



2026 Stress Testing Results

| July 2026

2026 Company-Run Capital Stress Test Results

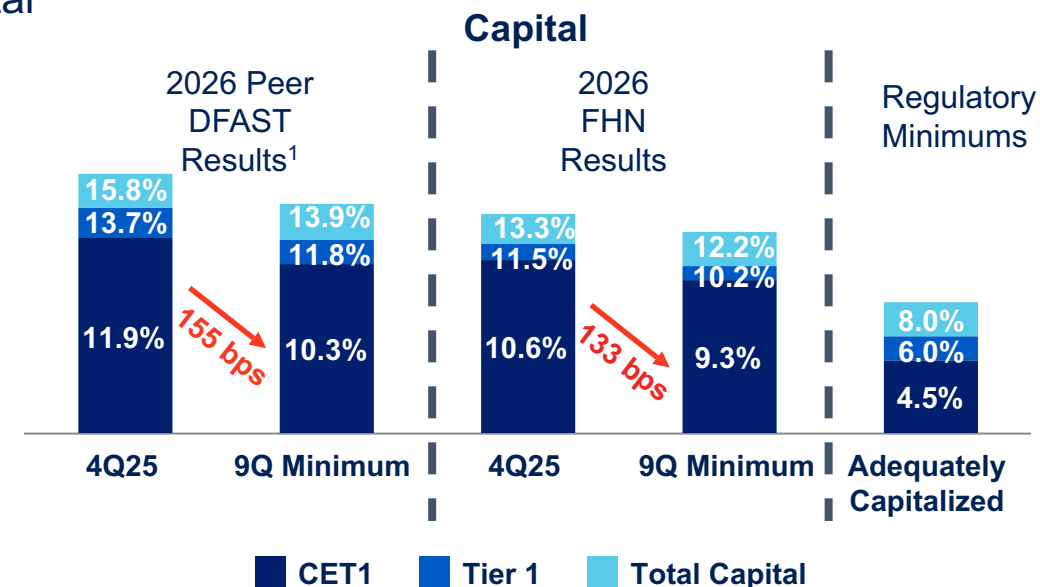
Demonstrates ability to navigate stress scenario while maintaining capital ratios above regulatory minimums

Federal Reserve DFAST Severely Adverse Scenario

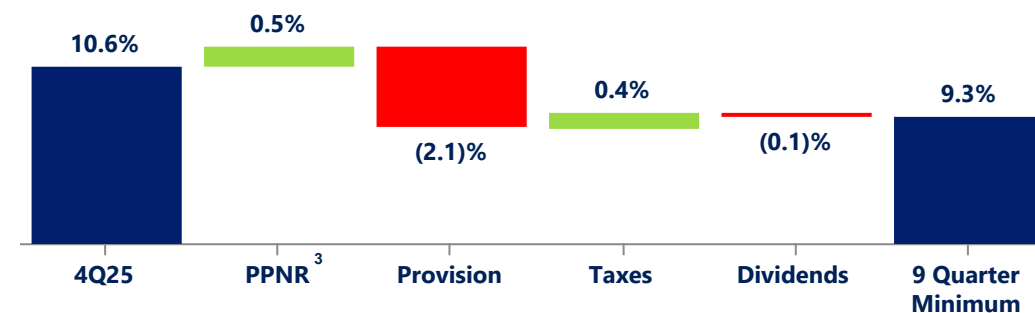
- The Fed's severely adverse scenario is characterized by a severe global recession, including prolonged declines in both residential and commercial real estate (CRE) prices alongside stress in corporate debt markets and investment sentiment
 - U.S. real GDP contracts ~5%
 - Unemployment peaks at 10%
 - House prices contract 30%
 - CRE prices contract 39%
 - Total stock market index down 58%

Results and Key Assumptions

- Minimum CET1 of 9.3% exceeds regulatory-required minimum by 4.8%
 - CET1 declines (133 bps) vs. Fed-run DFAST peer median of (155 bps)
 - 2.3% loan loss rate significantly lower than 6.7% Fed-run DFAST peer median, benefiting from favorable loan portfolio mix
 - FHN maintains \$0.17/share quarterly common dividend
 - CECL² framework for allowance drives 1Q26 provision expense which reduces capital to minimum levels in that quarter



Key Drivers of Change in CET1



2026 Company-Run Capital Stress Test Results

Counter-cyclical businesses support FHN's earnings profile in the Fed's severe stress scenario

- Pre-provision net revenue (PPNR¹) as a percent of assets exceeds peers due to counter-cyclical contribution from fixed income, loans to mortgage companies, and mortgage
- 2.3% total loan loss rate vs. DFAST peer median of 6.7%
- Limited exposure to higher-loss credit cards (~\$0.1B)
- Other loans includes lower-loss portfolio of Loans to Mortgage Companies (~\$4.7B)

