Risk Factors Comparison 2024-02-27 to 2023-02-24 Form: 10-K

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The risks and uncertainties listed below present risks that could have a material impact on the Bancorp' s financial condition, the results of its operations or its business. Some of these risks and uncertainties are interrelated and the occurrence of one or more of them may exacerbate the effect of others. The risks and uncertainties described below are not the only ones Fifth Third faces. Additional risks and uncertainties not presently known to Fifth Third or that Fifth Third currently believes to be immaterial may also adversely affect its business. See " Cautionary Note Regarding Forward- Looking Statements " elsewhere in this Annual Report on Form 10- K for more information. ~~RISK FACTORS SUMMARY The following is a summary of the Risk Factors disclosure in this Item 1A:~~ CREDIT RISKS ~~•~~ Deteriorating credit quality has adversely impacted Fifth Third in the past and may adversely impact Fifth Third in the future ~~. • Fifth Third may have more credit risk and higher credit losses to the extent loans are concentrated by exposure to individual borrowers, location or industry of the borrowers or collateral. • Problems encountered by financial institutions larger than or similar to Fifth Third could adversely affect financial markets generally and have direct and indirect adverse effects on Fifth Third. • Inability to refinance in capital markets could cause a default that impacts Fifth Third borrowers. LIQUIDITY RISKS • Fifth Third must maintain adequate sources of funding and liquidity. • Fifth Third and / or the holders of its securities could be adversely affected by unfavorable ratings from rating agencies. • If Fifth Third is unable to maintain or grow its deposits, it may be subject to paying higher funding costs. • The Bancorp' s ability to receive dividends from its subsidiaries accounts for most of its revenue and could affect its liquidity and ability to pay dividends. OPERATIONAL RISKS • Fifth Third is exposed to cyber security risks that create both operational and reputational risk for the Bank and its customers across all lines of business. • Fifth Third relies on its systems and certain third- party service providers and certain failures (including those driven by climate- related weather events) could materially adversely affect operations. • Fifth Third may not be able to effectively manage organizational changes and implement key initiatives in a timely fashion, or at all, due to competing priorities which could adversely affect its business, results of operations, financial condition and reputation. • Fifth Third may not be able to successfully implement future information technology system enhancements, which could adversely affect Fifth Third' s business operations and profitability. • Fifth Third' s framework for managing risks may not be effective in mitigating its risk and loss. • Fifth Third may experience losses related to fraud, theft or violence. • Fifth Third could suffer if it fails to attract and retain skilled personnel. • Fifth Third may experience operational disruption from the effects of climate change. LEGAL AND REGULATORY COMPLIANCE RISKS • Fifth Third and / or its affiliates are or may become involved from time to time in information- gathering requests, investigations and litigation, regulatory or other enforcement proceedings by various governmental regulatory agencies and law enforcement authorities, as well as self-regulatory agencies which may lead to adverse consequences. • Fifth Third may be required to repurchase residential mortgage loans or reimburse investors and others as a result of breaches in contractual representations and warranties. • Fifth Third is subject to extensive governmental regulation which could adversely impact Fifth Third or the businesses in which Fifth Third is engaged. • Fifth Third could suffer from unauthorized use of intellectual property. • Fifth Third is subject to various regulatory requirements that may limit its operations and potential growth. • Fifth Third could face serious negative consequences if its third- party service providers, business partners or investments fail to comply with applicable laws, rules or regulations. • As a regulated entity, the Bancorp is subject to certain capital requirements that may limit its operations, potential growth and ability to pay or increase dividends on its common stock or to repurchase its capital stock. • Regulation of Fifth Third by the CFTC imposes additional operational and compliance costs. • Deposit insurance premiums levied against the Bank may increase if the number of bank failures increase or the cost of resolving failed banks increases. 30 Fifth Third Bancorp • If an orderly liquidation of a systemically important BHC or non- bank financial company were triggered, Fifth Third could face assessments for the Orderly Liquidation Fund. MARKET RISKS: INTEREST RATE RISKS AND PRICE RISKS • The replacement of LIBOR could adversely affect Fifth Third' s revenue or expenses and the value of those assets or obligations. • Weakness in the U. S. economy, including within Fifth Third' s geographic footprint, has adversely affected Fifth Third in the past and may adversely affect Fifth Third in the future. • Global and domestic political, social and economic uncertainties and changes may adversely affect Fifth Third. • Changes in interest rates could affect Fifth Third' s income and cash flows. • Changes and trends in the capital markets may affect Fifth Third' s income and cash flows. • Fifth Third' s stock price is volatile. • Fifth Third' s mortgage banking net revenue can be volatile from quarter to quarter. STRATEGIC RISKS • If Fifth Third does not respond to intense competition and rapid changes in the financial services industry or otherwise adapt to changing customer preferences, its financial performance may suffer. • Changes in retail distribution strategies and consumer behavior may adversely impact Fifth Third' s investments in its bank premises and equipment and other assets and may lead to increased expenditures to change its retail distribution channel. • Difficulties in identifying suitable opportunities or combining the operations of acquired entities or assets with Fifth Third' s own operations or assessing the effectiveness of businesses in which Fifth Third makes strategic investments or with which Fifth Third enters into strategic contractual relationships may prevent Fifth Third from achieving the expected benefits from these acquisitions, investments or relationships. • Future acquisitions may dilute current shareholders' ownership of Fifth Third and may cause Fifth Third to become more susceptible to adverse economic events. • Fifth Third may sell or consider selling one or more of its businesses or investments. Should it determine to sell such a business or investment, it may not be able to generate gains on sale or related increases in shareholders' equity commensurate with desirable levels. Moreover, if Fifth Third sold such businesses or investments, the loss of income could have an adverse effect on its earnings and future growth. REPUTATION RISKS • Damage to Fifth Third' s reputation could harm its business. • Fifth Third is subject to~~

~~environmental, social and governance (" ESG ") risks that could adversely affect its reputation, the trading price of its common stock and / or its business, operations, and earnings. GENERAL BUSINESS RISKS • Changes in accounting standards or interpretations could impact Fifth Third' s reported earnings and financial condition. • Fifth Third uses models for business planning purposes that may not adequately predict future results. • The preparation of financial statements requires Fifth Third to make subjective determinations and use estimates that may vary from actual results and materially impact its results of operations or financial position. • The effects of global climate change, natural disasters or health emergencies may have an effect on the performance of Fifth Third' s loan portfolios, thereby adversely impacting its results of operations. • Societal responses to climate change could adversely affect Fifth Third' s business and performance, including indirectly through impacts on Fifth Third' s customers. • Potential noncompliance with evolving federal and state laws governing cannabis- related businesses (" CRBs ") could subject Fifth Third to liabilities. • The COVID- 19 pandemic creates significant risks and uncertainties for Fifth Third' s business~~ . When Fifth Third lends money or commits to lend money, the Bancorp incurs credit risk or the risk of loss if borrowers do not repay their loans, leases, credit cards, derivative obligations, or other credit obligations. The performance of these credit portfolios significantly affects the Bancorp' s financial results and condition. If the current economic environment were to deteriorate, more customers may have difficulty in repaying their credit obligations which could result in a higher level of credit losses and reserves for credit losses. Fifth Third reserves for credit losses by establishing reserves through a charge to earnings. The amount of these reserves is based on Fifth Third' s assessment of credit losses expected to be incurred in the credit portfolios including unfunded credit commitments. The process for determining the amount of the ALLL and the reserve for unfunded commitments is critical to Fifth Third' s financial results and condition. Such determination ~~31 Fifth Third Bancorp~~ requires difficult, subjective and complex judgments about the environment, including analysis of economic or market conditions that may impair the ability of borrowers to repay their loans. Fifth Third may underestimate the credit losses expected to be incurred in its portfolios and have credit losses in excess of the amount reserved. Fifth Third may increase the reserve because of changing economic or market conditions, including falling home prices or higher unemployment, or other factors such as changes in borrower' s behavior or changing protections in credit agreements. As an example, borrowers may " strategically default, " or discontinue making payments on their real estate- secured loans if the value of the real estate is less than what they owe, even if they are still financially able to make the payments. Fifth Third believes that both the ALLL and the reserve for unfunded commitments are adequate to cover expected losses at December 31, ~~2022~~ **2023** ; however, there is no assurance that they will be sufficient to cover future credit losses associated with exposures existing at December 31, ~~2022~~ **2023** , especially if economic conditions decline, including but not limited to housing and employment conditions. In the event of significant deterioration in economic or market conditions, Fifth Third may be required to increase reserves in future periods, which would reduce earnings. For more information, refer to the Credit Risk Management subsection of the Risk Management section and the ALLL and Reserve for Unfunded Commitments subsections of the Critical Accounting Policies section of Management' s Discussion and Analysis of Financial Condition and Results of Operations **. Fifth Third may have more credit risk and higher credit losses to the extent loans are concentrated by exposure to individual borrowers, location or industry of the borrowers or collateral** . Fifth Third' s credit risk and credit losses can increase if its loans are concentrated among individual borrowers, borrowers engaged in the same or similar activities, industries or geographies or to borrowers who as a group may be uniquely or disproportionately affected by economic or market conditions. Deterioration in economic conditions, including housing conditions or commodity and real estate values in certain states or locations could result in materially higher credit losses if loans are concentrated in those locations or by other factors. Fifth Third has significant exposure to businesses in certain economic sectors such as manufacturing, real estate, financial services, insurance and healthcare, and weaknesses in those businesses may adversely impact Fifth Third' s business, results of operations or financial condition. Additionally, Fifth Third has a substantial portfolio of commercial and residential real estate loans and weaknesses in residential or commercial real estate markets may adversely impact Fifth Third' s business, results of operations or financial condition. **Problems encountered** ~~Certain industries, including segments of the healthcare industry (including skilled nursing, physician offices and surgery / outpatient centers) that were impacted~~ by ~~the COVID- 19 pandemic continue to struggle with recovery. Additionally, many~~ other **financial institutions could adversely** ~~affected~~ -- **affect** ~~businesses that~~ **financial markets generally and** have **direct** ~~reopened are experiencing increased costs~~ and **indirect adverse** ~~labor shortages, which create wide- ranging~~ effects on ~~several industries~~ **Fifth Third** . Fifth Third has exposure to counterparties in the financial services industry and other industries and routinely executes transactions with such counterparties, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients. Many of Fifth Third' s transactions with other financial institutions expose Fifth Third to credit risk in the event of default of a counterparty or client. In addition, Fifth Third' s credit risk may be affected when the collateral it holds cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure. The commercial soundness of many financial institutions may be closely interrelated as a result of credit, trading, clearing or other relationships between the institutions. As a result, concerns about, or a default or threatened default by, one institution could lead to significant market- wide liquidity and credit problems, losses or defaults by other institutions. This is sometimes referred to as " systemic risk " and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Bancorp interacts on a daily basis, and therefore could adversely affect Fifth Third **. 27 Fifth Third BancorpInability to refinance in capital markets could cause a default that impacts Fifth Third borrowers** . Some Fifth Third customers rely on additional sources of capital from outside the Bancorp. If capital markets are disrupted or unavailable to these borrowers such that they cannot obtain funds for refinancing, those borrowers may experience a shortfall that would leave them unable to honor short- term and / or long- term obligations to the Bancorp. **LIQUIDITY RISKS Fifth Third must maintain adequate sources of funding and liquidity.** Fifth Third must maintain adequate funding sources in the normal course of business to support its operations and fund outstanding liabilities, as well as meet regulatory expectations. Fifth Third primarily relies on bank deposits to be a low cost and stable source of funding for the loans it makes and the operation of its business. Core deposits, which include transaction deposits and certificates of deposit $ 250, 000 or less, have historically provided Fifth Third with a sizeable source of relatively stable and low- cost funds (average core deposits funded ~~78~~ **76** % of average total assets for the year ending December 31, ~~2022~~ **2023**). In addition to customer deposits, sources of liquidity include investments in the ~~32 Fifth Third Bancorp~~ securities portfolio, Fifth Third' s sale or securitization of loans in secondary markets, the pledging of loans and investment securities to access secured borrowing facilities through the FHLB and the FRB, and Fifth Third' s ability to raise funds in money and capital markets. Fifth Third' s liquidity and ability to fund and operate its business could be materially adversely affected by a variety of conditions and factors, including financial and credit market disruptions and volatility or a lack of market or customer confidence in financial markets in general similar to what occurred during the financial crisis in 2008 and early 2009, which may result in a loss of customer deposits or outflows of cash or collateral and / or ability to access capital markets on favorable terms. Other conditions and factors that could materially adversely affect Fifth Third' s liquidity and funding include: • a lack of market or customer confidence in Fifth Third or negative news about Fifth Third **, regional banks** or the financial services industry generally, which also may result in a loss of customer deposits and / or negatively affect Fifth Third' s ability to access the capital markets; • the loss of customer deposits due to competition from other banks or due to alternative investments; • inability to sell or securitize loans or other assets; • increased collateral requirements; • increased regulatory requirements; • reductions in one or more of Fifth Third' s credit ratings; • increased utilization of revolving lines of credit by customers; and • systematic failure of financial market utilities relied upon by Fifth Third to settle intrabank payment activity. A reduction in Fifth Third' s credit rating could adversely affect its ability to **retain deposits,** borrow funds ~~,~~ **(** including by raising the cost of borrowings substantially **)** and could cause creditors and business counterparties to raise collateral requirements or take other actions that could adversely affect Fifth Third' s ability to raise **liquidity or** capital. Many of the above conditions and factors may be caused by events over which Fifth Third has little or no control such as what occurred during the financial crisis. There can be no assurance that significant disruption and volatility in the financial markets will not occur again in the future. Regulatory changes relating to liquidity and risk management may also negatively impact Fifth Third' s results of operations and competitive position. Various regulations have been adopted to impose more stringent liquidity requirements for large financial institutions, including Fifth Third. These regulations address, among other matters, liquidity stress testing and minimum liquidity requirements. The application of certain of these regulations to banking organizations, such as Fifth Third, have been modified, including in connection with the implementation of the Tailoring Rules in the EGRRCPA. If Fifth Third is unable to continue to fund assets through customer bank deposits or access capital markets on favorable terms or if Fifth Third suffers an increase in borrowing costs or otherwise fails to manage liquidity effectively, Fifth Third' s liquidity, operating margins and financial results and condition may be materially adversely affected. Fifth Third may also need to raise additional capital and liquidity through the issuance of stock, which could dilute the ownership of existing stockholders, or reduce or even eliminate common stock dividends or share repurchases to preserve capital and liquidity. Fifth Third **and / or the holders of its securities could be adversely affected by unfavorable ratings from rating agencies. Fifth Third** ' s ability to access the capital markets is important to its overall funding profile. This access is affected by the ratings assigned by rating agencies to Fifth Third, certain of its subsidiaries and particular classes of securities they issue. The interest rates that Fifth Third pays on its securities are also influenced by, among other things, the credit ratings that it, its subsidiaries and / or its securities receive from recognized rating agencies. A downgrade to Fifth Third or its subsidiaries' credit rating could affect its ability to access the capital markets, increase its borrowing costs and negatively impact its profitability. A ratings downgrade to Fifth Third, its subsidiaries or their securities could also create obligations or liabilities of Fifth Third under the terms of its outstanding securities that could increase Fifth Third' s costs or otherwise have a negative effect on its results of operations or financial condition. **28 Fifth Third Bancorp** Additionally, a downgrade of the credit rating of any particular security issued by Fifth Third or its subsidiaries could negatively affect the ability of the holders of that security to sell the securities and the prices at which any such securities may be sold. Other rating agencies may also take actions to downgrade their ratings of the securities issued by Fifth Third or its subsidiaries. There can be no assurances that Fifth Third or its subsidiaries will retain any specific rating from any specific rating agency. ~~33~~ **If** Fifth Third ~~Bancorp~~ **is unable to maintain or grow its deposits, it may be subject to paying higher funding costs.** The total amount that Fifth Third pays for funding costs is dependent, in part, on Fifth Third' s ability to maintain or grow its deposits. If Fifth Third is unable to sufficiently maintain or grow its deposits to meet liquidity objectives, it may be subject to paying higher funding costs. Fifth Third competes with banks and other financial services companies for deposits. If competitors raise the rates they pay on deposits, Fifth Third' s funding costs may increase, either because Fifth Third raises rates to avoid losing deposits or because Fifth Third loses deposits and must rely on more expensive sources of funding. Also, customers typically move money from bank deposits to alternative investments during rising interest rate environments. Customers may also move noninterest- bearing deposits to interest- bearing accounts increasing the cost of those deposits. Checking and savings account balances and other forms of customer deposits may decrease when customers perceive alternative investments, such as the stock market, as providing a better risk / return trade- off. Fifth Third' s bank customers could take their money out of the Bank and put it in alternative investments, causing Fifth Third to lose a lower **-** cost source of funding. Higher funding costs reduce Fifth Third' s net interest margin and net interest income **. The Bancorp' s ability to receive dividends from its subsidiaries accounts for most of its revenue and could affect its liquidity and ability to pay dividends** . Fifth Third Bancorp is a separate and distinct legal entity from its subsidiaries. Fifth Third Bancorp typically receives substantially all of its revenue from dividends from its subsidiaries. These dividends are the principal source of funds to pay dividends on Fifth Third Bancorp' s stock and interest and principal on its debt. The ability of Fifth Third Bancorp' s subsidiaries to pay dividends or make other payments or distributions depends on their respective operating results and may be restricted by, among other things, regulatory constraints, prevailing economic conditions (including interest rates), and financial, business and other factors, many of which are beyond the control of Fifth Third Bancorp. Various federal and / or state laws and regulations, as well as regulatory expectations, limit the amount of dividends that the Bancorp' s banking subsidiary and certain nonbank subsidiaries may pay to the Bancorp. Regulatory scrutiny of liquidity and capital levels at bank holding companies and insured depository institutions has resulted in increased regulatory focus on all aspects of capital planning, including dividends and other distributions to shareholders of banks such as the parent bank holding companies. In addition, Fifth Third Bancorp' s right to participate in a distribution of assets upon a subsidiary' s liquidation or reorganization is subject to the prior claims of that subsidiary' s creditors. Regulatory limitations on the Bancorp' s ability to receive dividends from its subsidiaries, economic conditions and other financial or business factors could have a material adverse effect on its liquidity and ability to pay dividends on stock or interest and principal on its debt and to engage in share repurchases. For further information, refer to Regulation and Supervision in Item 1 of this Annual Report on Form 10- K and Note 3 of the Notes to Consolidated Financial Statements. **OPERATIONAL RISKS Fifth Third is exposed to cybersecurity risks that create both operational and reputational risk for the Bank and its customers across all lines of business.** In today' s digital world, more and more of Fifth Third' s business is conducted primarily via digital and mobile technology and information management systems. This includes the use of cloud computing, digital applications and third- party providers that host and store sensitive employee and customer information. Failures, interruptions of service or breaches in the security of these environments occur across the financial services industry with some frequency **, including at Fifth Third and its third- party providers. If** ~~and~~ - **an** ~~, if a material~~ event of this nature occurred at Fifth Third or one of its third- party providers **and such event proved to be material** , this could result in disruptions to Fifth Third' s accounting, deposit, lending and other systems, and adversely affect its customer relationships. While Fifth Third heavily invests in information security, technical resiliency, business continuity and disaster recovery planning, and has policies and procedures designed to detect, limit, and prevent the impact of these possible events, there can be no assurance that any such failure, interruption or security breach will not occur or, if any does occur, that it can be remediated in such a way to eliminate the risk. There will always be efforts on the part of threat actors to breach information security at financial institutions or with respect to financial transactions. There have been several recent instances involving financial services, credit bureaus and consumer- based companies reporting the unauthorized disclosure of client or customer information or the destruction or theft of corporate data, by both private individuals and foreign governments. In addition, because the techniques used to cause such security breaches change frequently, often are not recognized until launched against a target and may originate from **remote and** less regulated ~~and remote~~ areas around the world, Fifth Third may be unable to proactively address these techniques or to implement adequate preventative measures. Despite Fifth Third' s efforts to prevent a cyber- attack, a successful cyber- attack could persist for an extended period of time before being detected, and, following detection, it could take considerable time for Fifth Third to obtain full and reliable information about the ~~cyber security~~ **cybersecurity** incident and the extent, amount and type of information compromised. During the course of an investigation, Fifth Third may not necessarily know the full effects of the incident or how to remediate it, and actions and decisions that are taken or made in an effort to mitigate risk may further increase the costs and other negative **29 Fifth Third Bancorp** consequences of the incident. Furthermore, financial services companies are regularly the target of cyber- attacks such as distributed denial of service ~~attacks~~ **, social engineering** and ransomware attacks. The unintentional or willful acts or omissions of employees also remains the primary avenue through which threat actors attempt to gain access to company networks, information systems ~~and~~ **,** data **and credentials** . An ~~emerging~~ **additional** risk is the use of third- and fourth- party providers to host critical data and platforms for Fifth Third, or in some cases provide IT services to Fifth Third domestically and internationally. Fifth Third must make investments in its ability to oversee third- and fourth- party ~~34 Fifth Third Bancorp~~ providers and its failure to do so could result in customer losses, operational issues, litigation, regulatory actions and reputational loss. Industry trends are moving more to cloud providers, Software as a Service partners and hosted platforms that traditionally resided inside Fifth Third' s firewall and data centers. These ~~emerging~~ **additional** risks are further heightened through the increasing use of near real- time money movement solutions such as Zelle, and increase the difficulty to detect, prevent and recover fraudulent transactions. These ~~emerging~~ **additional** risks are increasing the costs of Fifth Third' s investment in technology and ~~cyber security~~ **cybersecurity** and require further investment in cyber- related and data loss event insurance which Fifth Third has in place. Though Fifth Third has insurance against some ~~cyber security~~ **cybersecurity** risks and attacks, it may not be sufficient to offset the impact of a material loss event. Future investment in these areas could have higher than expected costs and / or result in operating inefficiencies, which could increase the costs associated with the implementation as well as ongoing operations. If personal, confidential or proprietary information of customers or clients in the Bancorp' s or such vendors' or other third- parties' possession were to be mishandled or misused, the Bancorp could suffer significant regulatory consequences, reputational damage and financial loss **. Fifth Third relies on its systems and certain third- party service providers and certain failures (including those related to cybersecurity or weather events exacerbated by climate change) could materially adversely affect operations** . Fifth Third' s operations, including its financial and accounting systems, use computer systems and telecommunications networks operated by both Fifth Third and third- party service providers. Fifth Third may not be sufficiently resilient and may not recover from significant operational events in a timely manner which could create operational and reputational risks. Additionally, Fifth Third collects, processes and stores sensitive consumer data by utilizing those and other systems and networks. Fifth Third has security, backup and recovery systems in place, as well as a business continuity plan to ensure the systems will not be inoperable. Fifth Third also has security to prevent unauthorized access to the systems. In addition, Fifth Third requires its third- party service providers to maintain similar controls. However, Fifth Third cannot be certain that the measures will be successful. A security breach in these systems or the loss or corruption of confidential information such as business results, transaction records and related information could adversely impact Fifth Third' s ability to provide timely and accurate financial information in compliance with legal and regulatory requirements, which could result in sanctions from regulatory authorities, significant reputational harm and the loss of customer confidence in Fifth Third. Additionally, security breaches or the loss, theft or corruption of customer information such as social security numbers, credit card numbers, account balances or other information could result in losses by Fifth Third' s customers, litigation, regulatory sanctions, lost customers and revenue, increased costs and significant reputational harm. Fifth Third' s necessary dependence upon automated systems to record and process its transaction volume poses the risk that technical system flaws or employee errors, tampering or manipulation of those systems will result in losses and may be difficult to detect. Fifth Third may also be subject to disruptions of its operating systems arising from events that are beyond its control (for example, computer viruses or electrical or telecommunications outages). Third- party service providers with which the Bancorp does business both domestically and offshore, as well as vendors and other third parties with which the Bancorp' s customers do business, can also be sources of operational risk to the Bancorp, particularly where processes are highly concentrated or activities of customers are beyond the Bancorp' s security and control systems, such as through the use of the internet, personal computers, tablets, smart phones and other mobile services. Security breaches affecting the Bancorp' s customers, or systems breakdowns or failures, security breaches or employee misconduct affecting such other third- party service providers, may require the Bancorp to take steps to protect the integrity of its own operational systems or to safeguard confidential information of the Bancorp or its customers, thereby increasing the Bancorp' s operational costs and potentially diminishing customer satisfaction. If personal, confidential or proprietary information of customers or clients in the Bancorp' s or such vendors' or other third parties' possession were to be mishandled or misused, the Bancorp could suffer significant regulatory consequences, reputational damage and financial loss. Such mishandling or misuse could include circumstances where, for example, such information was erroneously provided to parties who are not permitted to have the information, either through the fault of the Bancorp' s systems, employees or counterparties, or where such information was intercepted or otherwise compromised by threat actors. The Bancorp may be subject to disruptions of its operating systems arising from events that are wholly or partially beyond the Bancorp' s control, which may include, for example, security breaches; electrical or telecommunications outages; failures of computer components or servers or other damage to the Bancorp' s property or assets; natural disasters or severe weather conditions; health emergencies; or events arising from local or larger- scale political events, including outbreaks of hostilities or terrorist acts. While the Bancorp believes that its current business continuity plans are both sufficient and adequate, there can be no assurance that such plans will fully mitigate all potential business continuity risks to the Bancorp or its customers and clients. Any failures or disruptions of the Bancorp' s systems or operations could give rise to losses in service to customers and clients, adversely affect the Bancorp' s business and results of operations by subjecting the Bancorp to losses or liability, or require the Bancorp to expend significant resources to correct the failure or disruption, as well as by exposing the Bancorp to reputational harm, litigation, regulatory fines **30 Fifth Third Bancorp** or penalties or losses not covered by insurance. The Bancorp could also be adversely affected if it loses access to information or services from a third- party service provider as a result of a security breach or system or operational failure, or disruption affecting the third- party service provider. Fifth Third' s insurance may be inadequate to compensate for failures by, or affecting, third- party service providers upon which Fifth Third relies. ~~35~~ Fifth Third ~~Bancorp~~ **may not be able to effectively manage organizational changes and implement key initiatives in a timely fashion, or at all, due to competing priorities which could adversely affect its business, results of operations, financial condition and reputation.** Fifth Third is subject to rapid changes in technology, regulation and product innovation, and faces intense competition for customers, sources of revenue, capital, services, qualified employees and other essential business resources. In order to meet these challenges, Fifth Third is or may be engaged in numerous critical strategic initiatives at the same time. Accomplishing these initiatives may be complex, time intensive and require significant financial, technological, management and other resources. These initiatives may consume management' s attention and may compete for limited resources. In addition, organizational changes may need to be implemented throughout Fifth Third as a result of the new products, services, partnerships and processes that arise from the execution of these various strategic initiatives. Fifth Third may have difficulty managing these organizational changes and executing these initiatives effectively in a timely fashion, or at all. Fifth Third' s failure to do so could expose it to litigation or regulatory action and may damage Fifth Third' s business, results of operations, financial condition and reputation **. Fifth Third may not be able to successfully implement future information technology system enhancements, which could adversely affect Fifth Third' s business operations and profitability** . Fifth Third invests significant resources in information technology system enhancements in order to provide functionality and security at an appropriate level for ongoing product development and process re- engineering. Fifth Third may not be able to successfully implement and integrate future system enhancements, which could adversely impact the ability to provide timely and accurate financial information in compliance with legal and regulatory requirements, which could result in sanctions from regulatory authorities. Such sanctions could include fines and result in reputational harm and have other negative effects. Failure to properly utilize system enhancements that are implemented in the future could result in impairment charges that adversely impact Fifth Third' s financial condition and results of operations and could result in significant costs to remediate or replace the defective components. In addition, Fifth Third may incur significant training, licensing, maintenance, consulting and amortization expenses during and after systems implementations, and any such costs may continue for an extended period of time. A failure to maintain or enhance Fifth Third' s competitive position with respect to technology, whether because of a failure to anticipate client expectations or other necessary changes, a failure in the performance of technological developments or an untimely roll out of developments, may cause Fifth Third to lose market share or incur additional expense. Fifth Third **may experience** ~~' s risk management framework seeks to mitigate risk and loss~~ **losses** ~~. Fifth Third has established processes and procedures intended to identify, measure, monitor, report and manage the types of risk to which it is subject, including liquidity risk, credit risk, interest rate risk, price risk, legal and regulatory compliance risk, strategic risk, reputational risk and operational risk~~ related to **fraud** ~~its employees~~ , ~~systems and vendors, among others. Fifth Third also considers the~~ **theft** physical and transition risks arising from climate......, systems and strategies used to hedge or **violence** otherwise manage exposure to various types of...... its financial condition or results of operations . Fifth Third has experienced, and may experience again in the future, losses incurred due to customer or employee fraud, theft or physical violence. Additionally, physical violence may negatively affect Fifth Third' s key personnel, facilities or systems. These losses may be material and negatively affect Fifth Third' s results of operations, financial condition or prospects. These losses could also lead to significant reputational risks and other effects. The industry fraud threat continues to evolve, including but not limited to, card fraud, check fraud, electronic fraud, wire fraud, social engineering and phishing attacks for identity theft and account takeover. Nationally, reported incidents of fraud and other financial crimes have increased. Increased use of the internet and telecommunications technologies (including mobile devices) to conduct financial and other business transactions and operations, coupled with the increased sophistication and activities of organized crime, perpetrators of fraud, hackers, terrorists and others increases Fifth Third' s security risks. Fifth Third continues to invest in fraud prevention in the forms of people and systems designed to prevent, detect and mitigate the customer and financial impacts. Fifth Third **could suffer if it fails to attract and retain skilled personnel. Fifth Third** ' s success depends, in large part, on its ability to attract and retain key individuals. Competition for qualified candidates in the activities and markets that Fifth Third serves is intense, which may increase Fifth Third' s expenses and may result in Fifth Third not being ~~36 Fifth Third Bancorp~~ able to hire candidates or retain them. If Fifth Third is not able to hire qualified candidates or retain its key personnel, Fifth Third may be unable to execute its business strategies and may suffer adverse consequences to its business, operations and financial condition. Compensation paid by financial institutions such as Fifth Third is heavily regulated, particularly under Dodd- Frank, which affects the amount and form of compensation Fifth Third pays to hire and retain talented employees. If Fifth Third is unable to attract and retain qualified employees, or do so at rates necessary to maintain its competitive position, or if compensation costs required to attract and retain employees become more expensive, Fifth Third' s performance, including its competitive position, could be materially adversely affected. Fifth Third **may experience operational disruption from the effects of climate change. Fifth Third** faces operational risk from the effects of climate change as an increase in severe weather may cause closures, damage to infrastructure, or damage to Fifth Third' s physical locations that may disrupt the physical operation of the Bancorp. These interruptions may impair Fifth Third' s ability to operate and may interfere with its ability to carry out business and serve clients and customers. **31 Fifth Third Bancorp LEGAL AND REGULATORY COMPLIANCE RISKS** Fifth Third and / or its affiliates are or may become involved from time to time in information- gathering requests, ~~reviews,~~ investigations and **litigation, regulatory or other enforcement** proceedings ~~(both formal and informal)~~ by **various** governmental regulatory agencies and law enforcement authorities, as well as self- regulatory agencies **which may lead to adverse consequences. Fifth Third and / or its affiliates are or may become involved from time to time in information- gathering requests, reviews, investigations and proceedings (both formal and informal) by governmental regulatory agencies and law enforcement authorities, including but not limited to the FRB, OCC, CFPB, SEC, FINRA, U. S. Department of Justice, etc., as well as state and other governmental authorities and self- regulatory bodies** , regarding their respective customers and businesses ~~, as well as their sales practices, data security, product offerings, compensation practices and other compliance issues~~ . Also, a violation of law or regulation by another financial institution may give rise to an inquiry or investigation by regulators or other authorities of the same or similar practices by Fifth Third. In addition, the complexity of the federal and state regulatory and enforcement regimes in the U. S. means that a single event or topic may give rise to numerous and overlapping investigations and regulatory proceedings. Furthermore, Fifth Third and certain of its directors and officers have been named from time to time as defendants in various class actions and other litigation relating to Fifth Third' s business and activities, as well as regulatory or other enforcement proceedings. Past, present and future litigation have included or could include claims for substantial compensatory and / or punitive damages or claims for indeterminate amounts of damages. **Investigations by regulatory authorities may from time to time result in civil or criminal referrals to law enforcement.** Enforcement authorities may seek admissions of wrongdoing and, in some cases, criminal pleas as part of the resolutions of matters and any such resolution of a matter involving Fifth Third which could lead to increased exposure to private litigation, could adversely affect Fifth Third' s reputation and could result in limitations on Fifth Third' s ability to do business in certain jurisdictions **. Additionally, in some cases, regulatory authorities may take supervisory actions that are considered to be confidential supervisory information which may not be publicly disclosed** . Each of the matters described above may result in material adverse consequences, including without limitation, adverse judgments, settlements, fines, penalties, injunctions or other actions, amendments and / or restatements of Fifth Third' s SEC filings and / or financial statements, as applicable, and / or determinations of material weaknesses in its disclosure controls and procedures. In addition, responding to information- gathering requests, reviews, investigations and proceedings, regardless of the ultimate outcome of the matter, could be time- consuming and expensive. Like other large financial institutions and companies, Fifth Third is also subject to risk from potential employee misconduct, including non- compliance with policies and improper use or disclosure of confidential information. Substantial legal liability or significant regulatory or other enforcement action against Fifth Third could materially adversely affect its business, financial condition or results of operations and / or cause significant reputational harm to its business. The outcome of lawsuits and regulatory proceedings may be difficult to predict or estimate. Although Fifth Third establishes accruals for legal proceedings when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated, Fifth Third does not have accruals for all legal proceedings where it faces a risk of loss. In addition, due to the inherent subjectivity of the assessments and unpredictability of the outcome of legal proceedings, amounts accrued may not represent the ultimate loss to Fifth Third from the legal proceedings in question. Thus, Fifth Third' s ultimate losses may be higher, and possibly significantly so, than the amounts accrued for legal loss contingencies, which could adversely affect Fifth Third' s results of operations. In addition, there has been a trend of public settlements with governmental agencies that may adversely affect other financial institutions, to the extent such settlements are used as a template for future settlements. The uncertain regulatory enforcement environment makes it difficult to estimate probable losses, which can lead to substantial disparities between legal reserves and actual settlements or penalties. For further information on specific legal and regulatory proceedings, refer to Note 19 of the Notes to Consolidated

Financial Statements. Fifth Third **may be required to repurchase residential mortgage loans or reimburse investors and others as a result of breaches in contractual representations and warranties. Fifth Third** sells residential mortgage loans to various parties, including government- sponsored enterprises (" GSE ") and other financial institutions that purchase residential mortgage loans for investment or private label securitization. Fifth Third may be required to repurchase residential mortgage loans, indemnify the securitization trust, investor or insurer, or reimburse the securitization trust, investor or insurer, for credit losses incurred on loans in the event of a breach of contractual representations or warranties that is not remedied within a specified ~~37 Fifth Third Bancorp~~ period (usually 60 days or less) after Fifth Third receives notice of the breach. Contracts for residential mortgage loan sales to the GSEs include various types of specific remedies and penalties that could be applied to inadequate responses to repurchase requests. As a result, Fifth Third has established reserves in its consolidated financial statements for probable losses related to the residential mortgage loans it has sold. If economic conditions or the housing market deteriorate or future investor repurchase demand and Fifth Third' s success at appealing such repurchase requests differ from expectations, Fifth Third could have increased repurchase obligations and increased loss severity on repurchases, requiring material additions to the repurchase reserve. Due to uncertainties relating to these factors, there can be no assurance that the reserves Fifth Third establishes will be adequate or that the total amount of losses incurred will not have a material adverse effect on Fifth Third' s financial condition or results of operations **. 32 Fifth Third Bancorp Fifth Third is subject to extensive governmental regulation which could adversely impact Fifth Third or the businesses in which Fifth Third is engaged** . Government regulation and legislation subject Fifth Third and other financial institutions to restrictions, oversight and / or costs that may have an impact on Fifth Third' s business, financial condition, results of operations or the price of its common stock. Fifth Third is subject to extensive federal and state regulation, supervision and legislation that govern almost all aspects of its operations and limit the businesses in which Fifth Third may engage. These laws and regulations may change from time to time and are primarily intended for the protection of consumers, borrowers and depositors and are not designed to protect security- holders. In the past decade, the scope of the laws and regulations and the intensity of the supervision to which Fifth Third is subject increased in response to the 2008- 2009 financial crisis as well as other factors such as technological and market changes. Compliance with these laws and regulations has resulted in and will continue to result in additional costs, which could be significant, and may have a material and adverse effect on Fifth Third' s results of operations. In addition, if Fifth Third does not appropriately comply with current or future legislation and regulations, especially those that apply to its consumer operations, which has been an area of heightened focus, Fifth Third may be subject to fines, penalties or judgments, or material regulatory restrictions on its businesses, which could adversely affect operations and, in turn, financial results. Additionally, actions by regulatory agencies or significant litigation against Fifth Third could cause it to devote significant time and resources to defending itself and may lead to penalties that materially affect Fifth Third and its shareholders. Future changes in laws or regulations (including tax laws and regulations such as the Inflation Reduction Act) or their interpretations or enforcement may also be materially adverse to Fifth Third and its shareholders or may require Fifth Third to expend significant time and resources to comply with such requirements. In addition, as climate change issues become more prevalent, the U. S. and foreign governments are beginning to respond to these issues. The increasing government focus on climate change may result in new environmental regulations, including disclosure required by the SEC, that could result in additional compliance costs. **Similarly, the impact of domestic and international events related to financial crime such as fraud, money laundering, and economic sanctions will continue to be an area of constant change, risk, and regulatory focus which pose ongoing regulatory, compliance, operational and financial risks.** The Biden Administration has sought to implement a regulatory agenda that **has included, or** ~~is significantly different than that of the Trump Administration. This agenda~~ could include **,** a heightened focus on the risks arising from climate change, fair lending, consumer protection, Bank Secrecy Act and anti- money laundering requirements, topics related to social equity, executive compensation, and increased capital and liquidity, as well as limits on share buybacks and dividends. In addition, mergers and acquisitions ~~could~~ **may** be hindered by increased antitrust and other regulatory scrutiny. Reform proposals are also expected for the short- term wholesale markets. It is uncertain ~~which,~~ if **the implementation of** any ~~,~~ of these policies would ~~be implemented~~ **impact Fifth Third,** and **if so,** what ~~their~~ -- **the** impact would be ~~on Fifth Third~~ . Fifth Third cannot predict whether any pending or future legislation will be adopted or the substance and impact of any such new legislation on Fifth Third. Changes in regulation and supervisory and enforcement focus could affect Fifth Third in a substantial way and could have an adverse effect on its business, financial condition and results of operations. Additionally, legislation or regulatory reform could affect the behaviors of third parties that Fifth Third deals within the course of business, such as rating agencies, insurance companies and investors. In addition, changes in laws or regulations that affect Fifth Third' s customers and business partners could negatively affect Fifth Third' s revenues and expenses. Certain changes in laws such as tax law reforms that impose limitations on the deductibility of interest may decrease the demand for Fifth Third' s products or services and could negatively affect its revenues and results of operations. Other changes in laws or regulations could cause Fifth Third' s third- party service providers and other vendors to increase the prices they charge to Fifth Third and negatively affect Fifth Third' s expenses and financial results. Fifth Third **could suffer from unauthorized use of intellectual property. Fifth Third** develops for itself, and licenses from others, intellectual property for use in conducting its business. This intellectual property has been, and may be, subject to misappropriation or infringement by third parties as well as claims that Fifth Third' s use of certain technology or other intellectual property infringes on rights owned by others. Fifth Third has been, and may be, subject to disputes and / or litigation concerning these claims and could be held responsible for significant damages covering past activities and substantial fees to continue to engage in these activities in the future. Fifth Third may also be unable to acquire rights to use certain intellectual property that is important for its business and may be unable to effectively engage in critical business activities. If Fifth Third is unable to protect or acquire rights to use intellectual property it owns or licenses, it may lose certain competitive advantages, incur expenses and / or lose revenue and may suffer harm to its business results and financial condition. ~~38~~ Fifth Third ~~Bancorp~~ **is subject to various regulatory requirements that may limit its operations and**

potential growth. Under federal and state laws and regulations pertaining to the safety and soundness of insured depository institutions and their holding companies, the FRB, the FDIC, the CFPB and the OCC have the authority to compel or restrict certain actions by the Bancorp and the Bank. The Bancorp and the Bank are subject to such supervisory authority and, more generally, must, in certain instances, obtain prior regulatory approval before engaging in certain activities or corporate decisions. There can be no assurance that such approvals, if required, would be forthcoming or that such approvals would be granted in a timely manner. Failure to receive any such approval, if required, could limit or impair the Bancorp' s operations, restrict its growth, ability to compete, innovate or participate in industry consolidation and / or affect its dividend policy. Such actions and activities that may be subject to prior approval include, but are not limited to, increasing dividends or other **33 Fifth Third Bancorp** capital distributions by the Bancorp or the Bank, entering into a merger or acquisition transaction, acquiring or establishing new branches, and entering into certain new businesses. Failure by the Bancorp or the Bank to meet the applicable eligibility requirements for FHC status (including capital and management requirements and that the Bank maintain at least a " Satisfactory " CRA rating) may result in restrictions on certain activities of the Bancorp, including the commencement of new activities and mergers with or acquisitions of other financial institutions and could ultimately result in the loss of FHC status. Fifth Third and other financial institutions are **highly regulated and** subject to ~~scrutiny from government authorities~~ **extensive oversight, supervision and examination by regulators** , including ~~bank~~ **the FRB, OCC, FDIC, CFPB, SEC, CFTC, FINRA, the National Futures Association and other state, federal and self-** regulatory ~~authorities, stemming from broader systemic~~ **entities. Fifth Third is also subject to certain** regulatory ~~concerns,~~ **requirements as a result of its banking activity** including with respect to stress testing, liquidity and capital levels, asset quality, provisioning, AML / BSA, fair lending, consumer compliance and other prudential matters and efforts to ensure that financial institutions take steps to improve their risk management and prevent future crises **. For more information, refer to Regulation and Supervision — Regulatory Regime for Derivatives in Item 1 of this Annual Report on Form 10- K** . In this regard, government authorities, including the bank regulatory agencies and law enforcement, are also pursuing aggressive enforcement actions with respect to compliance and other legal matters involving financial activities, which heightens the risks associated with actual and perceived compliance failures and may also adversely affect Fifth Third' s ability to enter into certain transactions or engage in certain activities, or obtain necessary regulatory approvals in connection therewith. The government enforcement authority includes, among other things, the ability to assess significant civil or criminal monetary penalties, fines, or restitution; to issue cease and desist or removal orders; and to initiate injunctive actions against banking organizations and institution- affiliated parties. These enforcement actions may be initiated for violations of laws and regulations and unsafe or unsound practices. In some cases, regulatory agencies may take supervisory actions that may not be publicly disclosed, which restrict or limit a financial institution. Finally, as part of Fifth Third' s regular examination process, the Bancorp and the Bank' s respective regulators may advise it and its banking subsidiary to operate under various restrictions as a prudential matter. Such supervisory actions or restrictions, if and in whatever manner imposed, could negatively affect Fifth Third' s ability to engage in new activities and certain transactions, as well as have a material adverse effect on Fifth Third' s business and results of operations and may not be publicly disclosed. Fifth Third **could face serious negative consequences if its third- party service providers, business partners or investments fail to comply with applicable laws, rules or regulations. Fifth Third** is expected to oversee the legal and regulatory compliance of its business endeavors, including those performed by third- party service providers, business partners, other vendors and certain companies in which Fifth Third has invested. Legal authorities and regulators could hold Fifth Third responsible for failures by these parties to comply with applicable laws, rules or regulations. These failures could expose Fifth Third to significant litigation or regulatory action that could limit its activities or impose significant fines or other financial losses. Additionally, Fifth Third could be subject to significant litigation from consumers or other parties harmed by these failures and could suffer significant losses of business and revenue, as well as reputational harm as a result of these failures **. As a regulated entity, the Bancorp is subject to certain capital requirements that may limit its operations, potential growth and ability to pay or increase dividends on its common stock or to repurchase its capital stock** . As a BHC and an FHC, the Bancorp is subject to the comprehensive, consolidated supervision and regulation of the FRB, including risk- based and leverage capital requirements, investment practices, dividend policy and growth. The Bancorp must maintain certain risk- based and leverage capital ratios as required by the FRB which can change depending upon general economic conditions and the Bancorp' s particular condition, risk profile and growth plans. Compliance with the capital requirements, including leverage ratios, may limit operations that require the intensive use of capital and could adversely affect the Bancorp' s ability to expand or maintain present business levels. Failure by the Bank to meet applicable capital requirements could subject it to a variety of enforcement actions available to the federal regulatory authorities. These include limitations on the ability of the Bancorp to pay dividends and / or repurchase shares, the issuance by the regulatory authority of a capital directive to increase capital, loss of FHC status and the termination of deposit insurance by the FDIC. The Bancorp is subject to the stress capital buffer requirement and must maintain capital ratios above its buffered minimum (regulatory minimum plus stress capital buffer) in order to avoid certain limitations on capital distributions and discretionary bonuses to executive officers. The FRB uses the supervisory stress test to determine the Bancorp' s stress capital buffer, subject to a floor of 2. 5 %. The Bancorp' s stress capital buffer requirement has been 2. 5 % since the introduction of this framework and was most recently affirmed as part of ~~the FRB~~ **Fifth Third** ' s ~~2022~~ **2023** ~~supervisory stress test for the period from~~ **Capital Plan submission with an effective date of** October 1, ~~2022 to September 30,~~ 2023 ~~, based on the Bancorp' s 2022 supervisory stress 39 Fifth Third Bancorp testing results, subject to potential adjustments by the FRB~~ . Further changes to applicable capital and liquidity requirements could result in unexpected or new limitations on the Bancorp' s ability to pay dividends and engage in share repurchases. **34** ~~The CFTC and SEC are primarily responsible for regulation of the U. S. derivatives markets. While most of the provisions related to derivatives markets are now in effect, several additional requirements await final regulations from the relevant regulatory agencies for derivatives, including the CFTC and the SEC. As a result of this regulatory regime, the CFTC has a meaningful supervisory role with~~

~~respect to some of~~ Fifth Third ~~' s businesses. The~~ **Bancorp Deposit insurance premiums levied against the** Bank ~~is provisionally registered as a swap dealer with the CFTC and is subject to certain requirements, including real time trade reporting and robust record keeping requirements, business conduct requirements (including daily valuations, disclosure of material risks associated with swaps and disclosure of material incentives and conflicts of interest) and mandatory clearing and exchange trading of certain swaps designated by the relevant regulatory agencies as required to be cleared. Fifth Third' s derivatives activity is also subject to the U. S. banking regulators' margin and segregation requirements for uncleared swaps. These requirements collectively impose implementation and ongoing compliance burdens on Fifth Third and introduce additional legal risk, including as a result of antifraud and anti- manipulation provisions and private rights of action. These rules raise the costs and liquidity burden associated with Fifth Third' s derivatives activities and~~ could **increase further if the number** ~~have an adverse effect on its business, financial condition and results~~ of ~~operations.~~ **bank failures increase** ~~For~~ - **or the cost** ~~more information, refer to Regulation and Supervision — Derivatives in Item 1~~ of **resolving failed banks increases** ~~this Annual Report on Form 10- K~~. The FDIC maintains a Deposit Insurance Fund (" DIF ") to protect insured depositors in the event of bank failures. The DIF is funded by fees assessed on insured depository institutions including the Bank. Future deposit premiums paid by the Bank depend on FDIC rules, which are subject to change, the level of the DIF and the magnitude and cost of future bank failures. **As of June 30, 2020, the DIF reserve ratio fell to 1. 30 %, below the statutory minimum of 1. 35 %. In order to restore the DIF to its statutorily mandated minimums, the FDIC significantly increased deposit insurance premium rates, including the Bank' s, resulting in increased expenses.** The **revised assessment rate schedules became effective January 1, 2023, and are applicable to the first quarterly assessment period of 2023. Additionally, on November 16, 2023, the FDIC finalized a special assessment to recover the loss to the DIF caused by the bank failures that occurred in 2023 to be collected at an annual rate of approximately 13. 4 basis points for an anticipated total of eight quarterly assessment periods, beginning the first quarterly assessment period of 2024. The FDIC may further increase the assessment rates or impose additional special assessments in the future, which may require the** Bank ~~may be required~~ to pay significantly higher FDIC premiums ~~if market developments change such that the DIF balance is reduced~~ **. If an orderly liquidation of a systemically important BHC or non- bank financial company were triggered, Fifth Third could face assessments** ~~or~~ **for** the **Orderly Liquidation Fund** ~~FDIC changes its rules to require higher premiums~~. Dodd- Frank created authority for the orderly liquidation of systemically important BHCs and non- bank financial companies and is based on the FDIC' s bank resolution model. The Secretary of the U. S. Treasury may trigger liquidation under this authority only after consultation with the President of the United States and after receiving a recommendation from the board of the FDIC and the FRB upon a two- thirds vote. Liquidation proceedings will be funded by the Orderly Liquidation Fund established under Dodd-Frank, which will borrow from the U. S. Treasury and impose risk- based assessments on covered financial companies. Risk-based assessments would be made, first, on entities that received more in the resolution than they would have received in the liquidation to the extent of such excess and second, if necessary, on, among others, bank holding companies with total consolidated assets of $ 50 billion or more, such as Fifth Third. Any such assessments may adversely affect Fifth Third' s business, financial condition or results of operations. ~~London Interbank Offered Rate (" LIBOR ") and certain~~ **MARKET RISKS: INTEREST RATE RISKS AND PRICE RISKS Weakness in** ~~other~~ -- **the U** ~~" benchmarks " are the subject of recent national, international and other regulatory guidance and proposals for reform~~ . ~~These reforms may cause such benchmarks to perform differently than~~ **S. economy, including within Fifth Third' s geographic footprint, has adversely affected Fifth Third** in the past ~~or have other consequences which cannot be predicted. On July 27, 2017, the United Kingdom' s Financial Conduct Authority (the " FCA "), which regulates LIBOR, publicly announced that it would stop persuading or compelling banks to submit LIBOR rates after 2021. Since then, central banks around the world, including the Federal Reserve, have commissioned working groups of market participants and official sector representatives with the goal of finding suitable replacements for LIBOR. On March 5, 2021, the FCA and ICE Benchmark Administration, Limited announced that the publication of the one- week and two- month U. S. Dollar (" USD ") LIBOR maturities and non- USD LIBOR maturities would cease immediately after December 31, 2021, with the remaining USD LIBOR maturities ceasing immediately after June 30, 2023. In the United States, the Alternative Rates Reference Committee (the " ARRC "), a group of market participants convened in 2014 to help ensure a successful transition away from USD LIBOR, identified the Secured Overnight Financing Rate (" SOFR ") as its preferred alternative rate. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities, given the depth and robustness of the U. S. Treasury repurchase market. The composition and characteristics of SOFR are not the same as those of LIBOR, and SOFR is fundamentally different from LIBOR for two key reasons: (1) SOFR is a secured rate, while LIBOR is an~~ **and may** ~~unsecured rate, and (2) SOFR is an overnight rate, while LIBOR is a forward- looking rate that represents interbank funding over different maturities. Notably, other countries are introducing their own local- currency- denominated alternative reference rates for short- term lending, such as the Sterling Overnight Index Average (" SONIA "), the Swiss Average Rate Overnight (" SARON "), and the Tokyo Overnight Average Rate (" TONAR "), among others. On March 15, 2022, President Biden signed the Adjustable Interest Rate (LIBOR) Act (the " LIBOR Act ") into law. The LIBOR Act offers a federal solution for transitioning legacy instruments that lack sufficient provisions addressing LIBOR' s cessation by outlining a uniform process to govern the transition from LIBOR to a replacement rate. The LIBOR Act also establishes a safe harbor for lenders, shielding lenders from litigation as a result of their choice of a replacement rate (such as SOFR) per FRB recommendations. On December 16, 2022, the FRB issued its final regulations which carry out the terms of the LIBOR Act. These regulations: (i) address the applicability of the LIBOR Act to various LIBOR contracts, (ii) identify the 40 Fifth Third Bancorp FRB- selected benchmark replacements for various types of LIBOR contracts, (iii) include certain benchmark replacement conforming changes, (iv) address the issue of preemption and (v) provide other clarifications, definitions and information. The regulations will become effective on February 27, 2023, which is thirty (30) days after the regulations were published in the Federal Register. The market transition away from LIBOR to an alternative reference~~

~~rate, such as SOFR, is complex and subjects Fifth Third to financial, legal and operational risks. In particular, any such transition could: •~~ adversely affect **Fifth Third in** ~~the interest rates paid or received on, and the revenue and expenses associated with, the Bancorp' s floating rate obligations, loans, deposits, derivatives and other~~ -- **the future** ~~financial instruments tied to LIBOR rates, or other securities or financial arrangements given LIBOR' s role in determining market interest rates globally; • adversely affect the value of the Bancorp' s floating rate obligations, loans, deposits, derivatives and other financial instruments tied to LIBOR rates, or other securities or financial arrangements given LIBOR' s role in determining market interest rates globally; • prompt inquiries or other actions from regulators in respect of the Bancorp' s preparation and readiness for the replacement of LIBOR with an alternative reference rate; • result in disputes, litigation or other actions with counterparties regarding the interpretation and enforceability of certain fallback language in LIBOR- based securities; and • require the transition to or development of appropriate systems and analytics to effectively transition the Bancorp' s risk management processes from LIBOR- based products to those based on the applicable alternative pricing benchmark, such as SOFR or reformed SONIA. The manner and impact of this transition, as well as the effect of these developments on Fifth Third' s funding costs, loan and investment and trading securities portfolios, asset- liability management, and business, is uncertain~~ . Fifth Third has been, and will continue to be, impacted by general business and economic conditions in the United States. These conditions include short- term and long- term interest rates, inflation, money supply, political issues, legislative and regulatory changes, fluctuations in both debt and equity capital markets, broad trends in industry and finance, unemployment and the strength of the U. S. economy and the local economies in which Fifth Third operates, all of which are beyond Fifth Third' s control. Deterioration or continued weakness in any of these conditions could result in a decrease in demand for Fifth Third' s products and services. Worldwide financial markets have recently experienced periods of extraordinary disruption and volatility, which have been driven by factors such as the COVID- 19 pandemic ~~and~~ **,** the Russia / Ukraine conflict **and the evolving conflict in Israel and Gaza** , resulting in heightened credit risk, reduced valuation of investments, decreased economic activity, heightened risk of ~~cyberattacks~~ **cyber- attacks** , and inflation. Moreover, many companies have experienced reduced liquidity and uncertainty as to their ability to raise capital during such periods of market disruption and volatility. In the event that these conditions recur or result in a prolonged economic downturn, Fifth Third' s results of operations, financial position and / or liquidity could be materially and adversely affected. These market conditions may affect the Bancorp' s ability to access debt and equity capital markets. In addition, as a result of recent financial and political events, Fifth Third may face increased regulation. Many of the other risk factors discussed in this Risk Factors section identify risks that result from, or are impacted by, a financial economic downturn. These include risks related to Fifth Third' s investments portfolio, the competitive environment and regulatory developments. Global **and domestic political, social and economic uncertainties and changes may adversely affect Fifth Third. Global** financial markets, including the United States, face political and economic uncertainties (such as recent budget deficit concerns and political conflict over legislation to raise the U. S. government' s debt limit) that may delay investment and hamper economic activity. International events such as trade disputes, separatist movements, leadership changes and political and military conflicts (such as the ongoing military tension between Russia and Ukraine **and the evolving conflict in Israel and Gaza**) could adversely affect global financial activity and markets and could negatively affect the U. S. economy. **The United States is also facing a potentially contentious Presidential election as well as elections to determine the control of Congress and State governments.** Additionally, the FRB and other major central banks have **removed** ~~begun the process of removing~~ or ~~reducing~~ **reduced** monetary accommodation **and raised interest rates** , increasing the risk of recession and may also negatively impact asset values and credit spreads that were impacted by extraordinary monetary stimulus. These potential negative effects on financial markets and economic activity could lead to reduced revenues, increased costs, increased credit risks and volatile markets, could adversely impact Fifth Third' s ability to raise liquidity via money and capital markets, and could negatively impact Fifth Third' s businesses, results of operations and financial condition **. Changes in interest rates could affect Fifth Third' s income and cash flows** . Fifth Third' s income and cash flows depend to a great extent on the difference between the interest rates earned on interest- earning assets such as loans and investment securities and the interest rates paid on interest- bearing liabilities such as deposits and borrowings. These rates are highly sensitive to many factors that are beyond Fifth Third' s control, including general economic conditions in the U. S. or abroad and the **35 Fifth Third Bancorp** policies of various governmental and regulatory agencies (in particular, the FRB). Changes in monetary policy, including changes in interest rates and inflation, could influence the origination of loans, the prepayment speed of loans, the purchase of investments, the generation of deposits and the rates received on loans and investment securities and paid on deposits or other sources of funding as well as customers' ability to repay loans. For example, a tightening of the money supply by the FRB could reduce the demand for a borrower' s products and services. This could adversely affect the borrower' s earnings and ability to repay a loan, which could have a material adverse effect on Fifth Third' s financial condition and results of operations. The impact of these changes may be magnified if Fifth Third does not effectively manage the relative sensitivity of its assets and liabilities to changes in market interest rates. Fluctuations in these areas may adversely affect ~~41 Fifth Third Bancorp~~ Fifth Third, its customers and its shareholders. **Throughout 2022** ~~In response to the outbreak of the COVID- 19 pandemic~~ and **2023** ~~its economic consequences~~ , the **Federal Reserve raised** ~~FRB lowered its target for~~ the federal funds rate to **its current targeted rate between 5** ~~a range of 0 % to 0~~ . 25 % **and 5. 5 %** ~~, but a recent pronounced rise~~ in **an effort to curb** inflation ~~has prompted the FRB to raise certain benchmark interest rates to combat it~~ . As inflation increases and market interest rates rise, the value of Fifth Third' s investment securities, particularly those that have fixed rates or longer maturities, could decrease. Increasing rates would also increase debt service requirements for some of Fifth Third' s borrowers and may adversely affect those borrowers' ability to pay as contractually obligated and could result in additional delinquencies or charge- offs. Further, the increase in market interest rates is likely to reduce Fifth Third' s loan origination volume, particularly refinance volume, and / or reduce its interest rate spread, which could have an adverse effect on Fifth Third' s profitability and results of operations. ~~Conversely, a lowering in interest rates would likely further reduce the interest Fifth Third earns on loans and other earning~~

~~assets.~~ Fifth Third cannot predict the nature or timing of future changes in monetary policies or the precise effects that they may have on Fifth Third' s activities and financial results **. Changes and trends in the capital markets may affect Fifth Third' s income and cash flows** . Fifth Third enters into and maintains trading and investment positions in the capital markets on its own behalf and manages investment positions on behalf of its customers. These investment positions include derivative financial instruments. The revenues and profits Fifth Third derives from managing proprietary and customer trading and investment positions are dependent on market prices. Market changes and trends may result in a decline in wealth and asset management revenue or investment or trading losses that may impact Fifth Third. Losses on behalf of its customers could expose Fifth Third to reputational issues, litigation, credit risks or loss of revenue from those clients and customers. Additionally, losses in Fifth Third' s trading and investment positions could lead to a loss with respect to those investments and may adversely affect Fifth Third' s income, cash flows and funding costs **. Fifth Third' s stock price is volatile** . Fifth Third' s stock price has been volatile in the past and several factors could cause the price to fluctuate substantially in the future. These factors include, without limitation: • actual or anticipated variations in earnings; • changes in analysts' recommendations or projections; • Fifth Third' s announcements of developments related to its businesses; • operating and stock performance of other companies deemed to be peers; • actions by government regulators and changes in the regulatory regime; • new technology used or services offered by traditional and non- traditional competitors; • news reports of trends, concerns and other issues related to the financial services industry; • U. S. and global economic conditions; • natural disasters; • geopolitical conditions such as acts or threats of terrorism, military conflicts and withdrawal from the EU by EU member countries. The price for shares of Fifth Third' s common stock may fluctuate significantly in the future, and these fluctuations may be unrelated to Fifth Third' s performance. General market price declines or market volatility in the future could adversely affect the price for shares of Fifth Third' s common stock and the current market price of such shares may not be indicative of future market prices. Fifth Third **' s mortgage banking net revenue can be volatile from quarter to quarter. Fifth Third** earns revenue from the fees it receives for originating mortgage loans and for servicing mortgage loans. When rates rise, the demand for mortgage loans tends to fall, reducing the revenue Fifth Third receives from loan originations. At the same time, revenue from mortgage servicing rights (" MSR ") can increase through increases in fair value. When rates fall, mortgage originations tend to increase and the value of MSRs tends to decline, also with some offsetting revenue effect. Even though the origination of mortgage loans can act as a " natural hedge, " the hedge is not perfect, either in amount or timing. For example, the negative effect on revenue from a decrease in the fair value of residential MSRs is immediate, but any offsetting revenue benefit from more originations and the MSRs relating to the new loans would accrue over time. It is also possible that even if interest rates were to fall, mortgage originations may also fall or any increase in mortgage originations may not be enough to offset the decrease in the MSRs value caused by the lower rates. Fifth Third typically uses derivatives and other instruments to hedge its mortgage banking interest rate and price risks. Fifth Third generally does not hedge all of its risks and the fact that Fifth Third attempts to hedge any of the risks does not mean Fifth Third will be successful. Hedging is a complex process, requiring sophisticated models and constant monitoring. Fifth Third may use hedging instruments tied to U. S. Treasury rates, ~~LIBOR,~~ SOFR or ~~Eurodollars~~ **other benchmarks** that may not perfectly correlate with the value or income being hedged. Fifth Third could incur significant losses from its hedging activities. There may be periods where Fifth Third elects not to use derivatives and other instruments to hedge mortgage banking interest rate and price risks. **36 Fifth Third Bancorp STRATEGIC RISKS If Fifth Third does not respond to intense competition and rapid changes in the financial services industry or otherwise adapt to changing customer preferences, its financial performance may suffer.** Fifth Third' s ability to deliver strong financial performance and returns on investment to shareholders will depend in part on its ability to expand the scope of available financial services to meet the needs and demands of its customers. In addition to the challenge of competing ~~42 Fifth Third Bancorp~~ against other banks in attracting and retaining customers for traditional banking services, Fifth Third' s competitors also include securities dealers, brokers, mortgage bankers, investment advisors and specialty finance, telecommunications, technology and insurance companies as well as large retailers who seek to offer one- stop financial services in addition to other products and services desired by consumers that may include services that banks have not been able or allowed to offer to their customers in the past or may not be currently able or allowed to offer. Many of these other firms may be significantly larger than Fifth Third and may have access to customers and financial resources that are beyond Fifth Third' s capability. Fifth Third competes with these firms with respect to capital, access to capital, revenue generation, products, services, transaction execution, innovation, reputation, talent and price. This increasingly competitive environment is primarily a result of changes in customer preferences, regulation, changes in technology and product delivery systems, as well as the accelerating pace of consolidation among financial service providers. Rapidly changing technology and consumer preferences may require Fifth Third to effectively implement new technology- driven products and services in order to compete and meet customer demands. Fifth Third may not be able to do so or be successful in marketing these products and services to its customers. As a result, Fifth Third' s ability to effectively compete to retain or acquire new business may be impaired, and its business, financial condition or results of operations, may be adversely affected. Fifth Third may make strategic investments and may expand an existing line of business or enter into new lines of business to remain competitive. If Fifth Third' s chosen strategies are not appropriate to allow Fifth Third to effectively compete or Fifth Third does not execute them in an appropriate or timely manner, Fifth Third' s business and results may suffer. Additionally, these strategies, products and lines of business may bring with them unforeseeable or unforeseen risks and may not generate the expected results or returns, which could adversely affect Fifth Third' s results of operations or future growth prospects and cause Fifth Third to fail to meet its stated goals and expectations. **Industry adoption of real- time payments networks could negatively impact financial performance through reductions in product profitability, increased liquidity reserves and the potential for increased fraud losses, among other risks. With the launch of real- time payments networks, such as RTP ® from The Clearing House and FedNow ® from the Federal Reserve, instantaneous cash settlement capabilities are available 24 hours a day and 7 days a week. The implications of the new settlement capabilities are far reaching and**

have not yet significantly affected the banking industry. As market adoption increases, Fifth Third may be required to hold more liquidity reserves in cash to facilitate cash settlement activity outside of traditional business hours. Additionally, instantaneous settlement will likely reduce float benefits associated with providing deposit and banking services, as well as pose incremental fraud risk due to a reduced ability to reverse fraudulent transactions due to the speed of money movement. Changes in retail distribution strategies and consumer behavior may adversely impact Fifth Third' s investments in its bank premises and equipment and other assets and may lead to increased expenditures to change its retail distribution channel. Fifth Third has significant investments in bank premises and equipment for its branch network including its 1, ~~087~~ **088** full- service banking centers, ~~14~~ **5** parcels of land held for the development of future banking centers and ~~45~~ **49** properties that are developed or in the process of being developed as branches, as well as its retail work force and other branch banking assets. Advances in technology such as e- commerce, telephone, internet and mobile banking, and in-branch self- service technologies including automatic teller machines and other equipment, as well as changing work arrangements and customer preferences for these other methods of accessing Fifth Third' s products and services, could affect the value of Fifth Third' s branch network or other retail distribution assets and may cause it to change its retail distribution strategy, close and / or sell certain branches or parcels of land held for development and restructure or reduce its remaining branches and work force. Further advances in technology and / or changes in customer preferences could have additional changes in Fifth Third' s retail distribution strategy and / or branch network. These actions could lead to losses on these assets or could adversely impact the carrying value of other long- lived assets and may lead to increased expenditures to renovate and reconfigure remaining branches or to otherwise reform its retail distribution channel. **Difficulties in identifying suitable opportunities or combining the operations of acquired entities or assets with Fifth Third' s own operations or assessing the effectiveness of businesses in which Fifth Third makes strategic investments or with which Fifth Third enters into strategic contractual relationships may prevent Fifth Third from achieving the expected benefits from these acquisitions, investments or relationships.** Inherent uncertainties exist when assessing, acquiring or integrating the operations of another business or investment or relationship opportunity. Fifth Third may not be able to fully achieve its strategic objectives and planned operating efficiencies relevant to an acquisition or strategic relationship. In addition, the markets and industries in which Fifth Third and its potential acquisition and investment targets operate are highly competitive. Acquisition or investment targets may lose customers or otherwise perform poorly or unprofitably, or in the case of an acquired business or strategic relationship, cause Fifth Third to lose customers or perform poorly or unprofitably. Future acquisition and investment activities and efforts to monitor newly acquired businesses or reap the benefits of a new strategic relationship may **37 Fifth Third Bancorp** require Fifth Third to devote substantial time and resources and may cause these acquisitions, investments and relationships to be unprofitable or cause Fifth Third to be unable to pursue other business opportunities. After completing an acquisition, Fifth Third may find that certain material information was not adequately disclosed during the due diligence process or that certain items were not accounted for properly in accordance with financial accounting and reporting standards. Fifth Third may also not realize the expected benefits of the acquisition due to lower financial results pertaining to the acquired entity or assets. For example, Fifth Third could experience higher charge- offs than originally anticipated related to the acquired loan portfolio. Additionally, acquired companies or businesses may increase Fifth Third' s risk of regulatory action or restrictions related to the operations of the acquired business. Future **acquisitions may dilute current shareholders' ownership of Fifth Third and may cause Fifth Third to become more susceptible to adverse economic events. Future** business acquisitions could be material to Fifth Third and it may issue additional shares of stock to pay for those acquisitions, which would dilute current shareholders' ownership interests. Acquisitions also could require Fifth Third to use substantial cash or other liquid assets or to incur debt. In those events, Fifth Third could become more susceptible to economic downturns, dislocations in capital markets and competitive pressures. ~~43~~ Fifth Third ~~Bancorp~~ **may sell or consider selling one or more of its businesses or investments. Should it determine to sell such a business or investment, it may not be able to generate gains on sale or related increases in shareholders' equity commensurate with desirable levels. Moreover, if Fifth Third sold such businesses or investments, the loss of income could have an adverse effect on its earnings and future growth.** Fifth Third owns, or owns a minority stake in, as applicable, several non- strategic businesses, investments and other assets that are not significantly synergistic with its core financial services businesses or, in the future, may no longer be aligned with Fifth Third' s strategic plans or regulatory expectations. If Fifth Third were to sell one or more of its businesses or investments, it would be subject to market forces that may affect the timing or pricing of such sale or result in an unsuccessful sale. If Fifth Third were to complete the sale of any of its businesses, investments and / or interests in third parties, it would lose the income from the sold businesses and / or interests, including those accounted for under the equity method of accounting, and such loss of income could have an adverse effect on its future earnings and growth. Additionally, Fifth Third may encounter difficulties in separating the operations of any businesses it sells, which may affect its business or results of operations. Fifth Third **has businesses other than banking that are subject to a variety of risks. Fifth Third is a diversified financial services company. As a result, the Bancorp is subject to additional risks and uncertainties. Other businesses that the Bancorp operates include investment banking, securities underwriting and market making, investment management, and retail and institutional brokerage services offered through the Bancorp' s subsidiaries. These business activities are subject to rigorous regulatory oversight by federal, state and self- regulatory entities, and may incur substantial market, operational, credit, regulatory, legal and other risks that could adversely impact the Bancorp' s results of operations. For more information, refer to Regulation and Supervision — Regulatory Regime for Derivatives in Item 1 of this Annual Report on Form 10-K. REPUTATION RISKS Damage to Fifth Third' s reputation could harm its business. Fifth Third** ' s actual or alleged conduct in activities, such as certain sales and lending practices, data security **, operational resiliency** , corporate governance and acquisitions, inappropriate behavior or misconduct of employees, failure to deliver minimum or required standards of service or quality, association with particular customers, business partners, investments or vendors, as well as developments from any of the other risks described above, may result in negative public opinion at large (or with certain segments of the public) and may damage Fifth Third' s reputation **. Because Fifth Third conducts most of its businesses under the " Fifth Third " brand, negative public opinion about one business could affect its other businesses** . Actions taken by government regulators, shareholder activists and community organizations may also damage Fifth Third' s reputation. Additionally, whereas negative public opinion once was primarily driven by adverse news coverage in traditional media, the advent and expansion of social media facilitates the rapid dissemination of information or misinformation. Though Fifth Third monitors social media channels, the potential remains for rapid and widespread dissemination of inaccurate, misleading or false information or other negative information that could damage Fifth Third' s reputation. Negative public opinion can adversely affect Fifth Third' s ability to attract and keep customers and can increase the risk that it will be a target of litigation and regulatory action. **Fifth Third is subject to environmental, social and governance (" ESG ") risks that could adversely affect its reputation, the trading price of its common stock and / or its business, operations, and earnings.** Certain organizations that provide corporate governance and other corporate risk information to investors and shareholders have developed scores and ratings to evaluate companies based upon ESG metrics. Currently, there are no universal standards for such scores or ratings, but ESG evaluations are becoming more important to the reputation and success of many businesses, including financial institutions. Views about ESG- related issues are diverse, dynamic ~~,~~ and rapidly changing, and if Fifth Third were to fail to maintain appropriate ESG practices and disclosures or be subject to certain ESG scores or ratings, Fifth Third could face potential negative ESG- related publicity in traditional and social media, including based on the identity of those Fifth Third chooses to do business with and the public' s view of those customers. If **38 Fifth Third Bancorp** Fifth Third or its relationships with customers, vendors and suppliers were to become the subject of such negative publicity, Fifth Third' s ability to attract and retain customers and employees may be negatively impacted and its stock price may also be impacted. Companies are facing increasing scrutiny from customers, regulators, investors ~~,~~ and other stakeholders related to their ESG practices and ~~disclosure~~ **disclosures** . For Fifth Third and others in the financial services industry, this focus extends to the practices and disclosures of the customers, counterparties ~~,~~ and service providers with whom Fifth Third chooses to do business. Investor advocacy groups, investment funds and influential investors are also increasingly focused on these practices, especially as they relate to the environment, health and safety, diversity, labor conditions and human rights, and certain investors are beginning to incorporate the business risks and opportunities of climate change and the adequacy of companies' responses to climate change and other ESG matters as part of their investment theses. New government regulations could also result in new or more stringent forms of ESG oversight and expand mandatory and voluntary reporting, diligence and disclosure. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact Fifth Third' s reputation, ability to do business with certain partners, access to capital ~~,~~ and its stock price. While Fifth Third has sustainability and corporate responsibility initiatives **,** there can be no assurance that regulators, customers, investors ~~,~~ and employees will determine that these programs are sufficiently robust. In addition, there can be no assurance that Fifth Third will be able to attain its announced goals related to its sustainability and corporate responsibility programs, as statements regarding its goals reflect Fifth Third' s current plans and aspirations and are not guarantees that it will be able to achieve them within the timelines it announces or at all. Actual or perceived shortcomings with respect to these ESG initiatives and reporting can impact Fifth Third' s ability to hire and retain employees, increase its customer base ~~,~~ or attract and retain certain types of investors. In addition, certain organizations that provide corporate governance and other corporate risk information to investors and shareholders have developed scores and ratings to evaluate companies based upon ESG metrics. Collecting, measuring, and reporting ESG information and metrics can be costly, difficult and time consuming, is subject to evolving reporting standards, and can present numerous operational, reputational, financial, legal and other risks, any of which could have a material impact, including on Fifth Third' s reputation and stock price. Inadequate processes to collect and review this information prior to disclosure could be subject to potential liability related to such information. ~~44 Fifth Third Bancorp~~ Activists are increasingly targeting financial firms with public criticism for their relationships with clients that are engaged in certain industries (such as those which are carbon intensive), including businesses whose products are or are perceived to be harmful to health, the environment, the global climate, or the social good. Activist criticism of Fifth Third' s relationships with clients in sensitive industries could potentially engender dissatisfaction among stakeholders with how Fifth Third addresses environmental or social concerns through business activities which could negatively affect its business or reputation. Conversely, states throughout the Bank' s footprint have taken actions or proposed measures to limit the state' s ability to do business with financial institutions or other businesses identified as discriminating against certain industries (such as those which are carbon intensive) or practices based on environmental or social criteria. **Additionally, other activist groups have begun to target firms with public criticism for engaging in ESG practices or adhering to certain ESG principles.** Although Fifth Third has a defined risk management approach for client selection, Fifth Third could be inherently exposed to reputational, financial and legal risk, and its ability to retain and attract customers and employees may be negatively impacted as a result of these contrasting arguments in how a financial institution should address these issues. **GENERAL BUSINESS RISKS Changes in accounting standards or interpretations could impact Fifth Third' s reported earnings and financial condition.** The accounting standard setters, including the FASB, the SEC and other regulatory agencies, periodically change the financial accounting and reporting standards that govern the preparation of Fifth Third' s consolidated financial statements. These changes can be hard to predict and can materially impact how Fifth Third records and reports its financial condition and results of operations. In some cases, Fifth Third could be required to apply a new or revised standard retroactively, which would result in the recasting of Fifth Third' s prior period financial statements **. Fifth Third uses models for business planning purposes that may not adequately predict future results** . Fifth Third uses financial models to aid in its planning for various purposes including its capital and liquidity needs and other purposes. The models used may not accurately account for all variables, may fail to predict outcomes accurately, and / or may overstate or understate certain effects. As a result of these potential failures, Fifth Third may not adequately prepare for future events and may suffer losses or other setbacks due to these failures. Also, information Fifth Third provides to the public or to its regulators based on models could be inaccurate or misleading due to inadequate design or implementation, for example. Decisions that its regulators make, including those related to capital distributions to its shareholders, could be affected adversely due to the perception that the models used to generate the relevant information are unreliable or inadequate. **otherwise** manage exposure to various types of interest rate,price,legal and regulatory compliance,credit,liquidity,operational and business risks and enterprise- wide risk could be less effective than anticipated.As a result,Fifth Third may not be able to effectively mitigate its risk exposures in particular market environments or against particular types of risk.If Fifth Third' s risk management framework proves ineffective,Fifth Third could incur litigation ~~costs~~ ,negative regulatory consequences,reputational damages among other adverse consequences and Fifth Third could suffer unexpected losses that may affect its financial condition or results of operations The preparation of consolidated financial statements in conformity with U. S. GAAP requires management to make significant estimates that affect the financial statements. If new information arises that results in a material change to a reserve amount, such a change could result in a change to previously announced financial results. Refer to the Critical Accounting Policies section of Management' s Discussion and Analysis of Financial Condition and Results of ~~Operation~~ **Operations** for more information regarding management' s significant estimates **. The effects of global climate change, natural disasters or health emergencies may have an effect on the performance of Fifth Third' s loan portfolios, thereby adversely impacting its results of operations** . Fifth Third' s footprint stretches from the upper Midwestern to lower Southeastern regions of the United States and it has offices in many other areas of the country. Some of these regions have experienced weather events including hurricanes, tornadoes, fires and other natural disasters. The nature and level of these events and the impact of global climate change upon their frequency and severity cannot be predicted. If large scale events occur, they may significantly impact ~~its~~ **Fifth Third' s** loan portfolios by damaging properties pledged as collateral as well as impairing its borrowers' ability to repay their loans. Additionally, the impact of widespread health emergencies may adversely impact Fifth Third' s results of operations, such as the ~~potential impact~~ **impacts previously experienced** from the COVID- 19 pandemic. If its borrowers are adversely affected due to a widespread health emergency that impacts Fifth Third employees, vendors or economic growth generally, Fifth Third' s financial condition and results of operations could be adversely affected **. Societal responses to climate change could adversely affect Fifth Third' s business and performance, including indirectly through impacts on Fifth Third' s customers** . Concerns over the long- term impacts of climate change have led and may continue to lead to governmental efforts around the world to mitigate those impacts. Consumers and businesses also may change their behavior on their own as a result of these concerns. Fifth Third and its customers will need to respond to new laws and regulations, as well as consumer and business preferences resulting from climate change concerns. Fifth Third and its customers may face cost increases, asset value reductions, operating process changes, and the like. The impact on Fifth Third' s customers will likely vary depending on their specific attributes, including reliance on or role in carbon intensive activities that may be negatively affected by economic transition towards a lower- carbon economy. Fifth Third could experience a drop in demand for its products and services, particularly in certain sectors. In addition, Fifth Third could face reductions in creditworthiness on the part of some customers or in the value of assets securing loans. Fifth Third' s efforts to take these risks into account in making lending and other decisions, ~~45 Fifth Third Bancorp~~ including by increasing business relationships with climate- ~~friendly~~ **resilient** companies, may not be effective in protecting Fifth Third from the negative impact of new laws and regulations or changes in consumer or business behavior **. Potential noncompliance with evolving federal and state laws governing cannabis- related businesses (" CRBs ") could subject Fifth Third to liabilities** . While a significant majority of states have legalized some form of marijuana, it remains a Schedule I controlled substance under federal law. Hemp is no longer classified as a Schedule I controlled substance under federal law; however, the regulatory scheme governing hemp has not been fully developed. Further, the " naked eye " cannot distinguish between legal hemp and illegal marijuana under federal law. There are a number of states where Fifth Third operates with laws permitting medicinal or recreational marijuana, which increases the probability of individuals or entities using bank products or services to sell, distribute, cultivate, manufacture or profit from marijuana. This, and the divergence and continued changes in laws governing CRBs results in challenges to Fifth Third to maintain compliance with them, particularly in connection with Fifth Third ~~'~~ **'** s commercial and consumer lending and capital markets businesses. While Fifth Third monitors regulatory developments in this area to avoid noncompliance, Fifth Third cannot assure that it will be at all times fully compliant with CRB- related laws, which could result in significant fines, penalties or other losses. **40 Fifth Third Bancorp Recent bank failures have** ~~In March 2020, the World Health Organization declared novel coronavirus disease 2019 (COVID- 19) a global pandemic. The COVID- 19 pandemic negatively impacted the global economy, disrupted global supply chains,~~ created significant **market** volatility and ~~disruption in~~ **regulatory uncertainty which could have a material adverse effect on Fifth Third' s business and** financial **condition** ~~markets and increased unemployment levels, all of which may again become heightened concerns upon subsequent waves of infection or future developments~~ . In ~~addition~~ **response to bank failures in the first half of 2023** , **the United States government, particularly the U. S. Treasury, FRB, OCC, FDIC** ~~an~~ **and /** ~~increase in the remote work force resulting from the COVID- 19 pandemic and the potential for~~ - **or U. S. Congress, is expected to adopt** a **variety of measures and new regulations designed to strengthen capital and liquidity standards and otherwise restore confidence in financial institutions. These reforms are expected to modify liquidity,** long- term ~~change in remote work practices~~ **debt and capital requirements and enhance existing stress testing frameworks and** may ~~also increase risks related~~ **include additional special assessments** to ~~cybersecurity~~ **recover losses to the Deposit Insurance Fund. While depositors of affected banks were largely protected, there can be no guarantee that the United States government, particularly the U. S. Treasury, FRB, OCC, FDIC and / or U. S. Congress, will respond to any future bank failures in the same manner. Even without revisions to the regulatory framework, the financial services industry has faced** ~~and~~ - **an enhanced level** ~~information security. The operation~~ of ~~a hybrid workplace may~~ **scrutiny and escalation from its regulators, which could** negatively impact Fifth Third' s **business activities**

as its regulators perform reviews of, among other things, its liquidity, capital, stress testing and risk management programs and may require Fifth Third to enhance its liquidity position and take other steps regarding risk management. Under applicable banking laws, such regulatory actions may not be disclosed to the public. These actions could limit Fifth Third' s business activities (including lending) and its ability to ~~attract and~~ **expand organically or through acquisitions. They could also result in Fifth Third taking steps to increase its capital that may be dilutive to shareholders or limit its ability to pay dividends or otherwise return capital to shareholders. In the current environment, Fifth Third may also experience deposit volatility as customers react to adverse events impacting the banking industry in general or other specific institutions. As deposits** ~~retain~~ **remain Fifth Third' s primary source** ~~qualified personnel. Differences in the demands, expectations and priorities~~ of ~~the workforce~~ **funding, it** may **be unable to maintain sufficient liquidity to meet its commitments, including commitments to depositors withdrawing funds, or be** ~~require~~ **required** ~~Fifth Third~~ to **raise deposit interest rates** ~~rethink and amend its recruiting and retention strategies in order to attract and keep new employees. The extent to~~ which **would adversely** ~~the consequences of the COVID- 19 pandemic continue to~~ impact ~~the Bancorp~~ **its net interest margin. Fifth Third** ' s **failure to effectively manage and maintain adequate liquidity to satisfy its commitments could have a material adverse effect on its** business, results of operations **or** ~~, and~~ financial condition ~~, as well as its regulatory capital and liquidity ratios, will depend on highly uncertain future developments, including the scope and duration of the pandemic (including the possibility of further surges of COVID- 19 and any virus variants, which may or may not respond to available vaccinations), the timing and efficacy of the vaccination program in the U~~ . **41 Fifth** ~~S. and further actions taken by governmental authorities and other third~~ **Third** ~~parties in response to the pandemic. Government actions to mitigate the economic suffering caused by the COVID- 19 pandemic may not be successful or may result in increased pressure on the banking sector, which could adversely affect the~~ Bancorp ~~' s business, results of operations and financial condition more substantially over a longer period of time. In addition, the unique historical nature of the pandemic and the unprecedented level of governmental response may also significantly impact the Bancorp' s ability to effectively manage its business or predict future performance. The Biden Administration announced that May 11, 2023 will be the final day of the COVID- 19 public health emergency declaration. As the COVID- 19 pandemic subsides, the U. S. economy may require some time to fully recover from its effects, the length of which is unknown. The effects of the COVID- 19 pandemic may heighten many of the other risks described in Item 1A. Risk Factors of the Bancorp' s Annual Report on Form 10- K and any subsequent Quarterly Report on Form 10- Q or Current Report on Form 8- K, including, but not limited to, risks of credit deterioration, interest rate changes, rating agency actions, governmental actions, market volatility, theft, fraud, security breaches and technology interruptions. 46 Fifth Third Bancorp~~