



Transforming the Customer Experience

Proven | Focused | Better

Dawn C. Morris | Chief Digital Banking & Marketing Officer

Portions of this presentation use non-GAAP financial information. Each of those portions is so noted, and a reconciliation of that non-GAAP information to comparable GAAP information is provided in a footnote or in the appendix at the end of this presentation. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results. This presentation also includes certain non-GAAP financial measures related to “tangible common equity”, “pre-provision net revenue”, “economic profit”, “RAROC” and certain financial measures excluding notable items, including merger-related charges. Notable items include certain revenue or expense items that may occur in a reporting period which management does not consider indicative of ongoing financial performance. Management believes it is useful for the investment community to consider financial metrics with and without notable items in order to enable a better understanding of company results, facilitate comparability of period-to-period financial results, and to evaluate and forecast those results. Although FHN has procedures in place to ensure that these measures are calculated using the appropriate GAAP or regulatory components, they have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of results under GAAP. For more information on these calculations and to view the reconciliations to the most comparable GAAP measures, please refer to the appendix of this presentation.

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Our Road Map to an Enhanced Customer Experience

- 1 Our commitment to excellence yields customer and employee loyalty
- 2 We have expansive customer profitability insights
- 3 We will connect existing profitability insights to a greater understanding of customer needs
- 4 We use profitability insights to unlock customer value

Transforming the customer experience
starts with building on our strengths

Our culture is locally and nationally recognized for a commitment to excellence

BEST PLACES TO WORK



BEST PLACES TO BANK



AWARD WINNING

BEST BANK VALENCE¹



Loyalty runs deep with our employees and customers

FRONT LINE
EMPLOYEES:

10
YEARS

BUSINESS
CUSTOMERS:

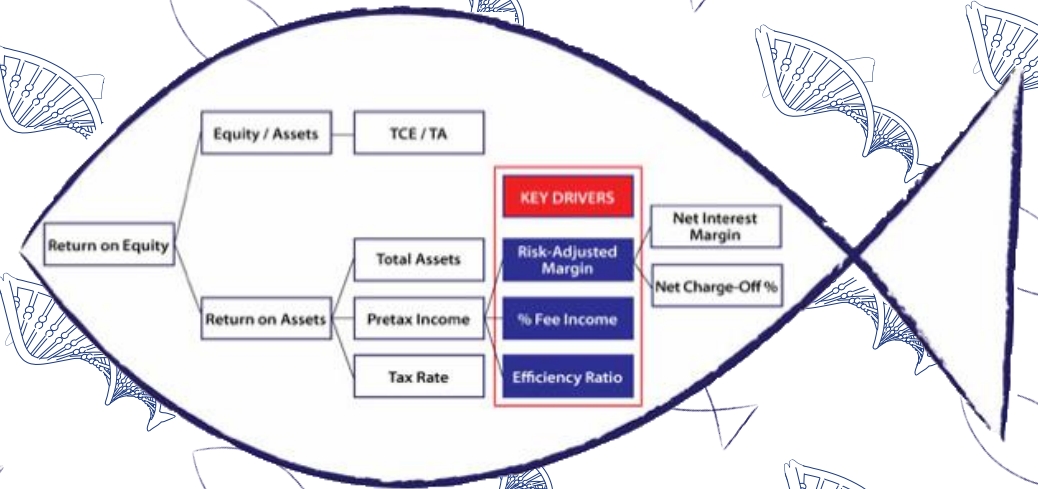
11
YEARS

CONSUMER
CUSTOMERS:

12
YEARS

Transformation Is in Our DNA

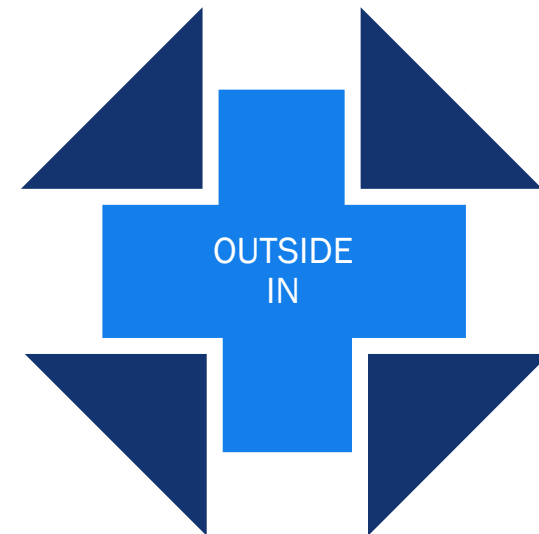
Bonefish transformed our business from the inside-out
Today, Bonefish permeates every part of our organization



Connecting profitability knowledge with customer-centric insights

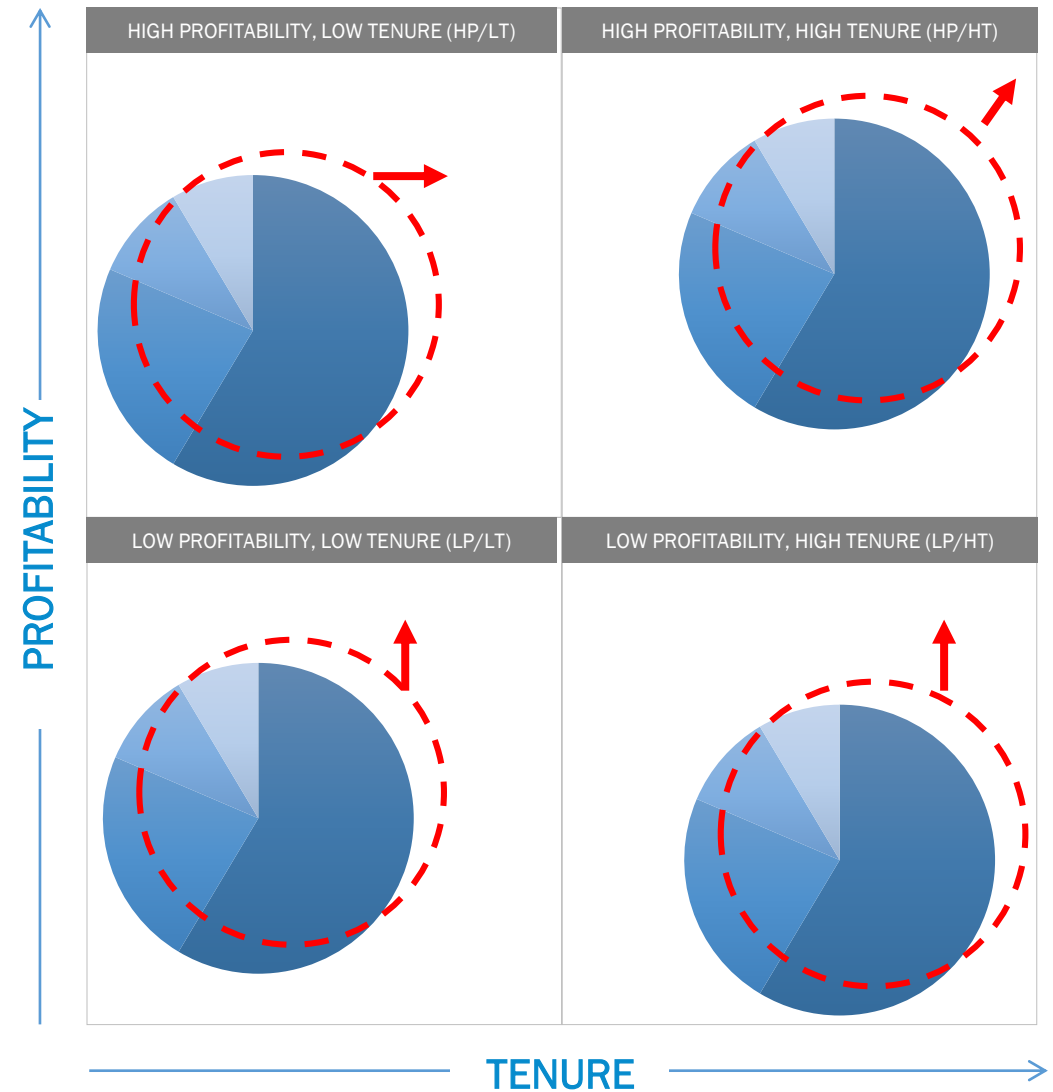
Our Mission: An Outside-in Application of Our Proven Bonefish Process

By applying customer centricity to our strategy, we can drive deeper levels of profitability

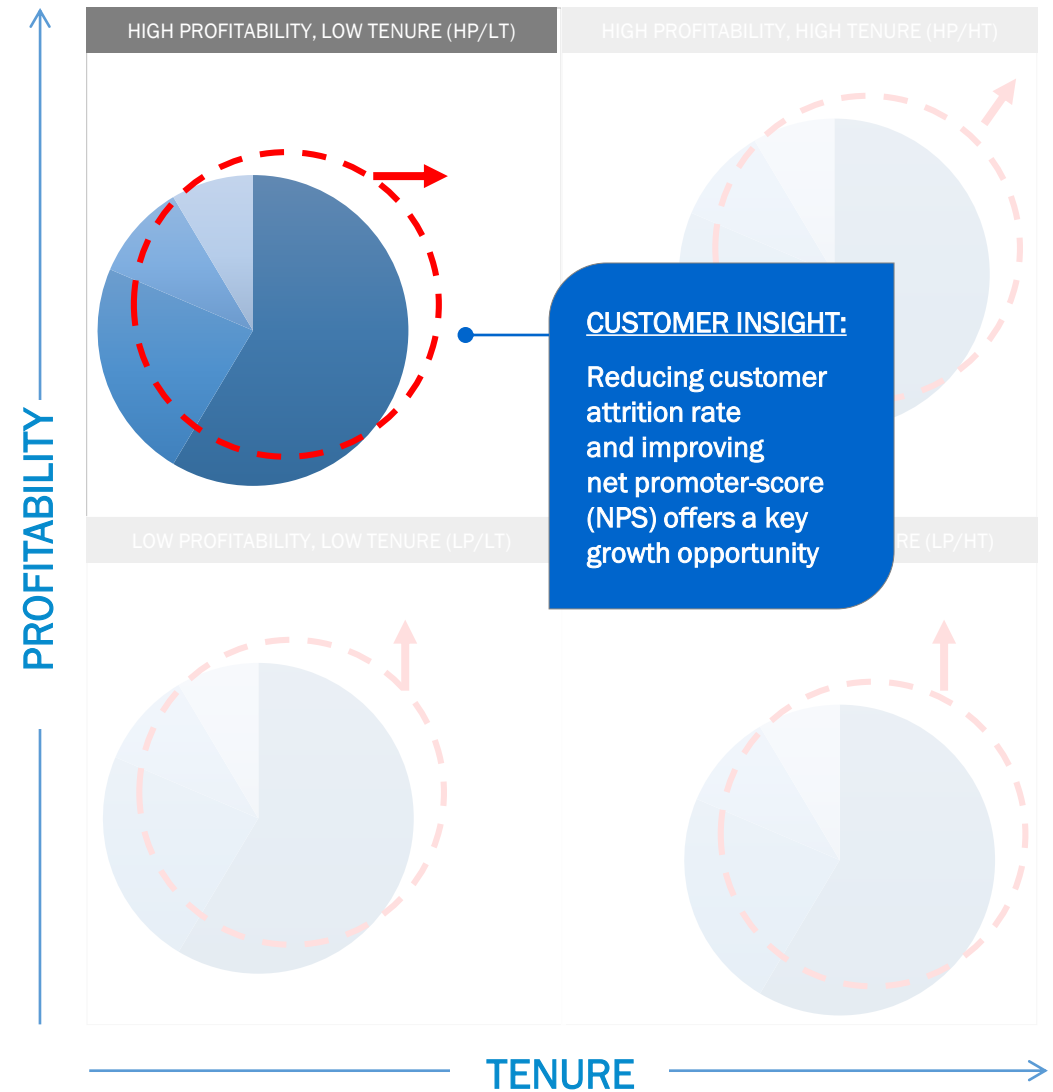


Customers aren't
one size fits all

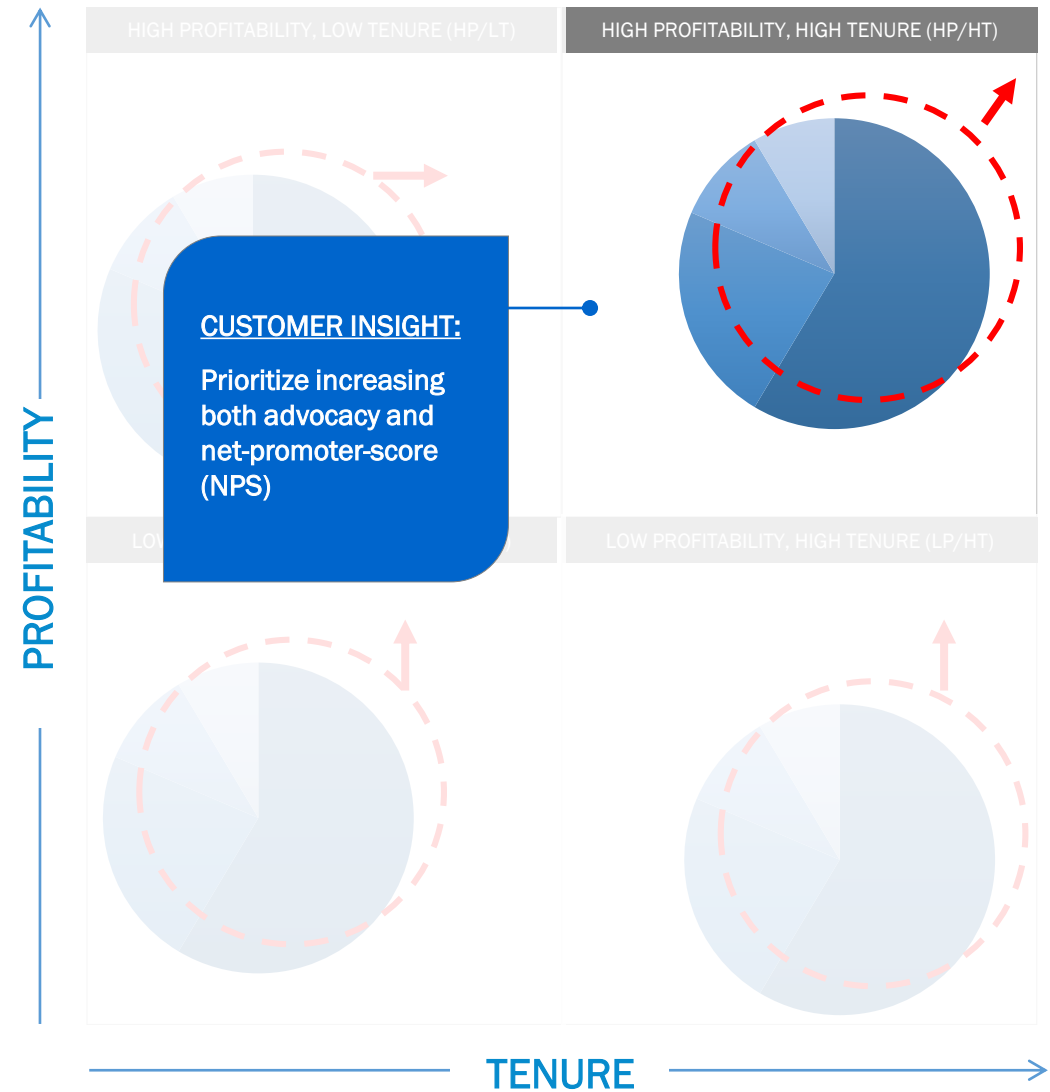
A 5% improvement in customer profitability is
worth ~\$75mm in annualized revenue



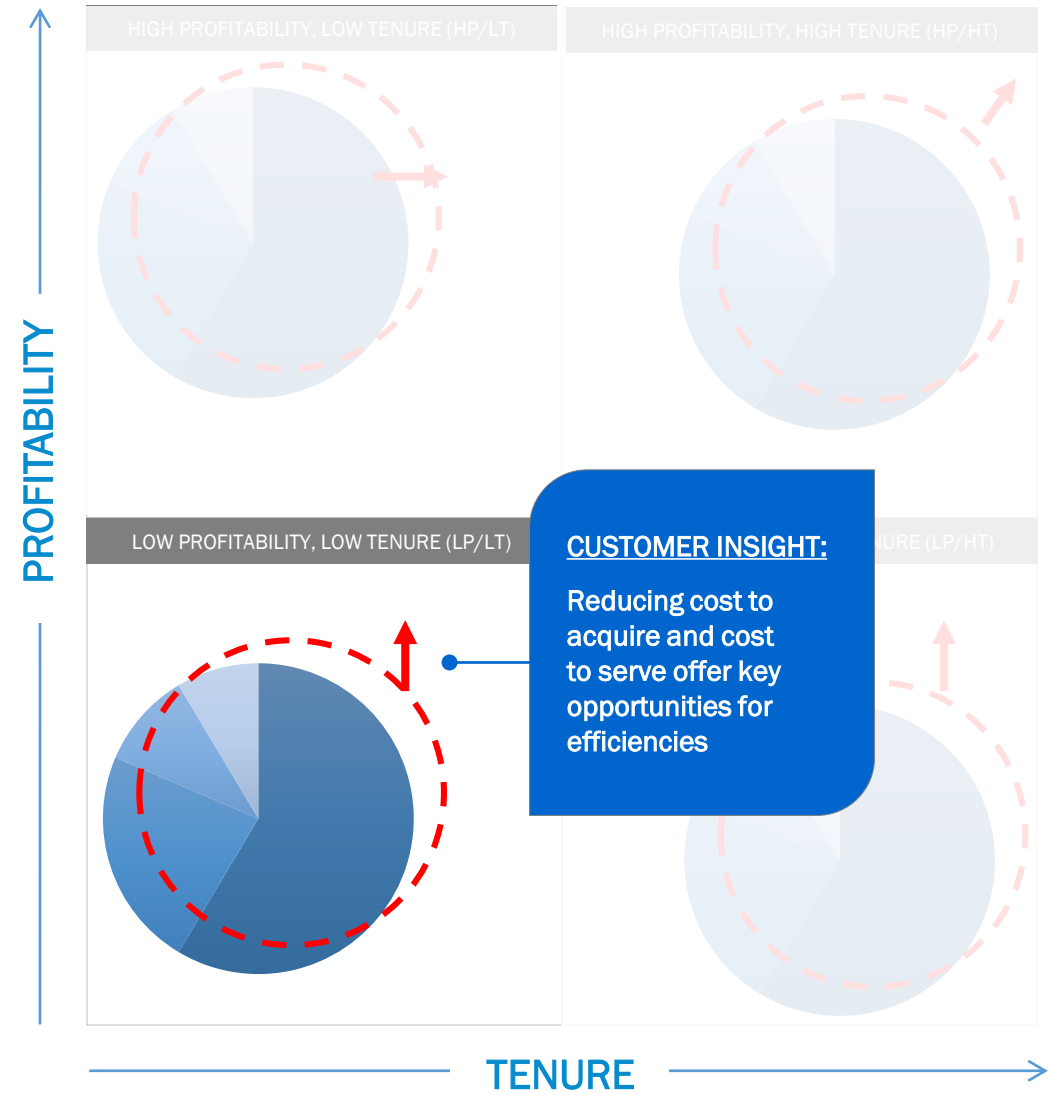
High profitability, low tenure customers offer one of our biggest growth opportunities



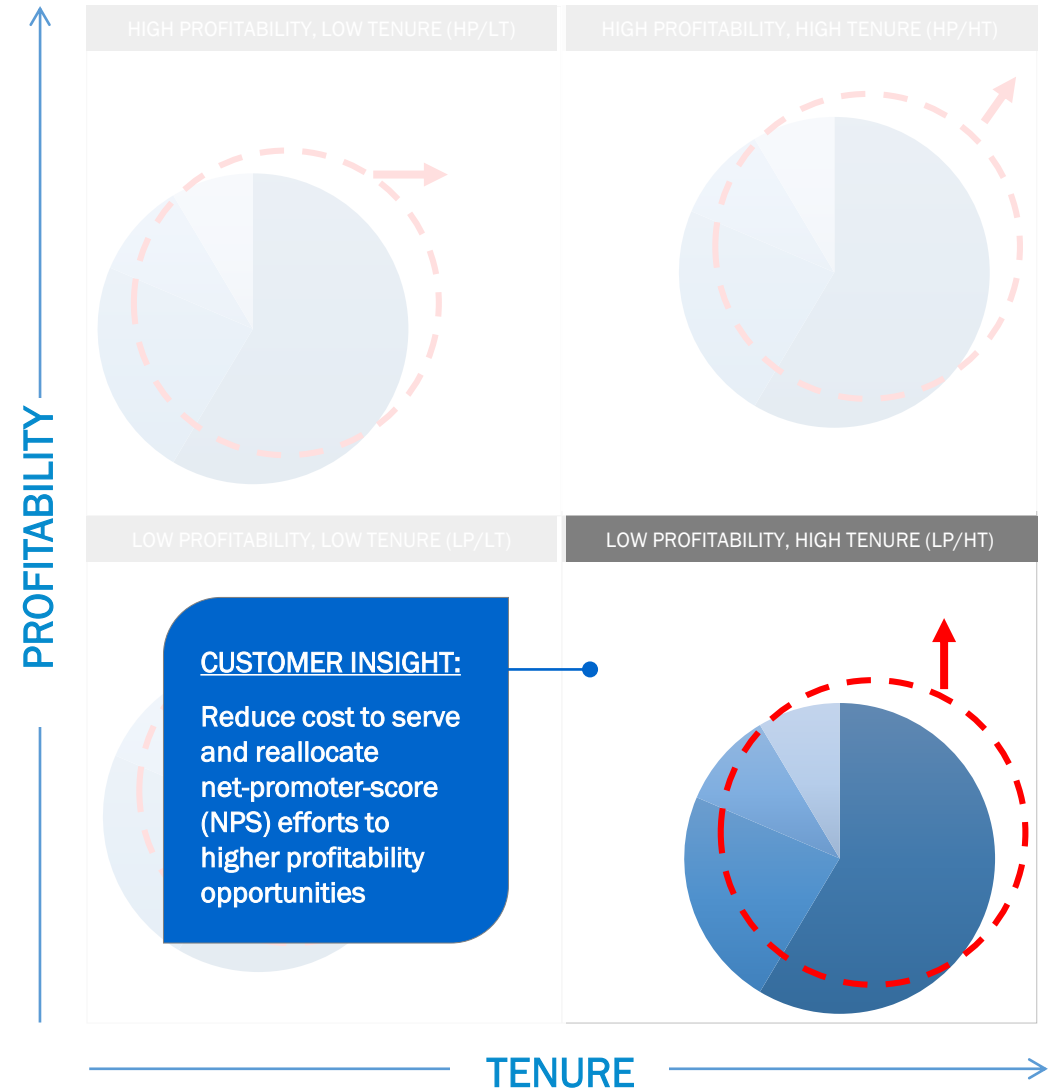
High profitability and tenure customers offer opportunity for advocacy



Low profitability and tenure customers offer an opportunity to optimize and streamline



Low profitability,
high tenure customers
offer an opportunity to
refine and reallocate



Optimization through deep customer insights

BETTER UNDERSTANDING

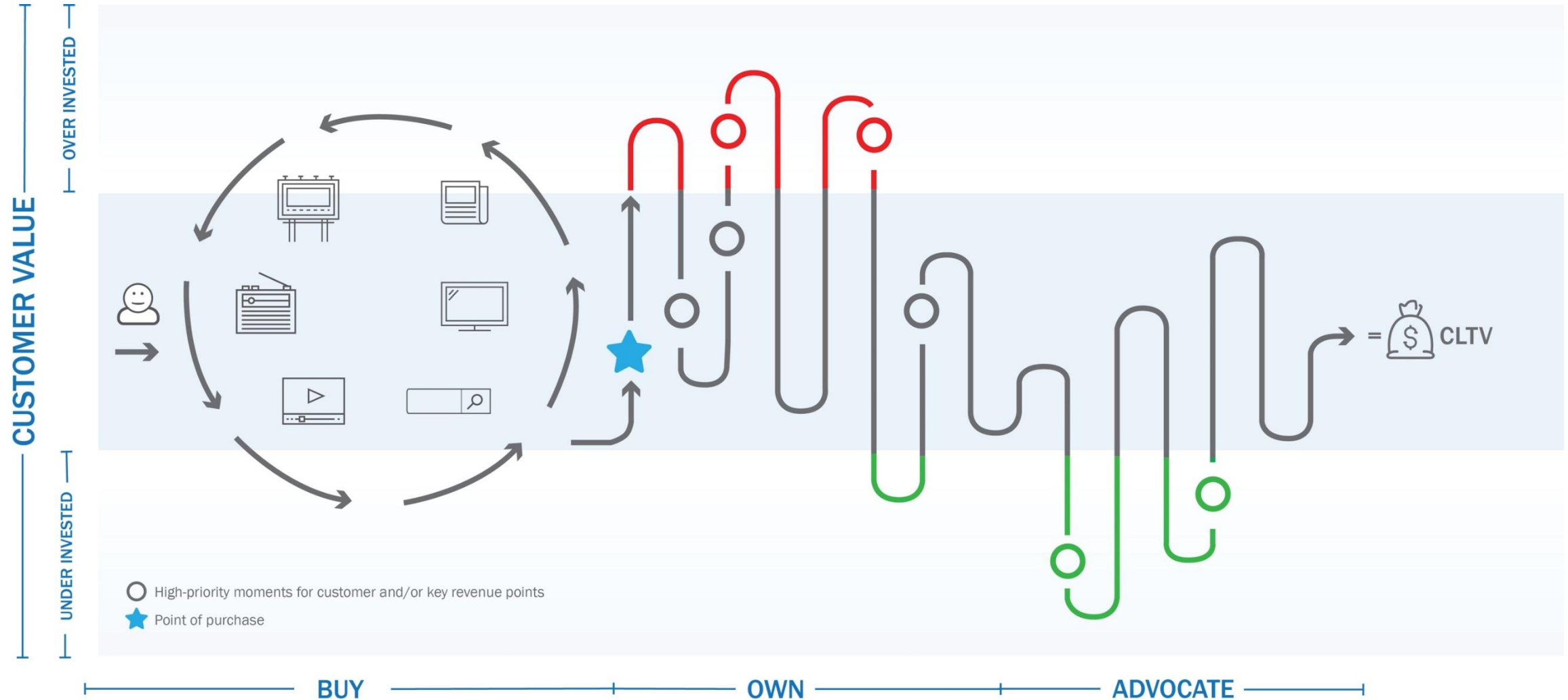
MOMENTS OF
ASPIRATION
OR ANXIETY

IDENTIFY
CUSTOMER
DISCONNECTS

UNCOVER
INNOVATION
OPPORTUNITIES

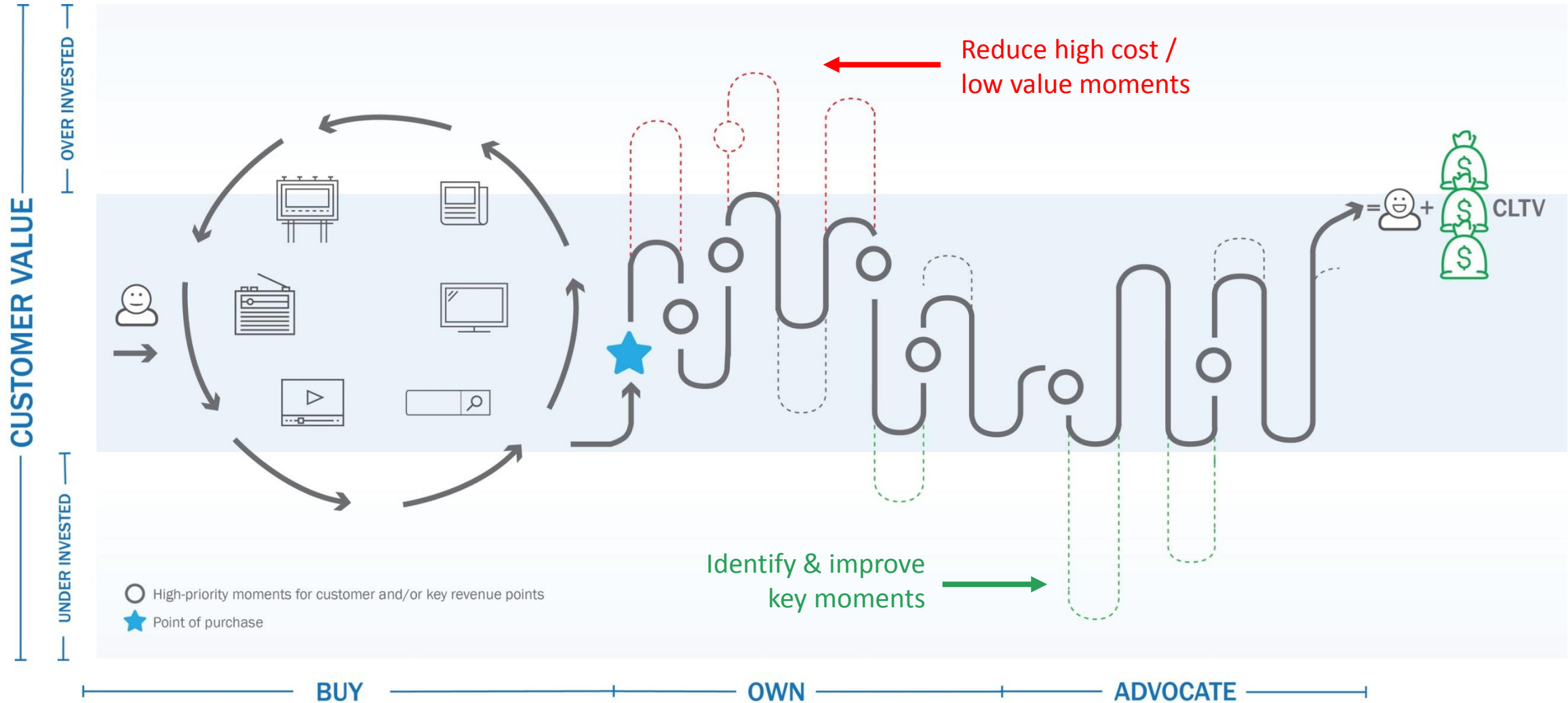
RECOGNIZE
FRICTION
POINTS

Focusing First on Our Highest Priority Customers



Focusing Next on the Highest Priority Moments

Optimize under / over invested moments to increase customer lifetime value (CLTV)



Transforming the
customer experience will
drive improved profitability

A Business Case for Customer Experience

Transforming the customer experience creates opportunities to increase profitable revenue, reduce costs, and drive customer lifetime value

DRIVE PROFITABLE GROWTH

TARGETED
INVESTMENTS

NTB:
NEW TO
BANK
CUSTOMERS

CROSS-
SELL
OPPORTUNITY

WOM:
WORD OF
MOUTH

OPTIMIZE EXPENSE

RETENTION
OF TARGET
CUSTOMERS

CTS:
COST TO
SERVE

CTA:
COST TO
ACQUIRE

INCREASE

CLTV:
CUSTOMER
LIFETIME
VALUE

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