204,376			$ 202,599		

Net interest spread		3.03		3.30
Contribution of interest-free funds		.88		.74
Net interest income/margin on earning assets	$ 1,813	3.91 %	$ 1,832	4.04 %

(a) *Includes nonaccrual loans.*
(b) *Includes available-for-sale securities at amortized cost.*

Expressed on a taxable-equivalent basis net interest income increased $99 million to $1.79 billion was $1.69 billion in the third first quarter of 2024, compared with $1.74 billion and $1.83 billion, respectively, in the fourth and first quarters of 2023. The decrease in net interest income in the recent quarter reflects a 9 basis point reduction from the fourth quarter of 2023 and a 52 basis point reduction from $1.69 billion in the year-earlier quarter. That increase reflects an 11 basis point (hundredths of one percent) expansion quarter of the net interest margin, or taxable-equivalent net interest income expressed as an annualized percentage of average earning assets, to 3.79% 3.52% in the recent quarter from 3.68% in the year-earlier quarter. The higher lower net interest margin was influenced by in the first quarter of 2024 compared with the fourth and first quarters of 2023 predominantly reflects a rising comparatively higher interest rate environment, resulting from actions taken by the Federal Reserve to mitigate inflationary pressures on the U.S. economy. The FOMC raised its target federal funds rate through multiple hikes totaling 5.25% from March 2022 through September 2023, which led to higher yields on loans, deposits at the FRB of New York and investment securities, partially offset by higher has resulted in increases in rates paid on interest-bearing deposits deposit products and borrowings. Taxable-equivalent net interest income in the recent quarter declined from $1.81 billion in the second quarter of 2023 reflecting a 12 basis point narrowing of the net interest margin from 3.91% in the second quarter of 2023, as a rise in the cost of interest-bearing liabilities outpaced the increase borrowings outpacing increases in yields on earning the Company's interest-earning assets. Interest-bearing liabilities Although the FOMC has not raised its federal funds target rate since July 2023, interest rates have remained elevated and the Company has experienced increased competition for customer deposits in the recent quarter increased $3.1 billion to $121.4 billion, compared with $118.3 billion in the second quarter of 2023. Average earning assets increased $1.5 billion to $187.4 billion in the recent quarter from $185.9 billion in 2023's second quarter.

For the first nine months of 2023, taxable-equivalent net interest income was $5.43 billion, up from $4.02 billion recognized in the corresponding 2022 period. The increase was primarily attributable to the higher level of average earning assets marketplace and a 76 basis point expansion of the net interest margin to 3.91% in the 2023 period from 3.15% in the year-earlier period, partially offset by an increase in average interest-bearing liabilities. The increase in average earning assets in the first nine months of 2023 includes the impact of one additional quarter from earning assets obtained in the People's United transaction on April 1, 2022, commercial loan growth and purchases of investment securities, partially offset by lower deposits at the FRB of New York. The increase in average interest-bearing liabilities reflects

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interest-bearing liabilities assumed in the People's United acquisition and a continued mix shift in customer those deposits toward higher cost interest-bearing products, including time deposits. The Company has also altered its use of other funding sources including borrowings and placement of brokered deposits. Average short-term and long-term borrowings in the recent quarter collectively rose by $2.9 billion, or 23%, while average brokered deposits decreased $736 million, or 5%, from the fourth quarter of 2023. As compared with the first quarter of 2023, average short-term and higher long-term borrowings collectively rose by $4.5 billion, or 39%, and average borrowings. brokered deposits increased $5.2 billion, or 64% in the recent quarter.

Lending Activities

The following table summarizes average loans and leases outstanding in the first quarter of 2024 and percentage changes in the major components of the portfolio over comparable periods.

AVERAGE LOANS AND LEASES

			Percent Change from	
(Dollars in millions)		**First Quarter 2024**	**Fourth Quarter 2023**	**First Quarter 2023**
Commercial and industrial	$	56,821	3 %	8 %
Commercial real estate		32,696	-2	-7
Residential real estate		23,136	-1	-3
Consumer:				
Recreational finance		10,306	5	13
Automobile		4,177	6	-6
Home equity lines and loans		4,597	-1	-7
Other		2,063	-2	3
Total consumer		21,143	3	3
Total	$	133,796	1 %	1 %

Average loans and leases totaled $132.6 billion $133.8 billion in the third first quarter of 2024, up $1.0 billion or 1% from the fourth quarter of 2023.

- Commercial and industrial loans and leases averaged $56.8 billion in the recent quarter, up $1.4 billion from fourth quarter of 2023 up $5.1 billion reflecting growth which spanned most industry types.
- Average commercial real estate loans were $32.7 billion in the first quarter of 2024, $759 million lower than final quarter of 2023 reflecting declines of $296 million in average construction loans and $463 million in aver permanent commercial real estate loans.
- Average residential real estate loans decreased $203 million to $23.1 billion in the first quarter of 2024 compared with the fourth quarter of 2023, largely attributable to customer payments on loans held for investme
- Consumer loans averaged $21.1 billion in the first quarter of 2024 or 4% $587 million higher than the fo quarter of 2023. That growth reflected an increase in average balances of $452 million and $247 million in M portfolio of recreational finance loans and automobile loans, respectively.

Average loans and leases increased $1.8 billion or 1% from $127.5 billion $132.0 billion in the similar quarter of 2022. Commercial 2023.

- Average commercial and industrial loans and leases averaged $44.6 billion in the recent quarter, up $6.3 billio 16% increased $4.3 billion from $38.3 billion in the year-earlier quarter. That increase quarter predomina reflects reflecting growth in loans to financial and insurance industry customers and loans to motor-vehicle m vehicle and recreational finance dealers.
- Average commercial real estate loans decreased $2.1 billion or 4% to $44.2 billion $2.5 billion in the third re quarter as compared with the first quarter of 2023 from $46.3 billion in the year-earlier quarter. That decre reflects declines reflecting decreases of $1.3 billion $1.0 billion in average construction loans and $773 million $ billion in average permanent commercial real estate loans.
- Average residential real estate loans increased $610 million or 3% to $23.6 billion decreased $634 million in third first quarter of 2024 from the year-earlier quarter. That decrease was largely attributable to custo payments on loans held for investment. In the first quarter of 2023, from $23.0 billion in the year-earlier qua Throughout 2022, M&T retained rather than sold most originated residential mortgage loans. M&T Comp returned to originating for sale the majority of its newly committed originated residential mortgage loans.
- Average consumer loans in the first quarter of 2023. Consumer loans averaged $20.2 billion in the third quart 2023, up $229 million or 1% 2024 increased $656 million from $20.0 billion in the year-earlier quarter. That gro reflected higher average balances of $719 million and $157 million in M&T's portfolio $1.2 billion of recreati finance loans, and credit cards, respectively, partially offset by declines of $384 million $252 million and $ million $332 million in average balances of automobile loans and home equity loans and lines of cr respectively.

Average loan and lease balances in the third quarter of 2023 decreased $928 million from $133.5 billion in the second quarter of 2023. The lower balances resulted predominantly from a $714 million decline in average commercial real estate loans from $44.9 billion in the second quarter of 2023, partially offset by a $94 million increase in average commercial loans and leases from $44.5 billion in the second quarter of 2023. Average balances of residential real estate loans in 2023's third quarter declined $208 million from $23.8 billion in the second quarter of 2023. Average consumer loans in the recent quarter decreased less than one percent from the second quarter of 2023 reflecting a lower average balance of automobile loans, partially offset by a higher average balance of recreational finance loans. The accompanying table summarizes quarterly changes in the major components of the loan and lease portfolio. - 43 -

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AVERAGE LOANS AND LEASES

(net of unearned discount)

		Percent Change from	
	Third Quarter 2023	Third Quarter 2022	Second Quarter 2023

	(In millions)		
Commercial, financial, etc.	$ 44,625	16 %	— %
Real estate — commercial	44,230	-4	-2
Real estate — consumer	23,573	3	-1
Consumer			
Recreational finance	9,345	8	1
Automobile	3,995	-9	-5
Home equity lines and loans	4,721	-7	-2
Other	2,128	12	3
Total consumer	20,189	1	—
Total	$ 132,617	4 %	-1 %

For the first nine months of 2023, average loans and leases totaled $132.7 billion, up 15%, from $115.9 billion in the corresponding 2022 period. Loans obtained in the People's United acquisition and growth in commercial and consumer real estate loans were the predominant reasons for that increase, partially offset by lower average balances of commercial real estate loans and PPP loans. Investing Activities

The investment securities portfolio averaged $28.0 billion $28.6 billion in the third first quarter of 2024, up $1.1 billion and $965 million from the fourth and first quarters of 2023, up $4.0 billion from $23.9 billion in the third quarter of 2022 and $630 million lower than the $28.6 billion averaged in 2023's second quarter. respectively. The higher average balance in the recent quarter when compared with the fourth quarter of 2023 and year-earlier quarter reflects the purchase of

$4.4 billion $4.1 billion of investment debt securities during the twelve-month three-month period ended September 30, 2023 March 31, 2024. Those purchases were predominantly U.S. Treasury notes and fixed rate government issued or guaranteed mortgage-backed securities. As compared with the second quarter of 2023 the decrease relates to pay downs of fixed rate mortgage-backed securities. For the first nine months of 2023 and 2022, investment securities averaged $28.1 billion and $18.1 billion, respectively. In addition to the purchases described herein, $11.6 billion of investment securities obtained in the acquisition of People's United on April 1, 2022 contributed to the increase in average investment securities during the first nine months of 2023 as compared with the first nine months of 2022. There were no significant sales of investment securities during the nine three months ended September 30, 2023 March 31, 2024, December 31, 2023 and 2022. March 31, 2023. The Company routinely has increases and decreases in its holdings of capital stock of the FHLB of New York and the FRB of New York. Those holdings are accounted for at cost and are adjusted York based on amounts of outstanding borrowings and available lines of credit with those entities.

The investment securities portfolio is largely comprised of government issued or guaranteed residential mortgage-backed securities and shorter-term U.S. Treasury and federal agency notes, but also includes municipal commercial mortgage-backed securities and commercial real estate mortgage-backed municipal securities. When purchasing investment securities, the Company considers its liquidity position and its overall interest-rate interest rate risk profile as well as the adequacy of expected returns relative to risks assumed, including prepayments. The Company may occasionally sell investment securities as a result of movements in interest rates and spreads, changes in liquidity needs, actual or anticipated prepayments, credit risk associated with a particular security, or as a result of restructuring its investment securities portfolio in connection with a business combination. The amounts of investment securities held by the Company are influenced by such factors as available yield in comparison with alternative investments, demand for loans, which generally yield more than investment securities, ongoing repayments, the levels of deposits, and management of liquidity and balance sheet size and resulting capital ratios.

Fair value changes in equity securities with readily determinable fair values are recognized in the Consolidated Statement of Income. Net unrealized gains and losses on such equity securities were not significant in each of the first nine months of 2023 and 2022.

The Company regularly reviews its debt investment securities for declines in value below amortized cost that might be indicative of credit-related losses. In light of such reviews, there were no credit-related losses on debt investment securities recognized in either any of the nine three months ended September 30, 2023 or 2022. Based on management's assessment March 31, 2024, December 31, 2023 and March 31, 2023. A further discussion of future cash flows associated with individual fair values of investment securities as of September 30, 2023, is included herein under the Company did not expect to incur any material credit-related losses in its portfolios of debt investment securities. heading "Capital." Additional information about the investment securities portfolio is included in notes 3 and 12 of Notes to Financial Statements.

Other earning assets include interest-bearing deposits at banks, trading account assets, federal funds sold and agreements to resell securities. Those other earning assets in the aggregate averaged $26.8 billion $30.8 billion in the recently completed quarter, compared with $30.9 billion in $30.3 billion and $24.4 billion during the year-earlier quarter three months ended December 31, 2023 and $23.8 billion in the second quarter of 2023. March 31, 2023, respectively. Interest-bearing deposits at banks averaged $26.7 billion $30.6 billion, $30.8 billion $30.2 billion and $23.6 billion $24.3 billion during the three months ended September 30, 2023 March 31, 2024, September 30, 2022 December 31, 2023 and June 30, 2023 March 31, 2023, respectively. The amounts of interest-bearing deposits at banks at those respective dates were predominantly comprised of deposits held at the FRB of New York. In general, the amount levels of those deposits held at the FRB of New York is influenced by the Company's liquidity and interest rate management activities and fluctuates with often fluctuate due to changes in levels deposits of the Company's investments, loans, retail and commercial customers, trust-related deposits and other borrowings. The lower balance in the recent quarter compared with the year-earlier quarter reflects loan portfolio growth, the purchases additions to or maturities of investment securities and treasury stock in the fourth quarter of 2022 and first quarter of 2023 and a decline in noninterest bearing deposits, partially offset by the issuance of long-term debt in the first quarter of 2023 and other short-term borrowings, and an increase in time deposits. As compared with the second quarter of 2023, the higher balance reflects increased liquidity from a rise in average deposits, partially offset by lower average loans and leases and a decline in average investment securities balances. or borrowings.

As a result of the changes described herein, average earning assets totaled $187.4 billion in the most recent quarter, compared with $182.4 billion in the third quarter of 2022 and $185.9 billion in the second quarter of 2023. Average earning assets totaled $185.8 billion and $170.4 billion during the first nine months of 2023 and 2022, respectively.

Deposits

The most significant source of funding for the Company is core deposits. The Company considers noninterest-bearing deposits, interest-bearing transaction accounts, savings deposits and time deposits of $250,000 or less as core deposits. The Company's branch network is its principal source of core deposits, which generally carry lower interest rates than wholesale funds of comparable maturities. Average core deposits totaled $147.3 billion in $147.4 billion, or 76% of average earning assets, for the third quarter of 2023, ended March 31, 2024, compared with $162.8 billion in $147.6 billion, or 77%, and $152.0 billion, or 83%, for the similar 2022 quarter quarters ended December 31, 2023 and $146.8 billion in the second quarter March 31, 2023, respectively. The lower level of 2023. The decrease in average core deposits in the recent quarter as compared with the year-earlier quarter was primarily the result of monetary tightening that influenced customers to seek higher rate alternatives, including a shift from operating demand accounts to off-balance sheet sweep accounts for commercial customers. Lower levels of activity in the capital markets also resulted in a reduction of trust demand deposits. As compared with the second quarter of 2023, the modest increase in average core deposits reflects the Company's focus on retaining and growing customer deposits, including targeted promotions in competitive markets. The following table provides an analysis of quarterly changes in the components of average core deposits.

AVERAGE CORE DEPOSITS

			Percent Change from			
		Third Quarter 2023	Third Quarter 2022		Second Quarter 2023	
		(In millions)				
Savings and interest-checking deposits	$	84,720	-1	%	2	%
Time deposits		8,695	102		22	
Noninterest-bearing deposits		53,886	-26		-4	
Total	$	147,301	-9	%	-	%

The Company also receives funding from other deposit sources, including branch-related time deposits over $250,000 and brokered deposits. Time deposits over $250,000 averaged $2.4 billion in the recent quarter, compared with $681 million in the third quarter of 2022 and $2.0 billion in the second quarter of 2023. The increase in such deposits in the two most recent quarters as compared with the third first quarter of 2022 2023 reflects higher demand for a shift in the mix of funding sources, including from other deposit sources such as branch-related time deposit products in a rising interest rate environment. The Company had deposits over $250,000 and brokered deposits. Brokered savings and interest-bearing transaction accounts that and brokered time deposit accounts averaged $4.6 billion during $8.0 billion and $5.2 billion, respectively, in the recent quarter, and $3.8 billion in each of the year-earlier quarter and the second quarter of 2023. Brokered time deposits averaged $8.4 billion in the third quarter of 2023 compared with $55 million in the third quarter of 2022 $6.7 billion and $6.9 billion in the second quarter of 2023. The increase in such deposits from the third quarter of 2022 reflected the Company's liquidity management and funding strategies during a period of rising interest rates and was predominantly due to deposits added late $7.3 billion, respectively, in the fourth quarter of 2022 2023 and through $3.4 billion and $4.6 billion, respectively, in the second first quarter of 2023. Additional brokered deposits may be solicited added in the future depending on market conditions, including demand by customers and other investors for those deposits, and the cost of funds available from alternative sources at that time. The following table provides an analysis of quarterly changes in the time. Total uninsured components of average deposits.

AVERAGE DEPOSITS

		Percent Change from	
(Dollars in millions)	**First Quarter 2024**	**Fourth Quarter 2023**	**First Quarter 2023**
Noninterest-bearing deposits	$ 48,615	-3 %	-21 %
Savings and interest-checking deposits	86,837	—	3
Time deposits of $250,000 or less	11,985	11	117
Total core deposits	147,437	—	-3
Time deposits greater than $250,000	3,405	7	130
Brokered deposits	13,223	-5	64
Total deposits	$ 164,065	— %	2 %

Deposits averaged $164.1 billion in the recent quarter, a $648 million decline from $164.7 billion in the fourth quarter of 2023.

- Average core deposits were estimated decreased nominally from the fourth quarter of 2023 reflectin stabilization of customer deposits in the higher rate environment.
- The decrease in average brokered deposits in the recent quarter reflected a mix shift in the Company's whole funding strategies. Average brokered time deposits decreased $2.1 billion to be $68.8 billion at September 2023 $5.2 billion in the recent quarter from $7.3 billion in the fourth quarter of 2023 and the rates paid on th deposits averaged 5.01% and 4.97%, respectively. Average brokered savings and interest-bearing transac accounts increased $1.3 billion to $8.0 billion in the recent quarter from $6.7 billion in the fourth quarter of 2 and the rates paid on those deposits averaged 4.78% and 4.66%, respectively. The rate paid on total brokered interest-bearing deposits was 2.67% in the first quarter of 2024, compared with $67.0 billion at June 2023, $74.2 billion at December 31, 2022 2.62% in the fourth quarter of 2023.

Average deposits increased $2.5 billion from $161.5 billion in the year-earlier quarter.

- The decrease in average core deposits in the recent quarter as compared with the year-earlier quarter reflects impact of an elevated interest rate environment that influenced customers to seek higher rate alternati including a shift from noninterest-bearing deposit accounts to commercial sweep products and $74.7 billio September 30, 2022. Approximately $11.3 billion, $10.5 billion, $11.4 billion time deposits over $250,000.

- The increase in average brokered deposits in the recent quarter as compared with the first quarter of 2023 refl the Company's liquidity management and $13.1 billion funding strategies during a period of those uninsu deposits were collateralized rising interest rates, partially offset by the maturity of some brokered time deposi the recent quarter. The Company at September 30, 2023 had brokered savings and interest-bearing transac accounts and brokered time deposits that averaged $3.4 billion and $4.6 billion, June 30, 2023, December 2022 respectively, in the year-earlier quarter and September 30, 2022 the rates paid on those deposits avera 3.54% and 4.82%, respectively.

The rate paid on total non-brokered interest-bearing deposits in the first quarter of 2023 was 1.24%.

The accompanying table summarizes the components of average total deposits by segment for the quarters ended September 30, 2023 March 31, 2024, June 30, 2023 December 31, 2023 and September 30, 2022 March 31, 2023.

AVERAGE DEPOSITS BY SEGMENT

	Retail	Trust	Commercial and Other	Total	Commercial Bank	Retail Bank	Institutional Services and Wealth Management	All Other	Total
	(In millions)								
Three Months Ended September 30, 2023									
(Dollars in millions)									
Three Months Ended March 31, 2024									
Noninterest-bearing deposits					$ 13,459	$ 25,380	$ 9,081	$ 695	$ 48,615
Savings and interest-checking deposits	$ 41,863	$ 6,170	$ 41,241	$ 89,274	29,721	51,274	7,131	6,741	94,867
Time deposits	10,501	50	8,977	19,528	353	14,995	37	5,198	20,583
Noninterest-bearing deposits	13,676	8,799	31,411	53,886					
Total	$ 66,040	$ 15,019	$ 81,629	$ 162,688	$ 43,533	$ 91,649	$ 16,249	$ 12,634	$ 164,065

Three Months Ended June 30, 2023									
Three Months Ended December 31, 2023									
Noninterest-bearing deposits					$ 14,527	$ 26,474	$ 8,477	$ 646	$ 50,124
Savings and interest-checking deposits	$ 43,576	$ 6,322	$ 37,312	$ 87,210	28,702	51,941	6,728	5,994	93,365
Time deposits	8,548	16	7,445	16,009	425	13,507	31	7,261	21,224
Noninterest-bearing deposits	14,579	9,269	32,332	56,180					
Total	$ 66,703	$ 15,607	$ 77,089	$ 159,399	$ 43,654	$ 91,922	$ 15,236	$ 13,901	$ 164,713
Three Months Ended September 30, 2022									
Three Months Ended March 31, 2023									
Noninterest-bearing deposits					$ 20,206	$ 30,552	$ 10,363	$ 733	$ 61,854
Savings and interest-checking deposits	$ 51,196	$ 7,008	$ 31,156	$ 89,360	22,263	54,650	7,957	3,183	88,053
Time deposits	4,607	12	431	5,050	330	6,667	13	4,620	11,630
Noninterest-bearing deposits	14,414	10,927	47,520	72,861					
Total	$ 70,217	$ 17,947	$ 79,107	$ 167,271	$ 42,799	$ 91,869	$ 18,333	$ 8,536	$ 161,537

Funding Activities - Borrowings

The following table summarizes the average balances utilized from the Company's short-term and long-term borrowing facilities and note programs.

AVERAGE BORROWINGS

	Three Months Ended		
(Dollars in millions)	**March 31, 2024**	**December 31, 2023**	**March 31, 2023**
Short-term borrowings:			
Federal funds purchased and repurchase agreements	$ 307	$ 404	$ 364
FHLB advances	5,921	4,752	4,630
Total short-term borrowings	$ 6,228	$ 5,156	$ 4,994
Long-term borrowings:			

Senior notes	$ 6,418	$ 5,863	$ 4,979
FHLB advances	1,323	5	5
Subordinated notes	977	989	980
Junior subordinated debentures	540	539	537
Asset-backed notes	505	495	—
Other	10	10	10
Total long-term borrowings	9,773	7,901	6,511
Total borrowed funds	$ 16,001	$ 13,057	$ 11,505

The Company also uses borrowings borrowing capacity from banks, the FHLB of New York, FHLBs, the FRB of New York and others as sources of funding. Short-term borrowings represent borrowing arrangements that at the time they were entered into had a contractual maturity of one year or less. Average short-term borrowings totaled $5.3 billion in the third quarter of 2023, compared with $913 million in the year-earlier quarter and $7.5 billion in the second quarter of 2023. Short-term borrowings assumed in connection with the People's United acquisition totaled $895 million on April 1, 2022. In October 2022 M&T redeemed $500 million of unsecured senior notes due to mature in December 2022 that had been assumed in the acquisition of People's United and included in short-term borrowings. In general, the The higher levels of short-term borrowings in the third and second quarters first quarter of 2023 2024 as compared with the fourth quarter of 2023 and year-earlier first quarter reflect the Company's management of liquidity. The $2.2 billion decline in average short-term borrowings in the recent quarter as compared with the second quarter of 2023 was coincident with an increase in comparatively lower cost average brokered deposits described herein.

Long-term borrowings averaged $7.2 billion $9.8 billion, $7.9 billion and $6.5 billion in the third quarter of 2023, compared with $3.3 billion in the year-earlier quarter three-month periods ending March 31, 2024, December 31, 2023 and $7.5 billion in the second quarter of 2023. In August 2023, a subsidiary of M&T Bank that specializes in equipment financing issued $550 million of asset-backed notes secured by equipment finance loans and leases at a weighted average interest rate of 5.84%. Average balances of the Company's outstanding senior notes were $5.4 billion, $1.7 billion and $6.0 billion during the three months ended September 30, 2023, September 30, 2022 and June 30, 2023 March 31, 2023, respectively. In July 2023, $750 million February 2024, M&T Bank advanced $2.0 billion from the FHLB of fixed and New York which matures in February 2025 at a variable senior notes rate of M&T matured. SOFR plus 25 basis points payable quarterly until maturity. In January 2023, March 2024, M&T issued $1.0 billion $850 million of senior notes that mature in January 2034 March 2032 and pay a 5.05% 6.08% fixed rate semi-annually until January 2033 March 2031 after which SOFR plus 1.85% 2.26% will be paid quarterly until maturity. Additionally, Also in January 2023 March 2024, M&T Bank issued $1.3 billion $511 million of senior asset-backed notes that mature in January 2026 secured by automobile loans with a weighted-average estimated life of approximately two years and pay a fixed weighted-average interest rate of 4.65% semi-annually until maturity and $1.2 billion of senior notes that mature in January 2028 and pay a fixed rate of 4.70% semi-annually until maturity. In November 2022, M&T Bank issued $500 million of fixed rate senior notes that pay a rate of 5.4% semi-annually and mature in November 2025. In August 2022, M&T issued $500 million of senior notes that mature in August 2028 and pay a fixed rate of 4.55% semi-annually until August 2027 after which SOFR plus 1.78% will be paid quarterly until maturity. During May 2022, $250 million of variable rate senior notes of M&T Bank matured. In April 2022, M&T Bank redeemed $650 million of fixed rate senior notes that were due to mature on May 18, 2022. As of April 1, 2022, long-term borrowings assumed in 5.29% at the People's United acquisition totaled $494 million and included $483 million of fixed-rate subordinated notes and $11 million of FHLB advances. Subordinated capital notes included in long-term borrowings averaged $979 million in each of the second and third quarters of 2023, compared with $982 million in the third quarter of 2022. Junior subordinated debentures associated with trust preferred securities that were included in average long-term borrowings were $538 million during the third quarter of 2023, compared with $534 million in the year-earlier quarter and $537 million in the second quarter of 2023. Additional information time

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of securitization. The increased usage of borrowing facilities reflects the Company's strategies to diversify its wholesale funding options to provide long-term funding stabilization and prepare for proposed regulations enumerating certain long-term debt requirements as described in Part I, Item 1 of M&T's 2023 Annual Report.

Additional information regarding borrowings is provided in notes 5 and 11 of Notes to Financial Statements and in the 2022 Annual Report. In October 2023, M&T issued $750 million of senior notes that mature in October 2029 and pay a fixed rate of 7.41% semi-annually until October 2028 after which SOFR plus 2.80% will be paid quarterly until maturity. Statements.

The Company has utilized interest rate swap agreements to modify the repricing characteristics of certain components of its loans and long-term debt. As of September 30, 2023, interest rate swap agreements were used as fair value hedges of approximately $2.0 billion of outstanding fixed rate long-term borrowings. Additionally, interest rate swap agreements with a notional amount of $14.6 billion (exclusive of forward-starting swap agreements) were used as cash flow hedges of interest payments associated with variable rate commercial real estate loans. Further information on interest rate swap agreements is provided herein and in note 10 of Notes to Financial Statements. Net Interest Margin

Net interest income can be impacted by changes in the composition of the Company's earning assets and interest-bearing liabilities, as discussed herein, as well as changes in interest rates and spreads. Net interest spread, or the difference between the taxable-equivalent yield on earning assets and the rate paid on interest-bearing liabilities, was 2.79% 2.48% in the recent quarter, down 70 8 basis points from 3.49% 2.56% in the third fourth quarter of 2022. 2023. The decline in the net interest spread from the fourth quarter of 2023 reflects higher levels of average borrowings, partially offset by higher rates earned on investment securities. The yield on earning assets during the third first quarter of 2023 2024 was 5.62% 5.74%, up 172 1 basis points point from 3.90% 5.73% in the similar 2022 period, while the fourth quarter of 2023. The rate paid on interest-bearing liabilities increased 242 basis points to 2.83% was 3.26% in the recent quarter, from .41% compared with 3.17% in the year-earlier period. final quarter of 2023. In the second first quarter of 2023, the net interest spread was 3.03% 3.30%, the yield on earning assets was 5.46% 5.16% and the rate paid on interest-bearing liabilities was 2.43% 1.86%. The continued decline in the net interest spread in the recent quarter as compared with the second first quarter of 2023 and third quarter of 2022 reflects the impact of higher rates paid on interest-bearing liabilities (predominantly interest-bearing deposits) resulting from a general rise in interest rates and increased competition for deposits, partially offset by during the first three quarters of 2023, which outpaced higher yields earned on loans and leases, deposits at the FRB of New York and investment securities. The FOMC raised its target federal funds rate with a series of rate hikes totaling 5.25% from March 2022 through September 2023. For the first nine months of 2023, the net interest spread was 3.02%, relatively unchanged from 3.03% in the year-earlier period. The yield on earning assets and the rate paid on interest-bearing liabilities for the first nine months of 2023 were 5.41% and 2.39%, respectively, compared with 3.30% and .27%, respectively, in the initial nine months of 2022.

Net interest-free funds consist largely of noninterest-bearing demand deposits and shareholders' equity, partially offset by bank owned life insurance and non-earning assets, including goodwill and core deposit and other intangible assets. Net interest-free funds averaged $66.0 billion $61.7 billion in the third first quarter of 2024, compared with $62.9 billion in the fourth quarter of 2023 compared with $83.8 billion and $72.9 billion in the year-earlier quarter and $67.7 billion in the second quarter of 2023. quarter. The lower level of average net interest-free funds in the recent quarter and the second quarter of 2023 as compared with the third quarter fourth and first quarters of 2022 2023 is predominantly the result of a decline in the average balance of noninterest-bearing deposits. deposits, partially offset by increases in common shareholders equity from retained earnings, net of common and preferred stock dividends. Noninterest-bearing deposits averaged $53.9 billion $48.6 billion in the third first quarter of 2024, compared with $50.1 billion in the last quarter of 2023 compared with $72.9 billion and $61.9 billion in the third quarter of 2022 and $56.2 billion in the second first quarter of 2023. The decline in average noninterest-bearing deposits since the third first quarter of 2022 2023 reflects customer use of off-balance sheet investment products and a shift in deposits to interest-bearing accounts as interest rates rose. During the first nine months of 2023 and 2022, average net interest-free funds aggregated $68.8 billion and $78.0 billion, respectively. Average noninterest-bearing deposits were $57.3 billion in the first nine months of 2023, compared with $68.4 billion in the first three quarters of 2022. That decline in average noninterest-bearing deposits resulted from a shift of customer funds from noninterest-bearing accounts to interest-bearing accounts and off-balance sheet investment products. The Company assumed $17.4 billion of noninterest-bearing deposits in connection with the People's United acquisition on April 1, 2022. Shareholders' equity averaged $26.0 billion during the three-month period ended September 30, 2023, compared with $25.7 billion during each of the year-earlier quarter and the second quarter of 2023. M&T issued $8.4 billion of common equity and $261 million of preferred equity in completing the acquisition of People's United on April 1, 2022. Repurchases of common stock totaled approximately $600 million (inclusive of the share repurchase excise tax) in the first quarter of 2023 and $1.8 billion in the last three quarters of 2022. There were no repurchases of common stock during the second and third quarters of 2023. Goodwill and core deposit and other intangible assets averaged $8.6 billion in the third quarter of 2023, compared with $8.7 billion in each of the third quarter of 2022 and second quarter of 2023. The Company recorded $3.9 billion of goodwill on April 1, 2022 which represents excess consideration over the fair value of net assets acquired in the People's United transaction. As part of the transaction, intangible assets were identified and recorded at fair value, thereby increasing the balance of core deposit and other intangible assets on the Company's balance sheet by $261 million on April 1,

2022. The cash surrender value of bank owned life insurance averaged $2.6 billion in each of the third quarter of 2023, second quarter of 2023 and year-earlier third quarter. Changes in the cash surrender value of bank owned life insurance and benefits received are not included in interest income, but rather are recorded in "other revenues from operations." The contribution of net interest-free funds to net interest margin was 1.00% 1.04% in the third first quarter of

2024, compared with 1.05% in the fourth quarter of 2023 compared with .19% and .88% .74% in the third first quarter of 2022 and the second quarter of 2023, respectively. 2023. The increased contribution of net interest-free funds to net interest margin in the two most recent quarter and second quarter of 2023 quarters as compared with the third 2022 first 2023 quarter reflects higher rates paid on interest-bearing liabilities used to value net interest-free funds. The contribution of net interest-free funds in the first nine months of 2023 and 2022 was .89% and .12%, respectively.

Reflecting the changes to the net interest spread and the contribution of net interest-free funds as described herein, the Company's net interest margin was 3.79% 3.52% in the third first quarter of 2024, compared with 3.61% in the fourth quarter of 2023 compared with 3.68% and 4.04% in the year-earlier period. The higher interest rate environment has led to an increase in the rates paid on the Company's sources of funding which has outpaced the rise in yields on earning assets. Future changes in market interest rates or spreads, as well as changes in the composition of the Company's portfolios of earning assets and interest-bearing liabilities that result in changes to spreads, could impact the Company's net interest income and net interest margin. The FOMC has conducted a series of basis point increases in short-term interest rates from March 2022 through September 2023 totaling 5.25%. Those actions have led to generally higher interest rates overall and, accordingly, have contributed to the Company's higher net interest margin in the recent quarter as compared with the year-earlier quarter. The recent quarter's net interest margin narrowed from 3.91% in the second quarter of 2023. That 12 basis point decrease reflects a 24 basis point compression of the net interest spread, partially offset by a 12 basis point increase in the contribution of interest-free funds. During the first nine months of 2023 and 2022, the net interest margin was 3.91% and 3.15%, respectively.

Management assesses the potential impact of future changes in interest rates and spreads by projecting net interest income under several interest rate scenarios. In managing interest rate risk, the Company has utilized interest rate swap agreements to modify the repricing characteristics of certain portions of its earning assets and interest-bearing liabilities. Periodic settlement amounts arising from these agreements are reflected in either the yields on earning assets or the rates paid on interest-bearing liabilities. The notional amount of interest rate swap agreements entered into for interest rate risk management purposes was $16.6 billion (excluding $9.4 billion of forward-starting swap agreements related to cash flow hedges) at September 30, 2023, $16.8 billion (excluding $4.7 billion of forward-starting swap agreements) at September 30, 2022 and $12.7 billion (excluding $4.7 billion of forward-starting swap agreements) at December 31, 2022. Under the terms of those interest rate swap agreements, the Company received payments based on the outstanding notional amount at fixed rates and made payments at variable rates. At September 30, 2023, interest rate swap Periodic settlement amounts arising from these agreements with notional amounts of $14.6 billion were serving as cash flow hedges of interest payments associated with variable rate commercial real estate loans, compared with $15.3 billion at September 30, 2022 and $11.2 billion at December 31, 2022. Interest rate swap agreements with notional amounts of $2.0 billion at September 30, 2023 and $1.5 billion at each of September 30, 2022 and December 31, 2022 were serving as fair value hedges of fixed rate long-term borrowings. are reflected in either the yields on earning assets or the rates paid on interest-bearing liabilities. The Company also enters into forward-starting interest rate swap agreements predominantly to extend the term of its hedge interest rate exposures expected in future periods. The following table summarizes information about interest rate swap agreements serving as cash flow hedges and provide a hedge against changing interest rates on certain of its variable rate loans.

In a fair value hedge, the fair value of the derivative (the entered into for interest rate swap agreement) risk management purposes at March 31, 2024 and changes in the fair value of the hedged item are recorded in the Company's Consolidated Balance Sheet with the corresponding gain or loss recognized in current earnings. The difference between changes in the fair value of the interest rate swap agreements and the hedged items represents hedge ineffectiveness and is recorded as an adjustment to the interest income or interest expense of the respective hedged item. In a cash flow hedge, the derivative's gain or loss is initially reported as a component of other comprehensive income and subsequently reclassified into earnings when the forecasted transaction affects earnings. The amounts of hedge ineffectiveness recognized during each of the quarters ended September 30, 2023, September 30, 2022 and June 30, 2023 were not material to the Company's consolidated results of operations. December 31, 2023.

INTEREST RATE SWAP AGREEMENTS - DESIGNATED AS HEDGES

	Notional Amount			Average	Weighted-	
		Forward-		Maturity	Average Rate	
(Dollars in millions)	**Active**	**Starting**	**Total**	**(In years)**	**Fixed**	**Variable**
March 31, 2024						
Fair value hedges:						
Fixed rate long-term borrowings	$ 2,000	$ 1,850	$ 3,850	5.9	3.48 %	5.51 %
Cash flow hedges:						
Interest payments on variable rate commercial real estate loans	17,477	5,950	23,427	1.7	3.38	5.33
Total	$ 19,477	$ 7,800	$ 27,277	2.3		
December 31, 2023						
Fair value hedges:						
Fixed rate long-term borrowings	$ 2,000	$ 1,000	$ 3,000	5.8	3.45 %	5.62 %
Cash flow hedges:						
Interest payments on variable rate commercial real estate loans	14,977	9,000	23,977	1.7	3.45	5.36
Total	$ 16,977	$ 10,000	$ 26,977	2.2		

Information regarding the fair value of interest rate swap agreements and hedge ineffectiveness is presented in note 10 of Notes to Financial Statements. Information regarding the valuation of cash flow hedges included in other comprehensive income is presented in note 9 of Notes to Financial Statements. The changes in the fair values of the interest rate swap agreements and the hedged items primarily result from the effects of changing interest rates and spreads. The average notional amounts of interest rate swap agreements entered into for interest rate risk management purposes (excluding forward-starting interest rate swap agreements not in effect during the quarter), the related effect on net interest income and margin and the weighted-average interest rates paid or received on those swap agreements are is presented in the accompanying table. Additional information about the Company's use of interest rate swap agreements and other derivatives is included in note 10 of Notes to Financial Statements. table that follows.

INTEREST RATE SWAP AGREEMENTS - EFFECT ON NET INTEREST INCOME

	Three Months Ended September 30			
	2023		2022	
	Amount	Rate (a)	Amount	Rate (a)
	(Dollars in thousands)			
Increase (decrease) in:				
Interest income	$ (65,321)	-.14 %	$ (22,466)	-.05 %
Interest expense	13,982	.05	(651)	.00
Net interest income/margin	$ (79,303)	-.17 %	$ (21,815)	-.05 %
Average notional amount (c)	$ 15,125,913		$ 16,472,826	
Rate received (b)		3.25 %		2.06 %
Rate paid (b)		5.29 %		2.57 %

	Nine Months Ended September 30			
	2023		2022	
	Amount	Rate(a)	Amount	Rate(a)
	(Dollars in thousands)			
Increase (decrease) in:				
Interest income	$ (173,051)	-.12 %	$ 35,500	.03 %
Interest expense	38,290	.04	(14,436)	-.02
Net interest income/margin	$ (211,341)	-.15 %	$ 49,936	.04 %
Average notional amount (c)	$ 13,089,088		$ 15,452,015	
Rate received (b)		3.05 %		1.67 %
Rate paid (b)		5.17 %		1.25 %

	Three Months Ended March 31,			
	2024		2023	
(Dollars in millions)	Amount	Rate (a)	Amount	Rate (a)
Increase (decrease) in:				
Interest income (cash flow hedges)	$ (87)	-.18 %	$ (59)	-.13 %
Interest expense (fair value hedges)	13	.04	10	.04
Net interest income/margin	$ (100)	-.21 %	$ (69)	-.15 %
Average notional amount (b)	$ 19,202		$ 11,069	

Rate received (c)	3.32%	2.68%
Rate paid (c)	5.38	5.17

(a) *Computed as an annualized percentage of average earning assets or interest-bearing liabilities.*
(b) *Excludes forward-starting interest rate swap agreements not in effect during the period.*
(c) *Weighted-average rate paid or received on interest rate swap agreements in effect during the period.*

Provision for Credit Losses

A provision for credit losses is recorded to adjust the level of the allowance to reflect expected credit losses that are based on economic forecasts as of each reporting date. A provision for credit losses of $200 million was recorded in the first quarter of 2024, compared with $225 million in the fourth quarter of 2023 and $120 million in the year-earlier quarter. The comparatively higher provisions for credit losses in the most recent two quarters as compared with the first quarter of 2023 reflect declines in commercial real estate values and higher interest rates contributing to a deterioration in the performance of loans to commercial borrowers, including nonautomotive dealers and healthcare facilities, as well as growth in certain sectors of M&T's commercial and industrial and consumer loan portfolios. Net charge-offs totaled $138 million in 2024's first quarter as compared with $148 million in 2023's final quarter and $70 million in the year-earlier quarter. The lower level of net charge-offs in the first quarter of 2024 as compared with the preceding quarter included a decline in commercial real estate loan net charge-offs, partially offset by an increase in net charge-offs of commercial and industrial and consumer loans. As compared with year-earlier first quarter, the recent quarter net charge-offs reflect higher levels of commercial and industrial and consumer loan net charge-offs.

A summary of net charge-offs by loan type and as an annualized percentage of such average loans is presented in the table that follows.

NET CHARGE-OFF (RECOVERY) INFORMATION

	First Quarter 2024		Fourth Quarter 2023		First Quarter 2023	
(Dollars in millions)	**Net Charge-Offs (Recoveries)**	**Annualized Percentage of Average Loans**	**Net Charge-Offs (Recoveries)**	**Annualized Percentage of Average Loans**	**Net Charge-Offs (Recoveries)**	**Annualized Percentage of Average Loans**
Commercial and industrial	$ 73	.51%	$ 42	.30%	$ 10	.08%
Real estate:						
Commercial	8	.13	63	.98	28	.43
Residential builder and developer	—	.03	—	.10	2	.48
Other commercial construction	11	.69	7	.39	(2)	-.09

Residential	—	-.01	3	.07	1	.01
Residential - limited documentation	—	—	—	-.01	—	—
Consumer:						
Home equity lines and loans	—	.02	—	.04	—	.04
Recreational finance	21	.80	18	.72	11	.50
Automobile	5	.46	3	.32	2	.21
Other	20	4.03	12	2.14	18	3.51
Total	$ 138	.42 %	$ 148	.44 %	$ 70	.22 %

Asset Quality

A summary of nonperforming assets and certain past due loan data and credit quality ratios is presented in the accompanying table.

NONPERFORMING ASSET AND PAST DUE LOAN DATA

(Dollars in millions)	March 31, 2024	December 31, 2023	March 31, 2023
Nonaccrual loans	$ 2,302	$ 2,166	$ 2,557
Real estate and other foreclosed assets	38	39	44
Total nonperforming assets	$ 2,340	$ 2,205	$ 2,601
Accruing loans past due 90 days or more (a)	$ 297	$ 339	$ 407
Government-guaranteed loans included in totals above:			
Nonaccrual loans	$ 62	$ 53	$ 42
Accruing loans past due 90 days or more (a)	244	298	306
Loans 30-89 days past due	1,410	1,724	1,892
Nonaccrual loans to total net loans and leases	1.71 %	1.62 %	1.92 %
Nonperforming assets to total net loans and leases and real estate and other foreclosed assets	1.73	1.64	1.96
Accruing loans past due 90 days or more to total net loans and leases	.22	.25	.31
Loans 30-89 days past due to total net loans and leases	1.04	1.29	1.42

(c) (a) Excludes forward-starting Predominantly residential real estate loans.

Nonaccrual loans were $2.3 billion at March 31, 2024, $136 million higher than December 31, 2023 and $255 million lower than March 31, 2023. The higher level of nonaccrual loans at the recent quarter end as compared with the immediately preceding quarter end was largely attributable to an increase in commercial and industrial nonaccrual loans, most notably loans to nonautomotive finance dealers and the manufacturing and services industries, partially offset by a decrease in commercial real estate nonaccrual loans. The decrease in nonaccrual loans at March 31, 2024 as compared with year-earlier quarter was predominantly due to lower levels of commercial real estate nonaccrual loans, including net charge-offs, and residential real estate nonaccrual loans, partially offset by a rise in commercial and industrial nonaccrual loans.

Government-guaranteed loans classified as accruing loans past due 90 days or more included one-to-four family residential mortgage loans serviced by the Company that were repurchased to reduce associated servicing costs, including a requirement to advance principal and interest payments that had not been received from individual mortgagors. Despite the loans being purchased by the Company, the insurance or guarantee by the applicable government-related entity remains in force. The outstanding principal balances of the repurchased loans included in the amounts noted herein that are guaranteed by government-related entities totaled $195 millionat March 31, 2024, $228 million at December 31, 2023 and $242 million at March 31, 2023. The remaining accruing loans past due 90 days or more not guaranteed by government-related entities were loans considered to be with creditworthy borrowers that were in the process of collection or renewal.

Approximately 73% of loans 30 to 89 days past due were less than 60 days delinquent at each of March 31, 2024 and December 31, 2023. Information about past due and nonaccrual loans at March 31, 2024 and December 31, 2023 is also included in note 4 of Notes to Financial Statements.

During the normal course of business, the Company modifies loans to maximize recovery efforts. The types of modifications that the Company grants typically include principal deferrals and interest rate swap agreements reductions but may also include other types of modifications. The Company may offer such modified terms to borrowers experiencing financial difficulty. Such modified loans may be considered nonaccrual if the Company does not expect to collect the contractual cash flows owed under the loan agreement. Information about modifications of loans to borrowers experiencing financial difficulty is included in effect note 4 of Notes to Financial Statements.

The Company utilizes a loan grading system to differentiate risk amongst its commercial and industrial loans and commercial real estate loans. Loans with a lower expectation of default are assigned one of ten possible “pass” loan grades while specific loans determined to have an elevated level of credit risk are classified as “criticized.” A criticized loan may be classified as “nonaccrual” if the Company no longer expects to collect all amounts according to the contractual terms of the loan agreement or the loan is delinquent 90 days or more.

Line of business personnel in different geographic locations with support from and review by the Company’s credit risk personnel review and reassign loan grades based on their detailed knowledge of individual borrowers and their judgment of the impact on such borrowers resulting from changing conditions in their respective regions. The Company’s policy is that, at least annually, updated financial information is obtained from commercial borrowers associated with pass grade loans and additional analysis performed. On a quarterly basis, the Company’s centralized credit risk department personnel reviews all criticized commercial and industrial loans and commercial real estate loans greater than $5 million to determine the appropriateness of the assigned loan grade, including whether the loan should be reported as accruing or nonaccruing. For criticized nonaccrual loans, additional meetings are held with loan officers and their managers, workout specialists and senior management to discuss each of the relationships. In analyzing criticized loans, borrower-specific information is reviewed, including operating results, future cash flows, recent developments and the borrower’s outlook, and other pertinent data. The timing and extent of potential losses, considering collateral valuation and other factors, and the Company’s potential courses of action are contemplated.

Targeted loan reviews have periodically been performed over segments of loan portfolios that are experiencing heightened credit risk due to current or anticipated economic conditions. The intention of such reviews is to identify trends across such portfolios and inform portfolio risk limits and loss mitigation strategies. The business climate in the first quarter of 2024 has continued to be subjected to inflationary pressures and elevated interest rates. These conditions have impacted many borrowers, particularly those with investor-owned commercial real estate loans in the hotel, office, retail, multifamily and healthcare sectors, including construction-related financing, and commercial and industrial loans to nonautomotive dealers and manufacturing and transportation industries. In 2023 and 2024, the Company completed targeted loan reviews covering the majority of its investor-owned commercial real estate portfolio, inclusive of construction loans, with a focus on criticized loans and loans with maturities in the next twelve months. The primary source of repayment of these loans is typically tenant lease payments to the investor/borrower. Vacancies, which have been influenced by certain demographic changes, and higher interest rates have contributed to lower current and anticipated future debt service coverage ratios, which has and could continue to influence the ability of borrowers to make existing loan payments. Lower debt service coverage ratios and reduced commercial real estate values also impact the ability of borrowers to refinance their obligations at loan maturity. As a result, criticized

investor-owned commercial real estate loans have remained elevated at $8.5 billion or 26% of such loans at March 31, 2024 and $8.8 billion or 27% of such loans at December 31, 2023. Investor-owned commercial real estate loans comprised 66% and 70% of total criticized loans at March 31, 2024 and December 31, 2023, respectively. The weighted-average LTV ratios for investor-owned commercial real estate loans was approximately 56% at each of March 31, 2024 and December 31, 2023. Criticized loans secured by investor-owned commercial real estate had a weighted-average LTV ratio of approximately 62% at March 31, 2024 and 61% at December 31, 2023.

The Company monitors its concentration of commercial real estate lending as a percentage of its Tier 1 capital plus its allowable allowance for credit losses, consistent with a metric utilized to differentiate such concentrations amongst regulated financial institutions. This metric, as prescribed in supervisory guidance, excludes loans secured by commercial real estate considered to be owner-occupied, but includes certain other loans, such as loans to real estate investment trusts, that are classified as commercial and industrial loans. The Company's commercial real estate loan concentration approximated 176% of Tier 1 capital plus its allowable allowance for credit losses at March 31, 2024, compared with 183% at December 31, 2023. The Company has reduced its relative concentration of investor-owned commercial real estate loans throughout 2023 and the first quarter of 2024.

The accompanying tables summarize the outstanding balances, and associated criticized balances, of commercial and industrial loans and leases by industry and commercial real estate loans by property type, respectively, at March 31, 2024 and December 31, 2023.

CRITICIZED COMMERCIAL AND INDUSTRIAL LOANS

	March 31, 2024	December 31, 2023

(Dollars in millions)	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized
Commercial and industrial excluding owner-occupied real estate by industry:								
Financial and insurance	$ 10,538	$ 261	$ 37	$ 298	$ 10,679	$ 346	$ 3	$ 349
Services	7,180	260	130	390	6,715	295	100	395
Motor vehicle and recreational finance dealers	6,268	525	109	634	6,242	164	51	215
Manufacturing	6,226	616	122	738	5,981	549	65	614
Wholesale	3,955	268	34	302	3,803	180	45	225
Transportation, communications, utilities	3,525	233	70	303	3,342	195	71	266
Retail	2,893	83	41	124	2,727	102	35	137
Construction	2,089	176	68	244	2,092	173	62	235
Health services	1,991	286	34	320	1,950	297	28	325
Real estate investors	1,618	195	4	199	1,684	189	4	193
Other	1,676	100	54	154	1,889	123	50	173
Total commercial and industrial excluding owner-occupied real estate	$ 47,959	$ 3,003	$ 703	$ 3,706	$ 47,104	$ 2,613	$ 514	$ 3,127
Owner-occupied real estate by industry:								
Services	$ 2,122	$ 140	$ 51	$ 191	$ 2,162	$ 154	$ 51	$ 205
Motor vehicle and recreational finance dealers	1,922	45	9	54	1,867	10	7	17
Retail	1,587	132	14	146	1,541	107	13	120
Wholesale	944	48	3	51	940	28	2	30
Manufacturing	837	58	29	87	842	64	24	88
Real estate investors	795	24	16	40	818	26	12	38
Health services	639	53	22	75	656	55	26	81
Other	1,092	33	17	50	1,080	32	21	53
Total owner-occupied real estate	9,938	533	161	694	9,906	476	156	632
Total	$ 57,897	$ 3,536	$ 864	$ 4,400	$ 57,010	$ 3,089	$ 670	$ 3,759

CRITICIZED COMMERCIAL REAL ESTATE LOANS

	March 31, 2024	December 31, 2023

(Dollars in millions)	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized
Permanent finance by property type:								
Apartments/Multifamily	$ 6,441	$ 1,003	$ 112	$ 1,115	$ 6,165	$ 1,184	$ 115	$ 1,299
Retail/Service	5,795	1,039	229	1,268	5,912	1,075	227	1,302
Office	4,599	1,011	147	1,158	4,727	879	185	1,064
Health services	3,626	1,409	177	1,586	3,615	1,364	117	1,481
Hotel	2,485	485	175	660	2,510	496	210	706
Industrial/Warehouse	1,925	133	13	146	2,034	224	13	237
Other	297	45	2	47	314	28	2	30
Total permanent	25,168	5,125	855	5,980	25,277	5,250	869	6,119
Construction/Development	7,248	2,419	144	2,563	7,726	2,527	174	2,701
Total	$ 32,416	$ 7,544	$ 999	$ 8,543	$ 33,003	$ 7,777	$ 1,043	$ 8,820

Total criticized commercial and industrial loans and commercial real estate loans were $12.9 billion and $12.6 billion at March 31, 2024 and December 31, 2023, respectively. Criticized loans represented 14.3% of the total commercial and industrial and commercial real estate loans at March 31, 2024, compared with 14.0% at December 31, 2023. At March 31, 2024 and December 31, 2023, permanent finance commercial real estate loans comprised 46% and 49% of total criticized loans, respectively, whereas commercial and industrial loans represented 34% and 30%, respectively, and construction loans represented 20% and 21%, respectively. Loans to nonautomotive finance dealers and manufacturing, wholesale and transportation companies mainly contributed to the $641 million increase in commercial and industrial criticized loans from December 31, 2023 to March 31, 2024.

The Company's loss identification and estimation techniques with respect to loans secured by residential real estate make reference to loan performance and house price data in specific areas of the country where collateral securing the Company's residential real estate loans is located. For residential real estate-related loans, including home equity loans and lines of credit, the excess of the loan balance over the net realizable value of the property collateralizing the loan is charged-off when the loan becomes 150 days delinquent. That charge-off is based on recent indications of value from external parties that are generally obtained shortly after a loan becomes nonaccrual. Loans to consumers that file for bankruptcy are generally charged-off to estimated net collateral value shortly after the Company is notified of such filings. Limited documentation first lien mortgage loans represent loans secured by residential real estate that at origination typically included some form of limited borrower documentation requirements as compared with more traditional loans. The Company no longer originates limited documentation loans. With respect to junior lien loans, to the extent known by the Company, if a related senior lien loan would be on nonaccrual status because of payment delinquency, even if such senior lien loan was not owned by the Company, the junior lien loan or line that is owned by the Company is placed on nonaccrual status. In monitoring the credit quality of its home equity portfolio for purposes of determining the allowance for credit losses, the Company reviews delinquency and nonaccrual information and considers recent charge-off experience. When evaluating individual home equity loans and lines of credit for charge-off and for purposes of determining the allowance for credit losses, the Company considers the required repayment of any first lien positions related to collateral property. Information about the location of loans secured by residential real estate is presented in the following table.

NONACCRUAL LOANS SECURED BY RESIDENTIAL REAL ESTATE

	March 31, 2024		
		Nonaccrual	
(Dollars in millions)	Outstanding Balances	Balances	Percent of Outstanding Balances
Residential mortgage loans:			
New York	$ 6,625	$ 85	1.28 %
Mid-Atlantic (a)	6,605	57	.86
New England (b)	6,010	43	.72
Other	2,952	17	.58
Total	$ 22,192	$ 202	.91 %
Limited documentation first lien mortgage loans:			
New York	$ 403	$ 24	5.81 %
Mid-Atlantic (a)	361	20	5.52
New England (b)	84	7	8.76
Other	36	2	6.53
Total	$ 884	$ 53	6.00 %
First lien home equity loans and lines of credit:			
New York	$ 815	$ 17	2.06 %
Mid-Atlantic (a)	967	23	2.43
New England (b)	456	6	1.25
Other	17	3	16.54
Total	$ 2,255	$ 49	2.16 %
Junior lien home equity loans and lines of credit:			
New York	$ 767	$ 16	2.15 %
Mid-Atlantic (a)	910	15	1.64
New England (b)	600	7	1.11
Other	26	—	.52
Total	$ 2,303	$ 38	1.66 %

(a) *Includes Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia and the District of Columbia.*

(b) *Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.*

Factors that influence the Company's credit loss experience include overall economic conditions affecting businesses and consumers, generally, but also residential and commercial real estate valuations, in particular, given the size of the Company's real estate loan portfolios. Commercial real estate valuations can be highly subjective, as they are based upon many assumptions. Such valuations can be significantly affected over relatively short periods of time by changes in business climate, economic conditions, interest rates and, in many cases, the results of operations of businesses and other occupants of the real property. Similarly, residential real estate valuations can be impacted by housing trends, the availability of financing at reasonable interest rates and general economic conditions affecting consumers.

A comparative summary of consumer loans in nonaccrual status by product is presented in the following table.

NONACCRUAL CONSUMER LOANS

(Dollars in millions)	**March 31, 2024**	**December 31, 2023**
Home equity lines and loans	$ 87	$ 81
Recreational finance	30	36
Automobile	13	14
Other	54	52
Total	$ 184	$ 183

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Allowance for Credit Losses

Management determines the allowance for credit losses under accounting guidance that requires estimating the amount of current expected credit losses over the remaining contractual term of the loan and lease portfolio. A description of the methodologies used by the Company to estimate its allowance for credit losses can be found in note 4 of Notes to Financial Statements.

In establishing the allowance for credit losses, the Company estimates losses attributable to specific troubled credits identified through both normal and targeted credit review processes and also estimates losses for other loans and leases with similar risk characteristics on a collective basis. For purposes of determining the level of the allowance for credit losses, the Company evaluates its loan and lease portfolio by type. At the time of the Company's analysis regarding the determination of the allowance for credit losses as of March 31, 2024 concerns existed about elevated levels of inflation; potential liquidity shortages and tightening credit in the financial services markets; a slowing economy or possible recession during the remainder of 2024; the volatile nature of global markets and international economic conditions that could impact the U.S. economy; Federal Reserve positioning of monetary policy; downward pressures on commercial and residential real estate values especially in the office, retail and healthcare sectors; higher interest rates and wage pressures impacting commercial borrowers, including nonautomotive finance dealers; the extent to which borrowers, in particular commercial real estate borrowers, may be negatively affected by general economic conditions; and continued stagnant population and economic growth in the upstate New York and central Pennsylvania regions (approximately 37% of the Company's loans and leases are to customers in New York State and Pennsylvania) that historically lag other regions of the country.

The Company generally estimates current expected credit losses on loans with similar risk characteristics on a collective basis. To estimate expected losses, the Company utilizes statistically developed models to project principal balances over the remaining contractual lives of the loan portfolios and determine estimated credit losses through a reasonable and supportable forecast period. The Company's approach for estimating current expected credit losses for loans and leases at March 31, 2024 and December 31, 2023 included utilizing macroeconomic assumptions to project losses over a two-year reasonable and supportable forecast period. Subsequent to the forecast period, the Company reverted to longer-term historical loss experience, over a period of one year, to estimate expected credit losses over the remaining contractual life. Forward-looking estimates of certain macroeconomic variables are determined by the M&T Scenario Review Committee, which is comprised of senior management business leaders and economists. The assumptions utilized as of March 31, 2024 and December 31, 2023 are presented in the following table and were based on information available at or near the time the Company was preparing its estimate of expected credit losses as of those dates.

ALLOWANCE FOR CREDIT LOSSES MACROECONOMIC ASSUMPTIONS

	March 31, 2024			December 31, 2023		
	Year 1	**Year 2**	**Cumulative**	**Year 1**	**Year 2**	**Cumulative**
National unemployment rate	4.4 %	4.7 %		4.4 %	4.7 %	
Real GDP growth rate	1.0	1.8	2.8 %	.9	1.9	2.8 %
Commercial real estate price index growth/decline rate	-6.9	5.5	-1.5	-9.1	4.8	-4.5
Home price index growth/ decline rate	-2.0	.4	-1.6	-3.2	-.1	-3.3

In establishing the allowance for credit losses, the Company also considers the impact of portfolio concentrations, imprecision in economic forecasts, geopolitical conditions and other risk factors that influence the loss estimation process. With respect to economic forecasts, the Company assessed the likelihood of alternative economic scenarios during the two-year reasonable and supportable time period. Generally, an increase in unemployment rate or a decrease in any of the rate of change in GDP, commercial real estate prices or home prices could have an adverse impact on expected credit losses and may result in an increase to the allowance for credit losses. Forward-looking economic forecasts are subject to inherent imprecision and future events may differ materially from forecasted events. In consideration of such uncertainty, the following alternative economic scenarios were considered to estimate the possible impact on modeled credit losses.

ALLOWANCE FOR CREDIT LOSSES SENSITIVITIES

	March 31, 2024		
	Year 1	Year 2	Cumulative
Potential downside economic scenario:			
National unemployment rate	6.5%	7.4%	
Real GDP growth/decline rate	-2.3	1.6	-.8%
Commercial real estate price index decline rate	-18.0	-2.0	-19.6
Home price index growth/decline rate	-10.4	.5	-10.0
Potential upside economic scenario:			
National unemployment rate	3.3	3.2	
Real GDP growth rate	3.5	2.4	6.0
Commercial real estate price index growth/decline rate	-1.8	9.2	7.3
Home price index growth rate	2.7	2.2	5.0

(Dollars in millions)	Impact to Modeled Credit Losses Increase (Decrease)
Potential downside economic scenario	$ 347
Potential upside economic scenario	(170)

These examples are only a few of the numerous possible economic scenarios that could be utilized in assessing the sensitivity of expected credit losses. The estimated impacts on credit losses in such scenarios pertain only to modeled credit losses and do not include consideration of other factors the Company may evaluate when determining its allowance for credit losses. As a result, it is possible that the Company may, at another point in time, reach different conclusions regarding credit loss estimates. The Company’s process for determining the allowance for credit losses undergoes quarterly and periodic evaluations by independent risk management personnel, which among many other considerations, evaluate the reasonableness of management’s methodology and significant assumptions. Further information about the Company’s methodology to estimate expected credit losses is included in note 4 of Notes to Financial Statements.

Management has assessed that the allowance for credit losses at March 31, 2024 appropriately reflected expected credit losses inherent in the portfolio as of that date. The allowance for credit losses totaled $2.2 billion at March 31, 2024, compared with $2.1 billion at December 31, 2023. As a percentage of loans outstanding, the allowance was 1.62% at March 31, 2024 and 1.59% at December 31, 2023. The increase in the allowance for credit losses as a percentage of loans and leases outstanding reflects a higher level of credit losses expected on certain commercial borrowers, including nonautomotive dealers and healthcare facilities. Included in the allocation of the allowance for credit losses were reserves for loans secured by office properties of 4.37% at each of March 31, 2024 and December 31, 2023. The level of the allowance reflects management’s evaluation of the loan and lease portfolio using the methodology and considering the factors as described herein. Should the various economic forecasts and credit factors considered by management in establishing the allowance for credit losses change and should management’s assessment of losses in the loan portfolio also change, the level of the allowance as a percentage of loans could increase or decrease in future periods. The reported level of the allowance reflects management’s evaluation of the loan and lease portfolio as of each respective date. Furthermore, the Company's allowance is general in nature and is available to absorb losses from any loan or lease category.

The ratio of the allowance for credit losses to total nonaccrual loans at March 31, 2024 and December 31, 2023 was 95% and 98%, respectively. Given the Company's general position as a secured lender and its practice of charging off loan balances when collection is deemed doubtful, that ratio and changes in the ratio are generally not an indicative measure of the adequacy of the Company's allowance for credit losses, nor does management rely upon that ratio in assessing the adequacy of the Company's allowance for credit losses.

Other Income

The components of other income are presented in the accompanying table.

OTHER INCOME

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Mortgage banking revenues	$ 104	$ 112	$ (8)	-7 %	$ 104	$ 85	$ 19	23 %
Service charges on deposit accounts	124	121	3	2	124	113	11	9
Trust income	160	159	1	1	160	194	(34)	-17
Brokerage services income	29	26	3	10	29	24	5	20
Trading account and other non-hedging derivative gains	9	11	(2)	-19	9	12	(3)	-21
Gain (loss) on bank investment securities	2	4	(2)	-35	2	—	2	—
Other revenues from operations	152	145	7	4	152	159	(7)	-5
Total other income	$ 580	$ 578	$ 2	— %	$ 580	$ 587	$ (7)	-1 %

Mortgage banking revenues

Mortgage banking revenues are comprised of both residential and commercial mortgage banking activities, which consist of realized gains and losses from sales of real estate loans and loan servicing rights, unrealized gains and losses on real estate loans held for sale and related commitments, real estate loan servicing fees, and other real estate loan related fees and income. The Company's involvement in commercial mortgage banking activities includes the origination, sales and servicing of loans under the multifamily loan programs of Fannie Mae, Freddie Mac, and the U.S. Department of Housing and Urban Development.

RESIDENTIAL MORTGAGE BANKING ACTIVITIES

Three Months Ended	Change	Three Months Ended	Change

(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Residential mortgage banking revenues								
Gains on loans originated for sale	$ 7	$ 5	$ 2	35 %	$ 7	$ 3	$ 4	138 %
Loan servicing fees	39	38	1	2	39	20	19	100
Loan sub-servicing and other fees	32	31	1	5	32	32	—	1
Total loan servicing revenues	71	69	2	3	71	52	19	38
Total residential mortgage banking revenues	$ 78	$ 74	$ 4	5 %	$ 78	$ 55	$ 23	43 %
New commitments to originate loans for sale	$ 288	$ 243	$ 45	18 %	$ 288	$ 276	$ 12	5 %

(Dollars in millions)	March 31, 2024	December 31, 2023	March 31, 2023
Balances at period end			
Loans held for sale	$ 165	$ 190	$ 152
Commitments to originate loans for sale	211	163	199
Commitments to sell loans	315	295	284
Capitalized mortgage loan servicing assets	432	456	532
Loans serviced for others	39,598	40,021	41,547
Loans sub-serviced for others (a)	111,964	115,321	97,989
Total loans serviced for others	$ 151,562	$ 155,342	$ 139,536

(a) *The contractual servicing rights associated with residential mortgage loans sub-serviced by the Company were predominantly held by affiliates of BLG. Information the Company's relationship with BLG and its affiliates is included in note 15 of Notes to Financial Statements.*

- The increase in residential mortgage loan servicing fees of $19 million in the three-month period ending March 2024 as compared with the similar 2023 period primarily reflects a $350 million bulk purchase of reside mortgage loan servicing rights associated with $19.5 billion of residential real estate loans on March 31, 2023.
- The lower balance of capitalized residential mortgage servicing rights at March 31, 2024 and December 31, 2 as compared with March 31, 2023 reflects amortization of those servicing rights.

COMMERCIAL MORTGAGE BANKING ACTIVITIES

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Commercial mortgage banking revenues								
Gains on loans originated for sale	$ 8	$ 20	$ (12)	-62 %	$ 8	$ 14	$ (6)	-45 %
Loan servicing fees and other	18	18	—	2	18	16	2	12

Total commercial mortgage banking revenues	$ 26	$ 38	$ (12)	-32 %	$ 26	$ 30	$ (4)	-14 %
Loans originated for sale to other investors	$ 1,044	$ 506	$ 538	106 %	$ 1,044	$ 672	$ 372	55 %

(Dollars in millions)	March 31, 2024	December 31, 2023	March 31, 2023
Balances at period end			
Loans held for sale	$ 563	$ 189	$ 321
Commitments to originate loans for sale	451	916	588
Commitments to sell loans	1,014	1,105	909
Capitalized mortgage loan servicing assets	122	123	124
Loans serviced for others (a)	24,771	24,157	22,389
Loans sub-serviced for others	3,906	3,873	3,786
Total loans serviced for others	$ 28,677	$ 28,030	$ 26,175

(a) Includes $4.0 billion, $3.9 billion and $3.8 billion of loan balances for which investors had recourse to the Company if such balances are ultimately uncollectible at Mar 2024, December 31, 2023 and March 31, 2023, respectively.

- The decline in gains on commercial mortgage loans originated for sale in the first three months of 2024 compared with the fourth quarter of 2023 and the corresponding 2023 period reflects lower volumes of commitments to originate commercial real estate loans for sale, which were influenced by a higher interest environment.

Service charges on deposit accounts

Service charges on deposit accounts in the recent quarter increased $3 million from the fourth quarter of 2023 reflecting higher commercial service charges from pricing changes. The $11 million increase in the recent quarter as compared with the similar 2023 quarter also reflects the increased customer usage of sweep products.

Trust income

Trust income includes fees from two significant businesses managed within the Company's Institutional Services and Wealth Management segment. The Institutional Services business provides a variety of trustee, agency, investment management and administrative services for corporations and institutions, investment bankers, corporate tax, finance and legal executives, and other institutional clients who: (i) use capital markets financing structures; (ii) use independent trustees to hold assets (including retirement plan assets prior to the sale of CIT); and (iii) need investment and cash management services. The Wealth Management business offers personal trust, planning, fiduciary, asset management, family office and other services designed to help high net worth individuals and families grow, preserve and transfer wealth.

TRUST INCOME AND ASSETS UNDER MANAGEMENT

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Trust income								
Institutional Services	$ 81	$ 82	$ (1)	-1 %	$ 81	$ 120	$ (39)	-32 %
Wealth Management	78	76	2	3	78	74	4	4
Commercial	1	1	—	9	1	—	1	179

Total trust income	$ 160	$ 159	$ 1	1 %	$ 160	$ 194	$ (34)	-17 %

(Dollars in millions)	March 31, 2024	December 31, 2023	March 31, 2023
Assets under management at period end			
Trust assets under management (excluding proprietary funds)	$ 65,191	$ 63,963	$ 161,495
Proprietary mutual funds	15,280	14,772	14,124
Total assets under management	$ 80,471	$ 78,735	$ 175,619

- In April 2023, M&T completed the divestiture of its CIT business to a private equity firm. Revenues associated that business and included in Institutional Services trust income totaled $45 million in the first quarter of 2(After considering expenses, the results of operations of that business were not material to M&T's net incom 2023's initial quarter.
- Institutional Services trust income not related to the CIT business increased $6 million for the first three month 2024 as compared with the similar 2023 period reflecting higher sales and fund management fees from its gl capital markets business.
- The lower assets under management at March 31, 2024 and December 31, 2023 as compared with March 2023 reflects the sale of the CIT business in the second quarter of 2023.

Other revenues from operations

The components of other revenues from operations are presented in the accompanying table.

OTHER REVENUES FROM OPERATIONS

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Letter of credit and other credit-related fees	$ 44	$ 54	$ (10)	-19 %	$ 44	$ 43	$ 1	1 %
Merchant discount and credit card fees	40	42	(2)	-6	40	39	1	1
Bank owned life insurance revenue (a)	16	19	(3)	-18	16	13	3	23
Equipment operating lease income	11	12	(1)	-7	11	21	(10)	-49
BLG income (b)	25	—	25	—	25	20	5	25
Other	16	18	(2)	-7	16	23	(7)	-26
Total other revenues from operations	$ 152	$ 145	$ 7	4 %	$ 152	$ 159	$ (7)	-5 %

(a) Tax-exempt income earned from bank owned life insurance includes increases in the cash surrender value of life insurance policies and benefits received. The Cor owns both general account and separate account life insurance policies. To the extent market conditions change such that the market value of assets in a separate ac bank owned life insurance policy becomes less than the previously recorded cash surrender value, an adjustment is recorded as a reduction to other revenues operations.

(b) During 2017, the operating losses of BLG resulted in M&T reducing the carrying value of its investment in BLG to zero. Subsequently, M&T has received cash distrib when declared by BLG that result in the recognition of income by M&T. M&T expects cash distributions from BLG in the future, but the timing and amount of

distributions are not within M&T's control. BLG is entitled to receive distributions from its affiliates that provide asset management and other services that are availa distribution to BLG's owners, including M&T. Information about the Company's relationship with BLG and its affiliates is included in note 15 of Notes to Financial Staten

- The decrease in letter of credit and other credit-related fees of $10 million in the recent quarter as compared the fourth quarter of 2023 was primarily the result of lower loan syndication fees.
- Equipment operating lease income declined $10 million in 2024's first quarter as compared with the similar 2 quarter reflecting lower gains on sales of leased equipment.
- Distributions from M&T's investment in BLG were $25 million and $20 million for the quarters ended March 2024 and 2023, respectively. There were no such distributions in the fourth quarter of 2023.

Other Expense

The components of other expense are presented in the accompanying table.

OTHER EXPENSE

	Three Months Ended		Change		Three Months Ended		Change	
	March 31,	December			March 31,	March 31,		
(Dollars in millions)	**2024**	**31, 2023**	**Amount**	**%**	**2024**	**2023**	**Amount**	**%**
Salaries and employee benefits	$ 833	$ 724	$ 109	15 %	$ 833	$ 808	$ 25	3 %
Equipment and net occupancy	129	134	(5)	-4	129	127	2	2
Outside data processing and software	120	114	6	5	120	106	14	13
Professional and other services	85	99	(14)	-13	85	125	(40)	-31
FDIC assessments	60	228	(168)	-74	60	30	30	101
Advertising and marketing	20	26	(6)	-21	20	31	(11)	-35
Amortization of core deposit and other intangible assets	15	15	—	—	15	17	(2)	-13
Other costs of operations	134	110	24	21	134	115	19	16
Total other expense	$ 1,396	$ 1,450	$ (54)	-4 %	$ 1,396	$ 1,359	$ 37	3 %

Salaries and employee benefits

- The number of full time equivalent employees was 21,927 at March 31, 2024, compared with 21,980 at Decen 31, 2023 and 23,004 at March 31, 2023. Included in each of the first quarters of 2024 and 2023 was $99 millio seasonally higher stock-based compensation, medical plan costs, payroll-related taxes and unemployn insurance.
- Salaries and employee benefits expenses increased $109 million in the recent quarter as compared with fourth quarter of 2023 reflecting the aforementioned seasonal costs, annual merit increases and a rise in incen compensation, partially offset by lower severance expense.
- Salaries and employee benefits expenses increased $25 million in the recent quarter as compared with the y

earlier quarter reflecting annual merit increases in the first quarter of 2024, other pay increases in 2023 and hi incentive compensation, partially offset by lower employee staffing levels.

Nonpersonnel expenses

- FDIC assessments reflect a $197 million estimated special assessment in the fourth quarter of 2023 and million of estimated incremental special assessment expense recorded in the first quarter of 2024.
- Nonpersonnel expenses aggregated $563 million in the recent quarter as compared with $726 million in the fo quarter of 2023. After considering the FDIC special assessments, the $5 million increase in the recent quarte compared with 2023's fourth quarter reflects an increase in other costs of operations of $24 million, inclu higher costs associated with the Company's supplemental executive retirement savings plan, losses on le terminations related to certain vacated properties and incremental charitable contributions. Those unfavor factors were partially offset by lower professional and other services expenses of $14 million, reflecting the ti and level of consulting and legal-related fees.
- Nonpersonnel expenses increased $12 million in the recent quarter from $551 million in the year-earlier quarter. That increase includes an FDIC special assessment of $29 million, higher outside data processing software costs of $14 million and a rise in other costs of operations of $19 million, reflecting amortizatio mortgage loan servicing rights obtained through a bulk purchase in March 2023. Those unfavorable factors partially offset by lower professional and other services expenses of $40 million reflecting lower sub-advisory following the sale of the CIT business in April 2023 and a decline in advertising and marketing costs of $11 mil

Income Taxes

Income tax expense was $133 million in the first quarter of 2024, compared with $143 million in the fourth quarter of 2023 and $224 million in the year-earlier quarter. The effective tax rates were 20.0%, 22.9% and 24.2% for the quarters ended March 31, 2024, December 31, 2023 and March 31, 2023, respectively. The first quarter of 2024 income tax expense included a net discrete benefit related to the resolution of a tax matter inherited from the acquisition of People's United. The effective tax rate is affected by the level of income earned that is exempt from tax relative to the overall level of pre-tax income, the amount of income allocated to the various state and local jurisdictions where the Company operates, because tax rates differ among such jurisdictions, and the impact of any large discrete or infrequently occurring items. The Company’s effective tax rate in future periods may also be affected by any change in income tax laws or regulations and interpretations of income tax regulations that differ from the Company’s interpretations by any of various tax authorities that may examine tax returns filed by M&T or any of its subsidiaries.

Liquidity Risk

As a financial intermediary, the Company is exposed to various risks, including liquidity and market risk. Liquidity refers to the Company’s ability to ensure that sufficient cash flow and liquid assets are available to satisfy current and future obligations, including demands for loans and deposit withdrawals, funding operating costs and other corporate purposes. Liquidity risk arises whenever cash flows associated with financial instruments included in assets and liabilities differ.

The most significant source of funding for the Company is core deposits, which are generated from a large base of consumer, corporate and institutional customers. That customer base has, over the past several years, become more geographically diverse as a result of expansion of the Company's businesses. Nevertheless, the Company faces competition in offering products and services from a large array of financial market participants, including banks, thrifts, mutual funds, securities dealers and others. Core deposits totaled $151.5 billion and $146.5 billion at March 31, 2024 and December 31, 2023, respectively. The increase in core deposits at March 31, 2024 as compared with December 31, 2023 reflects a higher level of trust customer deposits.

The Company supplements funding provided through deposits with various short-term and long-term wholesale borrowings, including overnight federal funds purchased, short-term repurchase agreements, advances from the FHLB of New York, FHLBs, brokered deposits and longer-term borrowings. M&T Bank has access to additional funding sources through secured borrowings from the FHLB of New York and the FRB of New York, M&T Bank's Bank Note Program, and other available borrowing facilities. The Bank Note Program enables York. Beginning in the first quarter of 2024, M&T Bank became a counterparty to offer unsecured senior and subordinated notes. the FRB of New York standing repurchase agreement facility, which allows it to enter into overnight repurchase transactions using eligible investment securities. The Company has, in the past, issued subordinated capital notes and junior subordinated debentures associated with trust preferred securities to provide liquidity and enhance regulatory capital ratios. The Company's junior subordinated debentures associated with trust preferred securities At March 31, 2024 and other subordinated capital notes are considered Tier 2 capital and are includable in total regulatory capital. At September 30, 2023 and December 31, 2022 December 31, 2023, long-term borrowings aggregated $7.1 billion $11.5 billion and $4.0 billion $8.2 billion, respectively and short-term borrowings aggregated $6.7 billion $4.8 billion and $3.6 billion $5.3 billion, respectively. Information about the Company's borrowings is presented in note 5 of Notes to Financial Statements.

The Company has benefited from the placement of brokered deposits. The Company had brokered savings and interest-checking deposit accounts which aggregated approximately $5.6 billion $7.9 billion at September 30, 2023, $3.8 billion

March 31, 2024 and $7.8 billion at December 31, 2022 and $3.3 billion at September 30, 2022. Funding from brokered time deposits increased $3.9 billion in the first nine months of 2023 to $8.0 billion at September 30, 2023 from $4.1 billion at December 31, 2022 December 31, 2023. Brokered time deposits totaled $4.7 billion at March 31, 2024 and $6.1 billion at December 31, 2023. Approximately 87% of brokered time deposits at March 31, 2024 have a contractual maturity date in the next 12 months.

Total uninsured deposits were estimated to be $71.9 billion at March 31, 2024 and $67.0 billion at December 31, 2023. Approximately $11.4 billion and $10.7 billion of those uninsured deposits were collateralized by the Company at March 31, 2024 and December 31, 2023, respectively. The Company maintains available liquidity sources which represent approximately 135% of uninsured deposits that are not a significant source of funding collateralized by the Company at September 30, 2022 March 31, 2024.

The Company's ability to obtain funding from these sources could be negatively impacted should the Company experience a substantial deterioration in its financial condition or its debt ratings or should the availability of funding become restricted due to a disruption in the financial markets. The Company attempts to quantify such credit-event risk risks by modeling scenarios conducting scenario analyses that estimate the liquidity impact resulting from a short-term debt ratings downgrade over various grading levels. and other market events. Such impact is estimated by attempting to measure the effect on available unsecured lines of credit, available capacity from secured borrowing sources and securitizable assets.

M&T's primary source of funds to pay for operating expenses, shareholder dividends and treasury stock repurchases has historically been the receipt of dividends from its bank subsidiaries, which are subject to various regulatory limitations. Dividends from any bank subsidiary to M&T are limited by the amount of earnings of the subsidiary in the current year and the two preceding years. For purposes of that test, at March 31, 2024 approximately $1.2 billion was available for payment of dividends to M&T from bank subsidiaries. M&T also may obtain funding through long-term borrowings. Further information about the long-term outstanding borrowings of M&T is provided in note 5 of Notes to Financial Statements. As a bank holding company, M&T is obligated to serve as a managerial and financial source of strength to its bank subsidiaries as described in Part I, Item 1, "Business" in the 2023 Annual Report. As its ability to access the capital markets may be affected by market disruptions, M&T maintains sufficient cash resources at its parent company to satisfy projected cash outflows for an extended period without reliance on dividends from subsidiaries or external financing. As of March 31, 2024, M&T's parent company liquidity covered projected cash

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outflows for more than 24 months, including dividends on common and preferred stock, debt service and scheduled debt maturities.

In addition to deposits and borrowings, other sources of liquidity include maturities and repayments of investment securities, loans and other earning assets, repayments of loans and investment securities, and as well as cash generated from operations, such as fees collected for services. The Company also has the ability to securitize or sell certain financial assets, including various loan types, to provide other liquidity alternatives. On August 7, 2023, Moody's Investor Service reaffirmed M&T Bank's short-term deposit rating at Prime-1, but downgraded M&T's U.S. Treasury and M&T Bank's senior federal agency securities and subordinated debt ratings from A3 to Baa1 and M&T Bank's long-term deposits rating from Aa3 to A1.

Certain customers government issued or guaranteed mortgage-backed securities comprised 90% of the Company obtain financing through the issuance of VRDBs. The VRDBs are generally enhanced by letters of credit provided by M&T Bank. M&T Bank oftentimes acts as remarketing agent for the VRDBs and, Company's debt securities portfolio at its discretion, may from time-to-time own some of the VRDBs while such instruments are remarketed. When this occurs, the VRDBs are classified as trading account assets in the Company's Consolidated Balance Sheet. Nevertheless, M&T Bank is not contractually obligated to purchase the VRDBs. There were no such securities in the trading account at

September 30, 2023, December 31, 2022 and September 30, 2022 March 31, 2024. The total amounts weighted-average durations of VRDBs outstanding backed by M&T Bank letters of credit debt investment securities available for sale and held to maturity at March 31, 2024 were $557 million at September 30, 2023, $604 million at December 31, 2022 2.0 years and $633 million at September 30, 2022. M&T Bank also serves as remarketing agent for most of those bonds. 5.4 years, respectively.

The Company enters into contractual obligations in the normal course of business that require future cash payments. Such obligations include, among others, payments related to deposits, borrowings, leases and other contractual commitments. Off-balance sheet commitments to customers may impact liquidity, including commitments to extend credit, standby letters of credit, commercial letters of credit, financial guarantees and indemnification contracts, and commitments to sell real estate loans. Because many of these commitments or contracts expire without being funded in whole or in part, the contract amounts are not necessarily indicative of future cash flows. Further discussion of these commitments is provided in note 13 of Notes to Financial Statements.

M&T's primary source of funds to pay for operating expenses, shareholder dividends and treasury stock repurchases has historically been the receipt of dividends from its bank subsidiaries, which are subject to various regulatory limitations. Dividends from any bank subsidiary to M&T are limited by the amount of earnings of the subsidiary in the current year and the two preceding years. For purposes of that test, at September 30, 2023 approximately $1.67 billion was available for payment of dividends to M&T from bank subsidiaries. M&T also may obtain funding through long-term borrowings. In September 2023, M&T commenced its Medium-Term Note Program under which M&T may issue, from time to time, senior and subordinated medium-term notes. As previously described, in January 2023 M&T issued $1.0 billion of senior notes that mature in January 2034 and in July 2023, $750 million of senior notes matured. In October 2023, M&T issued $750 million of fixed rate to floating rate senior notes that mature in October 2029. Outstanding senior notes of M&T at September 30, 2023 and December 31, 2022 were $1.4 billion and $1.2 billion, respectively. Junior subordinated debentures of M&T associated with trust preferred securities outstanding at September 30, 2023 and December 31, 2022 totaled $539 million and $536 million, respectively.

Management The Company's Executive ALCO Committee closely monitors the Company's liquidity position on an ongoing basis for compliance with internal policies and regulatory expectations expectations. As a Category IV institution, the Company adheres to enhanced liquidity standards which require the performance of internal liquidity stress testing. The stress testing is designed to ensure the Company has sufficient liquidity to withstand both institution-specific and believes that market-wide stress scenarios. For each scenario, the Company applies liquidity stress which may include deposit run-off, increased draws on unfunded loan commitments, increased collateral need for margin calls, increased haircuts on investment security-based funding and reductions in unsecured and secured borrowing capacity. Stress scenarios are measured over various time frames ranging from overnight to twelve months. As required by regulation, the Company maintains a liquidity buffer comprised of cash and highly liquid unencumbered securities to cover a 30-day stress horizon. Liquidity stress events occurring over longer time horizons can be mitigated by the availability of secured funding sources at the FHLB of New York and FRB of New York. The following table is a summary of the Company's available sources of liquidity are adequate to meet funding needs anticipated in the ordinary course of business. Available liquidity at September 30, 2023 included cash on deposit at the FRB of New York of $30.0 billion, unused secured borrowing facilities of $30.1 billion, and unencumbered investment securities (after estimated haircut) of approximately $16.6 billion March 31, 2024.

AVAILABLE LIQUIDITY SOURCES

(Dollars in millions)	March 31, 2024
Deposits at the FRB of New York	$ 32,033
Unused secured borrowing facilities:	
FRB of New York	18,404
FHLB of New York	14,589
Unencumbered investment securities (after estimated haircuts)	16,506
Total	$ 81,532

Management continually continuously evaluates the use and mix of its various available funding alternatives, including short-term borrowings, issuance issuances of long-term debt,

the placement of brokered deposits and the securitization of certain loan products. Management does not anticipate engaging in any activities, either currently or in the long term, for which adequate funding would not be available and would therefore result in a significant strain on liquidity at either M&T or its subsidiary banks. In accordance with liquidity regulations, the Company maintains a contingency funding plan to facilitate on-going liquidity management in times of liquidity stress. The plan outlines various funding options available during a liquidity stress event and establishes a clear escalation protocol to be followed within the Company's risk management framework. The plan sets forth funding strategies and procedures that management can quickly leverage to assist in decision-making and specifies roles and responsibilities for departments impacted by a potential liquidity stress event.

Market Risk and Interest Rate Sensitivity

Market risk is the risk of loss from adverse changes in the market prices and/or interest rates of the Company's financial instruments. The primary market risk the Company is exposed to is interest rate risk. Interest rate risk arises from the Company's core banking activities of lending and deposit-taking, because assets and liabilities reprice at different times and by different amounts as interest rates change. As a result, net interest income earned by the Company is subject to the effects of changing interest rates. The Company measures interest rate risk by calculating the variability of net interest income in future periods under various interest rate scenarios using projected balances for earning assets, interest-bearing liabilities and derivatives used to manage hedge interest rate risk. Management's philosophy toward interest rate risk management is to limit the variability of net interest income. The balances of financial instruments used in the projections are based on expected growth from forecasted business opportunities, anticipated prepayments of loans and investment securities, and expected maturities of investment securities, loans and deposits. Management uses a "value of equity" model to supplement the modeling technique described above. Those supplemental analyses are based on discounted cash flows associated with on- and off-balance sheet financial instruments. Such analyses are modeled to reflect changes in interest rates and provide management with a long-term interest rate risk metric. The

Company has entered into interest rate swap agreements to help manage exposure to interest rate risk. At September 30, 2023 March 31, 2024, the aggregate notional amount of interest rate swap agreements entered into for interest rate risk management purposes that were currently in effect was $16.6 billion $19.5 billion. In addition, the Company has entered into $9.4 billion $7.8 billion of forward-starting interest rate swap agreements predominantly related to cash flow hedges. Information about interest rate swap agreements entered into for interest rate risk management purposes is included herein under the heading "Net Interest Margin" and in note 10 of Notes to Financial Statements.

The Company's Asset-Liability Executive ALCO Committee which includes members of executive management, monitors the sensitivity of the Company's net interest income to changes in interest rates with the aid of a computer model that forecasts net interest income under different interest rate scenarios. In modeling changing interest rates, the Company considers different yield curve shapes that consider both parallel (that is, simultaneous changes in interest rates at each point on the yield curve) and non-parallel (that is, allowing interest rates at points on the yield curve to vary by different amounts) shifts in the yield curve. In utilizing the model, market-implied forward interest rates over the subsequent twelve months are generally used to determine a base interest rate scenario for the net interest income simulation. That calculated base net interest income is then compared with the income calculated under the varying interest rate scenarios. The model considers the impact of ongoing lending and deposit-gathering activities, as well as interrelationships in the magnitude and timing of the repricing of financial instruments, including the effect of changing interest rates on expected prepayments and maturities. When deemed prudent, management has taken actions to mitigate exposure to interest rate risk through the use of on- or off-balance sheet financial instruments and intends to do so in the future. Possible actions include, but are not limited to, changes in the pricing of loan and deposit products, modifying the composition of earning assets and interest-bearing liabilities, and adding to, modifying or terminating existing interest rate swap agreements or other financial instruments used for interest rate risk management purposes.

The accompanying table as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 displays the estimated impact on net interest income in the base scenario described above resulting from parallel changes in interest rates across repricing categories during the first modeling year.

SENSITIVITY OF NET INTEREST INCOME
TO CHANGES IN INTEREST RATES

Changes in interest rates	Calculated Increase (Decrease) in Projected Net Interest Income	
	September 30, 2023	December 31, 2022
	(In thousands)	
+200 basis points	$ 68,953	224,555
+100 basis points	63,958	158,020
-100 basis points	(100,361)	(216,202)
-200 basis points	(192,878)	(439,512)

Changes in interest rates	Calculated Change in Projected Net Interest Income

(Dollars in millions)	March 31, 2024	December 31, 2023
+200 basis points	$ (50)	$ (18)
+100 basis points	5	20
-100 basis points	(18)	(46)
-200 basis points	(36)	(83)

The Company utilized many assumptions to calculate the impact that changes in interest rates may have on net interest income. The more significant of those assumptions included the rate of prepayments of mortgage-related assets, cash flows from derivative and other financial instruments, loan and deposit volumes, mix and pricing, and deposit maturities. In the scenarios presented, the Company also assumed gradual changes in interest rates during a twelve-month period as compared with the base scenario. Changes in amounts presented since December 31, 2022 December 31, 2023 reflect changes in portfolio composition (including shifts between noninterest-bearing and interest-bearing deposits and higher levels of borrowings), the level of market-implied forward interest rates and hedging actions taken by the

Company. Amidst the rising interest rate environment since the first quarter of 2022, M&T's cumulative deposit pricing beta, which is the change in deposit pricing in response to a change in market interest rates, approximated 48 55 percent. Excluding brokered deposits that cumulative pricing beta approximated 42 50 percent. The cumulative deposit pricing beta (including and excluding brokered deposits) is assumed to approximate 50 to 55 percent in the interest rate scenarios presented. The assumptions used in interest rate sensitivity modeling are inherently uncertain and, as a result, the Company cannot precisely predict the impact of changes in interest rates on net interest income. Actual results may differ significantly from those presented due to the timing, magnitude and frequency of changes in interest rates and changes in market conditions and interest rate differentials (spreads) between maturity/repricing categories, as well as any actions, such as those previously described, which management may take to counter such changes.

Certain Management also uses an “economic value of equity” model to supplement the modeling technique described above and provide a long-term interest rate risk metric. Economic value of equity is a point-in-time analysis of the Company's earning economic sensitivity of assets, interest-bearing liabilities preferred equity instruments and off-balance sheet positions that incorporates all cash flows over their estimated remaining lives. Management measures the impact of changes in market values due to interest rate swap agreements historically referenced LIBOR. The determination rates under a number of LIBOR has effectively ceased after its final publication on June 30, 2023. In preparation for the elimination of LIBOR as a reference rate, the Company essentially had discontinued entering into LIBOR-based contracts at the end of 2021. At September 30, 2023 substantially all customer and other counterparty financial instruments have been transitioned to a new index (generally SOFR) through the amendment of pre-existing agreements to include appropriate alternative language effective upon cessation of LIBOR publication, negotiating new agreements, or other means. The outstanding amount of loans and leases that continue to reference LIBOR at September 30, 2023 was not significant. Prior to its cessation, many scenarios, including immediate shifts of the

Company's interest rate swap agreements referenced LIBOR. In October 2020, the International Swaps and Derivatives Association, Inc. published the Supplement and the Protocol. The Protocol enabled market participants to incorporate certain revisions into their legacy non-cleared derivative trades with other counterparties that also chose to adhere to the Protocol. M&T adhered to the Protocol in November 2020. With respect to the Company's cleared interest rate swap agreements that referenced LIBOR, clearinghouses have adopted the same SOFR benchmark alternatives of the Supplement and Protocol. All of the Company's LIBOR-based interest rate swap agreements at September 30, 2023 have reset to a suitable alternative index, primarily SOFR. yield curve.

In addition to the effect of interest rates, changes in fair value of the Company's financial instruments can also result from a lack of trading activity for similar instruments in the financial markets. That impact is most notable on the values assigned to some of the Company's investment securities. Information about the fair valuation of investment securities financial instruments is presented in notes 3 and note 12 of Notes to Financial Statements.

The Company enters into interest rate and foreign exchange contracts to meet the financial needs of customers that it includes in its financial statements as other non-hedging derivatives within other assets and other liabilities. Financial instruments utilized for such activities consist predominantly of interest rate swap agreements and forward and futures contracts related to foreign currencies. The Company generally mitigates the foreign currency and interest rate risk associated with customer activities by entering into offsetting positions with third parties that are also included in other assets and other liabilities. The fair values of non-hedging derivative positions associated with interest rate contracts and foreign currency and other option and futures contracts are presented in note 10 of Notes to Financial Statements. As with any non-government guaranteed financial instrument, the Company is exposed to credit risk associated with counterparties to the Company's non-hedging derivative activities. Although the notional amounts of these contracts are not recorded in the Consolidated Balance Sheet, the unsettled fair values of such financial instruments are recorded in the Consolidated Balance Sheet. The fair values of such non-hedging derivative assets and liabilities recognized on the Consolidated Balance Sheet were $339 million $258 million and $1.4 billion $1.0 billion, respectively, at September 30, 2023 March 31, 2024 and $380 million $256 million and $1.3 billion $898 million, respectively, at December 31, 2022 December 31, 2023. The fair value asset and liability amounts at September 30, 2023 March 31, 2024 have been reduced by contractual settlements of $1.2 billion $893 million and $16 million, respectively, and at December 31, 2022 December 31, 2023 have been reduced by contractual settlements of $1.1 billion $783 million and $29 million $32 million,

respectively. The amounts associated with the Company's non-hedging derivative activities at September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 reflect changes in values associated with interest rate swap agreements entered into with commercial customers that are not subject to periodic variation margin settlement payments.

Trading account assets were $137 million $99 million at September 30, 2023, $118 million March 31, 2024 and $106 million at December 31, 2022 and $130 million at September 30, 2022 December 31, 2023. Included in trading account assets were assets related to deferred compensation plans of $22 million at September 30, 2023 and $23 million at each of December 31, 2022 March 31, 2024 and September 30, 2022 December 31, 2023. Changes in the fair values of such assets are recorded as "trading trading account and other non-hedging derivative gains" gains in the Consolidated Statement of Income. Included in "other liabilities" accrued interest and other liabilities in the Consolidated Balance

Sheet at September 30, 2023 was $27 million of liabilities related to deferred compensation plans compared with $29 million at each of December 31, 2022 March 31, 2024 and September 30, 2022 December 31, 2023. Changes in the balances of such liabilities due to the valuation of allocated investment options to which the liabilities are indexed are and recorded in “other other costs of operations” operations in the Consolidated Statement of Income. Also included in trading account assets were investments in mutual funds and other assets that the Company was required to hold under terms of certain non-qualified supplemental retirement and other benefit plans that were assumed by the Company in various acquisitions. Those assets totaled $81 million $77 million at September 30, 2023, $95 million March 31, 2024 and $80 million at December 31, 2022 and $107 million at September 30, 2022 December 31, 2023.

Given the Company’s policies and positions, management believes that the potential loss exposure to the Company resulting from market risk associated with trading account and other non-hedging derivative activities was not material, however, as previously noted, the Company is exposed to credit risk associated with counterparties to transactions

related to the Company’s actions to mitigate foreign currency and interest rate risk associated with customer activities. Additional information Information about the Company’s use of derivative financial instruments is included in note 10 of Notes to Financial Statements.

Provision for Credit Losses

A provision for credit losses is recorded to adjust the level of the allowance to reflect expected credit losses that are based on economic forecasts as of each reporting date. A provision for credit losses of $150 million was recorded in each of the third quarter of 2023 and the second quarter of 2023, compared with $115 million in the year-earlier third quarter. The Company's estimates of expected credit losses at September 30, 2023 reflect a modest increase in the unemployment rate, lower economic activity measured by gross domestic product and a decline in commercial and residential real estate prices. Declines in commercial real estate values persisted in the recent quarter as concerns continue around the healthcare and office building sectors. The Company recorded a $420 million provision for credit losses in the first nine months of 2023, compared with $427 million in the corresponding 2022 period. The provision for credit losses in the first nine months of 2022 included $242 million in the second quarter on loans obtained in the acquisition of People's United not deemed to be PCD. GAAP requires a provision for credit losses to be recorded related to those loans beyond the recognition of credit losses utilized in the determination of the estimated fair value of the loans at the acquisition date. In addition to the recorded provision, the allowance for credit losses was also increased by $99 million in the second quarter of 2022 to reflect the expected credit losses on loans obtained in the acquisition of People's United deemed to be PCD. That addition represented an increase of the carrying values of loans identified as PCD at the time of the acquisition.

A summary of net charge-offs by loan type and as an annualized percentage of such average loans is presented in the table that follows.

NET CHARGE-OFFS (RECOVERIES)
BY LOAN/LEASE TYPE

	2023							
	First Quarter		Second Quarter		Third Quarter		Year-to-date	
	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans
	(Dollars in thousands)							
Commercial, financial, leasing, etc.	$ 9,561	.09 %	$ 4,827	.04 %	$ 19,868	.18 %	$ 34,256	.10 %
Real estate:								
Commercial	29,055	.26	99,037	.88	47,284	.42	175,376	.52
Residential	378	.01	(1,243)	-.02	508	.01	(357)	—
Consumer	31,227	.62	24,123	.48	28,579	.56	83,929	.55
	$ 70,221	.22 %	$ 126,744	.38 %	$ 96,239	.29 %	$ 293,204	.30 %

	2022							
	First Quarter		Second Quarter (a)		Third Quarter		Year-to-date (a)	
	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans	Net Charge-Offs (Recoveries)	Percentage of Average Loans
	(Dollars in thousands)							
Commercial, financial, leasing, etc.	$ 5,569	.10 %	$ 29,502	.31 %	$ 15,374	.16 %	$ 50,445	.20 %
Real estate:								
Commercial	(13,143)	-.15	7,140	.06	34,812	.30	28,809	.09
Residential	865	.02	256	—	338	.01	1,459	.01
Consumer	13,576	.31	12,671	.26	12,675	.25	38,922	.27
	$ 6,867	.03 %	$ 49,569	.16 %	$ 63,199	.20 %	$ 119,635	.14 %

(a) *For the three months ended June 30, 2022 and nine months ended September 30, 2022, net charge-offs do not reflect $33 million of charge-offs related to PCD ac loans.*

There were no individually notable commercial loan charge-offs or recoveries in the third quarter of 2023. Net charge-offs of commercial loans in the second quarter of 2023 reflected a $9 million recovery of a previously charged off loan to a skilled nursing facility. Net charge-offs of commercial loans in the year-earlier quarter reflected a $23 million charge-off of a loan to a paper distribution company, partially offset by recoveries of previously charged-off loan balances. The net charge-offs of commercial real estate loans in the third quarter of 2023 included a $15 million charge-off of a loan to a real estate development and management company in the mid-Atlantic region. Net charge-offs of commercial real estate loans in the second quarter of 2023 reflected a $38 million charge-off of a loan secured by a multi-tenant office and retail building in New York City, a $28 million charge-off of eight loans related to a single operator of multiple healthcare facilities located in New York, Vermont, and Rhode Island, a $13 million charge-off of a loan secured by a multi-tenant office and retail building in Massachusetts, and a $12 million charge-off to a real estate development and management company in the mid-Atlantic region. Net charge-offs of commercial real estate loans in the year-earlier quarter reflected a $20 million charge-off of a loan to a healthcare provider. Included in net charge-offs of consumer loans were: net charge-offs of automobile loans of $1 million in the recent quarter and less than $1 million in the second quarter of 2023, compared with net recoveries of less than $1 million in the third quarter of 2022; net charge-offs of recreational finance loans of $11 million in the third quarter of 2023, $5 million in the year-earlier quarter and $10 million in the second quarter of 2023; and net charge-offs associated with other consumer loans including credit cards and installment loans that totaled $17 million in the recent quarter, $8 million in the year-earlier quarter and $14 million in the second quarter of 2023.

A comparative summary of nonperforming assets and certain past due loan data and credit quality ratios is presented in the accompanying table.

NONPERFORMING ASSET AND PAST DUE LOAN DATA

	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
			(Dollars in thousands)		
Nonaccrual loans	$ 2,341,938	2,435,581	2,556,799	2,438,435	2,429,326
Real estate and other foreclosed assets	37,097	42,720	44,567	41,375	37,031
Total nonperforming assets	$ 2,379,035	2,478,301	2,601,366	2,479,810	2,466,357
Accruing loans past due 90 days or more	$ 354,029	380,079	407,457	491,018	476,503
Government guaranteed loans included in totals above:					
Nonaccrual loans	$ 39,801	39,846	42,102	43,536	44,797
Accruing loans past due 90 days or more (a)	268,783	294,184	306,049	363,409	423,371
Nonaccrual loans to total loans and leases, net of unearned discount	1.77 %	1.83 %	1.92 %	1.85 %	1.89 %
Nonperforming assets to total net loans and leases and real estate and other foreclosed assets	1.80 %	1.86 %	1.96 %	1.88 %	1.92 %
Accruing loans past due 90 days or more to total loans and leases, net of unearned discount	.27 %	.29 %	.31 %	.37 %	.37 %

(a) Predominantly residential real estate loans.

Loans obtained in the acquisition of People's United that have been classified as nonaccrual totaled $556 million at September 30, 2023, $581 million at September 30, 2022, $572 million at December 31, 2022, and $570 million at June 30, 2023. The level of nonaccrual loans reflects the continuing impact of economic conditions on borrowers' abilities to make contractual payments on their loans, most notably commercial real estate loans in the retail, office, healthcare and hospitality sectors.

Government guaranteed loans classified as accruing loans past due 90 days or more included one-to-four family residential mortgage loans serviced by the Company that were repurchased to reduce associated servicing costs, including a requirement to advance principal and interest payments that had not been received from individual mortgagors. Despite the loans being purchased by the Company, the insurance or guarantee by the applicable government-related entity remains in force. The outstanding principal balances of the repurchased loans included in the amounts noted above that are guaranteed by government-related entities totaled $202 millionat September 30, 2023, $366 million at September 30, 2022, $294 million at December 31, 2022, and $223 million at June 30, 2023. The remaining accruing loans past due 90 days or more not guaranteed by government-related entities were loans considered to be with creditworthy borrowers that were in the process of collection or renewal.

Loans that were 30-89 days past due were $1.7 billion at September 30, 2023, or 1.32% of total loans outstanding, $1.6 billion or 1.23% of total loans outstanding at September 30, 2022, $1.8 billion or 1.35% of total loans outstanding at December 31, 2022, and $1.7 billion or 1.24% of total loans outstanding at June 30, 2023. At September 30, 2023, 72% of loans 30-89 days past due were less than 60 days delinquent. Information about delinquent loans at September 30, 2023 and December 31, 2022 is included in note 4 of Notes to Financial Statements.

During the normal course of business, the Company modifies loans to maximize recovery efforts. The types of modifications that the Company grants typically include principal deferrals and interest rate reductions but may also include other types of modifications. The Company may offer such modified terms to borrowers experiencing financial difficulty. Such modified loans may be considered nonaccrual if the Company does not expect to collect the contractual cash flows owed under the loan agreement. Information about modifications of loans to borrowers experiencing financial difficulty is included in note 4 of Notes to Financial Statements.

Commercial loans and leases classified as nonaccrual totaled $485 million, $368 million, $347 million and $416 million at September 30, 2023, September 30, 2022, December 31, 2022 and June 30, 2023, respectively. The higher level of commercial loans and leases classified as nonaccrual at the two most recent quarter ends as compared with September 30, 2022 and December 31, 2022 reflects an increase in loans to motor vehicle and recreational finance dealers classified as nonaccrual. Commercial real estate loans in nonaccrual status aggregated $1.4 billion at

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September 30, 2023 and $1.5 billion at each of September 30, 2022, December 31, 2022 and June 30, 2023. Commercial real estate loans in nonaccrual status were largely reflective of loans in the retail, office, healthcare and hospitality sectors. Commercial loans and leases and commercial real estate loans acquired from People's United and classified as nonaccrual totaled $67 million and $428 million, respectively, at September 30, 2023, $136 million and $416 million, respectively, at September 30, 2022, $118 million and $401 million, respectively, at December 31, 2022 and $96 million and $418 million, respectively, at June 30, 2023.

Nonaccrual residential real estate loans totaled $303 million at September 30, 2023, compared with $381 million at September 30, 2022, $350 million at December 31, 2022 and $305 million at June 30, 2023. The lower balance of nonaccrual residential real estate loans since September 30, 2022 is reflective of improved customer repayment performance in current economic conditions. Residential real estate loans obtained in the acquisition of People's United and classified as nonaccrual aggregated $40 million at September 30, 2023, $17 million at September 30, 2022, $36 million at December 31, 2022 and $39 million at June 30, 2023. Included in residential real estate loans classified as nonaccrual were limited documentation first lien mortgage loans of $62 million at September 30, 2023, compared with $95 million at September 30, 2022, $78 million at December 31, 2022 and $67 million at June 30, 2023. Limited documentation first lien mortgage loans represent loans secured by residential real estate that at origination typically included some form of limited borrower documentation requirements as compared with more traditional loans. The Company no longer originates limited documentation loans. Residential real estate loans past due 90 days or more and accruing interest aggregated $261 million at September 30, 2023, compared with $412 million at September 30, 2022, $345 million at December 31, 2022 and $284 million at June 30, 2023. Those amounts related predominantly to government-guaranteed loans. The declining balances of those loans since 2022's third quarter reflect improved borrower repayment performance. Information about the location of nonaccrual and charged-off residential real estate loans as of and for the quarter ended September 30, 2023 is presented in the accompanying table.

Nonaccrual consumer loans were $178 million at September 30, 2023, $206 million at September 30, 2022, $218 million at December 31, 2022 and $184 million at June 30, 2023. Nonaccrual automotive loans were $16 million at September 30, 2023, $40 million at each of September 30, 2022 and December 31, 2022 and $22 million at June 30, 2023. Recreational finance loans classified as nonaccrual were $31 million, $39 million, $45 million and $32 million at September 30, 2023, September 30, 2022, December 31, 2022 and June 30, 2023, respectively. Outstanding balances of home equity loans and lines of credit classified as nonaccrual were $78 million at each of September 30, 2023 and September 30, 2022, compared with $85 million and $77 million at December 31, 2022 and June 30, 2023, respectively. Consumer loans acquired from People's United and classified as nonaccrual were $18 million at September 30, 2023, $12 million at September 30, 2022, $17 million at December 31, 2022 and $16 million at June 30, 2023 and consisted predominantly of home equity loans and lines of credit. Information about the location of nonaccrual and charged-off home equity loans and lines of credit as of and for the quarter ended September 30, 2023 is presented in the accompanying table.

Information about past due and nonaccrual loans as of September 30, 2023 and December 31, 2022 is also included in note 4 of Notes to Financial Statements.

SELECTED RESIDENTIAL REAL ESTATE-RELATED LOAN DATA

				Quarter Ended
	September 30, 2023			September 30, 2023
		Nonaccrual		Net Charge-offs (Recoveries)
				Annualized Percent of Average
		Percent of		

	Outstanding Balances	Balances	Outstanding Balances	Balances	Outstanding Balances
			(Dollars in thousands)		
Residential mortgage loans:					
New York	$ 6,750,999	$ 97,829	1.45 %	$ (19)	— %
Mid-Atlantic (a)	6,687,467	70,652	1.06	590	.03
New England (b)	6,089,505	54,261	.89	(12)	—
Other	2,922,815	16,182	.55	(38)	-.01
Total	$ 22,450,786	$ 238,924	1.06 %	$ 521	.01 %
Residential construction loans:					
New York	$ 17,929	$ 1,605	8.95 %	$ —	— %
Mid-Atlantic (a)	8,622	224	2.60	—	—
New England (b)	10,189	—	—	—	—
Other	2,759	—	—	—	—
Total	$ 39,499	$ 1,829	4.63 %	$ —	— %
Limited documentation first lien mortgage loans:					
New York	$ 437,059	$ 27,583	6.31 %	$ (13)	-.01 %
Mid-Atlantic (a)	392,062	22,386	5.71	—	—
New England (b)	89,958	8,919	9.91	—	—
Other	38,906	3,362	8.64	—	—
Total	$ 957,985	$ 62,250	6.50 %	$ (13)	-.01 %
First lien home equity loans and lines of credit:					
New York	$ 882,813	$ 16,655	1.89 %	$ (21)	-.01 %
Mid-Atlantic (a)	1,026,174	19,318	1.88	(73)	-.03
New England (b)	484,359	5,343	1.10	2	—
Other	13,445	288	2.14	(113)	.16
Total	$ 2,406,791	$ 41,604	1.73 %	$ (205)	-.02 %
Junior lien home equity loans and lines of credit:					
New York	$ 768,591	$ 16,543	2.15 %	$ 46	.03 %
Mid-Atlantic (a)	898,832	14,174	1.58	107	.05
New England (b)	596,349	5,898	.99	(11)	-.01
Other	22,148	97	.44	(21)	-.03
Total	$ 2,285,920	$ 36,712	1.61 %	$ 121	.02 %

(a) *Includes Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia and the District of Columbia.*

(b) *Includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.*

Real estate and other foreclosed assets totaled $37 million at each of September 30, 2023 and September 30, 2022, compared with $41 million at December 31, 2022 and $43 million at June 30, 2023. Net gains or losses associated with real estate and other foreclosed assets were not material during each of the three and nine months ended September 30, 2023 and 2022. At September 30, 2023, foreclosed assets are comprised predominantly of residential real estate-related properties.

Management determines the allowance for credit losses under accounting guidance that requires estimating the amount of current expected credit losses over the remaining contractual term of the loan and lease portfolio. A description of the methodologies used by the Company to estimate its allowance for credit losses can be found in note 4 of Notes to Financial Statements.

In establishing the allowance for credit losses, the Company estimates losses attributable to specific troubled credits identified through both normal and targeted credit review processes and also estimates losses for other loans and leases with similar risk characteristics on a collective basis. For purposes of determining the level of the allowance for credit losses, the Company evaluates its loan and lease portfolio by type. At the time of the Company's analysis regarding the determination of the allowance for credit losses as of September 30, 2023 concerns existed about elevated levels of inflation; fears of liquidity shortages and tightening credit in the financial services markets and a slowing economy or possible recession in coming quarters; the volatile nature of global markets and international economic conditions that could impact the U.S. economy; Federal Reserve positioning of monetary policy; downward pressures

on commercial and residential real estate values especially in the office and healthcare sectors; rising interest rates and wage pressures impacting commercial borrowers; the extent to which borrowers, in particular commercial real estate borrowers, may be negatively affected by general economic conditions; and continued stagnant population and economic growth in the upstate New York and central Pennsylvania regions (approximately 37% of the Company's loans and leases are to customers in New York State and Pennsylvania) that historically lag other regions of the country. The Company utilizes a loan grading system to differentiate risk amongst its commercial loans and commercial real estate loans. Loans with a lower expectation of default are assigned one of ten possible "pass" loan grades while specific loans determined to have an elevated level of credit risk are classified as "criticized." A criticized loan may be classified as "nonaccrual" if the Company no longer expects to collect all amounts according to the contractual terms of the loan agreement or the loan is delinquent 90 days or more. Criticized commercial and commercial real estate loans totaled $11.1 billion, $10.9 billion, $10.7 billion, and $10.5 billion and included $2.1 billion, $2.8 billion, $2.5 billion, and $2.2 billion of loans acquired from People's United at September 30, 2023, September 30, 2022, December 31, 2022 and June 30, 2023, respectively. Although economic conditions improved during 2022 as pandemic-related restrictions were lifted and consumer spending increased, the business climate through the first nine months of 2023 has been subjected to inflationary pressures, rising interest rates and liquidity concerns. The level of criticized loans remains reflective of the impact of current conditions on many borrowers, particularly those with investor-owned commercial real estate loans in the hotel, office, retail, multi-family and healthcare sectors. Investor-owned commercial real estate loans comprised $8.0 billion or 72% of total criticized loans at September 30, 2023. The weighted-average LTV ratio for loans secured by investor-owned commercial real estate was approximately 56%. Criticized loans secured by investor-owned commercial real estate had a weighted-average LTV ratio of approximately 63%.

Capital

The accompanying tables summarize the outstanding balances of commercial loans and leases and commercial real estate loans by industry or property type at September 30, 2023 and December 31, 2022.

COMMERCIAL LOANS AND LEASES, NET OF UNEARNED DISCOUNT

(Excludes Loans Secured by Real Estate)

	September 30, 2023				December 31, 2022			
	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized
	(In millions)							
Financial and insurance	$ 9,675	$ 11	$ 1	$ 12	$ 7,428	$ 139	$ 1	$ 140
Services	6,587	293	30	323	6,494	333	35	368
Manufacturing	5,973	395	58	453	5,524	299	72	371
Motor vehicle and recreational finance dealers	5,442	20	97	117	4,797	7	—	7
Wholesale	3,659	235	60	295	4,140	183	8	191
Transportation, communications, utilities	3,347	205	49	254	3,078	217	73	290
Retail	2,809	119	52	171	2,525	175	34	209
Construction	2,147	170	55	225	2,324	248	46	294
Health services	1,925	321	22	343	1,972	171	39	210
Real estate investors	1,743	132	2	134	1,882	35	3	38
Other	1,751	78	59	137	1,686	75	36	111
Total	$ 45,058	$ 1,979	$ 485	$ 2,464	$ 41,850	$ 1,882	$ 347	$ 2,229

COMMERCIAL REAL ESTATE LOANS, NET OF UNEARNED DISCOUNT

	September 30, 2023				December 31, 2022			
	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized	Outstanding	Criticized Accrual	Criticized Nonaccrual	Total Criticized
	(In millions)							
Investor-owned								
Permanent finance by property type								
Apartments/Multi-family	$ 6,198	$ 1,006	$ 102	$ 1,108	$ 5,888	$ 684	$ 78	$ 762
Retail/Service	5,989	925	246	1,171	6,296	971	182	1,153
Office	4,898	859	270	1,129	5,186	863	208	1,071
Health services	3,683	1,038	175	1,213	3,667	1,052	222	1,274
Hotel	2,677	614	240	854	2,810	676	512	1,188
Industrial/Warehouse	2,114	177	19	196	2,238	98	12	110
Other	301	2	5	7	527	42	24	66

Total permanent	25,860	4,621	1,057	5,678	26,612	4,386	1,238	5,624
Construction/development	7,408	2,187	139	2,326	8,257	2,169	126	2,295
Total investor-owned	33,268	6,808	1,196	8,004	34,869	6,555	1,364	7,919
Owner-occupied by industry (a)								
Services	2,275	160	58	218	2,253	168	69	237
Motor vehicle and recreational finance dealers	1,913	7	7	14	1,848	—	2	2
Retail	1,568	35	30	65	1,688	66	11	77
Wholesale	978	40	3	43	978	19	2	21
Manufacturing	872	74	22	96	841	52	23	75
Real estate investors	863	27	16	43	732	50	23	73
Health services	680	49	22	71	989	30	6	36
Other	1,157	30	21	51	1,167	49	23	72
Total owner-occupied	10,306	422	179	601	10,496	434	159	593
Total commercial real estate	$ 43,574	$ 7,230	$ 1,375	$ 8,605	$ 45,365	$ 6,989	$ 1,523	$ 8,512

(a) *Includes $422 million and $359 million of construction loans at September 30, 2023 and December 31, 2022, respectively.*

Line of business personnel in different geographic locations with support from and review by the Company's credit risk personnel review and reassign loan grades based on their detailed knowledge of individual borrowers and their judgment of the impact on such borrowers resulting from changing conditions in their respective regions. The Company's policy is that, at least annually, updated financial information is obtained from commercial borrowers associated with pass grade loans and additional analysis performed. On a quarterly basis, the Company's credit personnel review all criticized commercial loans and commercial real estate loans greater than $5 million to determine the appropriateness of the assigned loan grade, including whether the loan should be reported as accruing or nonaccruing. For criticized nonaccrual loans, additional meetings are held with loan officers and their managers, workout specialists and senior management to discuss each of the relationships. In analyzing criticized loans, borrower-specific information is reviewed, including operating results, future cash flows, recent developments and the

borrower's outlook, and other pertinent data. The timing and extent of potential losses, considering collateral valuation and other factors, and the Company's potential courses of action are contemplated.

With regard to residential real estate loans, the Company's loss identification and estimation techniques make reference to loan performance and house price data in specific areas of the country where collateral securing the Company's residential real estate loans is located. For residential real estate-related loans, including home equity loans and lines of credit, the excess of the loan balance over the net realizable value of the property collateralizing the loan is charged-off when the loan becomes 150 days delinquent. That charge-off is based on recent indications of value from external parties that are generally obtained shortly after a loan becomes nonaccrual. Loans to consumers that file for bankruptcy are generally charged off to estimated net collateral value shortly after the Company is notified of such filings. At September 30, 2023, approximately 51% of the Company's home equity portfolio consisted of first lien loans and lines of credit and 49% were junior liens. With respect to junior lien loans, to the extent known by the Company, if a related senior lien loan would be on nonaccrual status because of payment delinquency, even if such senior lien loan was not owned by the Company, the junior lien loan or line that is owned by the Company is placed on nonaccrual status. In monitoring the credit quality of its home equity portfolio for purposes of determining the allowance for credit losses, the Company reviews delinquency and nonaccrual information and considers recent charge-off experience. When evaluating individual home equity loans and lines of credit for charge-off and for purposes of determining the allowance for credit losses, the Company gives consideration to the required repayment of any first lien positions following table presents components related to collateral property. Home shareholders' equity line of credit terms vary but such lines are generally originated with an open draw period of ten years followed by an amortization period of up to twenty years. At September 30, 2023, approximately 86% of all outstanding balances of home equity lines of credit related to lines that were still in the draw period, the weighted-average remaining draw periods were approximately five years, and approximately 16% were making contractually allowed payments that do not include any repayment of principal.

Factors that influence the Company's credit loss experience include overall economic conditions affecting businesses and consumers, generally, but also commercial and residential real estate valuations, in particular, given the size of the Company's real estate loan portfolios. Commercial real estate valuations can be highly subjective, as they are based upon many assumptions. Such valuations can be significantly affected over relatively short periods of time by changes in business climate, economic conditions, interest rates and, in many cases, the results of operations of businesses and other occupants of the real property. Similarly, residential real estate valuations can be impacted by housing trends, the availability of financing at reasonable interest rates and general economic conditions affecting consumers.

The Company generally estimates current expected credit losses on loans with similar risk characteristics on a collective basis. To estimate expected losses, the Company utilizes statistically developed models to project principal balances over the remaining contractual lives of the loan portfolios and determine estimated credit losses through a reasonable and supportable forecast period. The Company's approach for estimating current expected credit losses for loans and leases at September 30, 2023, June 30, 2023, December 31, 2022 and September 30, 2022 included utilizing macroeconomic assumptions to project losses over a two-year reasonable and supportable forecast period. Subsequent to the forecast period, the Company reverted to longer-term historical loss experience, over a period of one year, to estimate expected credit losses over the remaining contractual life. Forward-looking estimates of certain macroeconomic variables are determined by the M&T Scenario Development Group, which is comprised of senior management business leaders and economists. Events posing emerging risks to the macroeconomic environment, such as international conflicts and other events, liquidity concerns, inflation and supply chain issues, are considered when developing economic forecasts even if the events do not directly and materially impact the Company's financial results. Supply chain disruptions, inflationary pressures, liquidity trends or other peripheral impacts of global events may alter economic forecasts and the Company monitors this activity as part of its risk management procedures in assessing the allowance for credit losses. Among the assumptions utilized as of September 30, 2023 was that the national unemployment rate will average 4.6% through the reasonable and supportable forecast period. The forecast also assumed gross domestic product grows at a 0.7% rate during the first year of the reasonable and supportable forecast period and at a 2.0% rate in the second year. Commercial real estate and residential real estate prices were assumed to cumulatively contract 8.5% and 4.8%, respectively over the two-year reasonable and supportable forecast period. The assumptions utilized as of June 30, 2023 included an average national unemployment rate of 4.6% through the

reasonable and supportable forecast period. The forecast also assumed gross domestic product would grow 0.8% during the first year of the reasonable and supportable forecast period followed by a 2.3% rate in the second year. Commercial real estate prices were assumed to cumulatively contract 11.1% and residential real estate prices were assumed to contract 6.6% over the two-year reasonable and supportable forecast period. The assumptions utilized as of December 31, 2022 included an average national unemployment rate of 4.0% through the reasonable and supportable forecast period. The forecast also assumed gross domestic product would grow during the first year of the reasonable and supportable period at a 1.0% annual rate followed by a 2.5% rate in the second year. Commercial real estate prices were assumed to cumulatively grow 1.9% and residential real estate prices were assumed to contract 6.2% over the two-year reasonable and supportable forecast period. Among the assumptions utilized as of September 30, 2022 was that the national unemployment rate would average 3.9% through the reasonable and supportable forecast period. The forecast also assumed gross domestic product would grow at a 1.5% rate during the first year of the reasonable and supportable forecast period and at a 2.7% rate in the second year. Commercial real estate prices were assumed to cumulatively grow 6.5% and residential real estate values were assumed to contract 4.4%, over the two-year reasonable and supportable forecast period. The assumptions utilized were based on the information available to the Company at or near the time the Company was preparing its estimate of expected credit losses as of those dates.

In establishing the allowance for credit losses, the Company also considers the impact of portfolio concentrations, imprecision in economic forecasts, geopolitical conditions and other risk factors that might influence the loss estimation process. With respect to economic forecasts, the Company assessed the likelihood of alternative economic scenarios during the two-year reasonable and supportable time period. Generally, an increase in unemployment rate or a decrease in any of the rate of change in gross domestic product, commercial real estate prices or home prices could have an adverse impact on expected credit losses and may result in an increase to the allowance for credit losses. Forward looking economic forecasts are subject to inherent imprecision and future events may differ materially from forecasted events. In consideration of such uncertainty, the following alternative economic scenarios were considered to estimate the possible impact on modeled credit losses.

A potential downside economic scenario assumed the unemployment rate averages 7.1% during the reasonable and supportable forecast period. The scenario also assumed gross domestic product contracts 2.5% in the first year of the reasonable and supportable forecast period before recovering to 1.9% growth in the second year and commercial real estate and residential real estate prices cumulatively decline 25.3% and 11.1%, respectively, by the end of the reasonable and supportable forecast period.

A potential upside economic scenario assumed the unemployment rate averages approximately 3.3% for the duration of the reasonable and supportable forecast period. The scenario also assumes gross domestic product grows 3.4% in the initial year of the reasonable and supportable forecast period and 2.3% in the second year while commercial real estate prices cumulatively decline 0.4% and residential real estate prices cumulatively rise 1.1% over the two-year reasonable and supportable forecast period.

The scenario analyses resulted in an additional $388 million of modeled credit losses under the assumptions of the downside economic scenario, whereas under the assumptions of the upside economic scenario a $180 million reduction in modeled credit losses could occur. These examples are only a few of the numerous possible economic scenarios that could be utilized in assessing the sensitivity of expected credit losses. The estimated impacts on credit losses in such scenarios pertain only to modeled credit losses and do not include consideration of other factors the Company may evaluate when determining its allowance for credit losses.

As a result, it is possible that the Company may, at another point in time, reach different conclusions regarding credit loss estimates. The Company's process for determining the allowance for credit losses undergoes quarterly and periodic evaluations by independent risk management personnel, which among many other considerations, evaluate the reasonableness of management's methodology and significant assumptions. Further information about the Company's methodology to estimate expected credit losses is included in note 4 of Notes to Financial Statements.

Management believes that the allowance for credit losses at September 30, 2023 appropriately reflected expected credit losses inherent in the portfolio as of that date. The allowance for credit losses totaled $2.1 billion at September 30, 2023, compared with $1.9 billion at each of September 30, 2022, and at December 31, 2022, and $2.0 billion at June 30, 2023. As a percentage of loans outstanding, the allowance was 1.55% at September 30, 2023, 1.46%

at each of September 30, 2022 and December 31, 2022, and 1.50% at June 30, 2023. Using the same methodology described herein, the Company added $341 million to the allowance for credit losses related to the $35.8 billion of loans and leases obtained in the acquisition of People's United on April 1, 2022. The combined Company allowance for credit losses at April 1, 2022 as a percentage of loans outstanding was 1.42%. The level of the allowance reflects management's evaluation of the loan and lease portfolio using the methodology and considering the factors as described herein. Should the various economic forecasts and credit factors considered by management in establishing the allowance for credit losses change and should management's assessment of losses in the loan portfolio also change, the level of the allowance as a percentage of loans could increase or decrease in future periods. The reported level of the allowance reflects management's evaluation of the loan and lease portfolio as of each respective date.

The ratio of the allowance for credit losses to total nonaccrual loans at September 30, 2023, September 30, 2022, December 31, 2022 and June 30, 2023 was 88%, 77%, 79% and 82%, respectively. Given the Company's general position as a secured lender and its practice of charging off loan balances when collection is deemed doubtful, that ratio and changes in the ratio are generally not an indicative measure of the adequacy of the Company's allowance for credit losses, nor does management rely upon that ratio in assessing the adequacy of the Company's allowance for credit losses.

Other Income

The components of other income are presented in the accompanying table.

OTHER INCOME

	Three Months Ended	Percent Change from	Nine Months Ended

	September 30, 2023	September 30, 2022	June 30, 2023	Third Quarter 2022	Second Quarter 2023	September 30, 2023	September 30, 2022	Percent Change
	(Dollars in thousands)							
Mortgage banking revenues	$ 104,478	$ 83,041	$ 107,112	26 %	-2 %	$ 296,575	$ 275,115	8 %
Service charges on deposit accounts	121,360	115,213	118,697	5	2	353,603	340,890	4
Trust income	155,092	186,577	172,463	-17	-10	521,357	545,874	-4
Brokerage services income	26,988	21,086	25,126	28	7	76,155	65,414	16
Trading account and non-hedging derivative gains	9,379	5,081	16,754	85	-44	37,808	12,743	197
Gain (loss) on bank investment securities	(235)	(1,108)	1,004	—	—	353	(1,913)	—
Other revenues from operations	142,519	153,189	362,015	-7	-61	664,034	436,943	52
Total other income	$ 559,581	$ 563,079	$ 803,171	-1 %	-30 %	$ 1,949,885	$ 1,675,066	16 %

Mortgage banking revenues

Mortgage banking revenues are comprised of both residential and commercial mortgage banking activities, which consist of realized gains and losses from sales of real estate loans and loan servicing rights, unrealized gains and losses on real estate loans held for sale and related commitments, real estate loan servicing fees, and other real estate loan-related fees and income. The Company's involvement in commercial mortgage banking activities includes the origination, sales and servicing of loans under the multi-family loan program of Fannie Mae, Freddie Mac, and the U.S. Department of Housing and Urban Development.

RESIDENTIAL MORTGAGE BANKING ACTIVITIES

	Three Months Ended			Nine Months Ended	
	September 30, 2023	September 30, 2022	June 30, 2023	September 30, 2023	September 30, 2022
			(in thousands)		
Residential mortgage banking revenues					
Gains (losses) on loans originated for sale	$ 8,298	$ 988	$ 8,380	$ 19,530	$ (2,082)
Loan servicing fees	37,325	21,676	37,690	94,645	64,369
Loan sub-servicing and other fees	30,250	32,615	31,361	93,926	118,928
Total loan servicing revenues	67,575	54,291	69,051	188,571	183,297
Total residential mortgage banking revenues	$ 75,873	$ 55,279	$ 77,431	$ 208,101	$ 181,215
New commitments to originate loans for sale	$ 340,949	$ 47,295	$ 394,618	$ 1,011,367	$ 286,081

	September 30,	December 31,	September 30,

	2023	June 30, 2023	2022	2022
		(in thousands)		
Balances at period end				
Loans held for sale	$ 204,697	$ 216,277	$ 31,742	$ 42,344
Commitments to originate loans for sale	237,683	242,739	31,208	57,155
Commitments to sell loans	383,599	393,585	52,988	80,132
Capitalized mortgage servicing rights	480,780	505,175	194,335	207,944
Loans serviced for others	$ 40,504,163	$ 40,942,973	$ 22,329,879	$ 22,834,323
Loans sub-serviced for others (a)	114,598,944	112,756,135	96,026,835	81,196,851
Total loans serviced for others	$ 155,103,107	$ 153,699,108	$ 118,356,714	$ 104,031,174

(a) *The contractual servicing rights associated with residential mortgage loans sub-serviced by the Company were predominantly held by affiliates of BLG. Information the Company's relationship with BLG and its affiliates is included in note 15 of Notes to Financial Statements*

- Throughout 2022, the Company originated the majority of its residential real estate loans for retention in its portfolio rather than for sale. In the first quarter of 2023, the Company returned to originating for sale the maj of its newly originated residential mortgage loans. Gains associated with residential mortgage loans originated sale increased $7 million in the recent quarter as compared with the third quarter of 2022. Similarly, g associated with residential mortgage loans originated for sale increased $22 million in the first nine month 2023 as compared with the similar 2022 period.

- The increase in residential mortgage loan servicing fees of $16 million and $30 million in the three- and n month periods ending September 30, 2023 as compared with the similar 2022 periods, respectively, prim reflects a $350 million bulk purchase of residential mortgage loan servicing rights associated with $19.5 billio residential real estate loans on March 31, 2023. The decline in residential mortgage loan sub-servicing and o fees in the first nine months of 2023 as compared with the first nine months of 2022 reflects lower fees on redu loan modification activity.

- The higher balances of capitalized residential mortgage servicing rights and outstanding balances of reside mortgage loans serviced for others at September 30, 2023 and June 30, 2023 as compared with December 2022 and September 30, 2022 each reflect the bulk purchase of residential mortgage loan servicing rights in first quarter of 2023.

COMMERCIAL MORTGAGE BANKING ACTIVITIES

	Three Months Ended			Nine Months Ended	
	September 30, 2023	September 30, 2022	June 30, 2023	September 30, 2023	September 30, 2022
			(in thousands)		
Commercial mortgage banking revenues					
Gains on loans originated for sale	$ 11,649	$ 11,666	$ 12,219	$ 37,795	$ 40,061
Loan servicing fees and other	16,956	16,096	17,462	50,679	53,839
Total commercial mortgage banking revenues	$ 28,605	$ 27,762	$ 29,681	$ 88,474	$ 93,900

Loans originated for sale to other investors	$ 934,047	$ 906,032	$ 940,442	$ 2,546,862	$ 2,204,134

	September 30, 2023	June 30, 2023	December 31, 2022	September 30, 2022
	(in thousands)			
Balances at period end				
Loans held for sale	$ 226,022	$ 322,029	$ 130,652	$ 300,373
Commitments to originate loans for sale	338,569	309,771	348,701	401,369
Commitments to sell loans	564,591	631,800	479,353	701,742
Capitalized mortgage servicing rights	124,907	124,472	126,391	128,651
Loans serviced for others (a)	$ 23,933,887	$ 23,124,042	$ 22,177,153	$ 21,360,961
Loans sub-serviced for others	3,749,249	3,763,796	3,841,235	3,692,301
Total loans serviced for others	$ 27,683,136	$ 26,887,838	$ 26,018,388	$ 25,053,262

(a) Includes $4.0 billion at September 30, 2023, $3.9 billion at each of June 30,2023 and December 31, 2022, and $3.7 billion at September 30, 2022 of loan balances for investors had recourse to the Company if such balances are ultimately uncollectible.

- The decline in commercial mortgage banking revenues in the first nine months of 2023 as compared with corresponding 2022 period reflects lower margins on commercial real estate loans originated for sale.

Service charges on deposit accounts

Service charges on deposit accounts increased $6 million in the recent quarter from the similar 2022 quarter predominantly from increased commercial service charges. The increase in service charges on deposit accounts in the first nine months of 2023 as compared with the first three quarters of 2022 reflects one additional quarter of revenues associated with the acquisition of People's United, partially offset by a full nine-month impact in the 2023 period of the Company's elimination of certain non-sufficient fund fees and overdraft protection transfer charges from linked deposit accounts beginning in the second quarter of 2022.

Trust income

Trust income includes fees related to two businesses. The ICS business provides a variety of trustee, agency, investment management and administrative services for corporations and institutions, investment bankers, corporate tax, finance and legal executives, and other institutional clients who: (i) use capital markets financing structures; (ii) use independent trustees to hold retirement plan and other assets; and (iii) need investment and cash management services. The WAS business offers personal trust, planning, fiduciary, asset management, family office and other services designed to help high net worth individuals and families grow, preserve and transfer wealth.

TRUST INCOME AND ASSETS UNDER MANAGEMENT

	Three Months Ended			Nine Months Ended	
	September 30, 2023	September 30, 2022	June 30, 2023	September 30, 2023	September 30, 2022
			(in thousands)		
Trust income					

ICS	$ 77,463	$ 114,058	$ 90,073	$ 287,477	$ 323,112
WAS	73,818	71,372	78,755	225,747	217,249
Other	3,811	1,147	3,635	8,133	5,513
Total trust income	$ 155,092	$ 186,577	$ 172,463	$ 521,357	$ 545,874

	September 30, 2023	June 30, 2023	December 31, 2022	September 30, 2022
		(in thousands)		
Assets under management at period end				
Trust assets under management (excluding proprietary funds)	$ 62,769,192	$ 64,397,888	$ 152,227,591	$ 140,800,339
Proprietary mutual fund	14,835,311	14,103,421	12,992,062	12,696,305
Total assets under management	$ 77,604,503	$ 78,501,309	$ 165,219,653	$ 153,496,644

- In April 2023, M&T completed the divestiture of its CIT business through a sale to a private equity firm. resulting decline in ICS trust income associated with that business in the recent quarter was $41 million and million when compared with 2022's third quarter and the second quarter of 2023, respectively. For the nine mo ended September 30, 2023 ICS trust income associated with the CIT business declined $61 million as compa with the same period of 2022.
- ICS trust income not related to the CIT business increased $25 million for the first nine months of 2023 compared to the similar 2022 period reflecting new business and higher fund management fees.
- WAS trust income in the recent quarter declined from the immediately preceding quarter as a result of seas tax service fees earned in the second quarter of 2023. The increase in trust income from the WAS business ir first nine months of 2023 as compared with the corresponding 2022 period reflected one additional quarte operations acquired from People's United.
- The lower assets under management at September 30, 2023 and June 30, 2023 as compared with December 2022 and September 30, 2022 reflect the sale of the CIT business in the second quarter of 2023.

Brokerage services income

Brokerage services income, which includes revenues from the sale of mutual funds and annuities, securities brokerage fees and select investment products of LPL Financial, an independent financial services broker, increased $6 million in the recent quarter as compared with the year-earlier quarter reflecting higher fees from LPL Financial. The increase in revenues in the first nine months of 2023 as compared with the first three quarters of 2022 also reflects one additional quarter of operations from the acquisition of People's United.

Trading account and non-hedging derivative gains

The Company enters into interest rate swap agreements and foreign exchange contracts with customers who need such services and concomitantly enters into an offsetting trading position with third parties to minimize risks involved with these types of transactions. Information about the notional amount of interest rate, foreign exchange and other non-hedging contracts entered into by the Company is included in note 10 of Notes to Financial Statements and herein under the heading "Taxable-Equivalent Net Interest Income". The comparative increase and decrease in income from trading account and non-hedging derivative gains in the recent quarter as compared with the year-earlier quarter and immediately preceding quarter, respectively, reflects changes in the volume of interest rate swap agreements with commercial customers and changes in market conditions impacting the value of assets related to the Company's supplemental executive retirement plans. The increase in trading account and non-hedging derivative gains in the first

nine months of 2023 as compared with the first nine months of 2022 also reflects one additional quarter of operations acquired from People's United.

Other revenues from operations

- Other revenues from operations in the recent quarter decreased $11 million from the third quarter of 2 reflecting lower insurance income due to the sale of MTIA in the fourth quarter of 2022.
- Other revenues from operations in the recent quarter declined $219 million from the second quarter of 2023 du the $225 million gain on the sale of CIT recorded in the second quarter of 2023.
- Other revenues from operations in the first nine months of 2023 increased $227 million from the similar r month period in 2022 reflecting the $225 million gain on the sale of the CIT business in April 2023, a $15 mi increase in letter of credit and other credit-related fees and an $8 million increase in tax-exempt income from b owned life insurance, partially offset by a $28 million decline in insurance income predominately due to the sa MTIA in the fourth quarter of 2022.

Other Expense

The components of other expense are presented in the accompanying table.

OTHER EXPENSE

	Three Months Ended			Percent Change From		Nine Months Ended		
	September 30, 2023	September 30, 2022 (a)	June 30, 2023	Third Quarter 2022	Second Quarter 2023	September 30, 2023	September 30, 2022 (a)	Percent Change
	(Dollars in thousands)							
Salaries and employee benefits	$ 726,940	$ 736,354	$ 737,665	-1 %	-1 %	$ 2,272,547	$ 2,090,075	9 %
Equipment and net occupancy	130,842	127,117	128,689	3	2	386,435	337,584	14
Outside data processing and software	110,691	95,068	106,438	16	4	322,909	268,607	20
FDIC assessments	29,364	28,105	27,932	4	5	87,054	66,266	31
Advertising and marketing	22,898	21,398	28,353	7	-19	82,314	58,057	42
Printing, postage and supplies	13,964	14,768	14,199	-5	-2	42,346	40,488	5
Amortization of core deposit and other intangible assets	14,946	18,384	14,945	-19	—	47,099	38,024	24
Other costs of operations	227,893	238,059	234,338	-4	-3	688,623	743,047	-7
Total other expense	$ 1,277,538	$ 1,279,253	$ 1,292,559	— %	-1 %	$ 3,929,327	$ 3,642,148	8 %

(a) *Included in the 2022 amounts are expenses considered "nonoperating" in nature. Table 2 provides a summary of merger-related expenses in the reconciliation of qu GAAP amounts to non-GAAP measures.*

Other expense aggregated $1.28 billion in each of the third quarter of 2023 and 2022, compared with $1.29 billion in the second quarter of 2023. Included in those amounts are expenses considered to be "nonoperating" in nature consisting of amortization of core deposit and other intangible assets of $15 million in each of the third and second quarters of 2023, compared with $18 million in the third quarter of 2022, and merger-related costs of $53 million in the third quarter of 2022. There were no merger-related expenses incurred in the second and third quarters of 2023. Exclusive of those nonoperating expenses, noninterest operating expenses were $1.26 billion and $1.21 billion in the third quarter of 2023 and 2022, respectively, and $1.28 billion in 2023's second quarter. Other expense for the first nine months of 2023 totaled $3.93 billion, an increase of $287 million from $3.64 billion in the first nine months of 2022. Excluding nonoperating expenses consisting of amortization of core deposit and other intangible assets of $47 million and $38 million in the first nine months of 2023 and 2022, respectively, and merger-related costs of $293 million in the first three quarters of 2022, noninterest operating expenses aggregated $3.88 billion and $3.31 billion in the first nine months of 2023 and 2022, respectively. There were no merger-related costs in the first nine months of 2023. Changes in operating expenses for the periods presented are described below:

Salaries and employee benefits

- Merger-related salaries and employee benefits expenses were $13 million and $98 million, respectively, for three and nine months ended September 30, 2022.

- The number of full time equivalent employees was 22,424 at September 30, 2023, compared with 22,87 September 30, 2022 and 22,946 at June 30, 2023.
- Salaries and employee benefits operating expenses increased a modest $4 million in the recent quarte compared with the year-earlier quarter. Salaries and employee benefits operating expenses decreased $11 mi in the recent quarter from the second quarter of 2023 reflecting lower average full-time equivalent employees a decline in expenses for contracted resources and overtime.
- Salaries and employee benefits operating expenses increased $281 million in the first three quarters of 202 compared with the corresponding year-earlier period reflecting the addition of People's United employees at beginning of the second quarter of 2022, higher salaries from increased average legacy staffing levels, an merit increases, a rise in incentive compensation, including stock-based compensation, and increase employee benefits costs.

Nonpersonnel operating expenses

- Nonpersonnel merger-related expenses aggregated $40 million in the third quarter of 2022 and $195 million ir first nine months of 2022.
- Nonpersonnel operating expenses increased $51 million to $536 million in the recent quarter from $485 millic the year-earlier third quarter. That increase includes higher outside data processing and software costs of million and a $23 million rise in other costs of operations resulting from the amortization of the bulk purchas residential mortgage loan servicing rights purchased in March 2023 and losses associated with certain r banking activities, partially offset by lower professional and other outside services expenses reflecting lower s advisory fees following the sale of the CIT business.
- Nonpersonnel operating expenses aggregated $540 million in the second quarter of 2023. The $4 million dec in those expenses for the recent quarter as compared with 2023's second quarter reflects lower sub-advisory

following the sale of the CIT business in April 2023 and a decline in legal-related expenses, partially offse losses associated with certain retail banking activities.

- Nonpersonnel operating expenses were $1.61 billion in the first nine months of 2023, compared with $1.32 bi in the corresponding 2022 period. The $290 million increase in nonpersonnel operating expenses in the first months of 2023 as compared with the year-earlier period reflects one additional quarter of operations associ with the acquisition of People's United. Also contributing to that increase were higher professional and c outside services expense, outside data processing and software expenses, deposit insurance, check fraud other losses associated with certain retail banking activities and expenses related to the bulk purchas residential mortgage loan servicing rights.

The efficiency ratio, or noninterest operating expenses divided by the sum of taxable-equivalent net interest income and noninterest income (exclusive of gains and losses from bank investment securities), measures the relationship of noninterest operating expenses to revenues. The Company’s efficiency ratio was 53.7% during the recent quarter, compared with 53.6% and 48.9% in the third quarter of 2022 and second quarter of 2023, respectively. The efficiency ratio for the nine-month periods ended September 30, 2023 and 2022 were 52.6% and 58.1%, respectively.

On May 11, 2023, the FDIC released a proposed rule that would impose a special assessment to recover the costs to the DIF resulting from the FDIC’s use, in March 2023, of the systemic risk exception in connection with the receiverships of Silicon Valley Bank and Signature Bank. Under the proposed rule, the assessment base would be the estimated uninsured deposits of an insured depository institution at December 31, 2022, excluding the first $5 billion of those estimated uninsured deposits. The special assessments would be collected at an annual rate of approximately 12.5 basis points per year (3.13 basis points per quarter) over eight quarters in 2024 and 2025, with the first assessment period beginning January 1, 2024. Under the proposed rule, the estimated loss pursuant to the systemic risk determination may be periodically adjusted by the FDIC. M&T expects the special assessments, as currently contemplated, would be tax deductible. Although the proposal could be revised, the total of the assessments for the Company is estimated at $183 million and such amount is expected to be recorded as an expense in the quarter of

enactment. Such expense would significantly affect noninterest expense and results of operations for that future quarter. Refer to note 13 of Notes to Financial Statements for additional information on the FDIC special assessment.

Income Taxes

Income tax expense was $217 million in the third quarter of 2023, compared with $201 million in the year-earlier quarter and $293 million in the second quarter of 2023. For the nine-month periods ended September 30, 2023 and 2022, the provisions for income taxes were $735 million and $374 million, respectively. The effective tax rates were 24.0%, 23.7% and 25.2% for the quarters ended September 30, 2023, September 30, 2022 and June 30, 2023, respectively, and 24.5% and 23.4% for the nine-month periods ended September 30, 2023 and 2022, respectively.

The effective tax rate is affected by the level of income earned that is exempt from tax relative to the overall level of pre-tax income, the amount of income allocated to the various state and local jurisdictions where the Company operates, because tax rates differ among such jurisdictions, and the impact of any large discrete or infrequently occurring items. The Company’s effective tax rate in future periods will also be affected by any change in income tax laws or regulations and interpretations of income tax regulations that differ from the Company's interpretations by any of various tax authorities that may examine tax returns filed by M&T or any of its subsidiaries.

Capital

Shareholders' equity was $26.2 billion at September 30, 2023, representing 12.53% of total assets, compared with $25.3 billion or 12.76% a year earlier and $25.3 billion or 12.61% at December 31, 2022.Shareholders' equity at each period end reflects the issuance of 50,325,004 M&T common shares and other common equity consideration totaling $8.4 billion for the acquisition of People's United and the conversion of People's United preferred stock into 10,000,000 shares of Series H Preferred Stock amounting to $261 million on April 1, 2022. Included in shareholders' equity was preferred stock with financial statement carrying values of $2.0 billion at each of September 30, 2023, December 31, 2022 and September 30, 2022.

Common shareholders' equity was $24.2 billion, or $145.72 per share, at September 30, 2023, compared with $23.2 billion, or $134.45 per share, a year earlier and $23.3 billion, or $137.68 per share, at December 31, 2022. Tangible equity per common share, which excludes goodwill and core deposit and other intangible assets and applicable deferred tax balances, was $93.99 at the end of the recent quarter, compared with $84.28 at September 30, 2022 and $86.59 at December 31, 2022. The Company's ratio of tangible common equity to tangible assets was 7.78% at September 30, 2023, compared with 7.70% a year earlier and 7.63% at December 31, 2022. dividends. Reconciliations of total common shareholders' equity and tangible common equity and total assets and tangible assets as of each of those dates are presented in table Table 2.

SHAREHOLDERS' EQUITY, DIVIDENDS AND SELECT RATIOS

(Dollars in millions, except per share)	March 31, 2024	December 31, 2023	March 31, 2023
Shareholders' equity	$ 27,169	$ 26,957	$ 25,377
Preferred stock	(2,011)	(2,011)	(2,011)
Common shareholders' equity	$ 25,158	$ 24,946	$ 23,366
Per share:			
Common shareholders' equity	$ 150.90	$ 150.15	$ 140.88
Tangible common shareholders' equity	99.54	98.54	88.81
Ratios:			
Shareholder's equity to total assets	12.63 %	12.94 %	12.50 %
Tangible common shareholders' equity to tangible assets	8.03	8.20	7.58
Cash dividends declared for quarter ended:			
Common stock	$ 218	$ 217	$ 219
Common stock per share	1.30	1.30	1.30
Preferred stock	25	25	25

Shareholders' equity reflects accumulated other comprehensive income or loss, which includes the net after-tax impact of unrealized gains or losses on investment securities classified as available for sale, remaining unrealized losses on held-to-maturity securities transferred from available for sale that have not yet been amortized, gains or losses associated with interest rate swap agreements designated as cash flow hedges foreign currency translation adjustments and adjustments to reflect the funded status of defined benefit pension and other postretirement plans. Net unrealized losses on investment securities reflected The components of other comprehensive income (loss) are presented in shareholders' equity, net of applicable tax effect, were $331 million or $2.00 per common share at September 30, 2023, $348 million or $2.01 per common share at September 30, 2022 and $329 million, or $1.94 per common share, at December 31, 2022. Changes in unrealized gains and losses on investment securities are predominantly reflective of the impact of changes in interest rates on the values of such securities. Information about unrealized gains and losses on investment securities as of September 30, 2023 and December 31, 2022 is included in following table.

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) - NET OF INCOME TAX

(Dollars in millions, except per share)	March 31, 2024	December 31, 2023	March 31, 2023
Investment securities unrealized losses, net (a)	$ (197)	$ (187)	$ (264)
Cash flow hedges unrealized losses, net (b)	(268)	(151)	(169)
Defined benefit plans adjustments, net (c)	(116)	(115)	(204)
Other, net	(8)	(6)	(8)
Total	$ (589)	$ (459)	$ (645)
Accumulated other comprehensive income (loss), net, per common share	$ (3.53)	$ (2.76)	$ (3.89)

(a) Refer to note 3 of Notes to Financial Statements.

(b) Refer to note 10 of Notes to Financial Statements.

(c) Refer to note 7 of Notes to Financial Statements.

Reflected in the carrying amount of available-for-sale investment securities at September 30, 2023 March 31, 2024 were pre-tax effect unrealized gains of $154 thousand $1 million on securities with an amortized cost of $6 million $622 million and pre-tax effect unrealized losses of $447 million $264 million on securities with an amortized cost of $11.0 billion $11.8 billion. Information concerning the Company's fair valuations of investment securities is provided in notes 3 and 12 of Notes to Financial Statements. Each reporting period the Company reviews its available-for-sale investment securities for declines As also described in value that might be indicative note 3 of credit-related losses through an analysis of the creditworthiness of the issuer or the credit performance of the

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underlying collateral supporting the bond. If Notes to Financial Statements, the Company does not expect any material credit-related losses with respect to recover the entire amortized cost basis of a debt security a credit loss is recognized in the Consolidated Statement of Income. A loss is also recognized if the Company intends to sell a bond or it more likely than not will be required to sell a bond before recovery of the amortized cost basis. As of September 30, 2023, based on a review of each of the securities in the available-for-sale its investment securities portfolio the Company concluded that it expected to realize the amortized cost basis of each security. As of September 30, 2023, the Company did not intend to sell nor is it anticipated that it would be required to sell any securities for which fair value was less than the amortized cost basis of the security. The Company intends to continue to closely monitor the performance of its securities because changes in their underlying credit performance or other events could cause the amortized cost basis of those securities to become uncollectable.

Accounting guidance requires investment securities held to maturity to be presented at their net carrying value that is expected to be collected over their contractual term. The Company estimated no material credit losses for its investment securities classified as held-to-maturity at September 30, 2023 and December 31, 2022. The amortized cost basis of obligations of states and political subdivisions in the held-to-maturity portfolio totaled $2.5 billion at September 30, 2023 and $2.6 billion at December 31, 2022. At September 30, 2023 and December 31, 2022, the Company had in its held-to-maturity portfolio privately issued mortgage-backed securities with an amortized cost basis of $44 million and $50 million, respectively, and a fair value of $46 million and $51 million, respectively. At September 30, 2023, 81% of those mortgage-backed securities were in the most senior tranche of the securitization structure. The mortgage-backed securities are generally collateralized by residential and small-balance commercial real estate loans originated between 2004 and 2008. After considering the repayment structure and estimated future collateral cash flows of each individual bond, the Company concluded that as of September 30, 2023, it expected to recover the amortized cost basis of those privately issued mortgage-backed securities. Nevertheless, it is possible that adverse changes in the estimated future performance of mortgage loan collateral underlying such securities could impact the Company's conclusions.

Adjustments to reflect the funded status of defined benefit pension and other postretirement plans, net of applicable tax effect, reduced accumulated other comprehensive income by $207 million or $1.25 per common share at September 30, 2023, $258 million or $1.49 per common share at September 30, 2022 and $202 million or $1.19 per common share at December 31, 2022March 31, 2024.

Other adjustments, substantially comprised of net unrealized losses on interest rate swaps designated as cash flow hedges, net of applicable tax effect, reduced accumulated other comprehensive incomePursuant to previously approved capital plans and authorizations approved by $404 million or $2.43 per common share at September 30, 2023, $294 million or $1.70 per common share at September 30, 2022 and $259 million or $1.53 per common share at December, 31, 2022. Information about net unrealized losses on interest rate swaps designated as cash flow hedges is provided in note 10 of the Notes to Financial Statements.

On July 19, 2022, M&T's Board of Directors, authorized a stock purchase program to repurchase up to $3.0 billion of common shares subject to all applicable regulatory reporting limitations. The plan authorized in July 2022 replaced a previously authorized stock repurchase program. M&T repurchased 3,282,4493,838,157 shares of its common stock for a total cost of $600 million, including the share repurchase excise tax, under the program in the third quarter of 2022. No share repurchases occurred in the second and thirdfirst quarter of 2023. M&T repurchased 3,838,157There were no shares totaling $600 million and 6,788,395 shares totaling $1.2 billion during the nine-month periods ended September 30, 2023 and 2022, respectively. Discretion as to the amount and timing of authorized share repurchases in a given period has been delegated, through the authorization of the Board of Directors, to management and can be influenced by capital and liquidity requirements, including funding of future loan growth and other balance sheet management activities, as well as market and economic conditions.

Cash dividends declared on M&T's common stock totaled $217 million in each of the two most recent quarters, compared with $210 millionrepurchased in the fourth quarter ended September 30, 2022. Common stock dividends during the nine-month periods ended September 30, 2023 and 2022 were $653 million and $581 million, respectively. Cash dividends declared on preferred stock aggregated $25 million in each quarter ended September 30, 2023, June

30, 2023 and September 30, 2022. Preferred stock dividends totaled $75 million and $72 million during the first nine months of 2023 and 2022, respectively. the first quarter of 2024.

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M&T and its subsidiary banks are required to comply with applicable capital adequacy standards established by the federal banking agencies. Capital Rules. Pursuant to those regulations, the minimum capital ratios are as follows:

- 4.5% CET1 to risk-weighted assets RWA (each as defined in the capital regulations) Capital Rules);
- 6.0% Tier 1 capital (that is, CET1 plus additional Tier 1 capital) to risk-weighted assets RWA (each as defined in t capital regulations) Capital Rules);
- 8.0% Total capital (that is, Tier 1 capital plus Tier 2 capital) to risk-weighted assets RWA (each as defined in t capital regulations) Capital Rules); and
- 4.0% Tier 1 capital to average consolidated assets as reported on consolidated financial statements (known as t “leverage ratio”), as defined in the capital regulations. Capital Rules.

Capital regulations Rules require buffers in addition to the minimum risk-based capital ratios noted above. M&T is subject to a stress capital buffer SCB requirement that is determined through the Federal Reserve’s supervisory stress tests and M&T’s bank subsidiaries are subject to a 2.5% capital conservation buffer requirement. The buffer requirement must be composed entirely of CET1. M&T's stress capital buffer at September 30, 2023 was 4.7%. In June 2023, Based on the Federal Reserve released the results of its Reserve's most recent supervisory stress tests. Based on those results, on October 1, 2023, tests M&T's stress capital buffer of SCB is 4.0% became effective. .

The regulatory capital ratios of the Company and its bank subsidiaries, M&T Bank and Wilmington Trust, N.A., as of September 30, 2023 March 31, 2024 are presented in the accompanying table.

REGULATORY CAPITAL RATIOS

September 30, 2023 March 31, 2024

	M&T (Consolidated)	M&T Bank	Wilmington Trust, N.A.	M&T	M&T	Wilmington
(Dollars in millions)				**(Consolidated)**	**Bank**	**Trust, N.A.**
CET1	10.95 %	11.66 %	262.54 %	11.08 %	11.66 %	260.57 %
Tier 1 capital	12.27 %	11.66 %	262.54 %	12.38	11.66	260.57
Total capital	13.99 %	13.10 %	262.97 %	14.04	13.11	260.98
Tier 1 leverage	9.43 %	8.95 %	71.61 %	9.47	8.90	86.02

RWA	$	155,338	$	154,730	$	227

Capital Rules generally require the deduction of goodwill and core deposit and other intangible assets, net of applicable deferred taxes, from the calculation of capital in the determination of the minimum capital ratios. As a result of previous business acquisitions, the Company recorded goodwill of $8.5 billion and core deposit and other intangible assets of $132 million at March 31, 2024. Goodwill, as required by GAAP, is not amortized, but rather is tested for impairment at least annually at the business reporting unit level. The Company completed its annual goodwill impairment test in the fourth quarter of 2023 and concluded the amount of goodwill was not impaired at the testing date. The Company has not identified events or circumstances that would more likely than not reduce the fair value of a business reporting unit below its carrying amount at March 31, 2024. Should a business reporting unit with assigned goodwill experience declines in revenue, increased credit losses or expenses, or other adverse developments due to economic, regulatory, competition or other factors, that would be material to that reporting unit, an impairment of goodwill could occur in a future period that could be material to the Company's Consolidated Balance Sheet and its Consolidated Statement of Income. Although a goodwill impairment charge would not have a significant impact on the Company's regulatory tangible capital ratios, it would reduce the capacity of its bank subsidiary, M&T Bank, to dividend earnings to M&T. As described herein under the heading "Liquidity Risk", M&T's parent company liquidity at March 31, 2024 covered projected cash outflows for more than 24 months, including dividends on common and preferred stock, debt service and scheduled debt maturities. Information concerning goodwill and other intangible assets is included in note 8 of Notes to Financial Statements in the 2023 Annual Report.

The Company is subject to the comprehensive regulatory framework applicable to bank and financial holding companies and their subsidiaries, which includes examinations by a number of regulators. Regulation of financial institutions such as M&T and its subsidiaries is intended primarily for the protection of depositors, the DIF of the FDIC and the banking and financial system as a whole, and generally is not intended for the protection of shareholders, investors or creditors other than insured depositors. Changes in laws, regulations and regulatory policies applicable to the Company’s operations can increase or decrease the cost of doing business, limit or expand permissible activities or affect the competitive environment in which the Company operates, all of which could have a material effect on the business, financial condition or results of operations of the Company and in M&T’s ability to pay dividends. For additional information concerning this comprehensive regulatory framework, refer to Part I, Item 1 of the 2022 2023 Annual Report.

On July 27, 2023, the federal banking agencies issued a notice of proposed rulemaking to modify the regulatory capital requirements applicable to large banking organizations with over $100 billion of total assets and their depository institution subsidiaries. The proposed rule would generally require banking organizations subject to Category III and IV standards, like the Company, to compute their regulatory capital consistent with Category I and II standards.

Management is in the process of evaluating the impact of the proposed rule on the regulatory capital requirements of M&T and its subsidiary banks.

banks and currently estimates the proposed rules would increase the Company's RWA by a percentage in the mid-single digits.

Segment Information

The Company's reportable Reportable segments have been determined based upon the Company's organizational structure and its internal profitability reporting system, which is organized by strategic business unit. system. Financial information about the Company's segments is presented in note 14 of Notes to Financial Statements. The reportable segments are Business Banking, Commercial Banking, Commercial Real Estate, Discretionary Portfolio, Residential Mortgage Banking Bank, Retail Bank, and Retail Banking. As described Institutional Services and Wealth Management. All other business activities that are not included in the 2022 Annual Report, certain lending relationships three reportable segment results have been included in the "All Other" category.

NET INCOME (LOSS) BY SEGMENT

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Net income (loss)								
Commercial Bank	$ 201	$ 220	$ (19)	-9 %	$ 201	$ 333	$ (132)	-40 %
Retail Bank	446	438	8	2	446	452	(6)	-1
Institutional Services and Wealth Management	128	105	23	21	128	110	18	16
All Other	(244)	(281)	37	13	(244)	(193)	(51)	-26
Total net income	$ 531	$ 482	$ 49	10 %	$ 531	$ 702	$ (171)	-24 %

Commercial Bank

The Commercial Bank segment provides a wide range of credit products and banking services to middle-market and large commercial customers, mainly within the hospitality sector were realigned from markets served by the Company. Services provided by this segment include commercial lending and leasing, credit facilities which are secured by various types of commercial real estate, letters of credit, deposit products and cash management services. Commercial Banking real estate loans may be secured by multifamily residential buildings, hotels, office, retail and industrial space or other types of collateral. Activities of this segment to include the origination, sales and servicing of commercial real estate loans through the Fannie Mae DUS program and other programs. Commercial Real Estate segment and certain expenses were reallocated from real estate loans held for sale are included in this segment.

COMMERCIAL BANK SEGMENT FINANCIAL SUMMARY

(Dollars in millions)	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023	Change Amount	Change %	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change Amount	Change %
Income Statement								
Net interest income	$ 548	$ 583	$ (35)	-6 %	$ 548	$ 649	$ (101)	-16 %
Noninterest income	151	176	(25)	-14	151	162	(11)	-7
Total revenue	699	759	(60)	-8	699	811	(112)	-14
Provision for credit losses	77	113	(36)	-31	77	34	43	129
Noninterest expense	345	344	1	—	345	322	23	7
Income before taxes	277	302	(25)	-9	277	455	(178)	-39
Income taxes	76	82	(6)	-8	76	122	(46)	-38
Net income	$ 201	$ 220	$ (19)	-9 %	$ 201	$ 333	$ (132)	-40 %
Average Balance Sheet								
Loans and leases:								
Commercial and industrial	$ 49,048	$ 47,717	$ 1,331	3 %	$ 49,048	$ 44,655	$ 4,393	10 %
Commercial real estate	30,747	31,489	(742)	-2	30,747	33,280	(2,533)	-8
Residential real estate	447	444	3	1	447	329	118	36
Consumer	25	21	4	14	25	25	—	-3
Total loans and leases, net	$ 80,267	$ 79,671	$ 596	1 %	$ 80,267	$ 78,289	$ 1,978	3 %
Deposits:								
Noninterest-bearing	13,459	14,527	(1,068)	-7	13,459	20,206	(6,747)	-33
Interest-bearing	30,074	29,127	947	3	30,074	22,593	7,481	33
Total deposits	$ 43,533	$ 43,654	$ (121)	— %	$ 43,533	$ 42,799	$ 734	2 %

The Commercial Bank segment's net income was $201 million in the All Other segment to various reportable segments first quarter of 2024, compared with $220 million in the fourth quarter of 2022. During 2022, the Company also realigned certain acquired operations associated with People's United requiring reclassifications of certain revenues and expenses among the reportable segments. The results and analysis provided herein are reflective of those changes. 2023.

The Net interest income of $48 million resulting from declined $35 million reflecting a comparatively higher interest
Businenvironment in the recent quarter, partially offset by a $9 million increase in the provision for credit losses and
Bankimillion rise in centrally-allocated costs associated with data processing, risk management and other sup
segmservices provided to the Business Banking segment. The higher net interest income reflected a 120 basis p
contriwidening narrowing of the net interest margin on loans and deposits by 13 basis points and 4 basis po
net respectively.
of $117
million
during the

quarter ended September 30, 2023, compared with $93 million in the year-earlier quarter and $116 million in the second quarter of 2023. As compared with the third quarter of 2022, the improved performance reflected an increase in net

- Noninterest income decreased $25 million reflecting lower commercial mortgage banking revenues an decrease in credit-related fees (predominantly loan syndication fees).
- The provision for credit losses decreased $36 million reflecting lower net charge-offs on loans securec commercial real estate, partially offset by higher net charge-offs on commercial and industrial loans.
- Average loans and leases increased $596 million reflecting $1.3 billion of growth in average commercial industrial loans that was spanned most industry types, partially offset by a decline reduction in average outstan deposit balances of $2.3 billion. The commercial real estate loans.
- Average deposits in the recent quarter's modest increase in net income quarter as compared with 20 second the final quarter reflected of 2023 reflect a $14 million increase shift from noninterest-bearing account interest-bearing products amidst an elevated interest rate environment.

Net income for the Commercial Bank segment declined $132 million in net the first quarter of 2024 from $333 million in the year-earlier quarter.

- Net interest income resulting from declined $101 million reflecting a widening narrowing of the net interest ma on loans and deposits of 41 37 basis points and 8 43 basis points, respectively, partially offset by an increas the provision for credit losses of $8 million. Net income earned by the Business Banking segment totaled $ million during the first nine months of 2023, compared with $200 million in the year-earlier period. That incre was attributable to a $247 million rise in net interest income, reflecting a 173 basis point widening of the interest margin on deposits that was partially offset by a 78 basis point narrowing of the net interest margi loans. Those favorable factors were partially offset by a $29 million increase in centrally-allocated c associated with data processing, risk management and other support services, a $13 million increase in provision for credit losses and higher personnel-related costs of $12 million, all reflecting one additional quart operations associated with the acquisition of People's United.

Net income of the Commercial Banking segment was $168 million in the recent quarter, compared with $ million in 2022's third quarter and $166 million in the second quarter of 2023. The decline in net income in the t quarter of 2023 as compared with the year-earlier quarter reflected a $51 million decrease in net interest inco higher centrally-allocated costs associated with data processing, risk management and other support serv provided to the Commercial Banking segment of $18 million and reduced credit-related fees (predominantly syndication fees) of $12 million, partially offset by a $15 million decrease in the provision for credit losses. lower net interest income was mainly driven by a 48 basis point narrowing of the net interest margin on loans a shift to lower margin deposit balances, partially offset by an increase in average outstanding loan balance $4.6 billion $2.0 billion. The modestly higher net

- Noninterest income in the recent quarter as compared with the second quarter of 2023 was decreased $11 mi due to an $11 million decrease in the lower gains on sales of leased equipment and lower gains on comme mortgage loans originated for sale, partially offset by higher service charges on commercial deposit accounts.
- The provision for credit losses increased $43 million reflecting higher net charge-offs on commercial and indus loans, partially offset by lower credit-related fees of $6 million. Net income for the first nine months of 2 aggregated $553 million, compared with $501 million in the similar 2022 period, reflecting the impact of additional quarter of operations associated with the acquisition of People's United. Higher net interest incom $128 million, an increase in credit-related fees of $22 million and a $14 million decrease in the provision for c losses were partially offset by a $77 million rise in centrally-allocated costs associated with data processing, management and other support services and higher personnel-related costs of $39 million reflecting an additi quarter of salaries and employee benefits expenses associated with People's United personnel. The higher interest income resulted primarily from a 68 basis point widening of the net interest margin on deposits and hi average outstanding loan balances (reflecting loans obtained in the People's United acquisition and len activities to financial services customers) of $10.3 billion, partially offset by a 43 basis point narrowing of the interest margin on loans.

The Commercial Real Estate segment recorded net income of $72 million in the third quarter of 2 compared with $110 million in the year-earlier period and $39 million in the second quarter of 2023. The declir net income in 2023's third quarter as compared with the third quarter of 2022 was due to a $15 million decreas net interest income and a $30 million increase in the provision for credit losses. The lower net interest income predominantly due to a decline in average outstanding loan and deposit balances of $1.0 billion and $680 mil respectively. The improvement in net income in the recent quarter as compared with the immediately prece quarter reflected a $29 million decrease in the provision for credit losses, due to lower net charge-offs and hi net interest income of $14 million driven on loans secured by an 18 basis point widening of the net interest ma on loans. Net income for the Commercial Real Estate segment totaled $193 million during the first three quar of 2023, compared with $339 million in the similar 2022 period. That year-over-year decline resu from commercial real estate.

- Noninterest expense increased $23 million reflecting a $136 million increase in the provision for credit losses, to higher net charge-offs, a $37 million rise in centrally-allocated costs associated with data processing, management and other support services provided to the Commercial Real Estate Bank segment of $21 million.

- The increase in average loans from the first quarter of 2023 reflects higher average balances of commercial ar $30 million decrease industrial loans including growth in net interest income. The lower net interest income driven by a 36 basis point narrowing of the net interest margin on loans to financial and insurance indu customers and to motor-vehicle and recreational finance dealers, partially offset by a reduction in aver permanent commercial real estate and average construction loans.
- Average deposits grew $734 million from the year-earlier first quarter and reflected a shift in customer funds f noninterest-bearing accounts to interest-bearing products amidst an 82 basis point widening of the net eleva interest margin on deposits and higher average outstanding loan balances of $1.2 billion reflecting an additi quarter of loans obtained in the acquisition of People's United. rate environment.

Retail Bank

The Discretionary Portfolio Retail Bank segment recognized provides a net loss wide range of $22 million during services to consumers and small businesses through the three-month period ended September 30, 2023 Company's branch network and several other delivery channels such as telephone banking, internet banking and automated teller machines. The Company has branch offices in New York State, Maryland, New Jersey, Pennsylvania, Delaware, Connecticut, Massachusetts, Maine, Vermont, New Hampshire, Virginia, West Virginia and the District of Columbia. The segment offers to its customers deposit products, including demand, savings and time accounts, and other services. Credit services offered by this segment include automobile and recreational finance loans (originated both directly and indirectly through dealers), compared with $6 million home equity loans and lines of credit, credit cards and other loan products. This segment also originates and services residential mortgage loans and either sells those loans in the year-earlier period secondary market to investors or retains them for investment purposes. Residential mortgage loans are also originated and $32 million serviced on behalf of the Institutional Services and Wealth Management segment. The Company periodically purchases the rights to service residential real estate loans that have been originated by other entities and also sub-services residential real estate loans for others. Residential real estate loans held for sale are included in this segment. This segment also provides various business loans, including loans guaranteed by the SBA, business credit cards, deposit products and services such as cash management, payroll and direct deposit, merchant credit card and letters of credit to small businesses and professionals through the Company's branch network and other delivery channels.

RETAIL BANK SEGMENT FINANCIAL SUMMARY

	Three Months Ended		Change		Three Months Ended		Change	
	March 31,	December 31,			March 31,	March 31,		
(Dollars in millions)	2024	2023	Amount	%	2024	2023	Amount	%

Income Statement								
Net interest income	$ 1,071	$ 1,083	$ (12)	-1 %	$ 1,071	$ 1,064	$ 7	1 %
Noninterest income	197	194	3	2	197	170	27	16
Total revenue	1,268	1,277	(9)	-1	1,268	1,234	34	3
Provision for credit losses	68	56	12	22	68	43	25	61
Noninterest expense	599	629	(30)	-5	599	580	19	3
Income before taxes	601	592	9	1	601	611	(10)	-1
Income taxes	155	154	1	—	155	159	(4)	-3
Net income	$ 446	$ 438	$ 8	2 %	$ 446	$ 452	$ (6)	-1 %
Average Balance Sheet								
Loans and leases:								
Commercial and industrial	$ 6,874	$ 6,766	$ 108	2 %	$ 6,874	$ 6,819	$ 55	1 %
Commercial real estate	1,904	1,908	(4)	—	1,904	1,909	(5)	—
Residential real estate	20,843	21,057	(214)	-1	20,843	21,721	(878)	-4
Consumer	20,387	19,762	625	3	20,387	19,645	742	4
Total loans and leases, net	$ 50,008	$ 49,493	$ 515	1 %	$ 50,008	$ 50,094	$ (86)	— %
Deposits:								
Noninterest-bearing	25,380	26,474	(1,094)	-4	25,380	30,552	(5,172)	-17
Interest-bearing	66,269	65,448	821	1	66,269	61,317	4,952	8
Total deposits	$ 91,649	$ 91,922	$ (273)	— %	$ 91,649	$ 91,869	$ (220)	— %

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The Retail Bank segment’s net income increased $8 million to $446 million in the second first quarter of 2024 from $438 million in the final quarter of 2023.

- Net interest income declined $12 million.
- Noninterest income increased $3 million.
- The decline provision for credit losses increased $12 million reflecting higher net charge-offs of recreati finance loans, indirect auto loans and business banking loans.
- Noninterest expenses declined $30 million due to declines in equipment and net occupancy costs of $10 mil centrally-allocated costs associated with data processing, risk management, and other support services prov to the Retail Bank segment of $8 million and advertising and marketing expenses of $7 million.
- Average loans increased $515 million reflecting growth in the segment's portfolio of recreational finance loans automobile loans.
- Average deposits in the recent quarter’s results quarter as compared with the third final quarter of 2

reflected 2023 reflect a $46 million decrease shift from noninterest-bearing accounts to interest-bearing prod amidst an elevated interest rate environment.

Net income for the Retail Bank segment decreased $6 million in net the recent quarter from $452 million in the first quarter of 2023.

- Net interest income driven by rose $7 million.
- Noninterest income increased interest expense $27 million primarily due to higher residential mortgage ban revenues reflecting a rise in servicing income from interest rate swap agreements utilized as part the purchase of residential mortgage loan servicing rights at the end of the Company's first quarter of 2023 and increase in service charges on deposit accounts.
- The provision for credit losses increased $25 million reflecting higher net charge-offs of consumer loans.
- Noninterest expense rose $19 million predominantly due to higher centrally-allocated costs associated with processing, risk management, and other support services provided to the Retail Bank segment of interest risk, $22 million, partially offset by a decrease of $8 million in intersegment fees paid to personnel-related c reflecting lower staffing levels.
- Average loans in the Residential Mortgage Banking segment reflecting the Company's return in recent qua declined slightly from the first quarter of 2023, reflecting lower balances of residential real estate loans, part offset by higher average consumer loans resulting from growth of recreational finance loan balances. In the quarter of 2023, the Company returned to originating for sale the majority of its newly originated reside mortgage loans. The improved performance in 2023's third quarter as compared with the immediately prece quarter resulted from lower personnel-related and other costs. For the first nine months, the Discretionary Port segment recorded a net loss of $94 million in 2023, compared with net income of $73 million in the similar 2 period. That decline was predominantly due to lower net interest income of $272 million, reflecting the Compa management of interest rate risk through interest rate swap agreements as well as increased balances of lo margin wholesale funding. Favorable factors partially offsetting that decrease were lower intersegment fees to the Residential Mortgage Banking segment of $41 million and a rise in trading and non-hedging derivative g of $11 million reflecting one additional quarter of activity from operations acquired from People's United compared with the same 2022 period.
- The Residential Mortgage Banking segment recorded a net loss of $14 million in the third quarter of 2023, compared with net Average deposits in the recent quarter as compared with the similar 2022 period was attributable first quarter of 2023 reflect a shift from noninterest-bearing accounts to lower revenues mortgage loan origination interest-bearing products amidst an elevated interest rate environment.

losses in the year-earlier quarter and 2023's second quarter of $2 million and $15 million, respectively. The higher net loss

Institutional Services & Wealth Management

The Institutional Services and sales activities (including intersegment revenues) Wealth Management segment provides a variety of $7 million. Net losses trustee, agency, investment management and administrative services for corporations and institutions, investment bankers, corporate tax, finance and legal executives, and other institutional clients, as well as personal trust, planning, fiduciary, asset management, family office and other services designed to help high net worth individuals and families grow, preserve and transfer wealth. This segment also provides investment products, including mutual funds and annuities and other services to customers.

INSTITUTIONAL SERVICES & WEALTH MANAGEMENT SEGMENT FINANCIAL SUMMARY

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	**March 31, 2024**	**December 31, 2023**	**Amount**	**%**	**March 31, 2024**	**March 31, 2023**	**Amount**	**%**
Income Statement								
Net interest income	$ 186	$ 176	$ 10	6 %	$ 186	$ 170	$ 16	9 %
Noninterest income	191	186	5	3	191	220	(29)	-13
Total revenue	377	362	15	4	377	390	(13)	-4
Provision for credit losses	—	—	—	—	—	—	—	—
Noninterest expense	205	219	(14)	-6	205	241	(36)	-15
Income before taxes	172	143	29	21	172	149	23	15
Income taxes	44	38	6	19	44	39	5	14
Net income	$ 128	$ 105	$ 23	21 %	$ 128	$ 110	$ 18	16 %

Average Balance Sheet

Loans and leases:								
Commercial and industrial	$ 783	$ 761	$ 22	3 %	$ 783	$ 787	$ (4)	-1 %
Commercial real estate	48	56	(8)	-13	48	53	(5)	-9
Residential real estate	1,846	1,838	8	—	1,846	1,720	126	7
Consumer	722	766	(44)	-6	722	812	(90)	-11
Total loans and leases, net	$ 3,399	$ 3,421	$ (22)	-1 %	$ 3,399	$ 3,372	$ 27	1 %
Deposits:								
Noninterest-bearing	9,081	8,477	604	7	9,081	10,363	(1,282)	-12
Interest-bearing	7,168	6,759	409	6	7,168	7,970	(802)	-10
Total deposits	$ 16,249	$ 15,236	$ 1,013	7 %	$ 16,249	$ 18,333	$ (2,084)	-11 %

The Institutional Services and Wealth Management segment's net income increased $23 million to $128 million in the first nine months quarter of 2023 for the Residential Mortgage Banking segment aggregated $42 million, compared with net income of $33 million 2024 from $105 million in the corresponding 2022 period. That decline was attributable to lower revenues associated with residential mortgage loan origination and sales activities (including intersegment revenues) last quarter of $34 million, lower net 2023.

- Net interest income of $29 million, increased $10 million reflecting higher costs to fund mortgage loan servi assets, and higher foreclosure expenses of $10 million.

  Net income for the Retail Banking segment totaled $343 million in the recent quarter, compared with $ million in the third quarter of 2022 and $337 million in the second quarter of 2023. The increase from the t quarter of 2022 was largely attributable to a $224 million increase in net interest income reflecting a 152 b point widening of the net interest margin on deposits partially offset by lower of 3 basis points and a $1.0 bi increase in average outstanding deposit balances of $4.6 billion. balances.

- Noninterest income increased $5 million reflecting higher brokerage fee and trust income.
- Noninterest expenses decreased $14 million reflecting a decline in personnel-related costs and professional other services.

Net income for the Institutional Services and Wealth Management segment increased $18 million in the recent quarter increased as compared with from $110 million in the second quarter of 2023 primarily due to higher net year-earlier first quarter.

- Net interest income of $12 million. The Retail Banking segment recorded net income of $996 million and $ million in the first nine months of 2023 and 2022, respectively. That increase was predominantly due to a $ billion rise in net interest income, increased $16 million reflecting a 199 basis point widening of the net inte margin on deposits and higher of 80 basis points, partially offset by a $2.1 billion decline in average outstan deposit balances balances.
- Noninterest income decreased $29 million predominantly due to lower trust income of $3.3 billion $34 mi reflecting lower revenues associated with the CIT business of approximately $45 million following its sale in A 2023, partially offset by higher revenues from the segment's global capital markets business. An increas brokerage services income reflecting sales of annuity products partially offset the trust income decline.

- Noninterest expenses decreased $36 million reflecting a $39 million decline in professional and other serv due, in part, to deposits assumed on April 1, 2022 in lower sub-advisory fees as a result of the People's Ur transaction. Partially offsetting that favorable factor was sale of the CIT business, partially offset by an increas centrally-allocated costs associated with data processing, risk management and other support services prov to the provision for credit losses of $46 million Institutional Services and higher

Wealth Management segment.

levels of personnel, occupancy and other expenses reflecting an additional three months of operations acquired from People's United as compared with the same period in 2022. All Other

The "All Other" category includes reflects other activities of the Company that are not directly attributable to the reported segments. Reflected in this category are the amortization of difference between the provision for credit losses and the calculated provision allocated to the reportable segments; goodwill and core deposit and other intangible assets resulting from the acquisitions of financial institutions, distributions from BLG, institutions; merger-related gains and expenses resulting from acquisitions, and related to acquisitions; the net impact of the Company's allocation methodologies for internal transfers for funding charges funds transfer pricing methodology; eliminations of transactions between reportable segments; certain non-recurring transactions; and credits associated with the residual effects of unallocated support systems and general and administrative expenses. The Company's investment securities portfolio, brokered deposits and short-term and long-term borrowings are generally included in the "All Other" category. In its management of interest rate risk, the Company utilizes interest rate swap agreements to modify the repricing characteristics of certain portfolios of earning assets and interest-bearing liabilities liabilities. The results of such activities are captured in the Company's reportable segments and the provision for credit losses. "All Other" category.

ALL OTHER CATEGORY FINANCIAL SUMMARY

	Three Months Ended		Change		Three Months Ended		Change	
(Dollars in millions)	March 31, 2024	December 31, 2023	Amount	%	March 31, 2024	March 31, 2023	Amount	%
Income Statement								
Net interest income (expense)	$ (125)	$ (120)	$ (5)	4 %	$ (125)	$ (65)	$ (60)	91 %
Noninterest income	41	22	19	76	41	35	6	16
Total revenue (expense)	(84)	(98)	14	-13	(84)	(30)	(54)	179
Provision for credit losses	55	56	(1)	—	55	43	12	25
Noninterest expense	247	258	(11)	-5	247	216	31	15
Income before taxes	(386)	(412)	26	-6	(386)	(289)	(97)	34
Income taxes	(142)	(131)	(11)	9	(142)	(96)	(46)	49

Net income	$ (244)	$ (281)	$ 37	-13 %	$ (244)	$ (193)	$ (51)	26 %

The “All Other” category also includes trust recorded a net loss in the first quarter of 2024 of $244 million, compared with a net loss of $281 million in the fourth quarter of 2023.

- Net interest income decreased $5 million.
- Noninterest income increased $19 million primarily reflecting BLG distributions of $25 million, partially offset l decline in tax-exempt income earned from bank owned life insurance revenue.
- Noninterest expense decreased $11 million reflecting a decline in FDIC assessment expense of $169 million to the Company that reflects $197 million special assessment expense recorded in the ICS fourth quarter of 2(partially offset by the incremental special assessment expense of $29 million recorded in the first quarter of 2(The decrease was partially offset by a rise in personnel-related costs of $109 million reflecting merit increases WAS business activities. seasonally higher stock-based compensation and employee benefits expenses increase in other costs of operations of $27 million reflecting higher costs associated with the Compa supplemental executive retirement savings plan, losses on lease terminations related to certain vacated prope and incremental charitable contributions as compared with the fourth quarter of 2023; and increased outside (processing and software expense of $8 million.

The various components of net loss recorded for the “All Other” category resulted in net income of $26 million was $193 million in the third first quarter of 2023, compared with $58 million in the third 2022 quarter and $256 million in the second quarter of 2023. The lower net

- Net interest income in the recent quarter as compared with the third quarter of 2022 resulted from lower decrea $60 million reflecting higher net interest income of $62 million and lower trust income of $31 million due ma to expense from interest rate swap agreements entered into for interest rate risk management purposes, as as the divestiture of the CIT business in April 2023, offset partially by the favorable unfavorable impact from Company’s allocation methodologies for internal transfers for related to funding charges and credits associ with earning assets and interest-bearing liabilities of the Company’s reportable segments.
- Noninterest income increased $6 million reflecting an increase in BLG distributions of $5 million.
- The lower net income in the recent quarter as compared with 2023’s second quarter was primarily due to the $ million gain on sale of the CIT business recorded in the second quarter of 2023. The “All Other” category recor net income of $306 million in the first nine months of 2023, compared with net losses of $286 million in the sir 2022 period. The primary factors contributing to the improved performance in the 2023 period was a rise in interest income of $310 million attributable to a 201 basis point widening of the net interest margin on depo related to the WAS and ICS businesses, the $225 million gain on the sale of the CIT business in the sec quarter of 2023, a decline $12 million increase in the provision for credit losses reflects the net impact of $ million the allocation of provision to reportable segments.
- Noninterest expense increased $31 million reflecting a $242 million provision for credit losses estima incremental special FDIC assessment expense of $29 million recorded in the second first quarter of 2022 2024

Other Matters

On March 6, 2024, the SEC adopted a final rule to enhance and standardize climate-related disclosures by public companies. The final rule requires registrants, including the Company, to disclose their risk management processes for material climate-related risks, governance and oversight of material climate-risks and any risks that have materially impacted, or are reasonably likely to have a material impact on, loans acquired from People's United not deemed to be PCD, the favorable impact from the Company's allocation methodologies for internal transfers for funding charges and credits associated with earning assets and interest-bearing liabilities of the Company's reportable segments, and lower merger-related costs associated with People's United. Increased expenses generally resulting from one additional quarter its business strategy, results of operations from People's or financial condition. Additionally, the final rule requires disclosure of material Scope 1 and Scope 2 greenhouse gas emissions, material climate targets and goals and certain disclosures related to severe weather events and other natural conditions. Such disclosures will be required in a registrant's annual reporting under a phased-in approach beginning with annual reports for the year ending December 31, 2025 for calendar-year-end large accelerated filers, such as M&T. On April 4, 2024, the SEC issued an order to stay the final rule pending the completion of judicial review by the United partially offset those favorable factors. States Court of Appeals for the Eighth Circuit.

Recent Accounting Developments

A discussion of the Company's significant accounting policies and critical accounting estimates can be found in the 2023 Annual Report. A summary of recent accounting developments is included in note 161 of Notes to Financial Statements.

Forward-Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations and other sections of this quarterly report contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the rules and regulations of the SEC. 1995. Any statement that does not describe historical or current facts is a forward-looking statement, including statements based on current expectations, estimates and projections about the Company's business, and management's beliefs and assumptions.

Statements regarding the potential effects of events or factors specific to the Company and/or the financial industry as a whole, as well as national and global events generally, including economic conditions, on the Company's business, financial condition, liquidity and results of operations may constitute forward-looking statements. Such statements are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond the Company's control.

Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "target," "estimate," "continue," or "potential," by future conditional verbs such as "will," "would," "should," "could," or "may," or by variations of such words or by similar expressions. These statements are not guarantees of future performance and involve Future Factors certain risks, uncertainties and assumptions which are difficult to predict. Therefore, predict and may cause actual outcomes and results may to differ materially from what is expressed or forecasted in such forward-looking statements. forecasted.

ExamplesWhile there can be no assurance that any list of Future Factors include: risks and uncertainties is complete, important factors that could cause actual outcomes and results to differ materially from those contemplated by forward-looking statements include the impact of the Company's acquisition of People's United (as described in the next paragraph); following, without limitation: economic conditions and growth rates, including inflation and market volatility; events and developments in the financial services industry, including legislation, regulations and

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other governmental actions as well as business conditions affecting the industry and/or M&T and its subsidiaries, individually or collectively; economic conditions, including inflation and market volatility; conditions; changes in interest rates, spreads on earning assets and interest-bearing liabilities, and interest rate sensitivity; prepayment speeds, loan originations, loan concentrations by type and industry, credit losses and market values on loans, collateral securing loans, and other assets; sources of liquidity; levels of client deposits; ability to contain costs and expenses; changes in the Company's credit ratings; the impact of the People's United acquisition; domestic or international political developments and other geopolitical events, including international conflicts and hostilities; changes and trends in the securities markets; common shares outstanding; outstanding, common stock price volatility; fair value of and number of stock-based compensation awards to be issued in future periods; the impact of changes in market values on trust-related revenues; federal, state or local legislation and/or regulations affecting the financial services industry, or M&T and its subsidiaries individually or collectively, including tax policy; regulatory supervision and oversight, including monetary policy and capital requirements; domestic or international political developments and other geopolitical events, including international conflicts; governmental and public policy changes, including tax policy; changes; political conditions, either nationally or in the states in which M&T and its subsidiaries do business; the outcome of pending and future litigation and governmental proceedings, including tax-related examinations and other matters; changes in accounting policies or procedures as may be required

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by the Financial Accounting Standards Board, regulatory agencies or legislation; increasing price, product and service competition by competitors, including new entrants; rapid technological developments and changes; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; the mix of products and services; containing costs and expenses; protection and validity of intellectual property rights; reliance on large customers; technological, implementation and cost/financial risks in large, multi-year contracts; continued availability of financing; financial resources in the amounts, at the times and on the terms required to support M&T and its subsidiaries' future businesses; and material differences in the actual financial results of merger, acquisition, divestment and investment activities compared with M&T's initial expectations, including the full realization of anticipated cost savings and revenue enhancements.

In addition, Future Factors related to the acquisition of People's United include, among others: the possibility that the anticipated benefits of the transaction will not be realized when expected or at all; potential adverse reactions or changes to business, customer or employee relationships; the Company's success in executing its business plans and strategies and managing the risks involved in the foregoing; the results and costs of integration efforts; the business, economic and political conditions in the markets in which M&T and its subsidiaries operate; the outcome of any legal proceedings that may be instituted against M&T or its subsidiaries; and other factors related to the acquisition that may affect future results of the Company.

These are representative of the Future Factors factors that could affect the outcome of the forward-looking statements. In addition, as noted, such statements could be affected by general industry and market conditions and growth rates, general economic and political conditions, either nationally or in the states in which M&T and its subsidiaries do the Company does business, including interest rate and currency exchange rate fluctuations, changes and trends in the securities markets, and other Future Factors. factors.

M&T The Company provides further detail regarding these risks and uncertainties in the 2022 2023 Annual Report, including in the Risk Factors section of such report, as well as in other SEC filings. Forward-looking statements speak only as of the date they are made, and M&T does not assume any the Company assumes no duty and does not undertake to update forward-looking statements.

M&T BANK CORPORATION AND SUBSIDIARIES

Table 1

QUARTERLY TRENDS

	2023 Quarters			2022 Quarters			
	Third	Second	First	Fourth	Third	Second	First
Earnings and dividends							
Amounts in thousands, except per share							
Interest income (taxable-equivalent basis)	$ 2,655,734	2,529,511	2,340,447	2,085,594	1,793,340	1,475,868	931,490
Interest expense	866,011	716,496	508,721	244,835	102,822	53,425	24,082
Net interest income	1,789,723	1,813,015	1,831,726	1,840,759	1,690,518	1,422,443	907,408
Less: provision for credit losses	150,000	150,000	120,000	90,000	115,000	302,000	10,000
Other income	559,581	803,171	587,133	681,537	563,079	571,100	540,887
Less: other expense	1,277,538	1,292,559	1,359,230	1,408,288	1,279,253	1,403,154	959,741
Income before income taxes	921,766	1,173,627	939,629	1,024,008	859,344	288,389	478,554
Applicable income taxes	217,490	292,707	224,543	245,252	200,921	60,141	113,146
Taxable-equivalent adjustment	14,335	13,886	13,462	13,385	11,827	10,726	3,234
Net income	$ 689,941	867,034	701,624	765,371	646,596	217,522	362,174

Net income available to common shareholders-diluted	$ 663,766	840,524	675,511	739,126	620,554	192,236	339,590
Per common share data							
Basic earnings	$ 4.00	5.07	4.03	4.32	3.55	1.08	2.63
Diluted earnings	3.98	5.05	4.01	4.29	3.53	1.08	2.62
Cash dividends	$ 1.30	1.30	1.30	1.20	1.20	1.20	1.20
Average common shares outstanding							
Basic	165,909	165,842	167,732	171,187	174,609	177,367	128,945
Diluted	166,570	166,320	168,410	172,149	175,682	178,277	129,416
Performance ratios, annualized							
Return on							
Average assets	1.33 %	1.70 %	1.40 %	1.53 %	1.28 %	.42 %	.97 %
Average common shareholders' equity	10.99 %	14.27 %	11.74 %	12.59 %	10.43 %	3.21 %	8.55 %
Net interest margin on average earning assets (taxable-equivalent basis)	3.79 %	3.91 %	4.04 %	4.06 %	3.68 %	3.01 %	2.65 %
Nonaccrual loans to total loans and leases, net of unearned discount	1.77 %	1.83 %	1.92 %	1.85 %	1.89 %	2.05 %	2.32 %
Net operating (tangible) results (a)							
Net operating income (in thousands)	$ 701,568	878,661	714,935	812,359	700,030	577,622	375,999
Diluted net operating income per common share	$ 4.05	5.12	4.09	4.57	3.83	3.10	2.73
Annualized return on							
Average tangible assets	1.41 %	1.80 %	1.49 %	1.70 %	1.44 %	1.16 %	1.04 %
Average tangible common shareholders' equity	17.41 %	22.73 %	19.00 %	21.29 %	17.89 %	14.41 %	12.44 %
Efficiency ratio (b)	53.7 %	48.9 %	55.5 %	53.3 %	53.6 %	58.3 %	64.9 %
Balance sheet data							
In millions, except per share							
Average balances							
Total assets (c)	$ 205,791	204,376	202,599	198,592	201,131	208,865	151,648
Total tangible assets (c)	197,199	195,764	193,957	189,934	192,450	200,170	147,053
Earning assets	187,403	185,936	184,069	179,914	182,382	189,755	138,624
Investment securities	27,993	28,623	27,622	25,297	23,945	22,384	7,724
Loans and leases, net of unearned discount	132,617	133,545	132,012	129,406	127,525	127,599	92,159
Deposits	162,688	159,399	161,537	163,468	167,271	174,683	128,055
Borrowings	12,585	15,055	11,505	5,385	4,194	4,408	3,498
Common shareholders' equity (c)	24,009	23,674	23,366	23,335	23,654	24,079	16,144
Tangible common shareholders' equity (c)	15,417	15,062	14,724	14,677	14,973	15,384	11,549
At end of quarter							
Total assets (c)	$ 209,124	207,672	202,956	200,730	197,955	204,033	149,864

Total tangible assets (c)	200,538	199,074	194,321	192,082	189,281	195,344	145,269
Earning assets	189,942	188,504	183,853	181,855	178,351	185,109	137,237
Investment securities	27,336	27,916	28,443	25,211	24,604	22,802	9,357
Loans and leases, net of unearned discount	132,355	133,344	132,938	131,564	128,226	128,486	91,808
Deposits	164,128	162,058	159,075	163,515	163,845	170,358	126,319
Borrowings	13,854	15,325	14,458	7,519	4,377	4,137	3,494
Common shareholders' equity (c)	24,186	23,790	23,366	23,307	23,245	23,784	16,126
Tangible common shareholders' equity (c)	15,600	15,192	14,731	14,659	14,571	15,095	11,531
Equity per common share	145.72	143.41	140.88	137.68	134.45	135.16	124.93
Tangible equity per common share	93.99	91.58	88.81	86.59	84.28	85.78	89.33

	2024	2023 Quarters			
(Dollars in millions, except per share, shares in thousands)	First Quarter	Fourth	Third	Second	First
Earnings and dividends					
Interest income (taxable-equivalent basis)	$ 2,757	$ 2,753	$ 2,656	$ 2,530	$ 2,341
Interest expense	1,065	1,018	866	717	509
Net interest income	1,692	1,735	1,790	1,813	1,832
Less: provision for credit losses	200	225	150	150	120
Other income	580	578	560	803	587
Less: other expense	1,396	1,450	1,278	1,293	1,359
Income before income taxes	676	638	922	1,173	940
Applicable income taxes	133	143	217	292	224
Taxable-equivalent adjustment	12	13	15	14	14
Net income	$ 531	$ 482	$ 690	$ 867	$ 702
Net income available to common shareholders-diluted	$ 505	$ 457	$ 664	$ 841	$ 676
Per common share data:					
Basic earnings	3.04	2.75	4.00	5.07	4.03
Diluted earnings	3.02	2.74	3.98	5.05	4.01
Cash dividends	1.30	1.30	1.30	1.30	1.30
Average common shares outstanding:					
Basic	166,460	165,985	165,909	165,842	167,732
Diluted	167,084	166,731	166,570	166,320	168,410
Performance ratios, annualized					
Return on:					
Average assets	1.01 %	.92 %	1.33 %	1.70 %	1.40 %
Average common shareholders' equity	8.14	7.41	10.99	14.27	11.74
Net interest margin on average earning assets (taxable-equivalent basis)	3.52	3.61	3.79	3.91	4.04
Nonaccrual loans to total loans and leases, net of unearned discount	1.71	1.62	1.77	1.83	1.92

Net operating (tangible) results (a)										
Net operating income	$	543	$	494	$	702	$	879	$	715
Diluted net operating income per common share		3.09		2.81		4.05		5.12		4.09
Annualized return on:										
Average tangible assets		1.08 %		.98 %		1.41 %		1.80 %		1.49 %
Average tangible common shareholders' equity		12.67		11.70		17.41		22.73		19.00
Efficiency ratio (b)		60.8		62.1		53.7		48.9		55.5
Balance sheet data										
Average balances:										
Total assets (c)	$	211,478	$	208,752	$	205,791	$	204,376	$	202,599
Total tangible assets (c)		202,906		200,172		197,199		195,764		193,957
Earning assets		193,135		190,536		187,403		185,936		184,069
Investment securities		28,587		27,490		27,993		28,623		27,622
Loans and leases, net of unearned discount		133,796		132,770		132,617		133,545		132,012
Deposits		164,065		164,713		162,688		159,399		161,537
Borrowings		16,001		13,057		12,585		15,055		11,505
Common shareholders' equity (c)		25,008		24,489		24,009		23,674		23,366
Tangible common shareholders' equity (c)		16,436		15,909		15,417		15,062		14,724
At end of quarter:										
Total assets (c)		215,137		208,264		209,124		207,672		202,956
Total tangible assets (c)		206,574		199,689		200,538		199,074		194,321
Earning assets		195,712		189,140		189,942		188,504		183,853
Investment securities		28,496		26,897		27,336		27,916		28,443
Loans and leases, net of unearned discount		134,973		134,068		132,355		133,344		132,938
Deposits		167,196		163,274		164,128		162,058		159,075
Borrowings		16,245		13,517		13,854		15,325		14,458
Common shareholders' equity (c)		25,158		24,946		24,186		23,790		23,366
Tangible common shareholders' equity (c)		16,595		16,371		15,600		15,192		14,731
Equity per common share		150.90		150.15		145.72		143.41		140.88
Tangible equity per common share		99.54		98.54		93.99		91.58		88.81

(a) *Excludes amortization and balances related to goodwill and core deposit and other intangible assets and merger-related expenses which, except in the calculation of the effi ratio, are net of applicable income tax effects. A reconciliation of net income and net operating income appears in table Table 2.*

(b) *Excludes impact of merger-related expenses and net securities transactions.*

(c) *The difference between total assets and total tangible assets, and common shareholders' equity and tangible common shareholders' equity, represents goodwill, core deposit anc intangible assets, net of applicable deferred tax balances. A reconciliation of such balances appears in table Table 2.*

Table 2

RECONCILIATION OF QUARTERLY GAAP TO NON-GAAP MEASURES

	2023 Quarters			2022 Quarters			
	Third	Second	First	Fourth	Third	Second	First
Income statement data (in thousands, except per share)							
Net income							
Net income	$ 689,941	867,034	701,624	765,371	646,596	217,522	362,174
Amortization of core deposit and other intangible assets (a)	11,627	11,627	13,311	13,559	14,141	14,138	933
Merger-related expenses (a)	—	—	—	33,429	39,293	345,962	12,892
Net operating income	$ 701,568	878,661	714,935	812,359	700,030	577,622	375,999
Earnings per common share							
Diluted earnings per common share	$ 3.98	5.05	4.01	4.29	3.53	1.08	2.62
Amortization of core deposit and other intangible assets (a)	.07	.07	.08	.08	.08	.08	.01
Merger-related expenses (a)	—	—	—	.20	.22	1.94	.10
Diluted net operating earnings per common share	$ 4.05	5.12	4.09	4.57	3.83	3.10	2.73
Other expense							
Other expense	$ 1,277,538	1,292,559	1,359,230	1,408,288	1,279,253	1,403,154	959,741
Amortization of core deposit and other intangible assets	(14,946)	(14,945)	(17,208)	(17,600)	(18,384)	(18,384)	(1,256)
Merger-related expenses	—	—	—	(45,113)	(53,027)	(222,809)	(17,372)
Noninterest operating expense	$ 1,262,592	1,277,614	1,342,022	1,345,575	1,207,842	1,161,961	941,113
Merger-related expenses							
Salaries and employee benefits	$ —	—	—	3,670	13,094	85,299	87
Equipment and net occupancy	—	—	—	2,294	2,106	502	1,807
Outside data processing and software	—	—	—	2,193	2,277	716	252
Advertising and marketing	—	—	—	5,258	2,177	1,199	628
Printing, postage and supplies	—	—	—	2,953	651	2,460	722
Other costs of operations	—	—	—	28,745	32,722	132,633	13,876
Other expense	—	—	—	45,113	53,027	222,809	17,372
Provision for credit losses	—	—	—	—	—	242,000	—
Total	$ —	—	—	45,113	53,027	464,809	17,372
Efficiency ratio							

Noninterest operating expense (numerator)	$ 1,262,592	1,277,614	1,342,022	1,345,575	1,207,842	1,161,961	941,113
Taxable-equivalent net interest income	$ 1,789,723	1,813,015	1,831,726	1,840,759	1,690,518	1,422,443	907,408
Other income	559,581	803,171	587,133	681,537	563,079	571,100	540,887
Less: Gain (loss) on bank investment securities	(235)	1,004	(416)	(3,773)	(1,108)	(62)	(743)
Denominator	$ 2,349,539	2,615,182	2,419,275	2,526,069	2,254,705	1,993,605	1,449,038
Efficiency ratio	53.7 %	48.9 %	55.5 %	53.3 %	53.6 %	58.3 %	64.9 %
Balance sheet data (in millions)							
Average assets							
Average assets	$ 205,791	204,376	202,599	198,592	201,131	208,865	151,648
Goodwill	(8,465)	(8,473)	(8,490)	(8,494)	(8,501)	(8,501)	(4,593)
Core deposit and other intangible assets	(170)	(185)	(201)	(218)	(236)	(254)	(3)
Deferred taxes	43	46	49	54	56	60	1
Average tangible assets	$ 197,199	195,764	193,957	189,934	192,450	200,170	147,053
Average common equity							
Average total equity	$ 26,020	25,685	25,377	25,346	25,665	26,090	17,894
Preferred stock	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)	(1,750)
Average common equity	24,009	23,674	23,366	23,335	23,654	24,079	16,144
Goodwill	(8,465)	(8,473)	(8,490)	(8,494)	(8,501)	(8,501)	(4,593)
Core deposit and other intangible assets	(170)	(185)	(201)	(218)	(236)	(254)	(3)
Deferred taxes	43	46	49	54	56	60	1
Average tangible common equity	$ 15,417	15,062	14,724	14,677	14,973	15,384	11,549
At end of quarter							
Total assets							
Total assets	$ 209,124	207,672	202,956	200,730	197,955	204,033	149,864
Goodwill	(8,465)	(8,465)	(8,490)	(8,490)	(8,501)	(8,501)	(4,593)
Core deposit and other intangible assets	(162)	(177)	(192)	(209)	(227)	(245)	(3)
Deferred taxes	41	44	47	51	54	57	1
Total tangible assets	$ 200,538	199,074	194,321	192,082	189,281	195,344	145,269
Total common equity							
Total equity	$ 26,197	25,801	25,377	25,318	25,256	25,795	17,876
Preferred stock	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)	(1,750)
Common equity	24,186	23,790	23,366	23,307	23,245	23,784	16,126
Goodwill	(8,465)	(8,465)	(8,490)	(8,490)	(8,501)	(8,501)	(4,593)
Core deposit and other intangible assets	(162)	(177)	(192)	(209)	(227)	(245)	(3)
Deferred taxes	41	44	47	51	54	57	1
Total tangible common equity	$ 15,600	15,192	14,731	14,659	14,571	15,095	11,531
	2024	**2023 Quarters**					
(Dollars in millions, except per share)	**First Quarter**	**Fourth**	**Third**	**Second**	**First**		

Income statement data					
Net income					
Net income	$ 531	$ 482	$ 690	$ 867	$ 702
Amortization of core deposit and other intangible assets (a)	12	12	12	12	13
Net operating income	$ 543	$ 494	$ 702	$ 879	$ 715
Earnings per common share					
Diluted earnings per common share	$ 3.02	$ 2.74	$ 3.98	$ 5.05	$ 4.01
Amortization of core deposit and other intangible assets (a)	.07	.07	.07	.07	.08
Diluted net operating earnings per common share	$ 3.09	$ 2.81	$ 4.05	$ 5.12	$ 4.09
Other expense					
Other expense	$ 1,396	$ 1,450	$ 1,278	$ 1,293	$ 1,359
Amortization of core deposit and other intangible assets	(15)	(15)	(15)	(15)	(17)
Noninterest operating expense	$ 1,381	$ 1,435	$ 1,263	$ 1,278	$ 1,342
Efficiency ratio					
Noninterest operating expense (numerator)	$ 1,381	$ 1,435	$ 1,263	$ 1,278	$ 1,342
Taxable-equivalent net interest income	$ 1,692	$ 1,735	$ 1,790	$ 1,813	$ 1,832
Other income	580	578	560	803	587
Less: Gain (loss) on bank investment securities	2	4	—	1	—
Denominator	$ 2,270	$ 2,309	$ 2,350	$ 2,615	$ 2,419
Efficiency ratio	60.8 %	62.1 %	53.7 %	48.9 %	55.5 %
Balance sheet data					
Average assets					
Average assets	$ 211,478	$ 208,752	$ 205,791	$ 204,376	$ 202,599
Goodwill	(8,465)	(8,465)	(8,465)	(8,473)	(8,490)
Core deposit and other intangible assets	(140)	(154)	(170)	(185)	(201)
Deferred taxes	33	39	43	46	49
Average tangible assets	$ 202,906	$ 200,172	$ 197,199	$ 195,764	$ 193,957
Average common equity					
Average total equity	$ 27,019	$ 26,500	$ 26,020	$ 25,685	$ 25,377
Preferred stock	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)
Average common equity	25,008	24,489	24,009	23,674	23,366
Goodwill	(8,465)	(8,465)	(8,465)	(8,473)	(8,490)
Core deposit and other intangible assets	(140)	(154)	(170)	(185)	(201)
Deferred taxes	33	39	43	46	49

Average tangible common equity	$ 16,436	$ 15,909	$ 15,417	$ 15,062	$ 14,724
At end of quarter					
Total assets					
Total assets	$ 215,137	$ 208,264	$ 209,124	$ 207,672	$ 202,956
Goodwill	(8,465)	(8,465)	(8,465)	(8,465)	(8,490)
Core deposit and other intangible assets	(132)	(147)	(162)	(177)	(192)
Deferred taxes	34	37	41	44	47
Total tangible assets	$ 206,574	$ 199,689	$ 200,538	$ 199,074	$ 194,321
Total common equity					
Total equity	$ 27,169	$ 26,957	$ 26,197	$ 25,801	$ 25,377
Preferred stock	(2,011)	(2,011)	(2,011)	(2,011)	(2,011)
Common equity	25,158	24,946	24,186	23,790	23,366
Goodwill	(8,465)	(8,465)	(8,465)	(8,465)	(8,490)
Core deposit and other intangible assets	(132)	(147)	(162)	(177)	(192)
Deferred taxes	34	37	41	44	47
Total tangible common equity	$ 16,595	$ 16,371	$ 15,600	$ 15,192	$ 14,731

(a) After any related tax effect.

M&T BANK CORPORATION AND SUBSIDIARIES

Table 3

AVERAGE BALANCE SHEETS AND ANNUALIZED TAXABLE-EQUIVALENT RATES

	2023 Third Quarter			2023 Second Quarter			2023 First Quarter		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Average balance in millions; interest in thousands									
Assets									
Earning assets									
Loans and leases, net of unearned discount (a)									

Commercial, financial, etc.	$ 44,625	$ 787,973	7.01 %	$ 44,531	$ 754,312	6.79 %	$ 42,428	$ 676,194	6.46 %
Real estate – commercial	44,230	724,911	6.41	44,944	710,284	6.25	45,327	659,099	5.82
Real estate – consumer	23,573	243,684	4.14	23,781	243,896	4.10	23,770	235,141	3.96
Consumer	20,189	313,275	6.16	20,289	297,217	5.88	20,487	286,596	5.67
Total loans and leases, net	132,617	2,069,843	6.19	133,545	2,005,709	6.02	132,012	1,857,030	5.70
Interest-bearing deposits at banks	26,657	362,840	5.40	23,617	302,429	5.14	24,312	278,417	4.64
Federal funds sold and agreements to resell securities	—	—	5.79	—	6	5.53	—	2	4.89
Trading account	136	1,377	4.05	151	994	2.66	123	712	2.32
Investment securities (b)									
U.S. Treasury and federal agencies	24,166	176,780	2.90	24,630	179,452	2.92	23,795	166,978	2.85
Obligations of states and political subdivisions	2,527	23,549	3.70	2,555	23,600	3.71	2,570	23,751	3.75
Other	1,300	21,345	6.51	1,438	17,321	4.83	1,257	13,557	4.38
Total investment securities	27,993	221,674	3.14	28,623	220,373	3.09	27,622	204,286	3.00
Total earning assets	187,403	2,655,734	5.62	185,936	2,529,511	5.46	184,069	2,340,447	5.16
Allowance for credit losses	(1,998)			(1,985)			(1,938)		
Cash and due from banks	1,730			1,747			1,952		
Other assets	18,656			18,678			18,516		
Total assets	$ 205,791			$ 204,376			$ 202,599		
Liabilities and shareholders' equity									
Interest-bearing liabilities									
Interest-bearing deposits									
Savings and interest-checking deposits	$ 89,274	$ 494,219	2.20	$ 87,210	$ 368,362	1.69	$ 88,053	$ 277,068	1.28
Time deposits	19,528	201,541	4.09	16,009	150,337	3.77	11,630	89,197	3.11

Total interest-bearing deposits	108,802	695,760	2.54	103,219	518,699	2.02	99,683	366,265	1.49
Short-term borrowings	5,346	69,481	5.16	7,539	95,996	5.11	4,994	57,776	4.69
Long-term borrowings	7,240	100,770	5.52	7,516	101,801	5.43	6,511	84,680	5.27
Total interest-bearing liabilities	121,388	866,011	2.83	118,274	716,496	2.43	111,188	508,721	1.86
Noninterest-bearing deposits	53,886			56,180			61,854		
Other liabilities	4,497			4,237			4,180		
Total liabilities	179,771			178,691			177,222		
Shareholders' equity	26,020			25,685			25,377		
Total liabilities and shareholders' equity	$ 205,791			$ 204,376			$ 202,599		
Net interest spread			2.79			3.03			3.30
Contribution of interest-free funds			1.00			.88			.74
Net interest income/margin on earning assets		$ 1,789,723	3.79 %		$ 1,813,015	3.91 %		$ 1,831,726	4.04 %

(a) Includes nonaccrual loans.
(b) Includes available-for-sale securities at amortized cost.

(continued)

Table 3 (continued)

AVERAGE BALANCE SHEETS AND ANNUALIZED TAXABLE-EQUIVALENT RATES (continued)

	2022 Fourth Quarter			2022 Third Quarter		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
Average balance in millions; interest in thousands						
Assets						
Earning assets						
Loans and leases, net of unearned discount (a)						
Commercial, financial, etc.	$ 40,038	$ 581,161	5.76 %	$ 38,321	$ 470,738	4.87 %

Real estate – commercial	45,690	591,290	5.06	46,282	531,225	4.49
Real estate – consumer	23,334	228,391	3.92	22,962	220,464	3.84
Consumer	20,344	270,590	5.28	19,960	239,471	4.76
Total loans and leases, net		1,671,43			1,461,89	
	129,406	2	5.12	127,525	8	4.55
Interest-bearing deposits at banks	25,089	237,021	3.75	30,752	172,956	2.23
Federal funds sold and agreements						
to resell securities	—	4	4.32	29	41	.55
Trading account	122	652	2.13	131	583	1.78
Investment securities (b)						
U.S. Treasury and federal agencies	21,590	140,315	2.58	20,227	124,084	2.43
Obligations of states and political subdivisions	2,607	24,228	3.67	2,688	23,626	3.49
Other	1,100	11,942	4.31	1,030	10,152	3.91
Total investment securities	25,297	176,485	2.77	23,945	157,862	2.62
Total earning assets		2,085,59			1,793,34	
	179,914	4	4.60	182,382	0	3.90
Allowance for credit losses	(1,888)			(1,822)		
Cash and due from banks	1,989			1,962		
Other assets	18,577			18,609		
Total assets	$ 198,592			$ 201,131		
Liabilities and shareholders' equity						
Interest-bearing liabilities						
Interest-bearing deposits						
Savings and interest-checking deposits	$ 87,068	$ 167,421	.76	$ 89,360	$ 68,690	.31
Time deposits	6,182	20,119	1.29	5,050	1,124	.09
Total interest-bearing deposits	93,250	187,540	.80	94,410	69,814	.29
Short-term borrowings	1,632	13,336	3.24	913	2,670	1.16
Long-term borrowings	3,753	43,959	4.65	3,281	30,338	3.67
Total interest-bearing liabilities	98,635	244,835	.98	98,604	102,822	.41
Noninterest-bearing deposits	70,218			72,861		
Other liabilities	4,393			4,001		
Total liabilities	173,246			175,466		
Shareholders' equity	25,346			25,665		
Total liabilities and shareholders' equity	$ 198,592			$ 201,131		
Net interest spread			3.62			3.49
Contribution of interest-free funds			.44			.19
Net interest income/margin on earning assets		1,840,75			1,690,51	
		$ 9	4.06 %		$ 8	3.68 %

(a) *Includes nonaccrual loans.*

(b) Includes available-for-sale securities at amortized cost.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Incorporated by reference to the discussion contained under the caption “Taxable-equivalent Net Interest Income” in Part I, Item 2, “Management’s "Management's Discussion and Analysis of Financial Condition and Results of Operations.” Operations," under the captions "Liquidity Risk," "Market Risk and Interest Rate Sensitivity" and "Capital."

Item 4. Controls and Procedures.

(a) Evaluation of disclosure controls and procedures. Based upon their evaluation of the effectiveness of M&T’s disclosure controls and procedures (as defined in Exchange Act rules 13a-15(e) and 15d-15(e)), René F. Jones, Chairman of the Board and Chief Executive Officer, and Daryl N. Bible, Senior Executive Vice President and Chief Financial Officer, concluded that M&T’s disclosure controls and procedures were effective as of September 30, 2023 March 31, 2024.

(b) Changes in internal control over financial reporting. M&T regularly assesses the adequacy of its internal control over financial reporting and enhances its controls in response to internal control assessments and internal and external audit and regulatory recommendations. No changes in internal control over financial reporting have been identified in connection with the evaluation of disclosure controls and procedures during the quarter ended September 30, 2023 March 31, 2024 that have materially affected, or are reasonably likely to materially affect, M&T’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

M&T and its subsidiaries are subject in the normal course of business to various pending and threatened legal proceedings and other matters in which claims for monetary damages are asserted. On an on-going basis management, after consultation with legal counsel, assesses the Company’s liabilities and contingencies in connection with such proceedings. For those matters where it is probable that the Company will incur losses and the amounts of the losses can be reasonably estimated, the Company records an expense and corresponding liability in its consolidated financial statements. To the extent the pending or threatened litigation could result in exposure in excess of that liability, the amount of such excess is not currently estimable. Although not considered probable, the range of reasonably possible losses for such matters in the aggregate, beyond the existing recorded liability, was between $0 and $25 million as of September 30, 2023 March 31, 2024. Although the Company does not believe that the outcome of pending legal matters will be material to the Company’s consolidated financial position, it cannot rule out the possibility that such outcomes will be material to the consolidated results of operations for a particular reporting period in the future.

Item 1A. Risk Factors.

There have been no material changes in risk factors relating to M&T to those disclosed in response to Item 1A. to Part I, Item 1A of the 2022 2023 Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(a) – (b) Not applicable.

(c)

	Issuer Purchases of Equity Securities			
Period	**(a) Total Number of Shares (or Units) Purchased (1)**	**(b) Average Price Paid per Share (or Unit)**	**(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs**	**(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) that may yet be Purchased Under the Plans or Programs (2)**
July 1 - July 31, 2023	—	$ —	—	$ 1,200,060,000
August 1 - August 31, 2023	—	—	—	1,200,060,000
September 1 - September 30, 2023	1,728	126.97	—	1,200,060,000
Total	1,728	$ 126.97	—	

	Issuer Purchases of Equity Securities			
Period	**Total Number of Shares (or Units) Purchased (1)**	**Average Price Paid per Share (or Unit)**	**Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs**	**Maximum Number (or Approximate Dollar Value) of Shares (or Units) that may yet be Purchased Under the Plans or Programs (2)**
January 1 - January 31, 2024	210	$ 136.94	—	$ 1,200,060,000

February 1 - February 29, 2024	—	—	—	1,200,060,000
March 1 - March 31, 2024	18,205	140.05	—	1,200,060,000
Total	18,415	$ 140.01	—	

(1) *The total number of shares purchased during the periods indicated includes shares purchased as part of publicly announced programs and/or shares deemed to have received from employees who exercised stock options by attesting to previously acquired common shares in satisfaction of the exercise price or shares receivec employees upon the vesting of restricted stock awards in satisfaction of applicable tax withholding obligations, as is permitted under M&T's stock-based compen plans.*

(2) *In July 2022, M&T's Board of Directors authorized a program under which $3.0 billion of common shares may be repurchased with the exact number, timing, price and of such repurchases to be determined at the discretion of management and subject to all regulatory limitations.*

Item 3. Defaults Upon Senior Securities.

(None.)

Item 4. Mine Safety Disclosures.

(Not applicable.)

Item 5. Other Information.

(a) – (b) Not applicable.

(c) Certain of our officers or directors have made elections to participate in, and are participating in, our tax-qualified 401(k) plan and nonqualified deferred compensation plans, or have made, and may from time to time make,

elections to reinvest dividends in M&T Bank Corporation common stock, or have shares withheld to cover withholding taxes upon the vesting of equity awards or to pay the exercise price of options, each of which may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits.

The following exhibits are filed as a part of this report.

Exhibit No.	
10.1	Retirement and Consulting Agreement, dated as of February 8, 2024, by and between Doris Meister and M&T Bank. Filed herewith.*

31.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
31.2	Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002. Filed herewith.
32.1	Certification of Chief Executive Officer under 18 U.S.C. §1350 pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Filed herewith.
32.2	Certification of Chief Financial Officer under 18 U.S.C. §1350 pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. Filed herewith.
101.INS	Inline XBRL Instance Document. Filed herewith.
101.SCH	Inline XBRL Taxonomy Extension Schema. Filed herewith.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase. Filed herewith.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase. Filed herewith.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase. Filed herewith.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase. Schema With Embedded Linkbase Documents. Filed herewith.
104	The cover page from M&T Bank Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 March 31, 2024 has been formatted in Inline XBRL.

** Management contract or compensatory plan or arrangement.*

SIGNATURES

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

M&T BANK CORPORATION

Date: November 6, 2023 May 3, 2024

By: /s/ Daryl N. Bible

Daryl N. Bible

Senior Executive Vice President

and Chief Financial Officer

EXHIBIT 10.1

M&T Bank

One M&T Plaza,

Human Resources, 7th Floor,

Buffalo, NY 14203

716-842-5094 FAX 716-842-4374

February 8, 2024

Doris Meister

RE: ***Retirement & Consulting Agreement***

Dear Doris,

This Retirement & Consulting Agreement ("Agreement") sets forth the terms of the Agreement between Doris Meister ("You" or "Consultant") and Manufacturers and Traders Trust Company ("M&T Bank") with respect to your retirement and separation from employment and transition into a two-year consulting role. You and M&T Bank will hereinafter collectively be referred to as the "Parties."

(1) Retirement Date & Consulting Period

Your final date of employment with M&T Bank will be Friday, May 31, 2024 ("Retirement Date"). As of that date, except as specifically provided in this Agreement, all compensation, participation in the 401(k) plan, long term disability, and participation in the Employee Stock Purchase Plan will cease. Provided you comply with the other terms of this Agreement, including your execution and non-revocation of this Agreement and the attached General Release and Waiver, beginning June 1, 2024, and through June 1, 2026 (the "Consulting Period"), you will serve as a Consultant for M&T Bank consistent with the duties described in Paragraph 4.

(2) Payment of Wages and Other Sums Due

M&T Bank agrees that you will be paid for all wages due for services rendered to M&T Bank through the Retirement Date and will be paid for any accrued Paid Time Off and/or floating holidays, if applicable, or other leave which is, under M&T Bank's policies, compensable at the time of retirement, at your current rate of pay.

(3) Health Coverage Continuation

Following the Retirement Date, you and your covered family members may each elect to continue health coverage as provided by the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended ("COBRA"). Additional information concerning your COBRA rights will be mailed to you under separate cover. In addition, you and your covered spouse are eligible to obtain retiree health coverage under the M&T Bank Corporation Retiree Welfare Benefits Plan provided you enroll in such retiree health coverage within 30 days of your Retirement Date or if applicable, within 30 days after your COBRA health continuation coverage ends. You will receive additional information regarding retiree health coverage prior to your Retirement Date.

(4) Consulting Services

(a) During the Consulting Period, you agree to perform such reasonable consulting, management, and advisory services for M&T Bank with respect to the business and affairs of M&T Bank as M&T

Bank may reasonably request from time to time, which services may include transition of your successor, strategic planning services, and meeting with M&T Bank's officers, managers, and other personnel regarding operations. The services, in your discretion, shall be rendered in person or by telephone or other communication. Except as otherwise expressly agreed to, you shall have no obligation to M&T Bank as to the manner and time of rendering the services hereunder and shall have no obligation to devote a minimum number of hours on a weekly, monthly, annual, or other basis.

(b) M&T Bank shall furnish to you such information as it reasonably believes appropriate to permit you to provide the services contemplated by Section 3(a) hereof to M&T Bank; provided, however, that M&T Bank hereby acknowledges and agrees that (i) you will use and rely on such information in providing such services and (ii) you do not assume responsibility for the accuracy or completeness of such information.

(c) You shall perform all services to be provided to M&T Bank hereunder as an independent contractor to M&T Bank and not as an employee, agent, or representative of M&T Bank. You shall have no authority to act for or bind M&T Bank or any of its subsidiaries while acting in its capacity as an advisor to M&T Bank under this Agreement without M&T Bank's prior written consent. Any advice or opinions provided by you or its affiliates to M&T Bank and/or any subsidiary of M&T Bank may not be disclosed or referred to publicly or to any third party (other than to M&T Bank's affiliates and M&T Bank's legal, tax, financial, or other advisors), except in accordance with your prior written consent or if required by law; provided, however, that for the purpose of this sentence, you and M&T Bank shall not be treated as affiliates of one another.

(d) Consistent with the definition of Confidential Information and terms described in Paragraph 13, you agree that you will maintain the confidentiality of any Confidential Information of M&T Bank that you may learn of through the Consulting Period.

(5) Consulting Payments

If the terms of this Agreement are accepted by you, and you return a fully executed original of this Agreement to Corporate Employee Relations – M&T at One M&T Plaza, 7th Floor, Buffalo, New York 14203 on or before February 29, 2024, you do not thereafter revoke this Agreement, which you may do within seven (7) calendar days from the date that you sign it, you execute, as described in Paragraph 11, the attached General Release and Waiver, you do not revoke that General Release and Waiver, and you comply with the terms of both Agreements, you will be entitled to transition into a consulting role as described in Paragraph 4, for which you will receive a monthly consulting fee of $101,666.66 for the Consulting Period (from June 1, 2024 through May 31, 2026) (the "Consulting Payments"). These Consulting Payments will commence within 21 days of the commencement of the Consulting Period, provided you have signed both this Agreement and the attached General Release and Waiver, as described in and consistent with Paragraph 11, and the revocation periods for both the Agreement and the General Release and Waiver have expired without revocation. You will not be eligible for any other compensation, benefits, or equity in connection with your provision of the services you provide as a Consultant.

You also understand and agree that you will forfeit and not be entitled to receive the Consulting Payments described above if: (i) you breach any written agreement between you and M&T Bank, including this Agreement; (ii) you act or fail to act in a manner that results in or is intended to result in detrimental consequences to M&T Bank after notification of retirement; (iii) you improperly disclose proprietary or confidential information or trade secrets of M&T Bank; or (iv) you commit misconduct or other terminable offense.

Any revocation of this Agreement must be in writing and must be delivered to Corporate Employee Relations - MRT at One M&T Plaza, 7th Floor, Buffalo, New York 14203 by 5 p.m., within seven (7) calendar days from the date you have executed this Agreement. This Agreement will not become effective until

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after your 7-day revocation period has expired.

(6) Non-Competition, Non-Solicitation of Customers and Employees

You, for and in consideration of the promises set forth in this Agreement, hereby agree that through the Consulting Period, you shall not hold any position, in any capacity, directly with any company or entity listed on the attached Peer Firms list. In the event that you hold a position with or perform any services for a consulting firm during the Consulting Period that may also be consulting for any company or entity on the attached Peer Firms list, you agree that you will not work, directly or indirectly, on any project or assignment providing services to the entity that is listed on the attached Peer Firms list until after December 1, 2024. This Agreement does not restrict your ability to serve as a Board Member and/or Director of a Board for any entity as of December 1, 2024. Until December 1, 2024, however, you agree that you will not serve as a Board Member and/or Director of a Board for any company or entity listed on the Peer Firms list.

You also agree that through the end of the Consulting Period following the execution of this Agreement you shall not, directly or indirectly, hire, solicit or encourage any employee, consultant or contractor of M&T Bank to leave M&T Bank's employment, or hire any such employee, consultant or contractor who has left M&T Bank's employment or contractual engagement. In addition, through the end of the Consulting Period, you shall not, directly or indirectly, (i) solicit or attempt to solicit any customer of M&T Bank, customer leads or customer referrals who were served by or whose names became known to you while providing services to M&T Bank; (ii) induce or attempt to induce any customer of M&T

Bank to refuse to deal with or discontinue dealing with M&T Bank; or (iii) induce any customer of M&T Bank to terminate any existing contract for services with the Bank.

The Consulting Period limitation is not intended to limit M&T Bank's right to prevent misappropriation of its confidential information beyond the duration of the Consulting Period. In addition, if you are subject to a non-solicitation restriction under any incentive plan, commission plan or other arrangement or contract with M&T Bank, nothing in this section shall be read to alter or limit such restriction(s). To the extent the duration of the non-solicitation in this section differs with any other such restrictions, the longer time period shall control.

(7) Employment Verification

M&T Bank's policy currently provides that requests for employment verification be referred to HRDirect at 1-877-473-4732.

(8) Equity Awards

Your equity awards are governed by the terms and conditions of the applicable award agreement(s) and equity plan(s) maintained by M&T Bank Corporation. You should refer to the applicable equity award agreement(s) and equity plan(s) for further information about the status and treatment of equity awards upon separation from employment. You will not receive any future equity awards.

(9) Release and Waiver

You, for and in consideration of the promises set forth in this Agreement, hereby agree to release and discharge, and not to institute any suit or action, at law or in equity, against M&T Bank, as defined above, on your behalf and on behalf of any person or entity claiming by or through you, from any and all claims of any kind, known and unknown, which you may now have or have ever had against M&T Bank, including claims for compensation, accrued time off work, stock options, bonuses, separation pay and all other claims arising from your employment with M&T Bank or the separation of your employment with M&T Bank, whether based on

contract, tort, statute, local ordinance, regulation, common law, or any comparable law in any jurisdiction ("Released Claims"). By way of example and not in limitation, the Released Claims include (all as amended) the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Equal Pay Act of 1963, the Family and Medical Leave Act of 1993, the federal Worker Adjustment and Retraining Notification Act of 1988, the Employee Retirement Income Security Act of 1974, the Fair Credit Reporting Act of 1970, the Civil Rights Act of 1866 (42 U.S.C. §§ 1981–1988), the New York Human Rights Law, as well as any claims asserting wrongful termination, breach of contract, breach of the covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, and defamation and any other federal, state or local law, rule, regulation, executive order or guidelines relating to discrimination, excluding any potential rights or remedies pertaining to retirement benefits or the enforcement of this Agreement, from the beginning of the world through the date of this Agreement, and the continuing effects thereof.

This Agreement covers both claims that you know about and those that you may not know about at this time. The Released Claims do not include any claim: (1) to enforce the Agreement; (2) that arises exclusively after the date you execute the Agreement; (3) to undisputed vested benefits under an employee benefit plan governed by ERISA; (4) that you may have for COBRA benefits; and (5) that cannot be released as a matter of law, such as claims for statutory unemployment or statutory workers' compensation benefits.

Nothing in this Agreement limits your rights, protected under law, to file a charge or communicate with or otherwise participate in any investigation or proceeding conducted by the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the U.S Department of Justice, the Occupational Safety and Health Administration, the Equal Employment Opportunity Commission, the National Labor Relations Board, or any other government agency charged with enforcement of any law; however, in view of the Consulting Payments provided to you, to the maximum extent permitted by law, you waive and release any and all rights you have to recover any damages or individual monetary relief as a result of such charge, communication, or participation.

(10) Acknowledgement of Understanding and Review of Release and Waiver

You acknowledge and agree that, prior to executing this Agreement, you have been advised of your right to discuss it with your private attorney and that to the extent you desired, you have availed yourself of this right. You further acknowledge and agree that you have been provided with a reasonable period of time, not fewer than 21 calendar days from your receipt of this Agreement, to consider the terms of this Agreement and to the extent you have executed this Agreement within a shorter period of time, you have elected to do so knowingly and voluntarily and not on the basis of any M&T Bank fraud, misrepresentation, or threat to withdraw or alter this offer. You further acknowledge that you have carefully read and fully understand all of the provisions of this Agreement and that you are VOLUNTARILY entering into this Agreement. You further acknowledge that any modifications, material or not material to this Agreement, do not restart the consideration time period.

(11) Agreement to Sign Attached General Release and Waiver

You agree that as a condition of receiving the Consulting Payments described in Paragraph 5, you will sign the attached General Release and Waiver on your Retirement Date of May 31, 2024. You understand and acknowledge that if you do not sign the General Release and Waiver, or that if you subsequently revoke it as described therein, you will not be entitled to the Consulting Payments described in Paragraph 5 other than a payment of $500.

(12) Return of Property

You agree to return on or before the Retirement Date all M&T Bank property in your custody or possession, whether created by yourself or others, including but not limited to any laptop computers, handheld computers, cell phones, swipe cards and the originals and copies of all documents, employee and customer records, files, reports, letters, memoranda, records, data, flowcharts, promotional materials, agreements, customer lists, market studies and other tangible material containing confidential or proprietary information concerning M&T Bank, as defined above.

(13) Confidential Information

Except as required by law, through the end of the Consulting Period and thereafter, you will not disclose to any person or persons any Confidential Information relating to M&T Bank, as defined above. “Confidential Information” includes, but is not limited to, any and all records, files, reports, letters, memoranda, records, data, flowcharts, promotional materials, agreements, customer and employee related information, market studies and other secret, confidential or proprietary information of any nature relating to M&T Bank, as defined above, which is not generally available to the public. In order to enforce compliance with this covenant, you acknowledge that the failure to comply with the provisions of this Agreement will cause M&T Bank irreparable harm and that a remedy at law for such failure would be an inadequate remedy for M&T Bank. Therefore, you consent that M&T Bank may obtain an order of specific performance, an injunction, a restraining order, or other equitable relief from a court or arbitrator having jurisdiction. The availability of equitable relief shall not preclude M&T Bank from recovering any monetary damages to which it is entitled under applicable law. Nothing in this Agreement precludes you from sharing the terms of this Agreement and the facts underlying your separation from M&T Bank with your life partner, immediate family, attorneys, tax professionals, financial advisors, and healthcare professionals provided you inform each of their duty to keep such information confidential.

(14) Non-disparagement

You agree not to, directly or indirectly, make, create, publish, communicate, send, or otherwise transmit any statements or communications that are negative, degrading, or critical regarding M&T Bank or its officers, directors, managers, and employees. M&T Bank will provide a written instruction to its “Executive Officers” (as defined and designated under Rule 3b-7 of the Securities Exchange Act of 1934, and who hold office as of the date of this Agreement) directing those individuals that they are not to directly or indirectly, make, create, publish, communicate, send, or otherwise transmit any statements or communications that are negative, degrading, or critical regarding you.

(15) Section 409A Compliance

This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Section 409A"), including the exceptions thereto, and shall be construed and administered in accordance with such intent. Notwithstanding any other provision of this Agreement, payments provided under this Agreement may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment. With respect to any payments that are subject to Section 409A, in no event may you, directly or indirectly, designate the calendar year of a payment. Notwithstanding the foregoing, M&T Bank makes no representations that the payments and benefits provided under this Agreement comply with Section 409A and in no event shall M&T Bank be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by you on account of non-compliance with Section 409A.

(16) Cooperation

You agree to cooperate with M&T Bank, at M&T Bank's reasonable request, in all aspects of your provision of the Consulting services, including, without limitation, by assisting, cooperating, or providing knowledge, communicating with persons inside or outside M&T Bank, and making yourself reasonably available to assist with or participate in any agency, board and legal investigations and proceedings. M&T Bank agrees to reimburse you for your reasonable out-of-pocket costs and expenses actually incurred in connection with your provision of the Consulting services and for cooperating with M&T Bank as described in this paragraph. M&T Bank will reimburse you as described herein within 30 days of receiving a written request for reimbursement from you itemizing the costs and expenses you incurred and attaching receipts. You acknowledge and agree that your agreement to cooperate will be in effect throughout the entirety of the Consulting Period. However, you also agree that in the event that an issue, dispute, or claim directly or indirectly concerning or relating to your provision of the Consulting services arises after the expiration of the Consulting Period, that your agreement to cooperate will extend beyond the Consulting Period for the limited duration necessary to resolve the issue, dispute, or claim.

(17) Representations Concerning Insurance Coverages and Indemnification

M&T Bank represents that it has had in effect insurance policies providing insurance coverage for Directors and Officers and that you will be covered under those policies under the terms of those coverages with respect to your employment as an executive of M&T Bank.

(18) Miscellaneous

You and M&T Bank acknowledge and agree that this Agreement is not an admission of guilt or wrongdoing by you or M&T Bank, as defined above, that neither party believes or admits that it has done anything wrong, and that both parties expressly deny any wrongdoing.

This Agreement may not be modified in any manner or canceled except by a writing signed by you and an authorized M&T Bank official. You acknowledge that M&T Bank has made no promises to you other than those in this Agreement and that this Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes any prior understandings or written or oral agreements between the Parties with respect to the subject matter of this Agreement, except for any arbitration, intellectual property, noncompete, restrictive covenant, non-solicitation, nondisclosure, or confidential agreements between M&T Bank and you, which shall remain in full force and effect according to their terms.

You agree that you shall be responsible for all taxes and similar payments arising out of any activities contemplated by this Agreement, including without limitation, federal, state, and local income tax, self-employment taxes, and all other taxes, fees, and withholdings. You agree that you will indemnify M&T and hold M&T harmless against any claim, obligation, or demand to pay any type of taxes, interest, or penalties in connection with any payments made to you by M&T under this Agreement.

The provisions of this Agreement are severable. If any part of it is found to be unenforceable, all other provisions shall remain fully valid and enforceable.

Captions and headings in this agreement are intended solely for convenience of reference and shall not be used in interpretation of this Agreement. This Agreement shall be governed by the substantive and procedural laws of the State of New York.

Finally, by your signature below, you acknowledge each of the following: (a) that you have read this Agreement and the attachment; (b) that you are fully aware of the Agreement's contents and legal effect;
(c) that you have been advised to consult with an attorney of your choosing regarding this Agreement; (d) that you have consulted your own counsel to the extent and for the purposes you desired; (e) that you have chosen to enter into this Agreement freely, without coercion and based upon your own judgment and not in reliance upon any

promises made by M&T Bank or any of its representatives other than those contained in this Agreement, (f) that, if applicable, you have been given the attached Disclosure Statement, and (g) that as a condition of receiving the Consulting Payments, you will sign the attached General Release and Waiver on your Retirement Date.

Sincerely,

/s/ David Hollis

DAVID HOLLIS

SENIOR EXECUTIVE VICE PRESIDENT

CHIEF HUMAN RESOURCES OFFICER

I have read and understand the Agreement above and agree to be bound by its terms and conditions.

/s/ Doris Meister

DORIS MEISTER

February 9, 2024

DATE

ATTACHMENT

GENERAL RELEASE AND WAIVER

Pursuant to the terms and conditions of the Retirement & Consulting Agreement("Agreement") to which this General Release and Waiver ("Release") is attached, and in consideration of the benefits offered under the Agreement, you agree to release and discharge, and not to institute any suit or action, at law or in equity, against M&T Bank, as defined in the Agreement, on your behalf and on behalf of any person or entity claiming by or through you, from any and all claims of any kind, known and unknown, which you may now have or have ever had against M&T Bank, including claims for compensation, accrued time off work, stock options, bonuses, separation pay and all other claims arising from your employment with M&T Bank or the termination of your employment with M&T Bank, whether based on contract, tort, statute, local ordinance, regulation, common law, or any comparable law in any jurisdiction (“Released Claims”). By way of example and not in limitation, the Released Claims include (all as amended) the Age Discrimination in Employment Act of 1967, the Older Workers Benefit Protection Act, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Equal Pay Act of 1963, the Family and Medical Leave Act of 1993, the federal Worker Adjustment and Retraining Notification Act of 1988, the Employee Retirement Income Security Act of 1974, the Fair Credit Reporting Act of 1970, the Civil Rights Act of 1866 (42 U.S.C. §§ 1981–1988) the New York Human Rights Law, as well as any claims asserting wrongful termination, breach of contract, breach of the covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, and defamation and any other federal, state or local law, rule, regulation, executive order or guidelines relating to discrimination, excluding any potential rights or remedies pertaining to retirement benefits or the enforcement of this Release, from the beginning of the world through the date of this Release, and the continuing effects thereof.

This Release covers both claims that you know about and those that you may not know about at this time. The Released Claims do not include any claim: (1) to enforce the Agreement; (2) that arises exclusively after the date you execute the Release; (3) to undisputed vested benefits under an employee benefit plan governed by ERISA; (4) that you may have for COBRA benefits; and (5) that cannot be released as a matter of law, such as claims for statutory unemployment or statutory workers’ compensation benefits.

Nothing in the Agreement or the Release limits your rights, protected under law, to file a charge or communicate with or otherwise participate in any investigation or proceeding conducted by the Securities and Exchange Commission, the Financial Industry Regulatory Authority, the U.S. Department of Justice, the Occupational Safety and Health Administration, the Equal Employment Opportunity Commission, the National Labor Relations Board, or any other government agency charged with enforcement of any law; however, in view of the payments and benefits provided to you, to the maximum extent permitted by law, you waive and release any and all rights you have to recover any damages or individual monetary relief as a result of such charge, communication, or participation.

You acknowledge and agree that, prior to executing this Release, you have been advised of your right to discuss it with your private attorney and that to the extent you desired, you have availed yourself of this right. You further acknowledge and agree that you have been provided with a reasonable period of time, not fewer than 21 calendar days from your receipt of this Release, to consider the terms of this Release and to the extent you have executed this Release within a shorter period of time, you have elected to do so knowingly and voluntarily and not on the basis of any M&T Bank fraud, misrepresentation, or threat to withdraw or alter this offer. You further acknowledge that you have carefully read and fully understand all of the provisions of this Release and that you are VOLUNTARILY entering into this Release. You further acknowledge that any modifications, material or not material to this Release, do not restart the consideration time period.

You will have seven (7) calendar days after signing this Release to revoke it by delivering written notice of your revocation to Corporate Employee Relations – MRT at One M&T Plaza, 7th Floor, Buffalo, NY 14203. This Release will become effective on the eighth (8th) day following its execution by you, provided that it has not been revoked by you as set forth in the immediately preceding sentence. If this Release is revoked by you within that 7-day period, you will not be eligible to receive any of the payments or benefits identified in the Agreement.

By your signature below, you acknowledge each of the following: (a) that you have read this Release; (b) that you are fully aware of the Release's contents and legal effect; (c) that you have been advised to consult with an attorney of your choosing regarding this Release; (d) that you have consulted your own counsel to the extent and for the purposes you desired; (e) and that you have chosen to enter into this Release freely, without coercion and based upon your own judgment and not in reliance upon any promises made by M&T Bank or any of its representatives other than those contained in this Release.

DORIS MEISTER
DATE

ATTACHMENT

Peer Firms

Ally Financial (ALLY)
Bank of America Corporation (BAC)
Bank of New York Mellon Corporation (BK)
Bessemer Trust
BMO Financial Corp (BMO)
Brown Brothers Harriman
Citigroup Inc. (C)
Citizens Financial Group, Inc. (CFG)
Comerica Incorporated (CMA)
Credit Suisse Group AG (CS)

Fifth Third Bancorp (FITB)
First Citizens Bancshares, Inc. (FCNCA)
First Horizon National Corporation (FHN)
Goldman Sachs Group, Inc. (GS)
Huntington Bancshares Incorporated (HBAN)
JP Morgan Chase & Co. (JPM)
KeyCorp (KEY)
Morgan Stanley (MS)
Northern Trust Corporation (NTRS)
PNC Financial Services Group, Inc. (PNC)
Regions Financial Corporation (RF)
State Street Corporation (STT)
TD Group Holdings, LLC (TD)
Truist Financial Corporation (TFC)
UBS Group (UBS)
UMB Financial Corporation (UMBF)
U.S. Bancorp (USB)
Wells Fargo & Co. (WFC)
Zions Bancorporation (ZION)

EXHIBIT 31.1

CERTIFICATIONS

I, René F. Jones, certify that:

1. I have reviewed this quarterly report on Form 10-Q of M&T Bank 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 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.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2023 May 3, 2024

By: /s/ René F. Jones

René F. Jones
Chairman of the Board and
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Daryl N. Bible, certify that:

1. I have reviewed this quarterly report on Form 10-Q of M&T Bank 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 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.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 6, 2023 May 3, 2024

By: /s/ Daryl N. Bible

Daryl N. Bible
Senior Executive Vice President
and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER UNDER 18 U.S.C. §1350

I, René F. Jones, Chairman of the Board and Chief Executive Officer of M&T Bank Corporation, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of M&T Bank Corporation for the quarterly period ended September 30, 2023 March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of M&T Bank Corporation.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.

/s/ René F. Jones

René F. Jones

November 6, 2023 May 3, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to M&T Bank Corporation and will be retained by M&T Bank Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER UNDER 18 U.S.C. §1350

I, Daryl N. Bible, Senior Executive Vice President and Chief Financial Officer of M&T Bank Corporation, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of M&T Bank Corporation for the quarterly period ended September 30, 2023 March 31, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of M&T Bank Corporation.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. §1350 and is not being filed as part of the Report or as a separate disclosure document.

/s/ Daryl N. Bible

Daryl N. Bible

November 6, 2023 May 3, 2024

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to M&T Bank Corporation and will be retained by M&T Bank Corporation and furnished to the Securities and Exchange Commission or its staff upon request.

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