svb Financial Group



Q3 2020
Financial highlights

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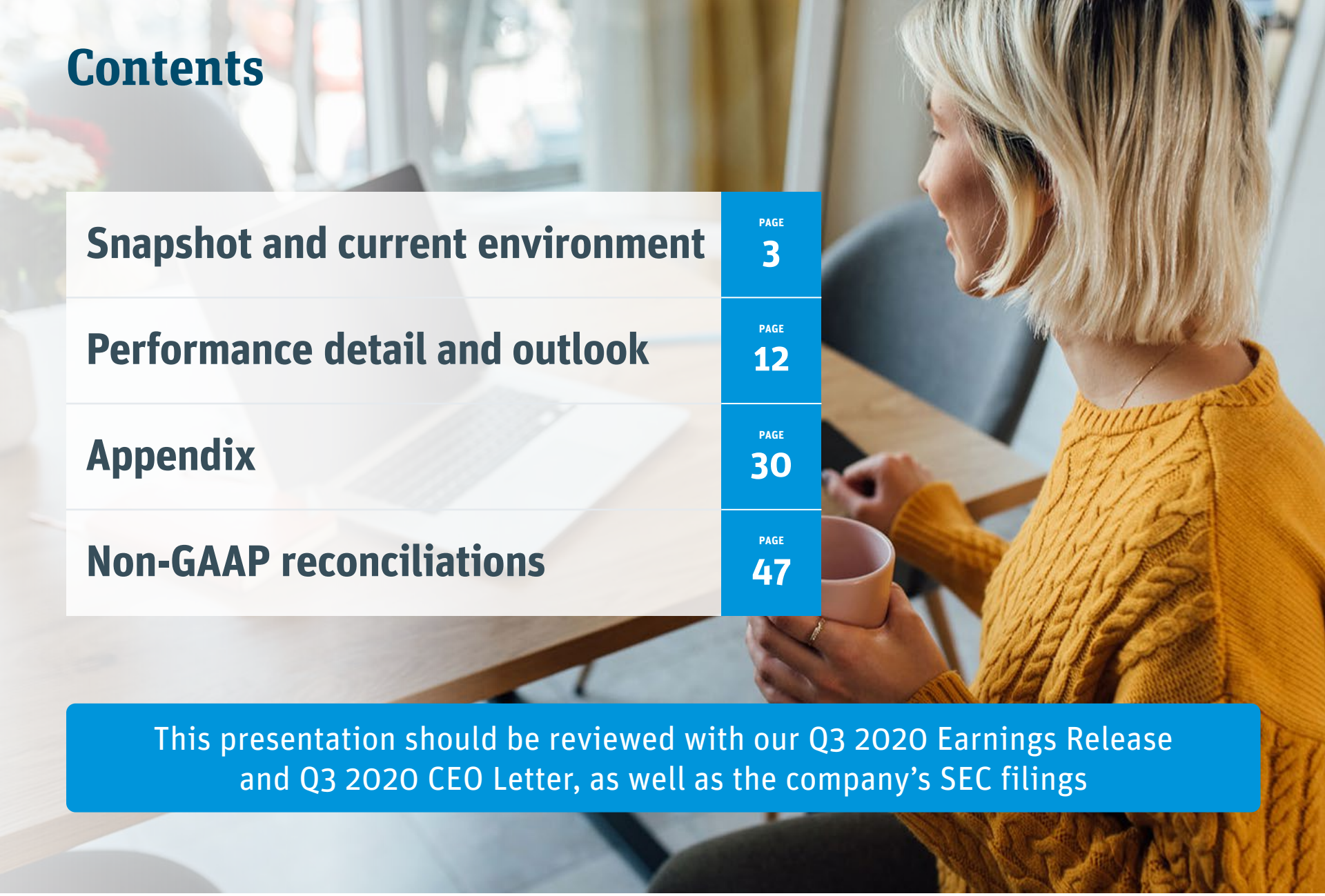


This presentation should be reviewed with our Q3 2020 Earnings Release and Q3 2020 CEO Letter, as well as the company's SEC filings



Snapshot and current environment

Q3'20 Snapshot: Exceptional execution across the franchise as resilient markets continue to attract strong liquidity

FINANCIAL HIGHLIGHTS

EPS:	Net Income:	ROE:
$8.47	$442M	24.19%

Q3'20 PERFORMANCE (vs. Q2'20)

$201.2B
+13.6%
AVERAGE CLIENT FUNDS
+$21B PERIOD-END GROWTH

$37.3B
+2.2%
AVERAGE LOANS[1]
+$1.7B PERIOD-END GROWTH

$532M
+2.9%
NET INTEREST INCOME[1]

$146M
+10.4%
CORE FEE INCOME[2]

$216M
WARRANT AND INVESTMENT GAINS NET OF NCI[2, 3]

$108M
INVESTMENT BANKING REVENUE AND COMMISSIONS
(2nd best quarter)

$52M
NET BENEFIT TO PROVISION FOR CREDIT LOSSES
(improved economic scenarios and continued strong Private Bank performance drive reserve release)

1. SBA Paycheck Protection Program ("PPP") loans contributed $0.4B of average loan growth and $9.7M to net interest income. Net interest income presented on a fully taxable equivalent basis.
2. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
3. Includes $11M in warrant gains and $108M unrealized investment gains from our 2.8M shares of BigCommerce Holdings, Inc. ("BIGC") common stock, following BIGC's initial public offering during the quarter. $30M additional gains from exercise of BIGC debt conversion rights recorded in other noninterest income.



Q3'20 Highlights

Exceptional execution across the franchise as resilient markets continue to attract strong liquidity

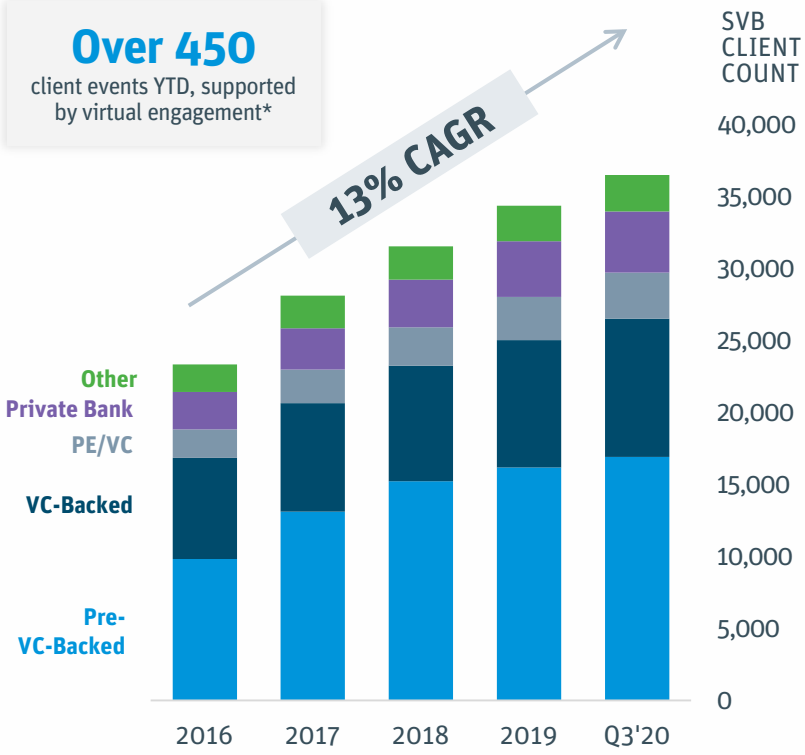
1. **Period-end assets reach $97B (+42% yoy) and total client funds exceed $211B (+36% yoy)** as strong fundraising and exit activity and contained client spending fuel liquidity
2. **Outsized warrant and investment gains** as client IPO triggers exercise of warrants and debt conversion rights
3. **Robust period-end loan growth** as private equity investment rebounds, driving capital call borrowing – pipeline remains strong
4. **Q3 reserve release** as model economic scenarios improve and Private Bank credit performance remains strong; continue to closely monitor portfolio and engage clients
5. **Strong balance sheet growth** drives NII within guided range while **significant securities purchases and high cash balances** from deposit inflows pressure NIM
6. **Stronger core fees** as business activity increased
7. **Continued momentum from SVB Leerink** as life science public markets activity remains robust
8. **Strong capital and liquidity** provide solid foundation to meet clients' needs and invest in our business; ample flexibility to manage Tier 1 leverage
9. **Expenses above forecast,** driven by increased compensation due to outstanding performance and strong hiring
10. **Issuing Q4 2020 and FY 2021 guidance on select measures –** expect strong average balance sheet growth and continued investment to drive future growth and scalability

Strong execution, even as almost all SVB colleagues work from home

Client acquisition and engagement remains robust, supported by investments in people and technology

~1,500 new clients in Q3'20

Over 450
client events YTD, supported by virtual engagement*



Supporting employee productivity and well-being



* As of September 30, 2020.

Increasing diversity, equity and inclusion ("DEI") at SVB, with our partners and across the innovation economy

Embracing diverse perspectives and fostering a culture of belonging

1 Start with values and culture

We start with **EMPATHY** for others.

We speak & act with **INTEGRITY**.

We embrace **DIVERSE** perspectives.

We take **RESPONSIBILITY**.

We keep **LEARNING & IMPROVING**.

2 Take a multipronged approach with measurable goals

Executive-led DEI Steering Committee

Employee advocacy network

Employee awareness programs, regular training & educational opportunities

Fair pay analysis

Full-time Diversity Recruiting Director

Leadership development

Hiring outreach programs & strategic partnerships

Increase diversity of senior leaders to **56%** by 2025

Reach senior leadership gender parity **50/50** by 2030

3 Measure and communicate progress

DIVERSITY AT SVB*	Total Workforce	Senior Leaders	Board Members
Diverse (US)	67%	50%	69%
Female (Global)	45%	32%	31%
Racial Minority (US)	40%	28%	15%

Championing causes that impact access to and diversity in the innovation economy

Access to Innovation

Our signature program to increase funding for startups founded by women, Black, Latinx or other underrepresented groups and to advance diversity and gender parity in leadership of innovation companies

2019 CONTRIBUTIONS

44
Partner organizations focused on furthering DEI in innovation

$1.6M
Donated to causes supporting gender parity in innovation

$1.2M
Support for diverse, emerging talent in innovation

~$20M
Expect to donate fees (net of costs incurred) received from SBA PPP program to diversity and community efforts in Q4'20 (donations will be managed through the SVB Foundation)

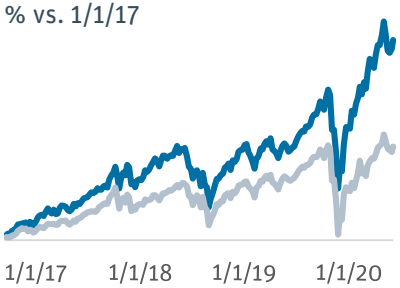
Note: Refer to www.svb.com/living-our-values/inclusion-diversity for more information.

* Metrics as of September 30, 2020 (Board metrics as of October 22, 2020). Diverse includes (as disclosed to us) any woman, any person of color, veteran or person with disability. Person of color refers to anyone who self identifies as Hispanic/Latino, Black or African American, Asian, American Indian or Native Alaskan, Native Hawaiian or Other Pacific Islander or Two or More Races/Other. We utilize this blended measure to include different backgrounds and social categorizations. Senior leader includes the following job levels: Executive Committee (includes our executive officers) and leaders from certain top levels of SVB's two highest bands of management.

Resilient and highly liquid markets

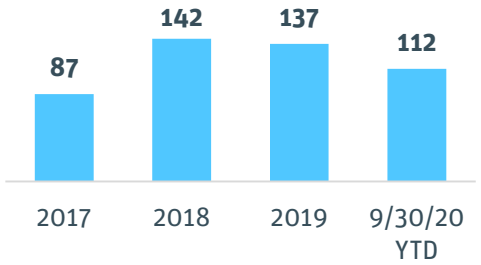
Technology markets outperforming

INDEXED PRICE
% vs. 1/1/17



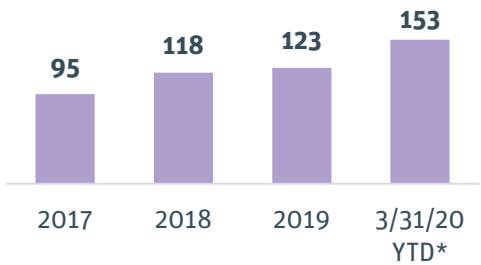
VC investment still strong

U.S. VC INVESTMENT
$ Billions



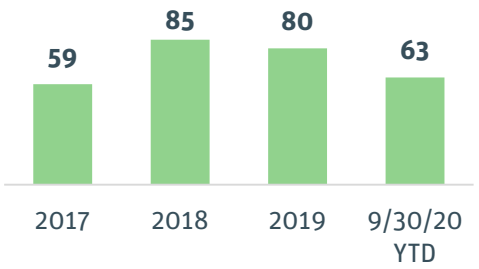
Ample dry powder...

U.S. VC DRY POWDER
$ Billions



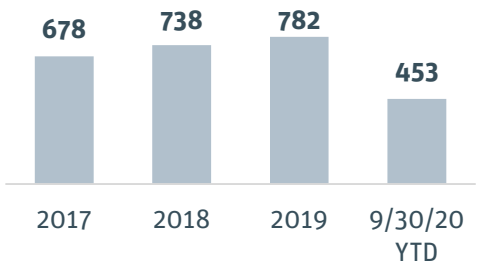
Strong IPO activity

U.S. VC-BACKED IPOS
Count



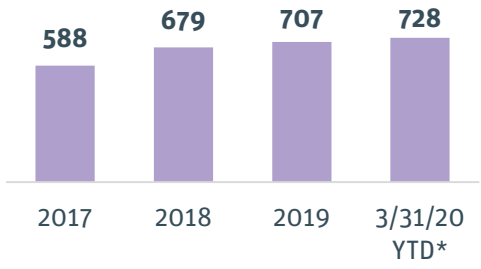
Overall PE activity lagging, but beginning to rebound (SVB clients active in Q3'20)

U.S. PE INVESTMENT
$ Billions



...to support future investment

U.S. PE DRY POWDER
$ Billions



Note: VC and PE data sourced from PitchBook.
* Most recent data available.

Stable credit metrics, but a sustained economic recovery has yet to take hold

Proactive risk management

- **Heat-mapped entire portfolio to prioritize focus**
- **Active client engagement**
- **Programmatic support[1]**

Strong credit performance

20% of total assets

Global Fund Banking[2]

- Largest driver of loan growth for the past 6 years
- ZERO capital call net losses since inception (1990s)

Q4'20 and FY'21 expectations:

Continued strong credit performance

5% of total assets

Private Bank

- Primarily mortgages located in California (66%) with median LTV of 64%
- Only $19M of net losses since inception (1990s)
- 3-month deferrals ended and payments resumed with very few extension requests

Q4'20 and FY'21 expectations:

Continued strong credit performance, contributing to Q3'20 reserve release

Stable performance to date

- **PPP, deferral programs, slowing cash burn and investor support have extended client runway temporarily**
- **6-month Venture Debt and Wine deferrals expiring in Q4'20 – vast majority expected to resume payments, but potential for increased NPLs**
- **Challenges ahead from fading stimulus and expiring deferrals, but we are cautiously optimistic**

9% of total assets

Technology

- 79% Software
- Within Software, 48% Enterprise Applications and only 12% Consumer Internet

Q4'20 and FY'21 credit focus:

Investor Dependent (primarily Early-Stage), Cash Flow Dependent and other clients most impacted by COVID-19 slowdown in business activity

2% of total assets

Healthcare & Life Sciences

- Key sectors: Biopharma, Medical Devices, Tools & Diagnostics and Healthcare Services

Q4'20 and FY'21 credit focus:

Investor Dependent (primarily Early-Stage), Cash Flow Dependent and other clients most impacted by COVID-19 slowdown in business activity

1% of total assets

Wine

- 75% secured by high-quality real estate with median LTV of 49%
- 3-month deferrals ended and payments resumed with very few extension requests

Q4'20 and FY'21 credit focus:

Limited physical damage from recent California wildfires to date; potential impact from smoke taint

Reduced tourism and restaurant revenue continue to present headwinds for some

Potential for higher NPLs, however most of portfolio secured by high-quality real estate

Note: All figures as of September 30, 2020.

1. 3-month Private Bank and Wine payment deferral programs ended in Q3'20; 6-month Venture Debt and Wine payment deferral programs scheduled to end in Q4'20.
2. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.

Past investments accelerating client acquisition and growth

We continue to invest in our strategic priorities to drive future growth and scalability

Enhance client experience
- End-to-end digital banking
- APIs and payment enablement
- Strategic partnerships to accelerate product delivery
- Technology platform upgrades

+

Improve employee enablement
- Mobile and collaboration tools
- nCino credit onboarding platform
- Client and industry insights
- Global Delivery Centers
- Agile ways of working

+

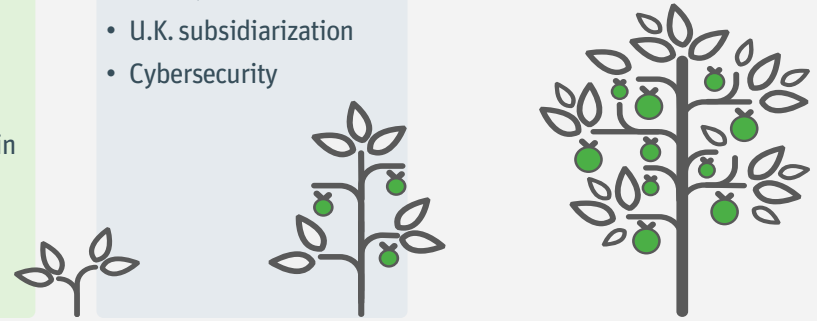
Drive revenue growth
- Global expansion
- SVB Leerink
- SVB Private Bank/Wealth Advisory
- Client acquisition
- New products (cards, liquidity, lending)
- Product penetration
- Strategic investments in companies
- Fintech strategy

+

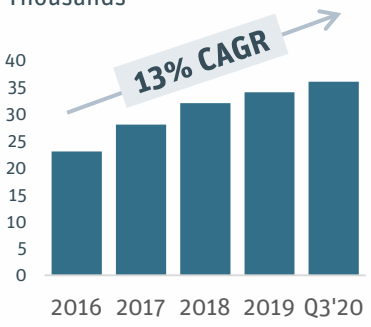
Enhance risk management
- Data foundation
- Large Financial Institution regulatory requirements (>$100B in total consolidated assets)
- U.K. subsidiarization
- Cybersecurity

=

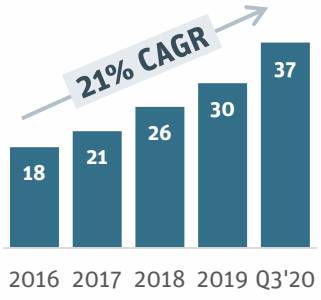
Long-term scalable growth



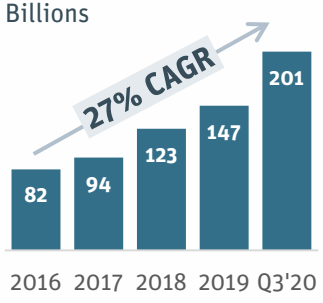
SVB CLIENT COUNT
Thousands



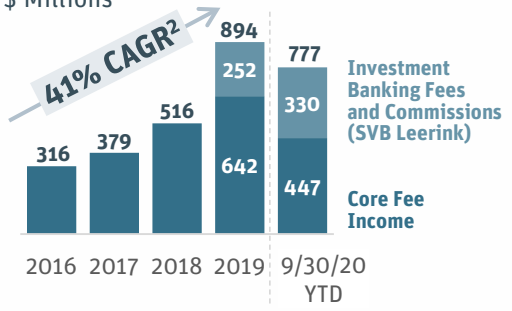
AVERAGE TOTAL LOANS
$ Billions



AVERAGE TOTAL CLIENT FUNDS
$ Billions



CORE FEES AND INVESTMENT BANKING ACTIVITIES[1]
$ Millions



1. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
2. 2016-2019 CAGR.

Resilient business model positioned for long-term growth

Strong capital and liquidity



- Strong capital and liquidity enable us to support growth, help our clients and manage shifting economic conditions while continuing to invest in our business

Robust earnings power



- Strong profitability and industry-leading growth
- Multiple levers to drive earnings in a low rate environment

Proven leadership



- Deep bench of recession-tested leaders supported by strong global team
- Active partnership with our clients to promote better outcomes

High-quality balance sheet



- 81% of assets in high-quality investments and low credit loss experience lending[1]

Resilient markets



- Adversity drives innovation
- U.S. company formation increased by 105% during or in the aftermath of the Great Financial Crisis (2008-2012)[2]
- 41% of current unicorns[3] and 9% of current Nasdaq companies[4] were founded during this same period

Unique liquidity franchise



- Robust liquidity solutions to support clients' needs and optimize pricing and mix

Leveraging improvements



- In people, processes and systems to improve our scalability
- In new markets to expand our reach
- In digital enhancements to improve the client experience
- In products and services to diversify our business

1. Based on cash, fixed income investment portfolio and Global Fund Banking (formerly Private Equity/Venture Capital) and Private Bank loan portfolios as of September 30, 2020.
2. New company formation data sourced from PitchBook. Includes U.S. VC-backed startups.
3. Unicorn data sourced from PitchBook as of April 21, 2020. Includes U.S. VC-backed unicorns who have not undergone an LBO or IPO.
4. Nasdaq companies sourced from S&P Capital IQ as of April 21, 2020.



Performance detail and outlook

Outlook for select business drivers

Outlook considerations

- The innovation markets continue to thrive, and the broader economy shows some signs of improvement
- Providing Q4'20 and preliminary FY'21 guidance on select measures – expect strong average balance sheet growth and continued investment to drive future growth and scalability
- Uncertainty over the length of the economic slowdown, subsequent waves of COVID-19 and the U.S. election outcome present challenges to providing a full outlook on credit performance or long-term financial goals (see slide 14 for key variables to our forecast)

Business Driver	Q3'20 Results	Q4'20 Outlook	Preliminary FY'21 outlook vs. FY'20
Average loans	$37B	$39-$40B	High single to low double digit % growth
Average deposits	$78B	$83-$85B	High teens to low twenties % growth
Net interest income[1]	$528M	$555-$570M[2]	High single digit % growth[3]
Net interest margin	2.53%	2.45-2.55%	2.45-2.55%
Core fee income[4, 5]	$146M	$130-$140M	Flat to 2020
Non-interest expense[4, 6]	$491M	$525-$535M	Low to mid single digit % growth
Effective tax rate	27%	27-28%	27-28%

Note: Actual results may differ. For additional information about our financial outlook, please refer to our Q3 2020 Earnings Release and Q3 2020 CEO Letter.

1. Excludes fully taxable equivalent adjustments.
2. Includes ~$10-12M of estimated PPP loan interest and fees, net of deferred loan origination costs in Q4'20 (0 bps impact to Q4'20 NIM).
3. Includes ~$16-18M of estimated PPP loan interest and fees, net of deferred loan origination costs in Q1'21 (+5 bps impact to Q1'21 NIM).
4. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
5. Excludes SVB Leerink.
6. Excludes expenses related to NCI. Includes SVB Leerink expenses.

Key variables to our forecast

Our guidance requires clarity around certain variables, including but not limited to:

VC fundraising and investment	• Promotes new company formation which helps support client acquisition • Source of client liquidity which helps drive total client funds growth
PE fundraising and investment	• Primary driver of capital call line demand which has been the largest source of loan growth over the past 6 years
IPO and M&A activity	• Ability for companies to exit via IPO or M&A affects VC/PE fundraising and investment • Deal proceeds support client liquidity • Impacts investment banking revenues and value of warrants and investment securities
Economic environment	• Affects health of clients which determines credit quality • Level of business activity drives client liquidity and demand for our products and services
Capital markets	• Performance and volatility of public, private and fixed income markets impact IPO and M&A activity and market-driven revenues (FX, investment banking and sales and trading revenues and warrant and investment gains)
Competitive landscape	• Affects margins and client acquisition
Shape of yield curve	• Directly impacts NIM via lending and reinvestment yields vs. funding costs • Client investment fees move with short-term rates
Political environment	• U.S. elections influence economic policy and stimulus, business and market sentiment, global trade relationships, bank regulations and corporate taxes

Period-end total client funds exceed $211B from strong fundraising and exit activity and contained client spending

Expect Q4'20 average deposits between $83-85B and FY'21 average deposit % growth in the high teens to low twenties

Q3'20 Activity

- Average off-balance sheet client funds surged $14B (period-end +$11B) as strong Life Science and Technology public markets and private fundraising activity left clients awash with liquidity
- Average and period-end deposits +$10B with growth across all portfolios, especially Technology clients; deposit growth also supported by slow burn rates as clients conserve cash
- Average cost of deposits remained low at 4 bps even as share of interest-bearing deposits increased as existing clients allocated excess liquidity in interest-bearing products

Q4'20 and FY'21 Considerations

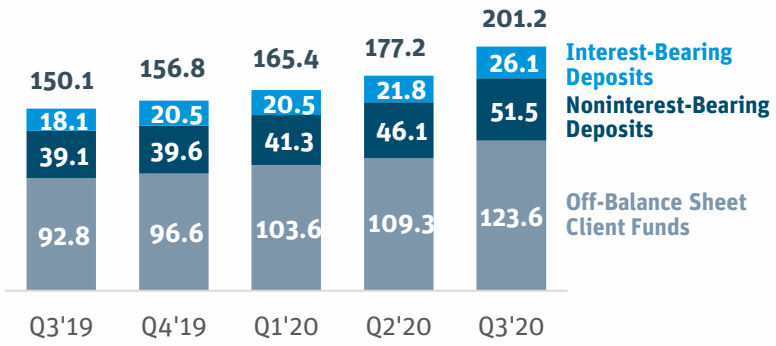
- Strong average client funds growth, both on and off-balance sheet
- Deposit growth may be impacted by:

+	**Rebound in PE/VC investment** Increases technology, healthcare & life science clients' liquidity
–	**Potential slowdown in public markets activity** Ahead of U.S. presidential election
–	**Potential PE/VC distributions** Historically have been greater in Q4 and Q1
–	**Reduced benefit from slow cash burn rates** Client spending expected to increase as business activity recovers

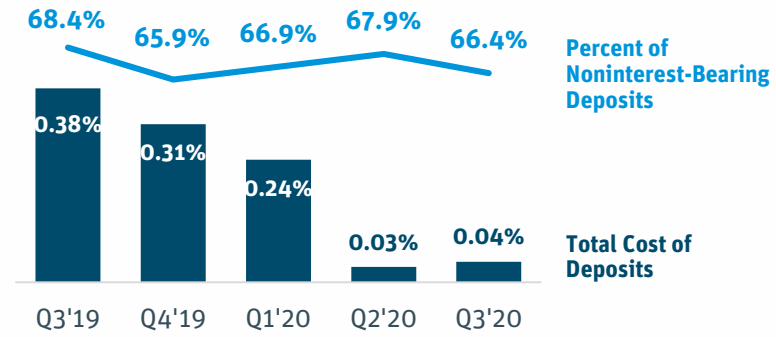
- Total cost of deposits and share of interest-bearing deposits expected to remain steady due to repricing of interest-bearing products in Q3

AVERAGE CLIENT FUNDS
$ Billions

+34% yoy



AVERAGE DEPOSIT MIX AND PRICING



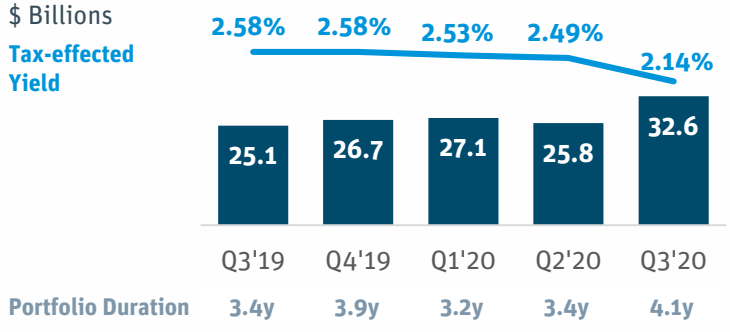
Robust growth in interest-earning assets as deposit inflows drive significant securities purchases and elevated cash balances

Q3'20 Activity

- Purchased $10B securities (1.26% weighted average yield, 4.5y duration) vs. roll-offs of $2.4B at 2.49%
- Purchases included high-quality munis with attractive risk-adjusted returns and agency-issued MBS/CMOs/CMBS to diversify cashflows and mitigate premium amortization
- Despite significant purchase activity, exceeded average cash target of $7-9B due to surge in deposits
- Premium amortization from prepayments on mortgage-backed securities decreased portfolio yields by 5 bps qoq

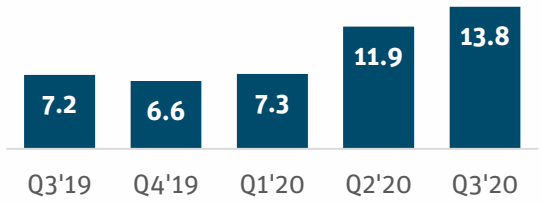
AVERAGE FIXED INCOME INVESTMENT SECURITIES

$ Billions



AVERAGE CASH AND EQUIVALENTS

$ Billions



Q4'20 and FY'21 Considerations

- Continue to invest excess on-balance sheet liquidity in high-quality securities – focused on supporting yields and preserving liquidity and flexibility
- Continue to buy agency-issued MBS/CMOs/CMBS and munis; in addition to munis, evaluating other high-quality credit alternatives, including investment grade corporate bonds
- Average fixed income portfolio yield expected to be between 2.00-2.10% for Q4'20 and 1.80-1.90% for FY'21:

Low new purchase yields
New purchases at 1.10-1.20% as of 9/30/20 – still accretive to NII
Roll-offs mitigated by previous efforts to extend duration – expect ~$2B paydowns per quarter through 2021

Potential for additional MBS premium amortization
If prepayment expectations increase further

- Maintain strong levels of liquidity while macroeconomic environment remains uncertain:

$43.4B Borrowing capacity
$3.3B repo, $1.9B Fed Lines, $6.4B FHLB & FRB and $31.8B of unpledged securities

$1.3B HoldCo liquidity
A portion of which can be downstreamed to Bank

$1.3B Unrealized fixed income gains[1]

$7-9B Target average cash balance[2]
Through end of 2021

1. Consists of $667M unrealized pretax gains in the available-for-sale portfolio and $630M unrealized pretax gains in the held-to-maturity portfolio as of September 30, 2020. Amounts actually realized are subject to various factors and may differ from unrealized amounts.
2. Actual balances depend on timing of fund flows.

Flexible liquidity management strategy supports strong, profitable growth

Robust liquidity solutions to meet clients' needs and optimize pricing and mix

40+
LIQUIDITY MANAGEMENT PRODUCTS

$77.7B
Q3'20 AVERAGE ON-BALANCE SHEET DEPOSITS

$123.6B
Q3'20 AVERAGE OFF-BALANCE SHEET CLIENT FUNDS

Continued product development
TO BETTER SERVE CLIENTS

Continue to support client funds growth, both on and off-balance sheet

On vs. off-balance sheet considerations:

Considerations	Target Range	Flexibility
Spread income	**75–100 bps** target spread between new purchase yields and deposit costs	**1.10-1.20%** new purchase yields as of 9/30/20 **4 bps** cost of deposits enables healthy margins Focused on **supporting yields** and **preserving liquidity and flexibility** given uncertain macroeconomic environment
Liquidity needs	**$7–9B** average cash target[1]	**~$2B** expected portfolio cash flows per quarter through 2021 **$43.4B** borrowing capacity **$1.3B** unrealized fixed income gains[2]
Bank tier 1 leverage ratio	**7–8%** internal target	**$1.3B** HoldCo liquidity, a portion of which can support the Bank's capital Estimate **10%** of PPP loans outstanding will roll off in Q4'20[3] and **65%** in Q1'21[3]

1. Actual balances depend on timing of fund flows.
2. Consists of $667M unrealized pretax gains in the available-for-sale portfolio and $630M unrealized pretax gains in the held-to-maturity portfolio as of September 30, 2020. Amounts actually realized are subject to various factors and may differ from unrealized amounts.
3. Based on PPP forgiveness expectations. Estimate only, subject to PPP terms; amounts actually forgiven and timing of forgiveness may differ.

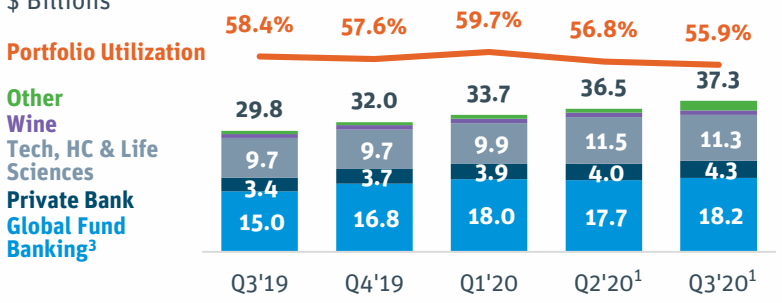
Robust period-end loan growth as private equity investment rebounds

Expect Q4'20 average loans between $39-40B and FY'21 average loan % growth in the high single to low double digits

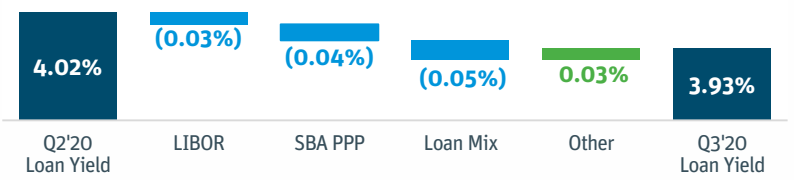
Q3'20 Activity

- Q3 period-end loans +5% qoq (average loans +2%)[1] as PE clients resumed deal activity, investing in both new deals and follow-ons, driving strong capital call line borrowing
- Low rates continue to fuel strong Private Bank mortgage growth
- Paydowns from technology and life science clients as liquidity floods the innovation markets
- $16M interest rate swap gains[2] and $14B average active loan floors in Q3 continue to benefit loan yields

AVERAGE LOANS



AVERAGE LOAN YIELD



Q4'20 and FY'21 Considerations

- Loan growth may be impacted by:

+ Robust Global Fund Banking pipeline
Rebound in PE/VC investment and related capital call line borrowing

+ Private bank mortgage origination
Strong purchase and refi demand due to low mortgage rates

– SBA PPP paydowns from forgiveness
~$1.8B PPP loans as of 9/30/20 – estimate 10% forgiveness in Q4'20[4], 65% forgiveness in Q1'21[4]

– Technology and life science paydowns
Strong liquidity from public and private fundraising and exits

- Loan yields expected to be impacted by:

+ Rate protections
$16B active loan floors as of 9/30/20 and $195M remaining locked-in swap gains[2]

+ SBA PPP forgiveness
~$1.8B PPP loans as of 9/30/20 – estimate 10% forgiveness in Q4'20[4], 65% forgiveness in Q1'21[4]

– Shifting loan mix
Towards lower yielding Global Fund Banking capital call lines

1. Q3'20 loan growth excluding SBA PPP was 5% (period-end) and 1% (average). SBA PPP loans contributed ~$1.4B to Q2'20 average loans and ~$1.8B to Q3'20 average loans.
2. Unwound $5B swaps in Q1'20 resulting in $227M pretax fair value gains in OCI to be reclassified to loan interest income over ~5 years based on the timing of cash flows from hedged variable-rate loans.
3. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.
4. Estimate only, subject to PPP terms; amounts actually forgiven and timing of forgiveness may differ.

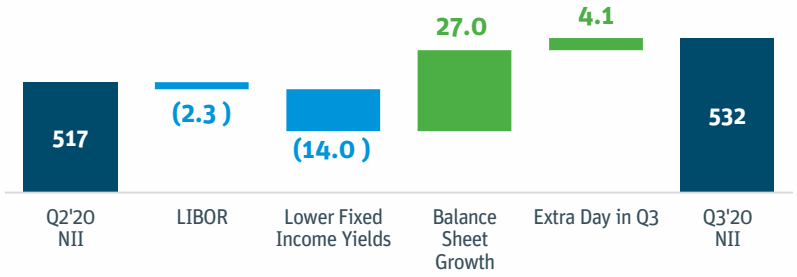
Strong balance sheet growth drives NII within guided range; significant securities purchases and high cash balances pressure NIM

Expect Q4'20 NII between $555-570M and FY'21 NII % growth in the high single digits[1] and Q4'20 and FY'21 NIM between 2.45-2.55%

Q3'20 Activity

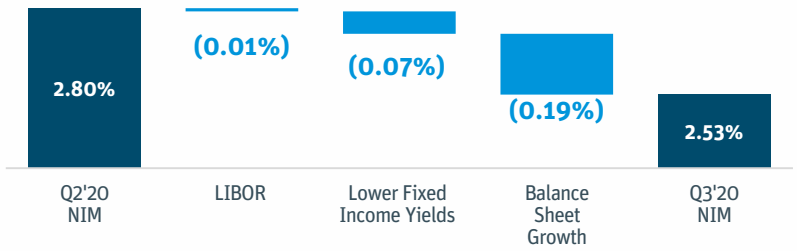
NET INTEREST INCOME[2]

$ Millions



NET INTEREST MARGIN

Surge in deposits drove significant securities purchases and high cash balances, pressuring NIM



Q4'20 and FY'21 Considerations

- NII and NIM expected to be impacted by:

Balance sheet growth
(positive for NII, negative for NIM)
Driven by strong client liquidity

Rate protections
$16B active loan floors as of 9/30/20
Swaps expected to offer 7 bps of NIM protection through 2021[3]

SBA PPP program
Q4'20 NII includes ~$10-12M of estimated PPP loan interest and fees, net of deferred loan origination costs (0 bp impact to NIM)[4]
Q1'21 NII includes ~$16-18M of estimated PPP loan interest and fees, net of deferred loan origination costs (+5 bps impact to NIM)[4]

Reduction in average cash balances
Q3 exceeded $7-9B target[5] due to surge in deposits

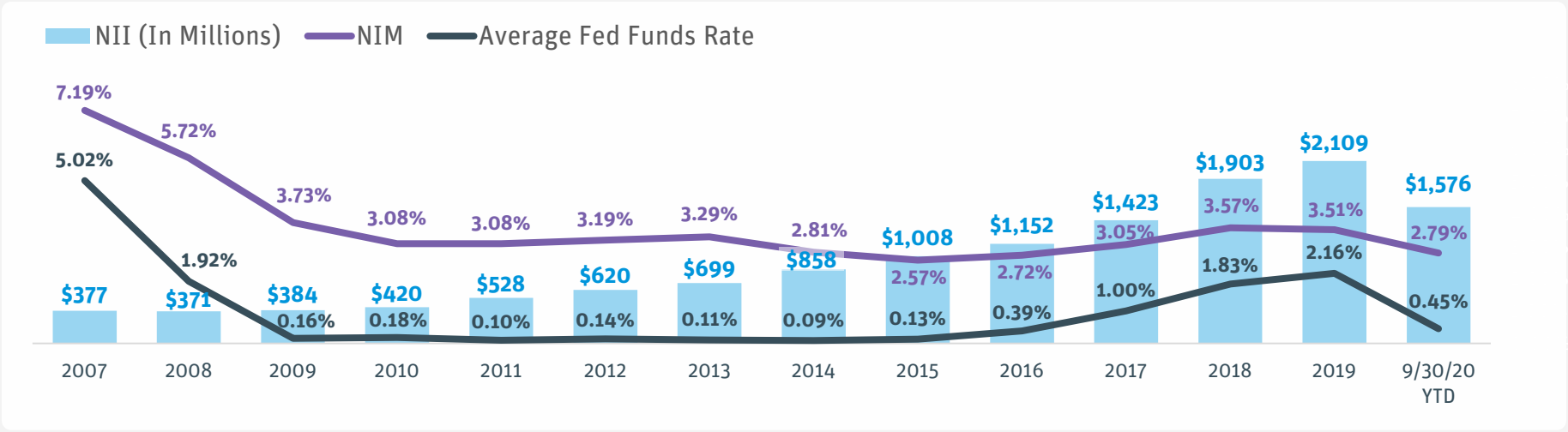
Low new purchase yields
While previous efforts to extend duration mitigate roll-offs, still expect $2B paydowns per quarter through 2021

Shifting loan mix
Towards lower yielding Global Fund Banking capital call lines

1. Net interest income guidance excludes fully taxable equivalent adjustments.
2. Net interest income presented on a fully taxable equivalent basis.
3. Unwound $5B swaps in Q1'20 resulting in $227M pretax fair value gains in OCI to be reclassified to loan interest income over ~5 years based on the timing of cash flows from hedged variable-rate loans. $195M locked-in gains remain as of September 30, 2020.
4. Based on PPP forgiveness expectations. Estimate only, subject to PPP terms; amounts actually forgiven and timing of forgiveness may differ.
5. Actual balances depend on timing of fund flows.

Robust earnings power with multiple levers to drive earnings in a low rate environment

Strong balance sheet growth has historically offset low rates to fuel NII



Additional levers to generate earnings in a low rate environment:

Protection from swaps and floors

As of 9/30/20

$195M REMAINING LOCKED-IN SWAP GAINS[1]

$234M MTM VALUE OF LOAN FLOORS[2]

Strong, low cost liquidity franchise

36% AVERAGE DEPOSIT GROWTH
Q3'20 vs. Q3'19

4 bps AVERAGE COST OF DEPOSITS
Q3'20

Enhanced core fee products

40+ LIQUIDITY PRODUCTS

Ongoing FX AND PAYMENTS ENHANCEMENTS

Business diversification: SVB Leerink

$92M

SVB LEERINK'S CONTRIBUTION TO NET INCOME
9/30/20 YTD

Potential upside from warrant and investment gains

+$324M

WARRANT AND INVESTMENT GAINS NET OF NCI[3]
9/30/20 YTD

Support from fixed income portfolio

$1.3B

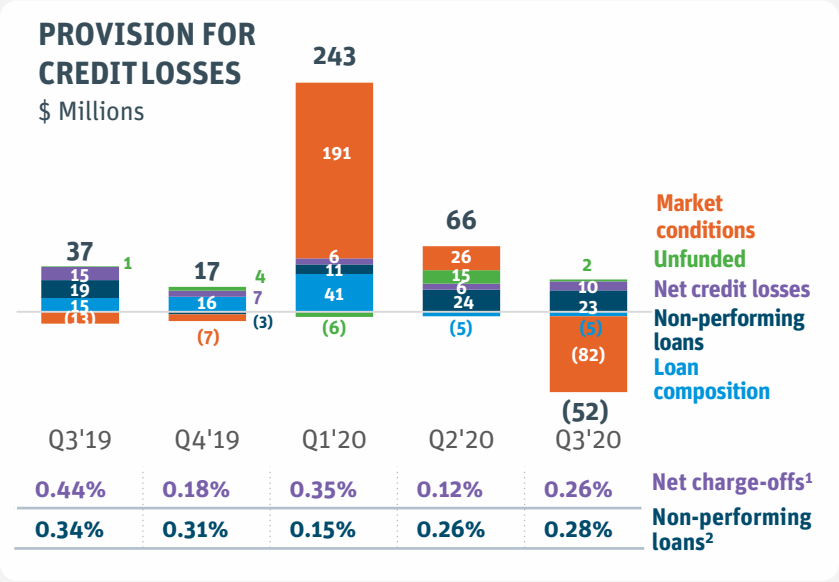
UNREALIZED FIXED INCOME GAINS[4]
As of 9/30/20

1. Unwound $5B swaps in Q1'20 resulting in $227M pretax fair value gains in OCI to be reclassified to loan interest income over ~5 years based on the timing of cash flows from hedged variable-rate loans.
2. Mark-to-market value of $16B active loan floors (3.87% weighted average floor rate, 2-year weighted average duration) as of September 30, 2020.
3. Non-GAAP financial measure. See "Use of non-GAAP financial measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
4. Consists of $667M unrealized pretax gains in the available-for-sale portfolio and $630M unrealized pretax gains in the held-to-maturity portfolio as of September 30, 2020. Amounts actually realized are subject to various factors and may differ from unrealized amounts.

Improved model economic scenarios and strong Private Bank performance drive reserve release

Q3'20 Activity

- Released $82M of performing reserves based on improved model economic scenarios and continued strong performance from Private Bank portfolio
- Stable credit metrics as PPP, deferral programs, slowing cash burn and investor support have extended client runway temporarily
  - NCOs consisted primarily of granular Investor Dependent loans
  - New NPLs driven primarily by four Later-Stage Investor Dependent loans
  - Strong repayments from Balance Sheet and Investor Dependent loans
- Challenges ahead from fading stimulus and expiring deferrals, but we are cautiously optimistic; 3-month Private Bank and Wine deferrals expired with very few extension requests



Q4'20 and FY'21 Considerations

- Expect changes in economic outlook to drive volatility in provision

Current COVID-19 economic scenarios
Moody's September forecasts

40%	30%	30%
baseline	downside	upside

- Credit performance drivers:

− 6-month Venture Debt and Wine deferral programs expiring in Q4'20
Vast majority expected to resume payments, but potential for increased NPLs

− Higher Tech, Healthcare & Life Science NPLs and losses
Challenges ahead from fading stimulus and expiring deferrals, but encouraged by strong performance to date; expect NPLs and losses to be primarily driven by Early-Stage and some Mid and Later-Stage loans

− Higher NPLs from Wine
However, 75% of Wine portfolio is secured by high-quality real estate with a median LTV of 49% – minimal physical damage from wildfires to date, and wineries have taken action to pivot sales strategies

+ Temporarily extended client runway
Provided by PPP, deferral programs, slowing cash burn and investor support

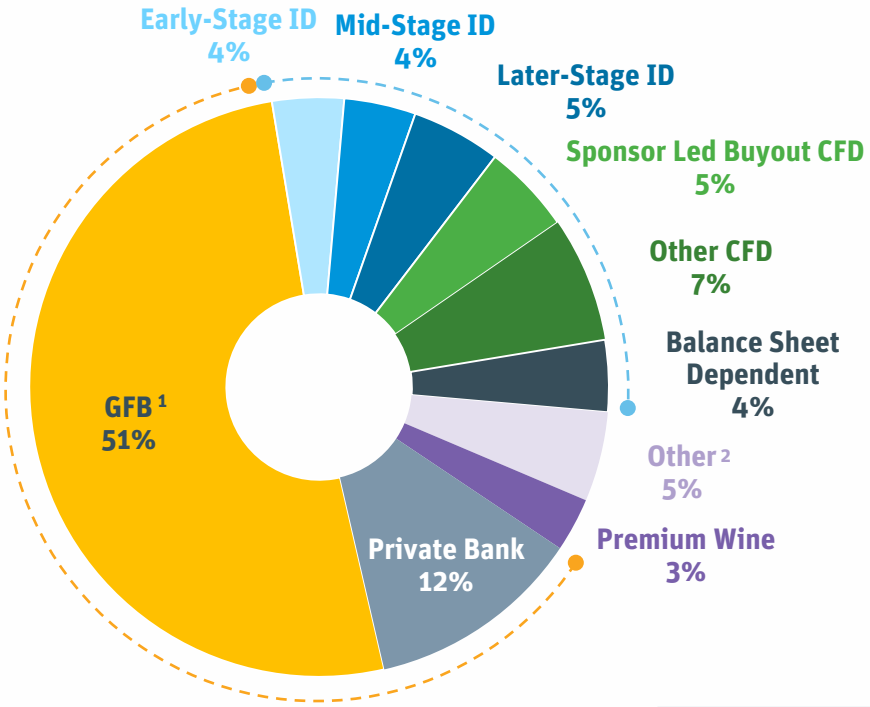
+ Improved risk profile of loan portfolio
Early-Stage – most vulnerable segment of Investor Dependent portfolio that historically has produced the most losses – now only 4% of loans
63% of loans in low credit loss experience lending (GFB[3] and Private Bank)

+ No direct exposure to gas and oil
Limited direct exposure to retail, restaurants, travel and hotels

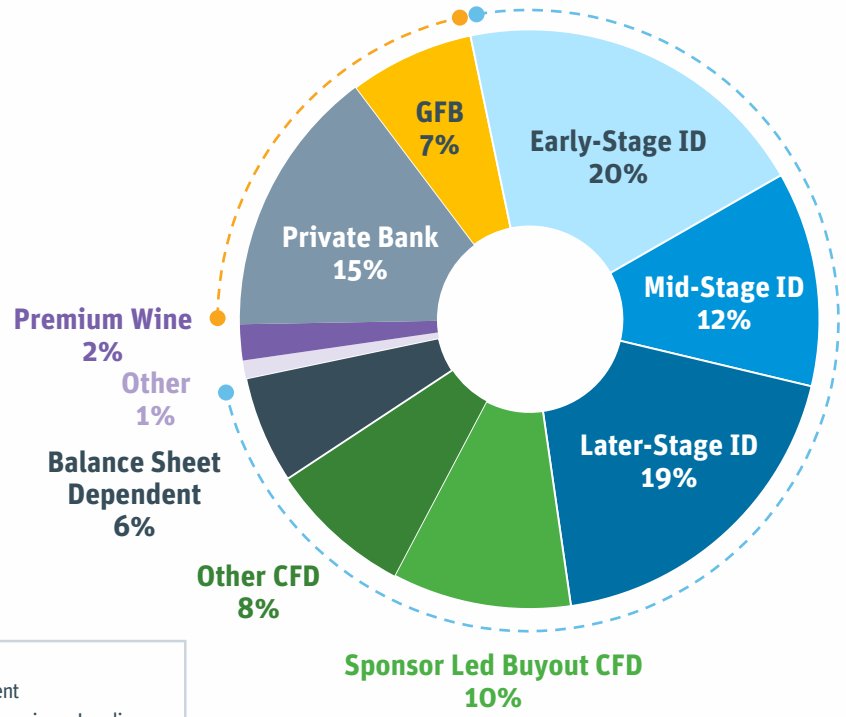
1. Net loan charge-offs as a percentage of average total loans (annualized).
2. Non-performing loans as a percentage of period-end total loans.
3. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.

63% of loan portfolio in low credit loss experience Global Fund Banking[1] and Private Bank lending

TOTAL LOANS
$38.4B at 9/30/20



ALLOWANCE FOR CREDIT LOSSES FOR LOANS
$513M at 9/30/20



ID = Investor Dependent
CFD = Cash Flow Dependent
Low Credit Loss Experience Lending
Technology, Healthcare & Life Sciences

1. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.
2. Other includes PPP (5% of total loans).

Strong levels of reserves to withstand changing market conditions

Reserve release driven by improved economic scenarios and strong Private Bank performance

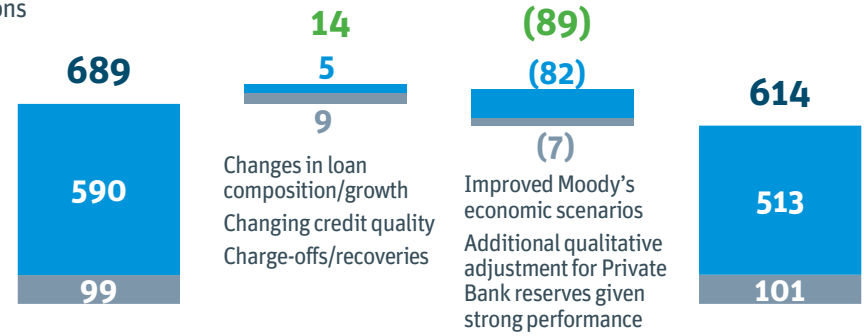
Moody's September forecasts (40% baseline, 30% downside, 30% upside)

Baseline economic scenario improved to 9% peak unemployment in Q4'20 and ~3% GDP growth in Q4'20 and Q1'21

Loss modeling does not include impact of current deferral or relief programs

ALLOWANCE FOR CREDIT LOSSES FOR LOANS AND UNFUNDED CREDIT COMMITMENTS

$ Millions



Tech, HC & LS

In thousands	ACL 6/30/20	ACL 6/30/20 (%)	Portfolio Changes	Model Assumptions	ACL 9/30/20	ACL 9/30/20 (%)
Early-Stage Investor Dependent	148,270	8.25%	(21,823)	(23,888)	102,559	6.97%
Mid-Stage Investor Dependent	56,393	3.93%	10,036	(4,011)	62,418	3.84%
Later-Stage Investor Dependent	87,604	4.60%	12,712	(2,605)	97,711	4.85%
Balance Sheet Dependent	24,728	1.46%	569	3,772	29,069	1.71%
Cash Flow Dep: Sponsor Led Buyout	54,853	2.67%	(1,033)	(2,159)	51,661	2.51%
Cash Flow Dep: Other	43,100	1.55%	1,117	(3,896)	40,321	1.55%
Private Bank	91,345	2.39%	10,570	(25,436)	76,479	1.73%
Global Fund Banking[1]	53,723	0.30%	3,356	(18,090)	38,989	0.20%
Premium Wine	12,319	1.19%	(480)	(1,434)	10,405	0.96%
Other	17,493	3.00%	(9,494)	(4,653)	3,346	0.18%
ACL for loans	**$589,828**	1.61%	**$5,530**	**$(82,400)**	**$512,958**	1.34%
ACL for unfunded credit commitments	$99,294	0.36%	$9,216	$(6,995)	$101,515	0.34%
ACL for loans and unfunded credit commitments	**$689,122**	**1.07%[2]**	**$14,746**	**$(89,395)**	**$614,473**	**0.90%[2]**

◀ vs. **~6%** average Early-Stage NCOs over 2008-2010

◀ **~77%** of internal 9-quarter stress losses

1. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.
2. Weighted average ACL ratio for loans outstanding and unfunded credit commitments.

Deferred loans decline as 3-month Private Bank and Wine deferral programs expire and clients resume payments

6-month Venture Debt and Wine deferral programs expiring in Q4'20 – expect vast majority to resume payments

SVB DEFERRAL PROGRAM PARTICIPATION*

Venture Debt
$1.9B outstanding
-$145M qoq

+

Private Bank
$14M outstanding
-$190M qoq

+

Wine
$73M outstanding
-$522M qoq

=

$2.0B (-$0.9B qoq)
outstanding deferred loans
5% of EOP loans

SVB deferral programs provided clients flexibility and time to achieve better potential outcomes

1 PAYMENT DEFERRAL (NOT FORBEARANCE)

- Programmatically offered 3 to 6 months of payment relief for Venture-backed, Private Bank and Wine portfolios
- 3-month Private Bank and Wine payment deferral programs ended in Q3'20; 6-month Venture Debt and Wine payment deferral programs scheduled to end in Q4'20
- No new programs or major changes to existing programs expected – any further payment deferrals to be handled on a case-by-case basis

2 POTENTIAL FOR BETTER OUTCOMES FOR CLIENTS AND SVB

- Provided qualified clients with additional runway to weather shifting economic conditions
- All rights and remedies remained in force
- Continued risk rating and portfolio management

3 EFFICIENT

- Provided blanket relief quickly and efficiently, freeing up resources to focus where they were most needed

4 PARTNERSHIP WITH OUR CLIENTS

- Improved our clients' likelihood of success by working with them to manage through a challenging period

* Outstanding deferred loans are as of September 30, 2020 and reflect repayments received as of that date.

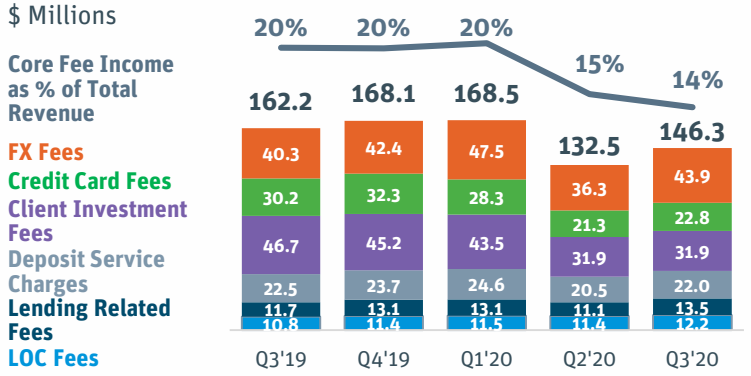
Increased business activity drive core fees higher and SVB Leerink momentum continues

Q3'20 Activity

- FX fees +21% driven primarily by PE deal activity and hedging
- Lending fees +21% on fees earned from unused lines of credit (due to strong client liquidity) and syndication fee income
- Deposit fees +7% on strong deposit growth and transaction volumes
- New clients, deepening penetration and higher utilization drive Card fees +7%
- Standby letter of credit fees +7% on strong renewals
- Client investment fees flat despite surge in balances as fee margin, which adjusts with short-term rates, decreased by 2 bps to 10 bps

CORE FEE INCOME*

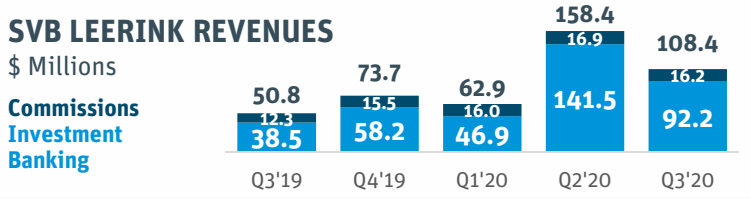
$ Millions



- SVB Leerink continues to capitalize on strong markets (25 book-run transactions in Q3, representing over $4.4B in aggregate deal value)

SVB LEERINK REVENUES

$ Millions



Q4'20 and FY'21 Considerations

- Expect Q4'20 core fees between $130-$140M and FY'21 core fees to be flat to 2020:

+ Recovering business activity
Gradual improvement, though watching second wave of COVID-19

+ Deepening client engagement
From investments in new products and client experience

– Lower client investment fees
Fee margin declining to the high single digit bps, due to near-zero rates

- Shifting conditions may create volatility for SVB Leerink revenues:

+ – Investment banking revenues
(positive for Q4'20, negative for FY'21)
Pipeline remains strong in Q4
Normalizing activity in FY'21

+ Commissions revenues
Sales and trading may benefit from market volatility

+ Strengthening collaboration
Between Silicon Valley Bank and SVB Leerink

* Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.

Outsized unrealized gains from BigCommerce IPO

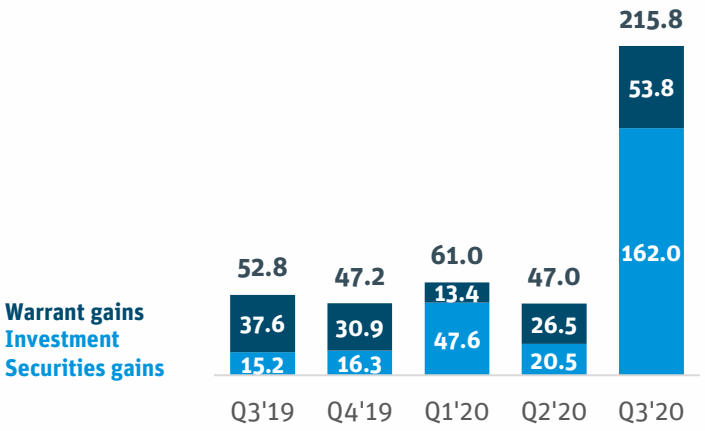
Gains will fluctuate with changes in valuation and market conditions

Q3'20 Activity

- Warrant and investment gains surged on client IPO and M&A activity and improved valuations on fund investments
- Exercised warrants and debt conversion rights to acquire 2.8M shares of common stock of BigCommerce ("BIGC"), which completed its IPO in August, resulting in $149M gains ($11M in warrant gains, $30M in other noninterest income and $108M unrealized investment gains[1])

WARRANT AND INVESTMENT GAINS NET OF NCI[2]

$ Millions



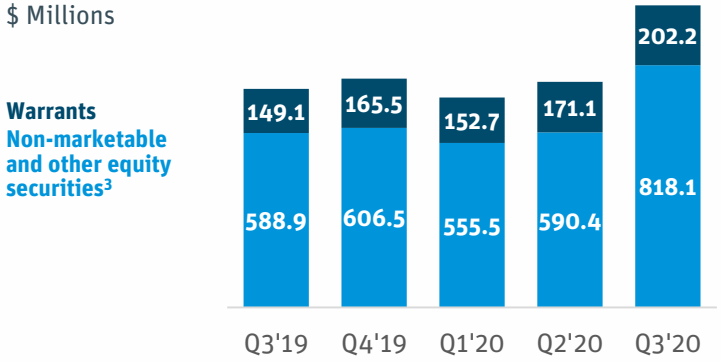
Q4'20 and FY'21 Considerations

- Shifting conditions may create volatility for market-sensitive revenues:

Valuations of warrants and non-marketable and other equity securities

Will fluctuate with market conditions, but offer meaningful long-term earnings support

$ Millions



Potential for additional BIGC-related gains

20% discount applied to fair value of BIGC holdings steps down to 10% in Q4'20 and 0% in Q1'21

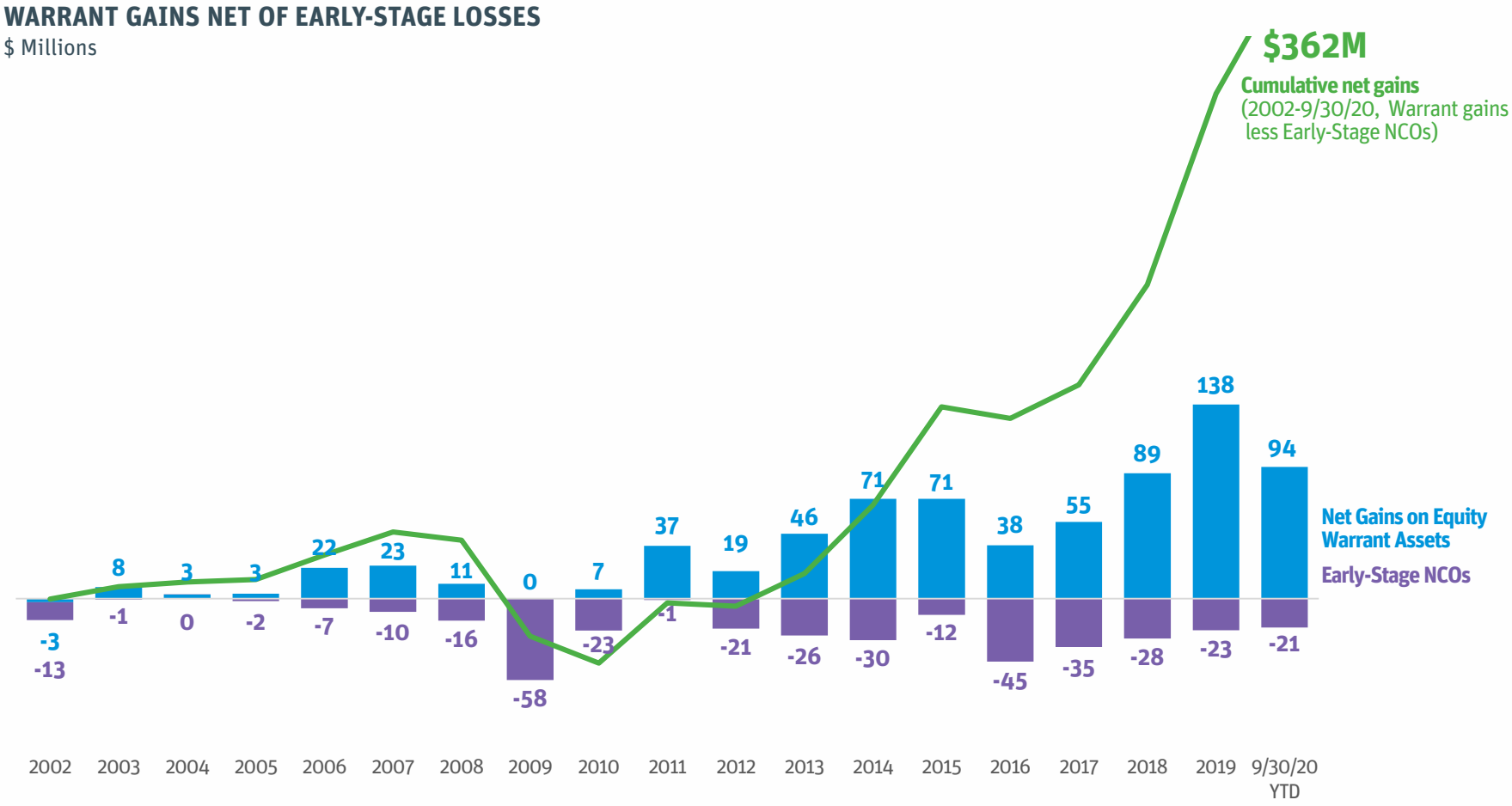
Potential performance fees recognized upon distribution after lock-up (subject to funds' performance and GP discretion)

Unrealized fixed income gains

Potential source of earnings support[4]

1. Unrealized gains related to BIGC common stock are subject to BIGC's stock price, market conditions and other factors and will not be realized until shares are sold. Lock-up agreements expire February 1, 2021. Timing of sales, if any, is subject to market conditions and other factors.
2. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
3. Net of investments in qualified affordable housing projects and noncontrolling interests.
4. $667M unrealized pretax gains in the available-for-sale portfolio and $630M unrealized pretax gains in the held-to-maturity portfolio as of September 30, 2020. Amounts actually realized are subject to various factors and may differ from unrealized amounts.

Net warrant gains more than offset Early-Stage charge-offs over time and offer meaningful earnings support

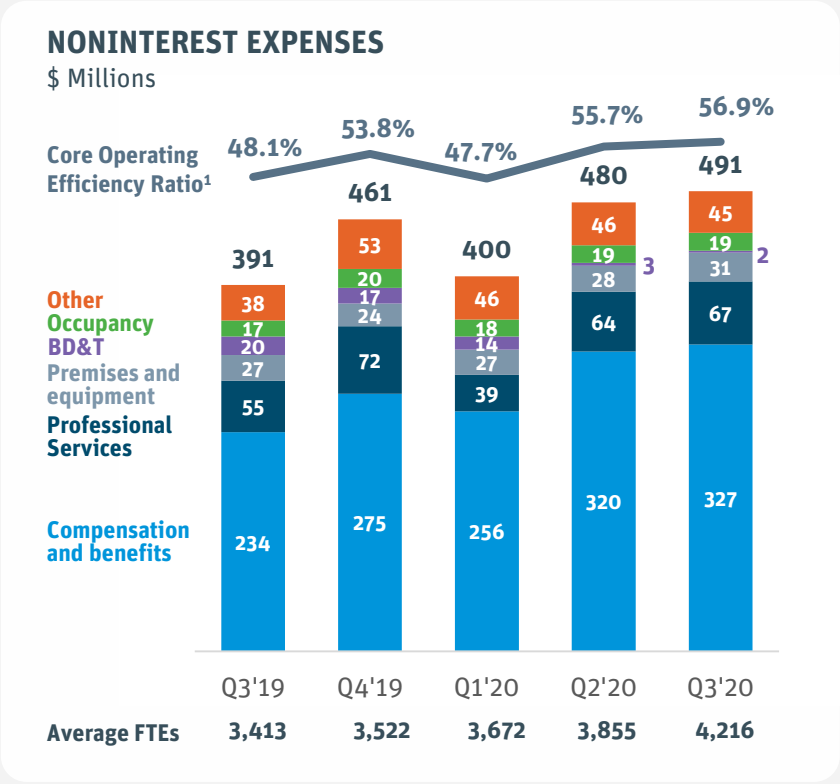


Higher incentive compensation due to outstanding performance and strong hiring drive expenses above forecast

Expect Q4'20 expenses between $525-$535M and FY'21 expense % growth in the low to mid single digits

Q3'20 Activity

- Higher incentive compensation (from outstanding firmwide performance, strong SVB Leerink revenues and BigCommerce transactions), strong hiring (for in-sourcing, product development and revenue growth) and higher professional service fees drove Q3 expenses ~$50M above forecast



Q4'20 and FY'21 Considerations

- Expenses expected to be impacted by:

SVBFG incentive compensation expenses
(positive for Q4'20 expenses, negative for FY'21 expenses)
Expect Q4'20 SVBFG incentive compensation to decline qoq following higher performance related compensation in Q3'20
FY'21 firm incentive compensation expected to increase as business activity improves

SVB Leerink incentive compensation expenses
(negative for Q4'20 expenses, positive for FY'21 expenses)
Expect continued elevated Q4'20 SVB Leerink incentives as pipeline remains strong; FY'21 SVB Leerink incentives expected to decline as public markets activity normalizes

Donation of PPP fees (net of costs incurred)
(negative for Q4'20 expenses, no impact for FY'21 expenses)
Expected ~$20M donation in Q4'20, even if forgiveness is delayed[2]

Expenses to optimize real estate footprint
(negative for Q4'20 expenses, no impact for FY'21 expenses)
Estimated $10-$15M of charges in Q4'20

Investments in strategic priorities
To enhance the client experience, improve employee enablement, drive revenue growth and enhance risk management due to the compelling long-term growth opportunity of our markets (see slide 10)

Business Development & Travel ("BD&T") expense
(no impact for Q4'20 expenses, negative for FY'21 expenses)
As travel restrictions are lifted and in-person events resume in 2021

1. Core operating efficiency ratio excludes the impact of SVB Leerink and net gains or losses from investment securities and equity warrant assets. This is a non-GAAP measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
2. Based on estimated net fees (net of costs incurred) received from SBA PPP program.

Final thoughts



Resilient innovation economy	COVID-19 has accelerated digital adoption and activity across the healthcare sector – our clients have generally been less impacted than traditional businesses
Robust liquidity	Substantial PE/VC dry powder and strong demand for alternative assets provide fuel for long-term growth
Cautiously optimistic on credit	Solid credit performance to date, although the economic outlook remains uncertain
Long-term focus	Investing to extend our leadership position and drive long-term growth and operating leverage
Well positioned for long-term growth	Strong capital and liquidity, high-quality balance sheet and robust earnings power enable us to serve clients and adapt to changing market conditions



Appendix

The bank of the global innovation economy

Our mission is to increase our clients' probability of success

SVB Financial Group

Silicon Valley Bank	SVB Capital	SVB Private Bank/ Wealth Advisory	SVB Leerink
Global commercial banking for innovators, enterprises and investors	Private venture investing expertise, oversight and management	Private banking and investment strategies for influencers in the innovation ecosystem	Investment banking for healthcare and life science companies

For over 35 years, we have helped innovators, enterprises and their investors move bold ideas forward, fast.

Accelerator (Early-Stage)	Growth	Corp Fin	Investors	Individuals
Revenue <$5M	Revenue $5M–$75M	Revenue >$75M	Private Equity Venture Capital	Influencers: Entrepreneurs, Investors, Executives



Our differentiated business model

We're at the intersection of innovation and capital

SVB Financial Group

Accelerator (Early-Stage)	Growth	Corp Fin	Investors	Individuals
Revenue <$5M	Revenue $5M–$75M	Revenue >$75M	Private Equity Venture Capital	Influencers: Entrepreneurs, Investors, Executives

Deep sector expertise + Comprehensive solutions

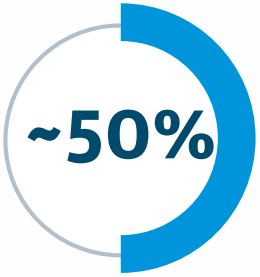
- HARDWARE & INFRASTRUCTURE
- SOFTWARE & INTERNET
- LIFE SCIENCE & HEALTHCARE
- ENERGY & RESOURCE INNOVATION
- PRIVATE EQUITY & VENTURE CAPITAL
- PREMIUM WINE

- GLOBAL COMMERCIAL BANKING
- INVESTMENT SOLUTIONS
- RESEARCH & INSIGHTS
- FUNDS MANAGEMENT
- PRIVATE BANKING & WEALTH MANAGEMENT
- INVESTMENT BANKING

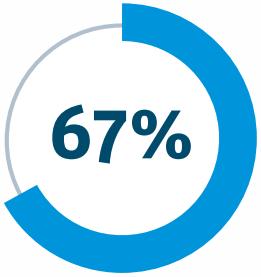
Unparalleled access, connections and insights to make NEXT happen NOW

Leading market share

Our clients represent:



U.S. venture-backed technology and life science companies



U.S. venture-backed technology and healthcare companies with IPOs in 2020
(9/30/20 YTD)

SVB's support as both a capital provider and trusted operational partner has been important for Sunrun's success. SVB uniquely understands both the technology aspect of our business and the industry in which we operate.

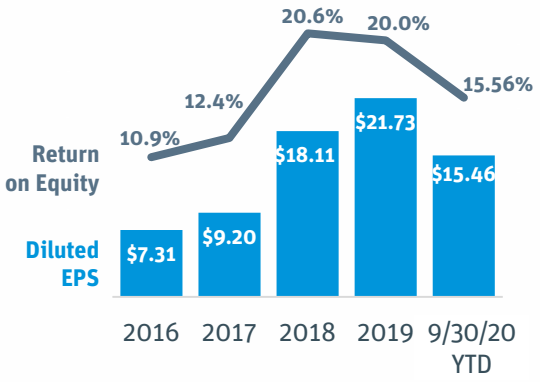
Lynn Jurich
CEO of Sunrun
Energy & Resource Innovation client since 2014



sunrun

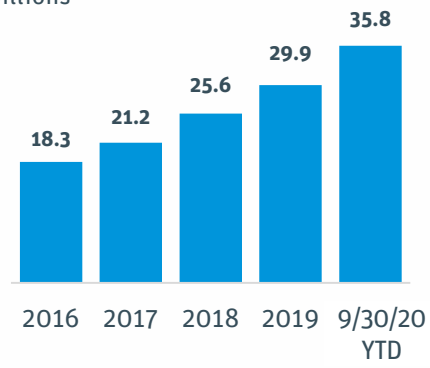
Key performance indicators

ROE and EPS



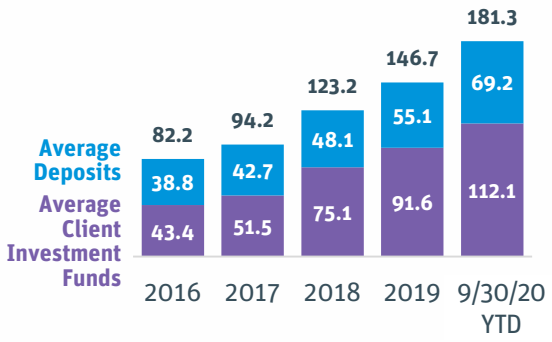
AVERAGE TOTAL LOANS

$ Billions



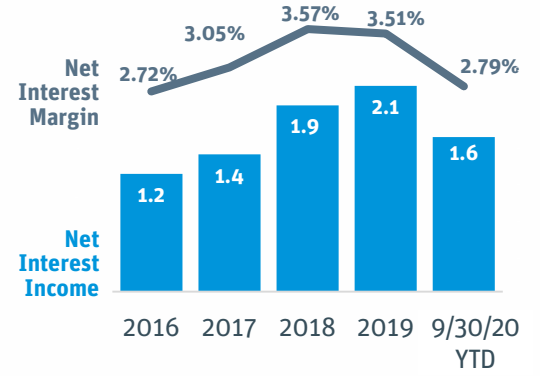
AVERAGE TOTAL CLIENT FUNDS

$ Billions



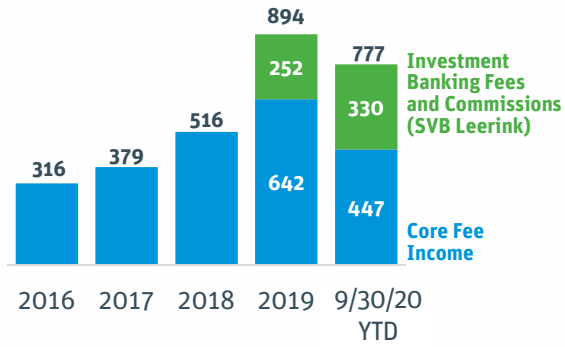
NET INTEREST INCOME AND NIM

$ Billions

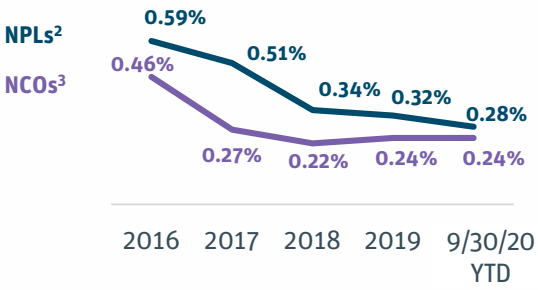


CORE FEES AND INVESTMENT BANKING ACTIVITIES[1]

$ Millions



NET CHARGE-OFFS AND NON-PERFORMING LOANS



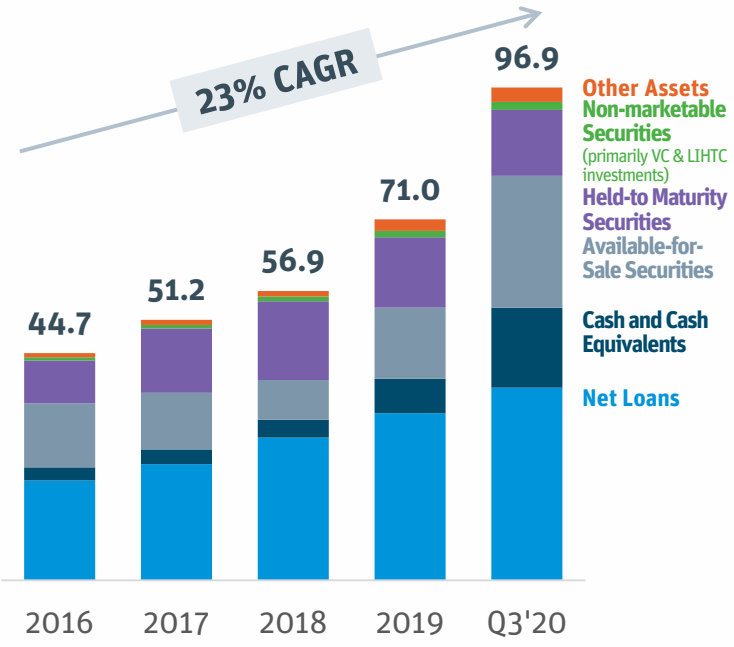
1. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
2. Non-performing loans as a percentage of period-end total loans.
3. Net loan charge-offs as a percentage of average total loans (annualized).

Strong balance sheet position

45% loan-to-deposit ratio provides ample cushion to meet clients' borrowing needs

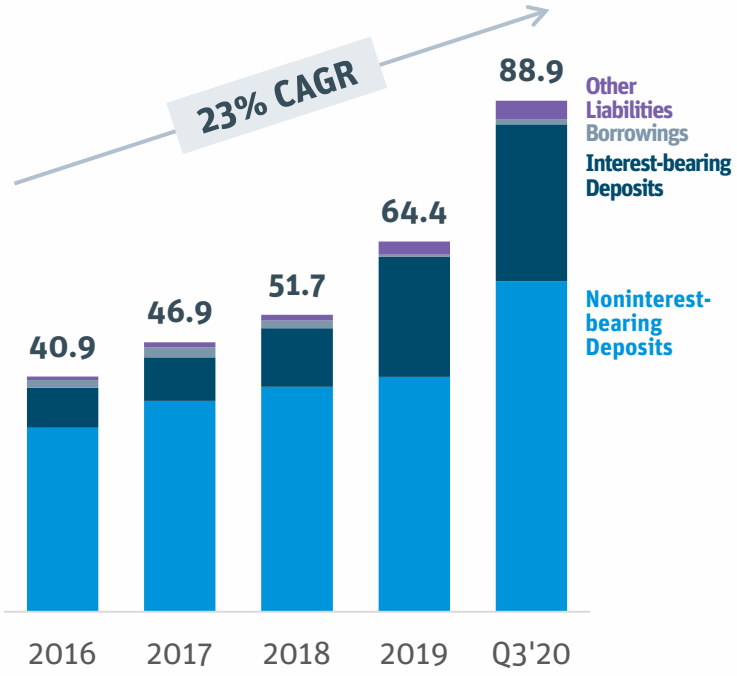
PERIOD-END ASSETS
$ Billions

Cash and high-quality fixed income securities **56% of total assets**



PERIOD-END LIABILITIES
$ Billions

Total deposits **95% of total liabilities**



Strong liquidity franchise

Uniquely positioned to support balance sheet growth

1 Liquidity management solutions for both on and off-balance sheet funds

Q3'20 AVERAGE BALANCES

$201.2B
TOTAL CLIENT FUNDS

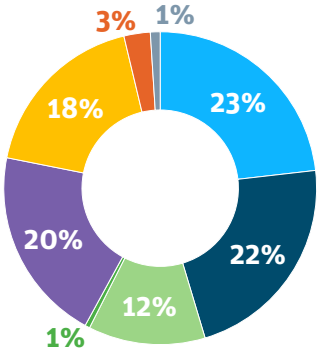
$77.6B
ON-BALANCE SHEET DEPOSITS

$123.6B
OFF-BALANCE SHEET CLIENT FUNDS

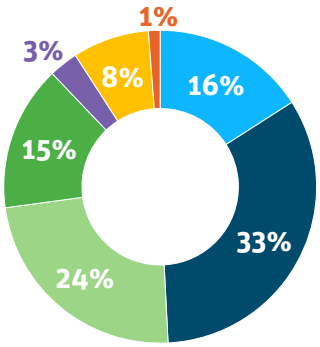
40+ liquidity management products to meet clients' needs and optimize pricing and mix

2 Diversified sources of liquidity from high-growth markets

DEPOSITS



OBS CLIENT FUNDS

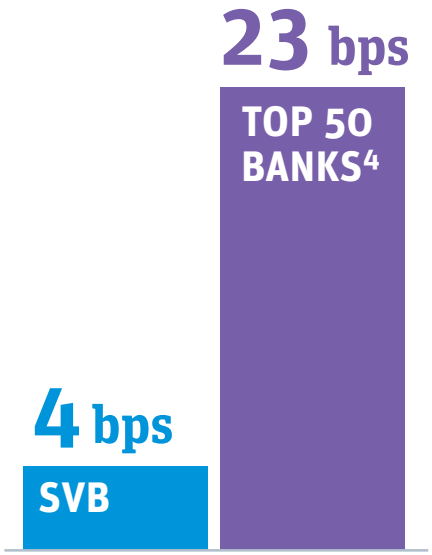


CLIENT NICHE[1]:

- Early-Stage Technology
- Technology
- Early-Stage Healthcare & Life Sciences
- Healthcare & Life Sciences
- International[2]
- U.S. Global Fund Banking[3]
- Private Bank
- Other

3 Low cost deposits

Q3'20 AVERAGE COST OF DEPOSITS



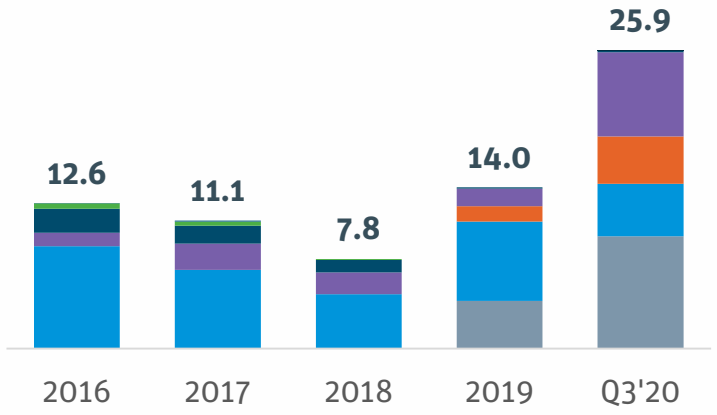
66% of total deposits are noninterest-bearing[5]

1. As of September 30, 2020. Represents management view of client niches.
2. International balances do not tie to regulatory definitions for foreign exposure. Includes clients across all client niches and life-stages, with International Global Fund Banking (formerly International Private Equity/Venture Capital) representing 4% of total client funds.
3. Formerly U.S. Private Equity/Venture Capital.
4. Source: S&P Global Market Intelligence average for 20 of the top 50 US banks by asset size as of October 21, 2020.
5. Percentage based on Q3'20 average balances.

High-quality and liquid investment portfolio

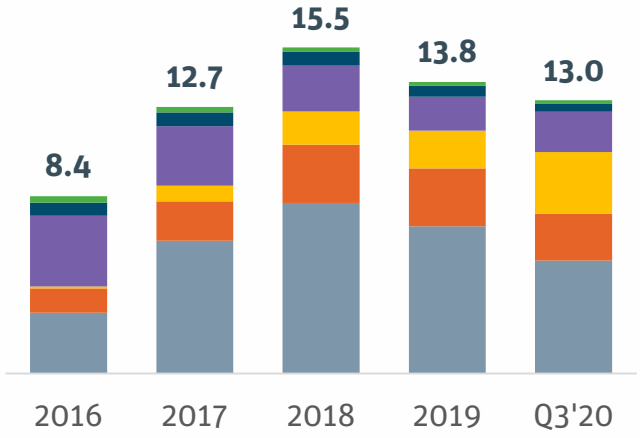
U.S. Treasuries and agency-backed securities make up 92% of fixed income portfolio

PERIOD-END AVAILABLE-FOR-SALE SECURITIES
$ Billions



PERIOD-END HELD-TO-MATURITY SECURITIES
$ Billions

Opportunistically adding high-quality munis and evaluating investment grade corporate bonds to support portfolio yields



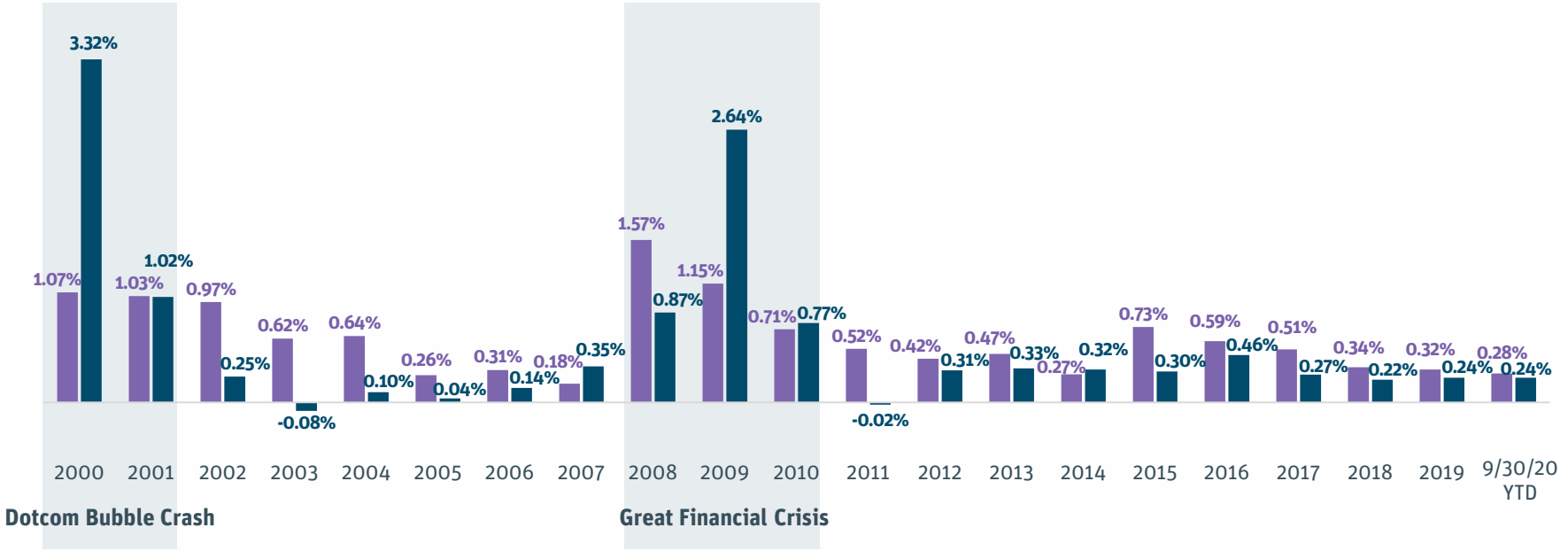
- U.S. Treasury securities
- U.S. agency debentures
- Agency-issued collateralized mortgage obligations – fixed rate
- Agency-issued collateralized mortgage obligations – variable rate
- Agency-issued residential mortgage-backed securities
- Municipal bonds and notes
- Agency-issued commercial mortgage-backed securities

Long history of strong, resilient credit

We've successfully navigated economic cycles before and our risk profile has improved

NON-PERFORMING LOANS & NET CHARGE-OFFS

NPLs[1] NCOs[2]



IMPROVED LOAN MIX
% of period-end total loans

2000	2009	Q3'20
30% Early-Stage	11% Early-Stage	4% Early-Stage
5% GFB[3] + Private Bank	30% GFB[3] + Private Bank	63% GFB + Private Bank

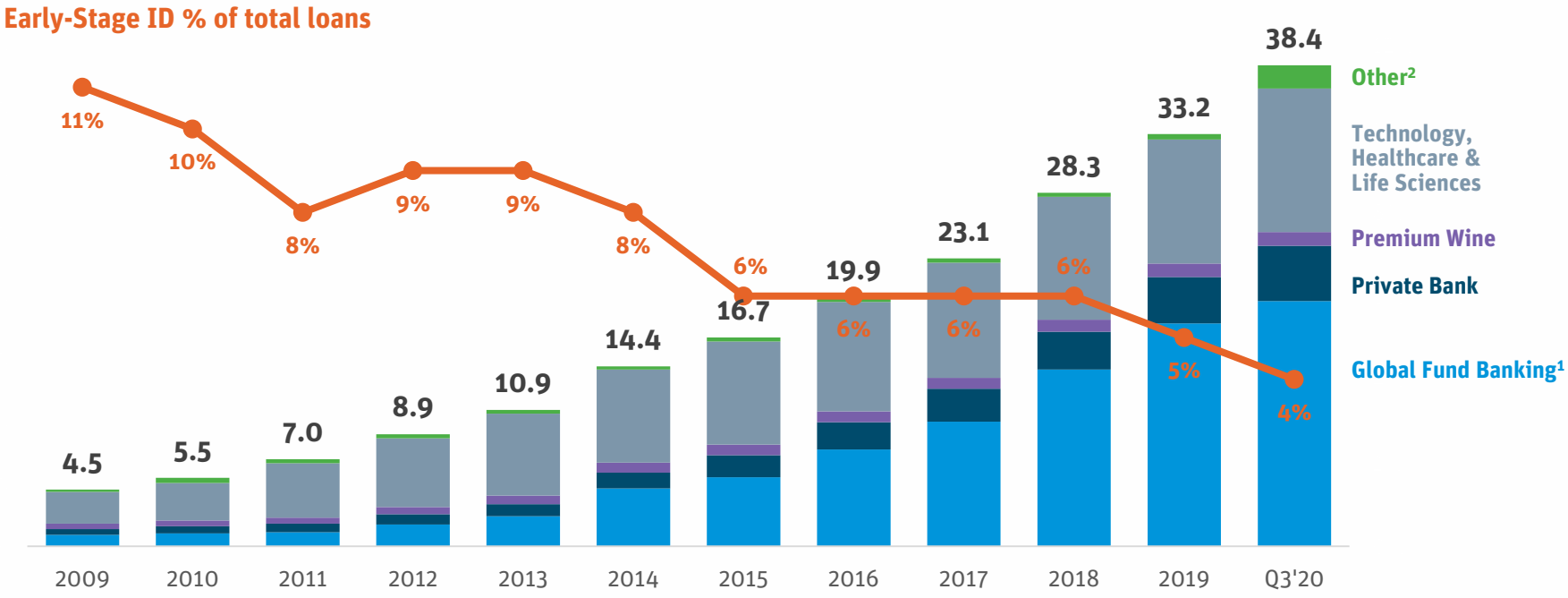
1. Non-performing loans as a percentage of period-end total loans.
2. Net loan charge-offs as a percentage of average total loans (annualized).
3. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.

Improved risk profile, with growth driven by low credit loss experience lending

63% of loans in low credit loss experience lending (Global Fund Banking[1] and Private Bank) vs. 30% in 2009

PERIOD-END TOTAL LOANS
$ Billions

Early-Stage Investor Dependent ("ID") loans, **our highest risk segment**, now **only 4%** of total loans, **down from 11%** in 2009 and **30%** in 2000



1. Global Fund Banking ("GFB", formerly Private Equity/Venture Capital) portfolio primarily consists of capital call lines of credit.
2. Includes $1.8B of PPP loans.

Low credit risk capital call lines of credit

Largest driver of loan growth over past 6 years; strong underwriting and well-diversified

Global Fund Banking[1] capital call lending

Short-term lines of credit used by PE and VC funds to support investment activity and bridge to the receipt of Limited Partner capital contributions

49%[2] of total loans

Zero net losses since inception (1990s)

Strong sources of repayment



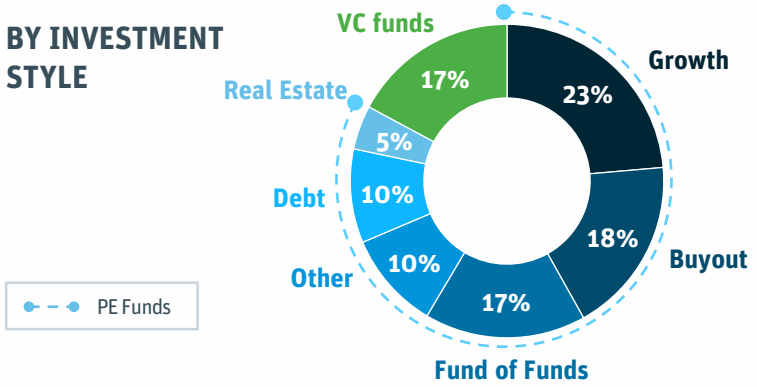
LIMITED PARTNER COMMITMENTS
and robust secondary markets



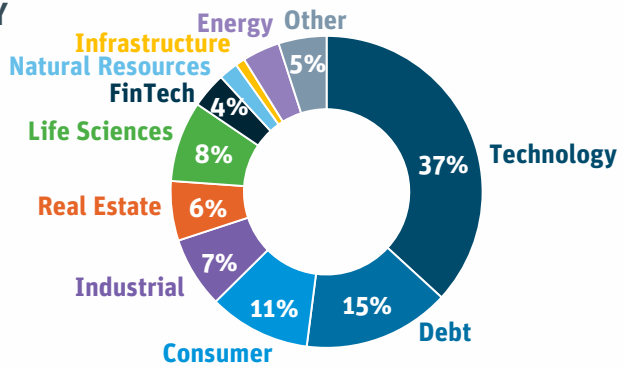
VALUE OF FUND INVESTMENTS
with solid asset coverage

Global Fund Banking portfolio[3]

BY INVESTMENT STYLE



BY INDUCTRY

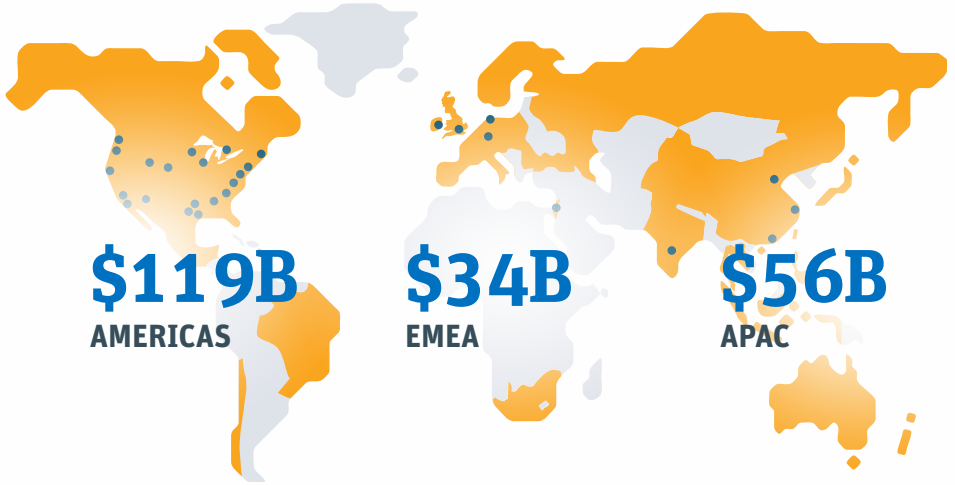


1. Formerly Private Equity/Venture Capital.
2. Global Fund Banking ("GFB") portfolio is 51% of total loans, of which capital call lines represent 96% of GFB portfolio.
3. Based on total GFB loan commitments (funded + unfunded) as of September 30, 2020.

Supporting innovation around the world

*2020 YTD VC investment by market**

- SVB Financial Group's offices
- SVB Financial Group's international banking network



Expanding our platform globally

China — 2005
Business development office (Beijing)

Israel — 2008
Business development and representative office

U.K. — 2012
Full-service branch

China — 2012
SPD Silicon Valley Bank (joint venture; offices in Shanghai, Beijing and Shenzhen)

Hong Kong — 2013
Representative office

Europe — 2016
Business development offices (Ireland - 2016 and Denmark - 2019)

Lending branch (Germany - 2018)

Canada — 2019
Lending branch

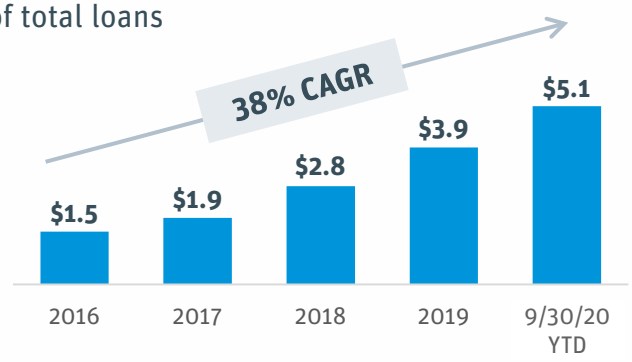
* As of September 30, 2020. Source: PitchBook.

Growing international activity

$5.1B

INTERNATIONAL AVERAGE LOANS

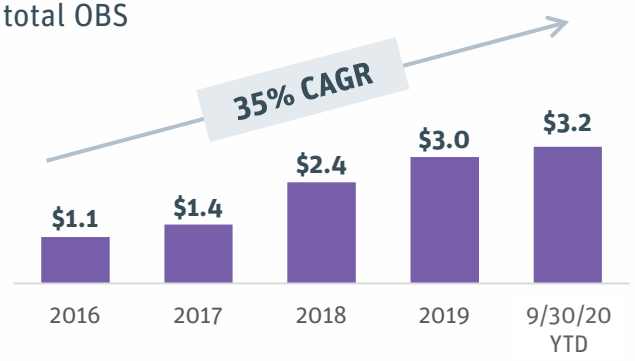
14% of total loans



$3.2B

INTERNATIONAL AVERAGE OBS CLIENT FUNDS

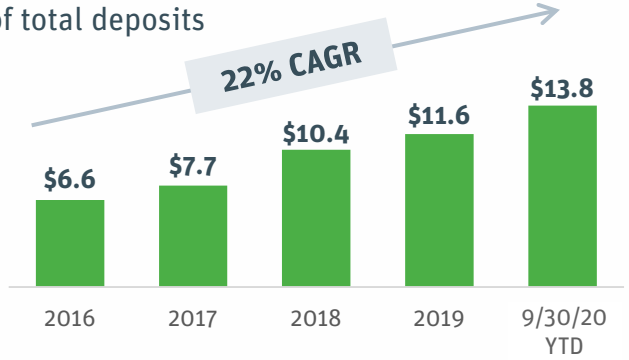
3% of total OBS



$13.8B

INTERNATIONAL AVERAGE DEPOSITS

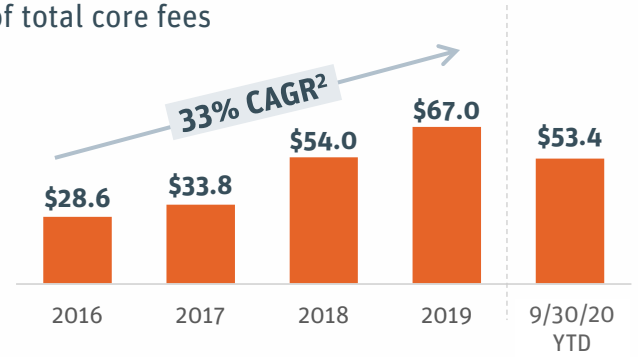
20% of total deposits



$53.4M

INTERNATIONAL CORE FEE INCOME[1]

12% of total core fees



Note: Reflects balances for international operations in U.K., Europe, Israel and Asia; Canada balances included in our US Technology Banking segment. This management segment view does not tie to regulatory definitions for foreign exposure.

1. Non-GAAP financial measure. See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and our non-GAAP reconciliations at the end of this presentation.
2. 2016-2019 CAGR.

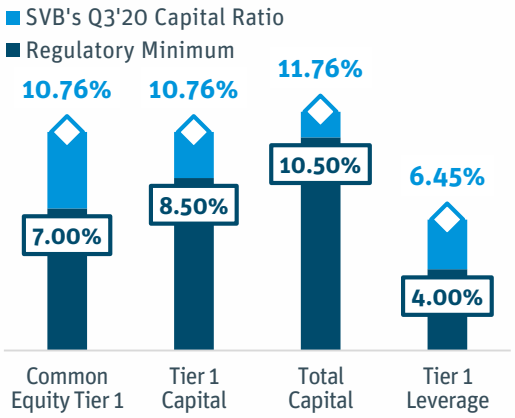
Well-capitalized with significant liquidity

Strong capital to support growth and investments

+ comprehensive capital stress testing

Capital adequacy assessments to support our clients under severe economic conditions

SILICON VALLEY BANK CAPITAL RATIOS[1]



Capital ratios impacted by **robust balance sheet growth,** partially offset by **strong earnings**

HoldCo liquidity available to support Bank Tier 1 leverage ratio if needed

Estimate **10%** of PPP loans outstanding will roll off in Q4'20[2] and **65%** in Q1'21[2]

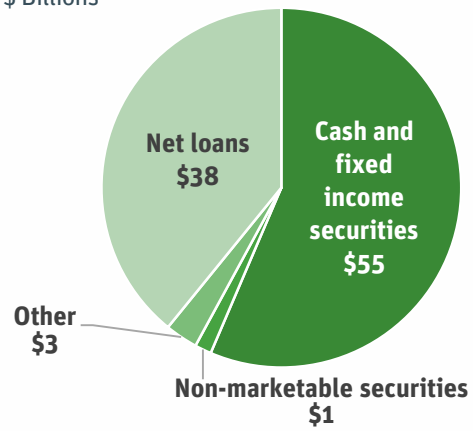
Stock repurchase program remains on pause
(authorization expires October 29, 2020)

Ample liquidity to meet clients' needs

$54.6B in cash and high-quality fixed income securities

9/30/20 ASSETS

$ Billions



Liquidity

$43.4B
Borrowing capacity through Federal Reserve, FHLB and repo + unpledged securities

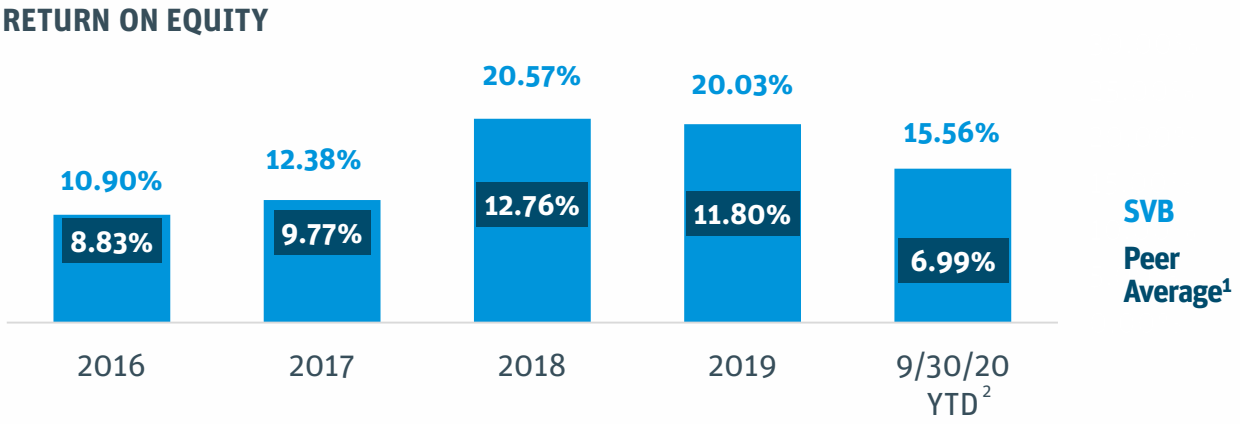
$1.3B
HoldCo liquidity, a portion of which can be downstreamed to Bank

$1.3B
Unrealized fixed income gains[3]

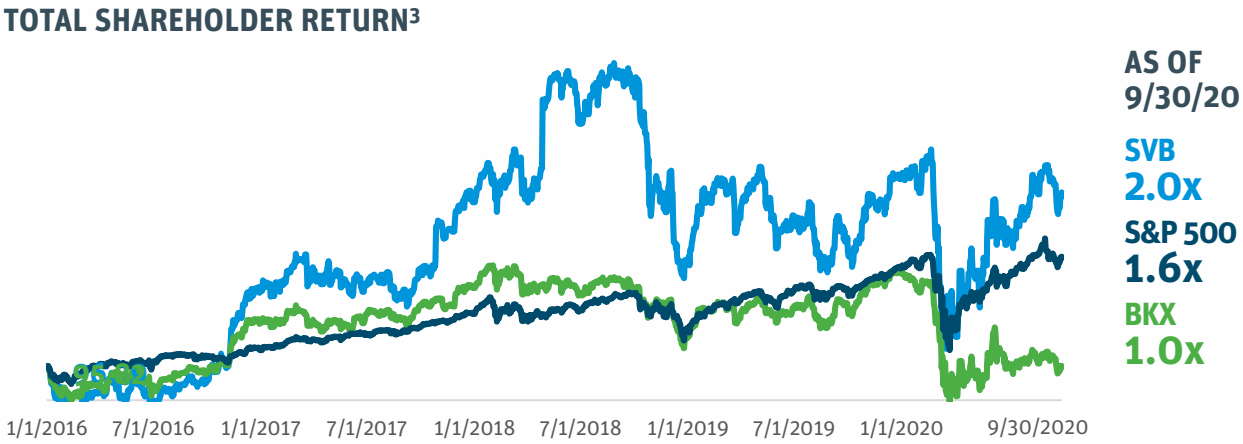
1. Ratios as of September 30, 2020 are preliminary.
2. Based on PPP forgiveness expectations. Estimate only, subject to PPP terms; amounts actually forgiven and timing of forgiveness may differ.
3. Consists of $667M unrealized pretax gains in the available-for-sale portfolio and $630M unrealized pretax gains in the held-to-maturity portfolio as of September 30, 2020. Amounts actually realized are subject to various factors and may differ from unrealized amounts.

Industry-leading performance

Strong return on equity



Strong total shareholder return



1. Source: S&P Global Market Intelligence. "Peers" refers to peer group as reported in our Proxy Statement for each year and is subject to change on an annual basis. 9/30/20 YTD annualized average peer ROE includes 6 of 17 peers as of October 21, 2020.
2. Annualized.
3. Cumulative total return on $100 invested on 12/31/15 in stock or index. Includes reinvestment of dividends.

Strong, seasoned management team

Diverse experience and skills to help direct our growth



Dan Beck
CHIEF FINANCIAL OFFICER
3 years at SVB



Greg Becker
PRESIDENT AND CEO
SVB FINANCIAL GROUP
27 years at SVB



Marc Cadieux
CHIEF CREDIT OFFICER
28 years at SVB



John China
PRESIDENT OF SVB CAPITAL
24 years at SVB



Phil Cox
CHIEF OPERATIONS OFFICER
11 years at SVB



Mike Descheneaux
PRESIDENT
SILICON VALLEY BANK
15 years at SVB



Michelle Draper
CHIEF MARKETING OFFICER
7 years at SVB



Chris Edmonds-Waters
CHIEF HUMAN RESOURCES OFFICER
16 years at SVB



Laura Izurieta
CHIEF RISK OFFICER
4 years at SVB



Michael Zuckert
GENERAL COUNSEL
6 years at SVB

14 years average tenure at SVB

Glossary

The following terms are used throughout this presentation to refer to certain SVB-specific metrics:

Non-GAAP Measures

(Please see "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release and non-GAAP reconciliations at the end of this presentation)

Core Fee Income – Fees from letters of credit, client investments, credit cards, deposit service charges, foreign exchange and lending-related fees, in aggregate.

Core Fee Income Plus Investment Banking Revenue and Commissions – Core fee income, from above, plus investment banking revenue and commissions.

Core Operating Efficiency Ratio – Calculated by dividing noninterest expense after adjusting for noninterest expense from SVB Leerink and NCI by total revenue, after adjusting for gains or losses on investment securities and equity warrant assets, SVB Leerink investment banking revenue and commissions and NCI. This ratio excludes income and expenses related to SVB Leerink and certain financial items where performance is typically subject to market or other conditions beyond our control.

Gains (losses) on Investment Securities, Net of Non-Controlling Interests – Net gains on investment securities include gains and losses from our non-marketable and other equity securities, which include public equity securities held as a result of exercised equity warrant assets, gains and losses from sales of our Available-For-Sale debt securities portfolio, when applicable, and carried interest. This measure excludes amounts attributable to noncontrolling interests for which we effectively do not receive the economic benefit or cost.

Other Measures

Total Client Funds – The sum of on-balance sheet deposits and off-balance sheet client investment funds.

Fixed Income Securities – Available-for-sale ("AFS") and held-to-maturity ("HTM") securities held on the balance sheet.

Acronyms

BD&T – Business Development & Travel

GFB – Global Fund Banking (formerly Private Equity/Venture Capital)

ID – Investor Dependent

LIHTC – Low income housing tax credit funds

LOC – Letter of credit

NCI – Non-controlling interests

NCO – Net charge-off

NII – Net interest income

NIM – Net interest margin

NPL – Non-performing loan

OBS – Off-balance sheet

PE/VC – Private Equity/Venture Capital

SBA PPP – Small Business Administration Paycheck Protection Program

Non-GAAP reconciliations



Non-GAAP reconciliation

Core Fee Income

Non-GAAP core fee income (dollars in thousands)	Year ended December 31, 2016	2017	2018	2019	YTD Sep 30, 2020
GAAP noninterest income	$456,552	$557,231	$744,984	$1,221,479	$1,218,365
Less: gains on investment securities, net	51,740	64,603	88,094	134,670	270,760
Less: net gains on equity warrant assets	37,892	54,555	89,142	138,078	93,667
Less: other noninterest income	50,750	59,110	51,858	55,370	76,887
Non-GAAP core fee income plus investment banking revenue and commissions	$316,170	$378,963	$515,890	$893,361	$777,051
Less: investment banking revenue	—	—	—	195,177	280,551
Less: commissions	—	—	—	56,346	49,197
Non-GAAP core fee income	$316,170	$378,963	$515,890	$641,838	$447,303

See “Use of non-GAAP Financial Measures” in our Q3 2020 Earnings Release for more information.

Non-GAAP reconciliation

Capital ratios

Consolidated (SVBFG) TCE/TA and TCE/RWA

Non-GAAP tangible common equity and tangible assets (dollars in thousands, except ratios)	Year ended December 31, 2016	2017	2018	2019	Sep 30, 2020
GAAP SVBFG stockholders' equity	$3,642,554	$4,179,795	$5,116,209	$6,470,307	$7,792,935
Less: Preferred stock	—	—	—	340,138	340,138
Less: Intangible assets	—	—	—	187,240	183,203
Tangible common equity (TCE)	$3,642,554	$4,179,795	$5,116,209	$5,942,929	$7,269,594
GAAP Total assets	$44,683,660	$51,214,467	$56,927,979	$71,004,903	$96,916,771
Less: Intangible assets	—	—	—	187,240	183,203
Tangible assets (TA)	$44,683,660	$51,214,467	$56,927,979	$70,817,663	$96,733,568
Risk-weighted assets (RWA)	$28,248,750	$32,736,959	$38,527,853	$46,577,485	$54,740,383
Tangible common equity to tangible assets	8.15%	8.16%	8.99%	8.39%	7.52%
Tangible common equity to risk-weighted assets	12.89%	12.77%	13.28%	12.76%	13.28%

Bank only TCE/TA and TCE/RWA

Non-GAAP tangible common equity and tangible assets (dollars in thousands, except ratios)	Year ended December 31, 2016	2017	2018	2019	Sep 30, 2020
Tangible common equity (TCE)	$3,423,427	$3,762,542	$4,554,814	$5,034,095	$6,104,361
Tangible assets (TA)	$44,059,340	$50,383,774	$56,047,134	$69,563,817	$95,012,287
Risk-weighted assets (RWA)	$26,856,850	$31,403,489	$37,104,080	$44,502,150	$51,742,795
Tangible common equity to tangible assets	7.77%	7.47%	8.13%	7.24%	6.42%
Tangible common equity to risk-weighted assets	12.75%	11.98%	12.28%	11.31%	11.80%

See "Use of non-GAAP Financial Measures" in our Q3 2020 Earnings Release for more information.

Non-GAAP reconciliation

Core Operating Efficiency Ratio

(Dollars in thousands, except ratios)		Year ended December 31, 2016	2017	2018	2019	YTD Sep 30, 2020
GAAP noninterest expense	A	**859,797**	**1,010,655**	**1,188,193**	**1,601,262**	**1,370,242**
Less: expense attributable to noncontrolling interests		524	813	522	835	384
Non-GAAP noninterest expense, net of noncontrolling interests		859,273	1,009,842	1,187,671	1,600,427	1,369,858
Less: expense attributable to SVB Leerink		—	—	—	252,677	**248,254**
Non-GAAP noninterest expense, net of noncontrolling interests and SVB Leerink	B	**859,273**	**1,009,842**	**1,187,671**	**1,347,750**	**1,121,604**
GAAP net interest income		1,150,523	1,420,369	1,893,988	2,096,601	1,564,804
Adjustments for taxable equivalent basis		1,203	3,076	9,201	11,949	11,218
Non-GAAP taxable equivalent net interest income		1,151,726	1,423,445	1,903,189	2,108,550	1,576,022
Less: income attributable to noncontrolling interests		66	33	30	72	26
Non-GAAP taxable equivalent net interest income, net of noncontrolling interests		1,151,660	1,423,412	1,903,159	2,108,478	1,575,996
Less: net interest income attributable to SVB Leerink		—	—	—	1,252	373
Non-GAAP taxable equivalent net interest income, net of noncontrolling interests and SVB Leerink		1,151,660	1,423,412	1,903,159	2,107,226	1,575,623
GAAP noninterest income		456,552	557,231	744,984	1,221,479	1,218,365
Less: income attributable to noncontrolling interests		8,039	29,452	38,000	48,624	40,393
Non-GAAP noninterest income, net of noncontrolling interests		448,513	527,779	706,984	1,172,855	1,177,972
Less: Non-GAAP net gains on investment securities, net of noncontrolling interests		43,428	35,416	49,911	86,169	230,182
Less: net gains on equity warrant assets		37,892	54,555	89,142	138,078	93,667
Less: investment banking revenue		—	—	—	195,177	280,551
Less: commissions		—	—	—	56,346	49,197
Non-GAAP noninterest income, net of noncontrolling interests and net of net gains on investments securities, net gains on equity warrants assets, investment banking revenue and commissions		367,193	437,808	567,931	697,085	524,375
GAAP total revenue	C	**1,607,075**	**1,977,600**	**2,638,972**	**3,318,080**	**2,783,169**
Non-GAAP taxable equivalent revenue, net of noncontrolling interests and SVB Leerink, net of net gains on investments securities, net gains on equity warrants assets, investment banking revenue and commissions	D	**1,518,853**	**1,861,220**	**2,471,090**	**2,804,311**	**2,099,998**
GAAP operating efficiency ratio (A/C)		**53.50%**	**51.11%**	**45.02%**	**48.26%**	**49.23%**
Non-GAAP core operating efficiency ratio (B/D)		**56.57%**	**54.26%**	**48.06%**	**48.06%**	**53.41%**

See “Use of non-GAAP Financial Measures” in our Q3 2020 Earnings Release for more information.

Important information regarding forward-looking statements and use of non-GAAP financial measures

The Company's financial results for 2020 reflected in this presentation are unaudited. This document should be read in conjunction with the Company's SEC filings.

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance, and are subject to known and unknown risks and uncertainties, many of which may be beyond our control. You can identify these and other forward-looking statements by the use of words such as "becoming," "may," "will," "should," "could," "would, ""predict," "potential," "continue," "anticipate," "believe," "estimate," "seek," "expect," "plan," "intend," the negative of such words, or comparable terminology. In this presentation, we make forward-looking statements discussing management's expectations about, among other things: economic conditions; the potential effects of the COVID-19 pandemic; opportunities in the market; outlook on our clients' performance; our financial, credit, and business performance, including potential investment gains, loan growth, loan mix, loan yields, credit quality, deposits, noninterest income, and expense levels; and financial results. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we have based these expectations on our current beliefs as well as our assumptions, and such expectations may prove to be incorrect.

We wish to caution you that such statements are just predictions and actual events or results may differ materially, due to changes in economic, business and regulatory factors and trends. Our actual results of operations and financial performance could differ significantly from those expressed in or implied by our management's forward-looking statements. Important factors that could cause our actual results and financial condition to differ from the expectations stated in the forward-looking statements include, among others: market and economic conditions (including the general condition of the capital and equity markets, and IPO, M&A and financing activity levels) and the associated impact on us (including effects on client demand for our commercial and investment banking and other financial services, as well as on the valuations of our investments); the COVID-19 pandemic and its effects on the economic and business environments in which we operate; changes in the volume and credit quality of our loans; the impact of changes in interest rates or market levels or factors affecting or affected by them, especially on our loan and investment portfolios; changes in the levels of our loans, deposits and client investment fund balances; changes in the performance or equity valuations of funds or companies in which we have invested or hold derivative instruments or equity warrant assets; variations from our expectations as to factors impacting our cost structure; changes in our assessment of the creditworthiness or liquidity of our clients or unanticipated effects of credit concentration risks which create or exacerbate deterioration of such creditworthiness or liquidity; variations from our expectations as to factors impacting the timing and level of employee share-based transactions; variations from our expectations as to factors impacting our estimate of our full-year effective tax rate; accounting changes, as required by Generally Accepted Accounting Principles (GAAP); and regulatory, tax or legal changes or their impact on us.

The COVID-19 pandemic has created economic and financial disruptions that have adversely affected, and may continue to adversely affect, our business, operations, financial performance and prospects. Even after the COVID-19 pandemic subsides, it is possible that the U.S. and other major economies experience or continue to experience a prolonged recession, which could materially and adversely affect our business, operations, financial performance and prospects. Statements about the effects of the COVID-19 pandemic on our business, operations, financial performance and prospects may constitute forward-looking statements and are subject to the risk that the actual impacts may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic, actions taken by governmental authorities in response to the pandemic, and the direct and indirect impact of the pandemic on our customers, third parties and us.

We refer you to the documents the Company files from time to time with the Securities and Exchange Commission, including (i) our latest Annual Report on Form 10-K, (ii) our most recent Quarterly Report on Form 10-Q, and (iii) our most recent earnings release filed on Form 8-K. These documents contain and identify important risk factors that could cause the Company's actual results to differ materially from those contained in our projections or other forward-looking statements. All forward-looking statements included in this presentation are made only as of the date of this presentation. We assume no obligation and do not intend to revise or update any forward-looking statements contained in this presentation, except as required by law. This presentation shall not constitute an offer or solicitation in connection with any securities.

Use of Non-GAAP Financial Measures

To supplement our financial disclosures that are presented in accordance with GAAP, we use certain non-GAAP measures of financial performance (including, but not limited to, non-GAAP core fee income, non-GAAP noninterest income, non-GAAP net gains on investment securities, non-GAAP non-marketable and other equity securities, non-GAAP noninterest expense and non- GAAP financial ratios) of financial performance. These supplemental performance measures may vary from, and may not be comparable to, similarly titled measures by other companies in our industry. Non-GAAP financial measures are not in accordance with, or an alternative for, GAAP. Generally, a non-GAAP financial measure is a numerical measure of a company's performance that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. A non-GAAP financial measure may also be a financial metric that is not required by GAAP or other applicable requirement.

We believe that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures (as applicable), provide meaningful supplemental information regarding our performance by: (i) excluding amounts attributable to non-controlling interests for which we effectively do not receive the economic benefit or cost of, where indicated, or (ii) providing additional information used by management that is not otherwise required by GAAP or other applicable requirements. Our management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing our operating results and when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate a comparison of our performance to prior periods. We believe these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. However, these non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, net income or other financial measures prepared in accordance with GAAP. Under the "Use of Non-GAAP Financial Measures" section in our latest earnings release filed as an exhibit to our Form 8-K on October 22, 2020, we have provided reconciliations of, where applicable, the most comparable GAAP financial measures to the non-GAAP financial measures used in this presentation, or a reconciliation of the non-GAAP calculation of the financial measure. Please refer to that section of the earnings release for more information.



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