**United States**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 6, 2020**

# ATLANTIC UNION BANKSHARES CORPORATION

(Exact name of registrant as specified in its charter)

| **Virginia** | **001-39325** | **54-1598552** |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**1051 East Cary Street**
**Suite 1200**
**Richmond, Virginia 23219**
(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: **(804) 633-5031**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common Stock, par value $1.33 per share** | **AUB** | **The NASDAQ Global Select Market** |
| **Depositary Shares, Each Representing a 1/400th Interest in a Share of 6.875% Perpetual Non-Cumulative Preferred Stock, Series A** | **AUBAP** | **The NASDAQ Global Select Market** |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

**Item 7.01 Regulation FD Disclosure.**

Attached as Exhibit 99.1 is a handout containing information that the members of Atlantic Union Bankshares Corporation (the "Company") management will use during meetings with investors, analysts, and other interested parties to assist their understanding of the Company from time to time during the fourth quarter of 2020. Other presentations and related materials will be made available as they are presented. This handout is also available under the Presentations link in the Investor Relations section of the Company's website at http://investors.atlanticunionbank.com. Exhibit 99.1 is incorporated by reference into this Item 7.01.

The information disclosed in or incorporated by reference into this Item 7.01, including Exhibit 99.1, is furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934.

**Item 9.01 Financial Statements and Exhibits.**

(d) *Exhibits.*

| **Exhibit No.** | **Description of Exhibit** |
|---|---|
| 99.1 | Atlantic Union Bankshares Corporation investor presentation. |
| 104 | Cover Page Interactive Data File – the cover page iXBRL tags are embedded within the Inline XBRL document |

## SIGNATURES

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

**ATLANTIC UNION BANKSHARES CORPORATION**

Date: November 6, 2020

By: /s/ Robert M. Gorman
Robert M. Gorman
Executive Vice President and
Chief Financial Officer

Exhibit 99.1


Investor
Presentation
Nasdaq: AUB
November – December 2020
Atlantic
Union Bankshares

# Forward Looking Statements

Certain statements in this presentation may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that include, without limitation, projections, predictions, expectations or beliefs about future events or results that are not statements of historical fact. Such forward-looking statements are based on various assumptions as of the time they are made, and are inherently subject to known and unknown risks, uncertainties, and other factors, some of which cannot be predicted or quantified, that may cause actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements are often accompanied by words that convey projected future events or outcomes such as "expect," "believe," "estimate," "plan," "project," "anticipate," "intend," "will," "may," "view," "opportunity," "potential," or words of similar meaning or other statements concerning opinions or judgment of Atlantic Union Bankshares Corporation ("Atlantic Union" or the "Company") and its management about future events.

Although Atlantic Union believes that its expectations with respect to forward-looking statements are based upon reasonable assumptions within the bounds of its existing knowledge of its business and operations, there can be no assurance that actual results, performance, or achievements of, or trends affecting, the Company will not differ materially from any projected future results, performance, or achievements or trends expressed or implied by such forward-looking statements. Actual future results, performance, achievements or trends may differ materially from historical results or those anticipated depending on a variety of factors, including, but not limited to:

- changes in interest rates;
- general economic and financial market conditions, in the United States generally and particularly in the markets in which the Company operates and which its loans are concentrated, including the effects of declines in real estate values, an increase in unemployment levels and slowdowns in economic growth, including as a result of COVID-19;
- the quality or composition of the loan or investment portfolios and changes therein;
- demand for loan products and financial services in the Company's market area;
- the Company's ability to manage its growth or implement its growth strategy;
- the effectiveness of expense reduction plans;
- the introduction of new lines of business or new products and services;
- the Company's ability to recruit and retain key employees;
- the incremental cost and/or decreased revenues associated with exceeding $10 billion in assets;
- real estate values in the Bank's lending area;
- an insufficient ACL;
- changes in accounting principles relating to loan loss recognition (CECL) methodology;
- the Company's liquidity and capital positions;
- concentrations of loans secured by real estate, particularly commercial real estate;
- the effectiveness of the Company's credit processes and management of the Company's credit risk;
- the Company's ability to compete in the market for financial services and increased competition from fintech companies;
- technological risks and developments, and cyber threats, attacks, or events;
- the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts or public health events (such as COVID-19), and of governmental and societal responses thereto; these potential adverse effects may include, without limitation, adverse effects on the ability of the Company's borrowers to satisfy their obligations to the Company, on the value of collateral securing loans, on the demand for the Company's loans or its other products and services, on supply chains and methods used to distribute products and services on incidents of cyberattack and fraud, on the Company's liquidity or capital positions, on risks posed by reliance on third-party service providers, on other aspects of the Company's business operations and on financial markets and economic growth;
- the effect of steps the Company takes in response to COVID-19, the severity and duration of the pandemic, including whether there is a resurgence of COVID-19 infections, the pace of recovery when the pandemic subsides and the heightened impact it has on many of the risks described herein;
- performance by the Company's counterparties or vendors;
- deposit flows;
- the availability of financing and the terms thereof;
- the level of prepayments on loans and mortgage-backed securities;
- legislative or regulatory changes and requirements, including the impact of the CARES Act and other legislative and regulatory reactions to the COVID-19 pandemic;
- potential claims, damages, and fines related to litigation or government actions, including litigation or actions arising from the Company's participation in and administration of programs related to the COVID-19 pandemic, including, among other things, the CARES Act;
- the effects of changes in federal, state or local tax laws and regulations;
- monetary and fiscal policies of the U.S. government, including policies of the U.S. Department of the Treasury and the Federal Reserve;
- changes to applicable accounting principles and guidelines; and
- other factors, many of which are beyond the control of the Company.

Please refer to the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of the Company's Annual Report on Form 10-K for the year ended December 31, 2019, comparable "Risk Factors" sections of the Company's Quarterly Reports on Form 10-Q, and related disclosures in other filings, which have been filed with the Securities and Exchange Commission (the "SEC"), and are available on the SEC's website at www.sec.gov. All of the forward-looking statements made in this presentation are expressly qualified by the cautionary statements contained or referred to herein. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences to or effects on the Company or its businesses or operations. You are cautioned not to rely too heavily on the forward-looking statements contained in this presentation. Forward-looking statements speak only as of the date they are made and the Company does not undertake any obligation to update, revise or clarify these forward-looking statements, whether as a result of new information, future events or otherwise.

Atlantic Union Bankshares

# Additional Information

### Non-GAAP Financial Measures

This presentation contains certain financial information determined by methods other than in accordance with generally accepted accounting principles in the United States ("GAAP"). These non-GAAP disclosures have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. The Company uses the non-GAAP financial measures discussed herein in its analysis of the Company's performance. The Company's management believes that these non-GAAP financial measures provide additional understanding of ongoing operations, enhance comparability of results of operations with prior periods and show the effects of significant gains and charges in the periods presented without the impact of items or events that may obscure trends in the Company's underlying performance.

Please see "Reconciliation of Non-GAAP Disclosures" at the end of this presentation for a reconciliation to the nearest GAAP financial measure.

### No Offer or Solicitation

This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act of 1933, as amended, and no offer to sell or solicitation of an offer to buy shall be made in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### About Atlantic Union Bankshares Corporation

Headquartered in Richmond, Virginia, Atlantic Union Bankshares Corporation (Nasdaq: AUB) is the holding company for Atlantic Union Bank. Atlantic Union Bank has 135 branches and approximately 155 ATMs located throughout Virginia, and in portions of Maryland and North Carolina. Middleburg Financial is a brand name used by Atlantic Union Bank and certain affiliates when providing trust, wealth management, private banking, and investment advisory products and services. Certain non-bank affiliates of Atlantic Union Bank include: Old Dominion Capital Management, Inc., and its subsidiary, Outfitter Advisors, Ltd., and Dixon, Hubard, Feinour, & Brown, Inc., which provide investment advisory services; Middleburg Investment Services, LLC, which provides brokerage services; and Union Insurance Group, LLC, which offers various lines of insurance products.

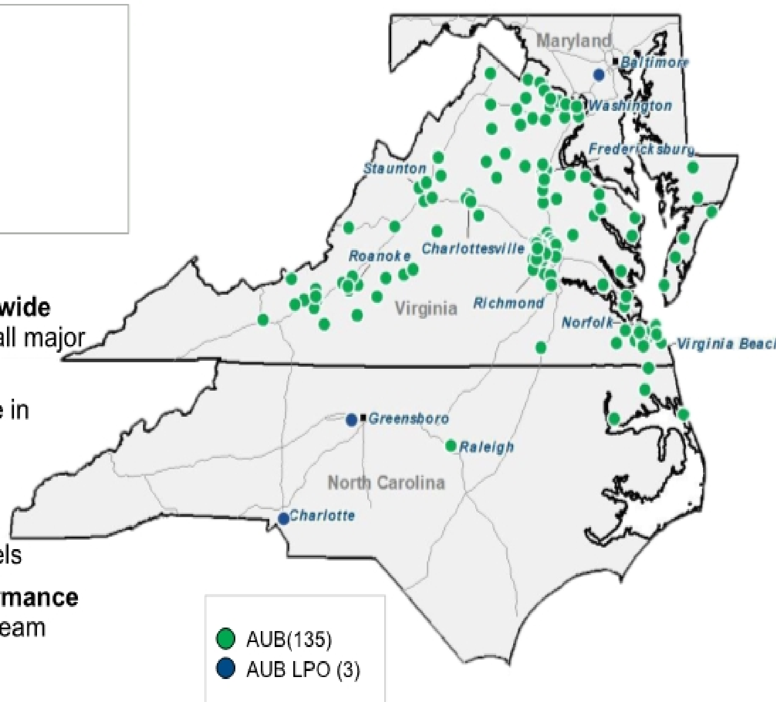
# Our Company

## Highlights ($bn)

| | |
|---|---|
| **Assets** | $19.9 |
| **Loans** | $14.4 |
| **Deposits** | $15.6 |
| **Market Capitalization** | $2.3 |

- Largest regional banking company headquartered in **Virginia** with a **statewide Virginia footprint** of 128 branches in all major markets
- **#1** regional bank[1] deposit market share in Virginia
- Positioned for growth with organic and acquisition opportunities
- **Strong balance sheet** and capital levels
- Committed to **top-tier financial performance** with highly experienced management team with ability to execute change

## Branch Footprint




Data as of 9/30/2020, market capitalization as of 10/22/2020

(1) Regional bank defined as having less than $50 billion in assets; rank determined by asset size

# Our Markets - Diversity Supports Growth In Virginia

### Richmond

State Capital, Fortune 500 headquarters (7), VCU & VCU Medical Center

- $4.9 billion in-market deposits and total deposit market share of 15.5%

### Fredericksburg

Defense and security contractors, Healthcare, Retail, Real Estate development

- $1.7 billion in-market deposits and total deposit market share of 30.2%

### Charlottesville

University of Virginia, High-tech and professional businesses, Real Estate development

- $709 million in-market deposits and total deposit market share of 11.7%

### Virginia Beach
NORFOLK

Military, Shipbuilding, Fortune 500 headquarters (3), Tourism

- $1.3 billion in-market deposits and total deposit market share of 4.5%

### Roanoke
BLACKSBURG

Virginia Tech, Healthcare, Retail

- $1.3 billion in-market deposits and total deposit market share of 10.7%

### Northern Virginia

Nation's Capital, Fortune 500 headquarters (12), Defense and security contracts, Non-profit Associations (lobbyists), HQ2

- $4.9 billion in-market deposits and total deposit market share of 5.3%

Atlantic Union Bankshares

Source: SNL Financial; excludes branches greater than $5 billion
Deposit data as of 6/30/2020; Fredericksburg market defined as Caroline, Fredericksburg City, King George, Spotsylvania and Stafford counties; all other markets per MSA definitions in SNL

# Virginia's Bank

## Virginia: All Banks

| Rank | Institution | Deposits ($mm) | Market Share (%) | Branches |
|---|---|---|---|---|
| 1 | Truist Financial Corp | $48,832 | 23.8% | 436 |
| 2 | Wells Fargo & Co | 33,337 | 16.2 | 250 |
| 3 | Bank of America Corp. | 21,769 | 10.6 | 121 |
| **4** | **Atlantic Union Bankshares Corp** | **15,360** | **7.5** | **128** |
| 5 | TowneBank | 8,522 | 4.2 | 32 |
| 6 | United Bankshares, Inc. | 7,490 | 3.6 | 67 |
| 7 | Capital One Financial Corp. | 7,165 | 3.5 | 37 |
| 8 | PNC Financial Services Group Inc. | 5,112 | 2.5 | 97 |
| 9 | Carter Bank & Trust | 3,190 | 1.6 | 76 |
| 10 | Toronto-Dominion Bank | 2,759 | 1.3 | 24 |
| | **Top 10 Banks** | **$153,536** | **74.8** | **1,268** |
| | **All Institutions in Market** | **$205,525** | **100.00** | **2,206** |

## Virginia: Banks Headquartered in VA

| Rank | Institution | Deposits ($mm) | Market Share (%) | Branches |
|---|---|---|---|---|
| **1** | **Atlantic Union Bankshares Corp.** | **$15,360** | **21.4%** | **128** |
| 2 | TowneBank | 8,522 | 11.9 | 32 |
| 3 | Capital One Financial Corp. | 7,165 | 10.0 | 37 |
| 4 | Carter Bank & Trust | 3,190 | 4.5 | 76 |
| 5 | Burke & Herbert Bank & Trust Co. | 2,706 | 3.8 | 25 |
| 6 | Blue Ridge Bankshares, Inc. | 1,982 | 2.8 | 32 |
| 7 | Southern National Bancorp of Virginia | 1,907 | 2.7 | 40 |
| 8 | American National Bankshares, Inc. | 1,773 | 2.5 | 18 |
| 9 | First Bancorp Inc. | 1,668 | 2.3 | 20 |
| 10 | C&F Financial Corp. | 1,646 | 2.3 | 31 |
| | **Top 10 Banks** | **$45,919** | **64.2** | **439** |
| | **All Institutions in Market** | **$71,762** | **100.00** | **904** |

**Statewide branch footprint brings unique franchise value**

Atlantic Union Bankshares

Source: SNL Financial and FDIC deposit data
Deposit data as of 6/30/20; pro forma for announced transactions and AUB branch closings
Note: Excludes branches with deposits greater than $5.0 billion

# Our Presence in Key Markets

| Virginia | | | | |
|---|---|---|---|---|
| Rank | Institution | Deposits ($mm) | Market Share | Branches |
| 1 | Truist Financial Corp | $48,832 | 23.8% | 436 |
| 2 | Wells Fargo & Co | 33,337 | 16.2 | 250 |
| 3 | Bank of America Corp. | 21,769 | 10.6 | 121 |
| 4 | Atlantic Union Bankshares Corp | 15,360 | 7.5 | 128 |
| 5 | TowneBank | 8,522 | 4.2 | 32 |
| 6 | United Bankshares Inc. | 7,490 | 3.6 | 67 |
| 7 | Capital One Financial Corp. | 7,165 | 3.5 | 37 |
| 8 | PNC Financial Services Group Inc. | 5,112 | 2.5 | 97 |
| 9 | Carter Bank & Trust | 3,190 | 1.6 | 76 |
| 10 | Toronto-Dominion Bank | 2,759 | 1.3 | 24 |

| Richmond | | | | |
|---|---|---|---|---|
| Rank | Institution | Deposits ($mm) | Market Share | Branches |
| 1 | Truist Financial Corp | $9,311 | 29.2% | 71 |
| 2 | Wells Fargo & Co | 7,968 | 25.0 | 56 |
| 3 | Atlantic Union Bankshares Corp | 4,938 | 15.5 | 28 |
| 4 | Bank of America Corp. | 2,396 | 7.5 | 20 |
| 5 | TowneBank | 1,198 | 3.8 | 8 |
| 6 | C&F Financial Corp. | 1,064 | 3.3 | 15 |
| 7 | Community Bankers Trust Corp. | 773 | 2.4 | 12 |
| 8 | Southern National Bancorp of Virginia | 689 | 2.2 | 12 |
| 9 | Blue Ridge Bankshares, Inc. | 603 | 1.9 | 7 |
| 10 | Village Bank and Trust Financial Corp. | 569 | 1.8 | 8 |

| Northern Virginia (1) | | | | |
|---|---|---|---|---|
| Rank | Institution | Deposits ($mm) | Market Share | Branches |
| 1 | Truist Financial Corp | $21,608 | 23.5% | 152 |
| 2 | Bank of America Corp. | 13,723 | 14.9 | 60 |
| 3 | Wells Fargo & Co. | 11,934 | 13.0 | 88 |
| 4 | Capital One Financial Corp. | 7,165 | 7.8 | 37 |
| 5 | United Bankshares Inc. | 6,565 | 7.2 | 48 |
| 6 | Atlantic Union Bankshares Corp. | 4,937 | 5.4 | 32 |
| 7 | PNC Financial Services Group Inc. | 4,424 | 4.8 | 82 |
| 8 | Toronto-Dominion Bank | 2,759 | 3.0 | 24 |
| 9 | Burke & Herbert Bank & Trust Co. | 2,706 | 3.0 | 25 |
| 10 | Citigroup Inc. | 1,550 | 1.7 | 6 |

| Coastal Virginia (2) | | | | |
|---|---|---|---|---|
| Rank | Institution | Deposits ($mm) | Market Share | Branches |
| 1 | TowneBank | $7,557 | 25.4% | 28 |
| 2 | Truist Financial Corp | 7,064 | 23.8 | 72 |
| 3 | Wells Fargo & Co. | 5,810 | 19.5 | 42 |
| 4 | Bank of America Corp. | 3,676 | 12.4 | 29 |
| 5 | Atlantic Union Bankshares Corp. | 1,336 | 4.5 | 17 |
| 6 | Old Point Financial Corp. | 1,014 | 3.4 | 22 |
| 7 | Chesapeake Financial Shares Inc. | 582 | 2.0 | 8 |
| 8 | Southern BancShares (N.C.) Inc. | 573 | 1.9 | 11 |
| 9 | PNC Financial Services Group Inc. | 458 | 1.5 | 11 |
| 10 | Farmers Bankshares Inc. | 428 | 1.4 | 8 |

Source: S&P Global Market Intelligence
Note: Deposit data excludes branches with deposits greater than $5 billion
Deposit data as of 6/30/20; pro forma for announced transactions and AUB branch closings

(1) Northern Virginia includes only the Virginia branches of the Washington, Alexandria, and DC MSA
(2) Coastal Virginia includes the Virginia Beach, Norfolk, and Newport News MSA and the Outer Banks of North Carolina

Atlantic Union Bankshares

# Among The Most Attractive Markets in USA

**Household Income ($)**

| # | State | HHI ($) |
|---|---|---|
| 1 | District of Columbia | 91,414 |
| 2 | Maryland | 90,160 |
| 3 | New Jersey | 89,080 |
| 4 | Hawaii | 87,979 |
| 5 | Massachusetts | 87,126 |
| 6 | California | 82,565 |
| 7 | Connecticut | 81,962 |
| 8 | Washington | 81,728 |
| 9 | New Hampshire | 81,460 |
| 10 | Alaska | 80,135 |
| 11 | Virginia | 79,124 |
| 12 | Utah | 78,645 |
| 13 | Colorado | 78,070 |
| 14 | Minnesota | 76,329 |
| 15 | New York | 74,462 |

**2020 Population (mm)**

| # | State | Pop. (mm) |
|---|---|---|
| 1 | California | 39.7 |
| 2 | Texas | 29.6 |
| 3 | Florida | 21.9 |
| 4 | New York | 19.4 |
| 5 | Pennsylvania | 12.8 |
| 6 | Illinois | 12.6 |
| 7 | Ohio | 11.7 |
| 8 | Georgia | 10.8 |
| 9 | North Carolina | 10.6 |
| 10 | Michigan | 10.0 |
| 11 | New Jersey | 8.9 |
| 12 | Virginia | 8.6 |
| 13 | Washington | 7.8 |
| 14 | Arizona | 7.4 |
| 15 | Massachusetts | 6.9 |

**GDP ($bn)**

| # | State | GDP ($bn) |
|---|---|---|
| 1 | California | 3,164 |
| 2 | Texas | 1,891 |
| 3 | New York | 1,730 |
| 4 | Florida | 1,104 |
| 5 | Illinois | 901 |
| 6 | Pennsylvania | 815 |
| 7 | Ohio | 699 |
| 8 | New Jersey | 647 |
| 9 | Georgia | 621 |
| 10 | Washington | 607 |
| 11 | Massachusetts | 601 |
| 12 | North Carolina | 593 |
| 13 | Virginia | 560 |
| 14 | Michigan | 542 |
| 15 | Maryland | 432 |

**Fortune 500 Companies**

| # | State | # Companies |
|---|---|---|
| 1 | New York | 54 |
| 2 | California | 53 |
| 3 | Texas | 50 |
| 4 | Illinois | 37 |
| 5 | Ohio | 27 |
| 6 | Virginia | 22 |
| 7 | Pennsylvania | 22 |
| 8 | Florida | 18 |
| 9 | Georgia | 18 |
| 10 | New Jersey | 17 |
| 11 | Michigan | 17 |
| 12 | Massachusetts | 17 |
| 13 | Minnesota | 16 |
| 14 | Connecticut | 13 |
| 15 | Tennessee | 10 |

CNBC ranked Virginia the **Best State for Business**

Forbes ranked Virginia the **4th Best State for Business**

- 3rd in Labor Supply
- 1st in Regulatory Environment
- 16th in Growth Prospects

Virginia has the 19th Lowest Unemployment Rate of any state

U.S.News & World Report ranked Virginia **11th for Economic Opportunity**

- **11th lowest Poverty Rate**
- Virginia is home to **723,962** Small Businesses – 99.5% of Virginia businesses

USA TODAY ranked Virginia 7th of *America's Best States to Live In*

**7th most educated state** in America and home to more than **10 elite colleges & universities**



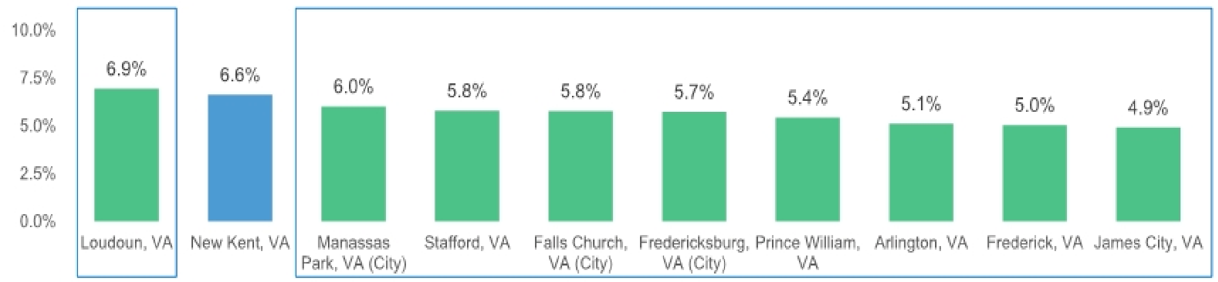
Source: SNL Financial; Bureau of Economic Analysis; Bureau of Labor Statistics, Fortune.com, U.S. News & World Report; Forbes, CNBC, U.S. Small Business Administration, USA Today Unemployment data as of 10/20

# Virginia Market Highlights

## Opportunity in Fast-Growing, Affluent Markets

### Top Counties in the U.S. – Projected Median HH Income ($000s) (1)


### Top 10 Counties in Virginia – Projected 5-Yr Pop. Growth




Atlantic Union Bankshares

Source: S&P Global Market Intelligence
Boxes denote county/city of operation
(1) Median HH Income projected for 2021

## 2020 Operating Environment – New Reality

AUB governing philosophy – “Soundness, Profitability, & Growth – in that order of priority”

| Soundness | | Profitability | Growth |
|---|---|---|---|

Focused on the safety, soundness and profitability of the Company:

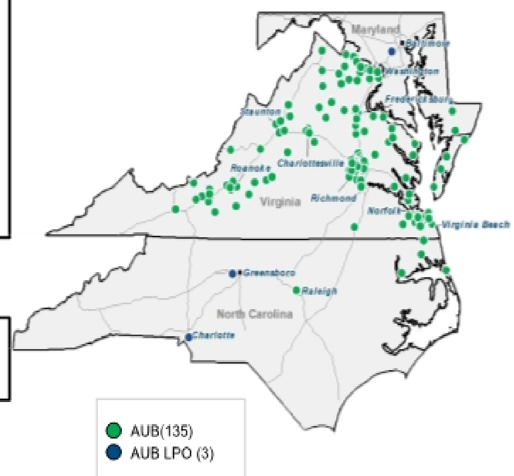
- Take care of our Teammates and clients
- Mitigate credit risk
- Align the expense base to the new revenue reality
- Achieve and maintain top-tier financial performance

Managing through COVID-19 pandemic:

- Pivoted to a new remote work and branch operating model
- Focused on Teammates, clients, communities and shareholders
- Mobilized SBA Paycheck Protection Program
- Adapting to meet new reality

At September 30,2020

| | |
|---|---|
| Assets | $19.9B |
| Loans | $14.4B |
| Deposits | $15.6B |




Regardless of the operating environment our goal of achieving and maintaining top-tier financial performance remains the same

Atlantic Union Bankshares

# Holistic Response to COVID-19

### Teammates

- 90% of non-branch Teammates are working remotely
- Recognition bonuses for eligible Teammates
- Continuing to pay Teammates that have potential exposure
- COVID-19 related testing and treatment is free under medical plans
- Extra cleaning and protective measures put in place
- Educate Teammates on preventative action
- Comprehensive communications program

### Clients

- Proactive outreach to Business, Wealth/Investment Services clients
- Paycheck Protection Program
- Customer hardship programs
- Regular communications and updates
- Enhancements to digital platforms
- Focus on credit

Atlantic Union Bank

### Community

- Aligned charitable giving with COVID-19
- Accelerated charitable contributions

### Shareholders

- Conservative credit culture
- Strong balance sheet
- Strong capital base
- Ample liquidity
- Top tier financial performance

# Covid-19 Loan Modifications as of October 31, 2020

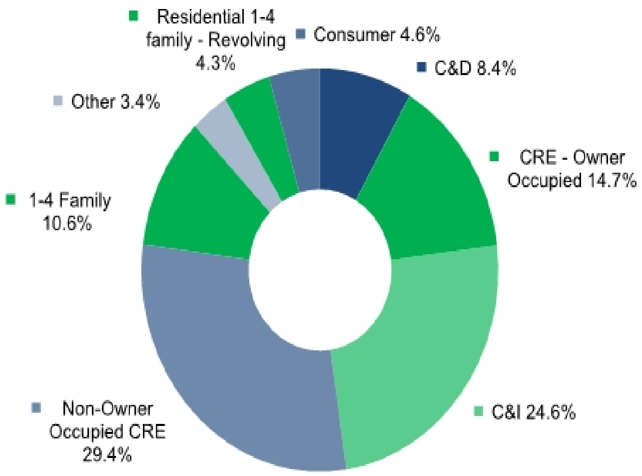
**Remaining COVID-19 Loan Modifications**

| Loan Class | Count | Balances | % Bal. | Avg. Balance |
|---|---|---|---|---|
| Commercial & Industrial | 84 | $ 62,035,353 | 15.4% | $ 738,516 |
| Commercial Real Estate | 124 | $ 299,190,176 | 74.3% | $ 2,412,824 |
| Construction, Land & Development | 6 | $ 6,123,528 | 1.5% | $ 1,020,588 |
| Consumer | 457 | $ 35,394,169 | 8.8% | $ 77,449 |
| Residential 1-4 Family | 84 | $ 27,735,454 | 6.9% | $ 330,184 |
| Residential 1-4 Family - Revolving | 16 | $ 1,771,381 | 0.4% | $ 110,711 |
| Indirect Auto | 172 | $ 3,549,943 | 0.9% | $ 20,639 |
| Other Consumer | 185 | $ 2,337,391 | 0.6% | $ 12,635 |
| **Total** | 671 | $ 402,743,227 | 100.0% | $ 600,213 |
| **COVID-19 Balance Mods as of October 31, 2020 as % Total Loan Portfolio as of September 30** | | | 2.8% | |
| **COVID-19 Balance Mods as of October 31, 2020 as % Total Loan Portfolio as of September 30 excluding PPP** | | | 3.2% | |

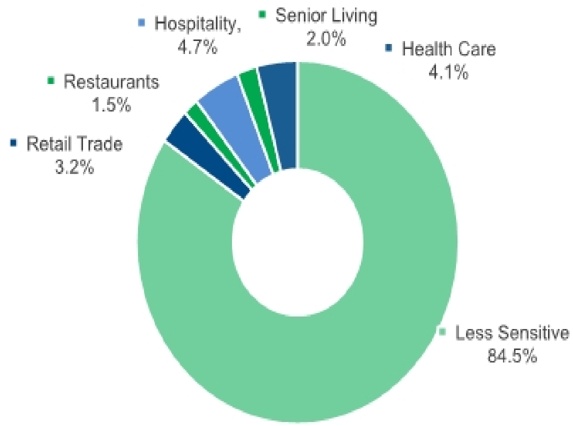
- As of October 31, ~$403 million in loans are in some form of a COVID Modification of which 91% of the balances are Commercial loans.
- ~$1.3 billion in Commercial loans rolled off their initial modification,
  - 50 clients totaling ~$86MM (~7% of dollars) rolled into a 2nd 90-day modification.
  - 11 of the 2nd modifications totaling ~$57 million are hotels
- ~70% of the remaining commercial loan modifications as of October 31 are under a payment deferral modification and ~30% have an interest only modification

# Asset Quality – COVID-19 Sensitive Loan Segments

**Total Loan Portfolio $ 14.4 billion at September 30, 2020**




**Segments Disrupted by COVID-19[1]: $2.7 Billion**




**Portfolio Highlights**

No significant exposure to Energy, Cruise or Passenger Aviation sectors

Atlantic Union Bankshares

Note: Figures may not total to 100% due to rounding
1) Disrupted segment data as of September 30, 2020

# COVID-19 Sensitive Loan Segment Details

| | Total Portfolio as of September 30, 2020 | | | | Remaining Modifications as of October 31, 2020 | | |
|---|---|---|---|---|---|---|---|
| | Count | Balance | Exposure | % of Total Loans | Count | Balance | % of Portfolio |
| **Retail Trade** | 1,194 | $546,125,148 | $638,028,796 | 3.8% | 14 | $5,893,620 | 1.1% |
| **Restaurant** | 570 | $223,069,527 | $230,546,641 | 1.6% | 17 | $9,224,660 | 4.1% |
| **Senior Living** | 53 | $293,068,903 | $314,351,514 | 2.0% | - | $ 0 | 0 % |
| **Hotels** | 239 | $676,329,303 | $776,381,633 | 4.7% | 23 | $128,863,989 | 19.1% |
| **Health Care** | 996 | $591,364,539 | $670,588,662 | 4.1% | 9 | $9,530,562 | 1.6% |
| **Total Sensitive Segments** | 3,052 | $2,329,957,419 | $2,629,897,245 | 16.2% | 63 | $153,512,831 | 6.6% |

| | |
|---|---|
| Retail Trade: | ~80% secured by real estate; 21% of clients in PPP |
| Restaurants: | Early modifications made; 85% secured by real estate; 24% of clients in PPP |
| Senior Living: | All clients have come off of modification |
| Hotel: | Primarily flagged non-resort hotel properties; 35% of clients in PPP |
| Health Care: | ~82% secured by real estate; 26% of clients in PPP |

Atlantic Union Bankshares

Note: Figures may not total to 100% due to rounding

# Strong Capital and Liquidity Position at September 30, 2020

| Capital Ratio | Regulatory Well Capitalized | Atlantic Union Bankshares* | Atlantic Union Bank* |
|---|---|---|---|
| Common Equity Tier 1 Ratio (CET1) | 7.0% | 10.0% | 12.0% |
| Tier 1 Capital Ratio | 8.5% | 11.2% | 12.0% |
| Total Risk Based Capital Ratio | 10.5% | 13.9% | 12.8% |
| Leverage Ratio | 5.0% | 8.8% | 9.5% |
| Tangible Common Equity Ratio (non-GAAP) | - | 7.9% | 9.4% |

*Capital information presented herein is based on estimates and subject to change pending the Company's filing of its regulatory reports

| Liquidity Sources (September 30, 2020) | Amount ($mm) |
|---|---|
| Total Cash and Cash Equivalents | $521 |
| Unpledged Investment Securities (market value) | $1,846 |
| FHLB Borrowing Availability | $2,302 |
| Fed Discount Window Availability | $233 |
| PPP Liquidity Facility Availability | $1,441 |
| Fed Funds Lines | $942 |
| Line of Credit at Correspondent Bank | $25 |
| Total Liquidity Sources | $7,311 |

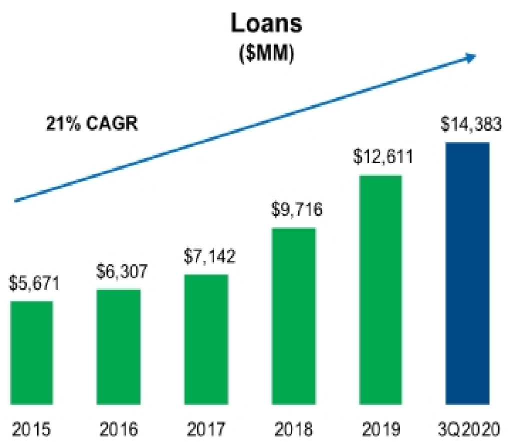
## Capital Management

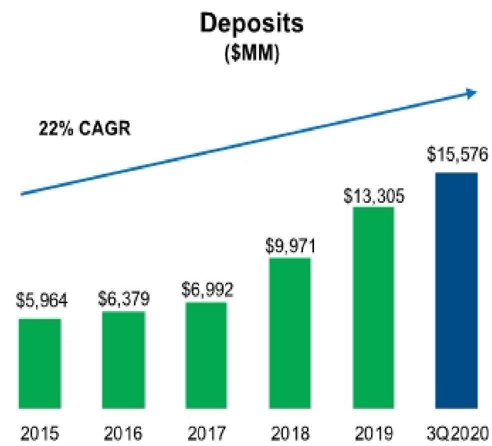
- Atlantic Union capital management objectives are to:
  - Maintain designation as a "well capitalized" institution
  - Ensure capital levels are commensurate with the Company's risk profile, capital stress test projections, and strategic plan objectives
- The Company's capital ratio's are well above regulatory well capitalized levels as of 9/30/2020
- During the third quarter, the Company paid dividends of $0.25 per common share and $156.60 per outstanding share of Series A Preferred Stock

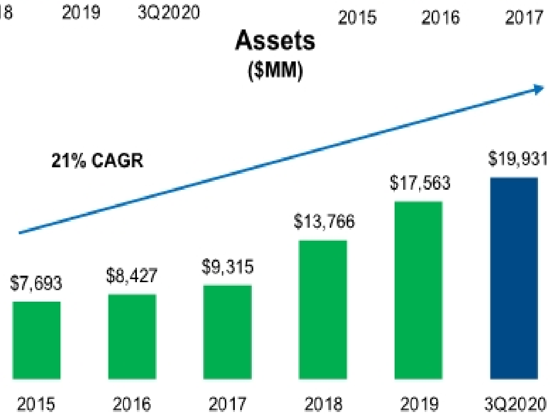
## Liquidity Management

- Strong liquidity metrics: ~$7.3 billion in cash, unpledged securities, and secured and unsecured borrowing capacity. Loans to Total Deposits Ratio of 92%.
- Holding company cash of $152.4 million with available dividend capacity (net of current year's dividends paid) of $210 million from bank to holding company without prior regulatory approval.

## Balance Sheet Trends (GAAP)



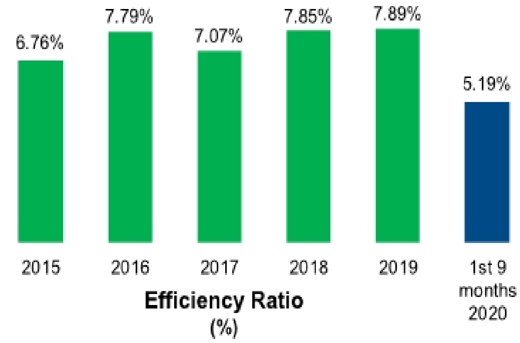

Atlantic Union Bankshares

Data as of or for the twelve months ended each respective year and for the nine months September 30, 2020

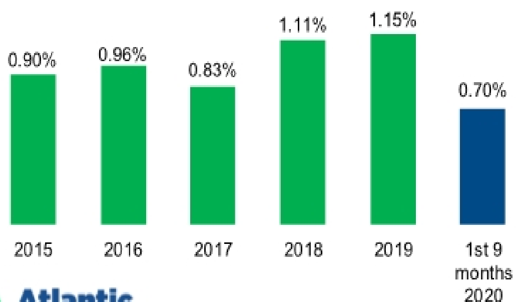
# Strong Track Record of Performance (GAAP) prior to 2020 COVID-19 Impact

**Earnings Per Share Available to Common Shareholders**
**($)**

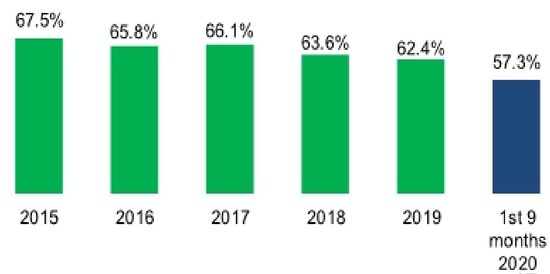

**Return on Equity (ROE)**
**(%)**




**Return on Assets (ROA)**
**(%)**




**Efficiency Ratio**
**(%)**

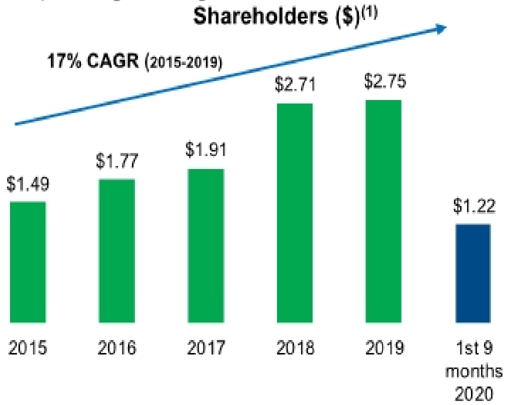



Atlantic Union Bankshares

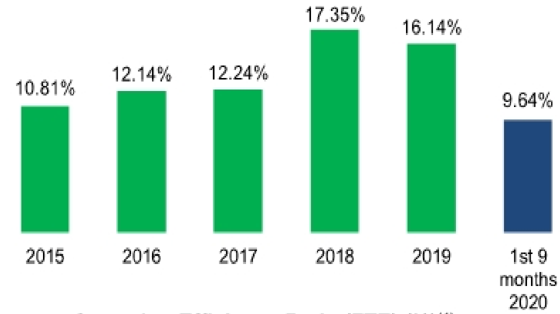
Data as of or for the twelve months ended each respective year, except for the nine months ended September 30, 2020

# Strong Track Record of Performance (Non-GAAP) prior to 2020 COVID-19 Impact

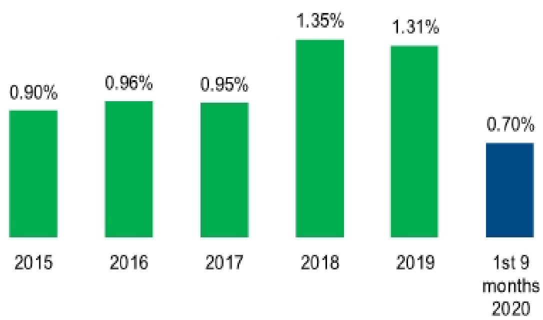
**Operating Earnings Per Share Available to Common Shareholders ($)(1)**



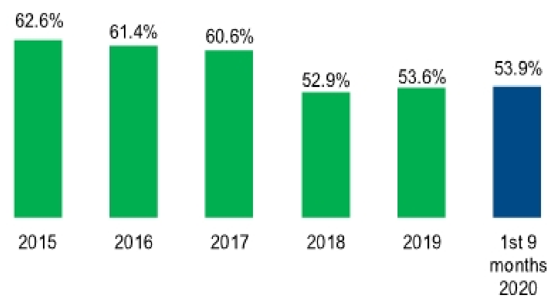

**Operating Return on Tangible Common Equity (ROTCE) (%)(1)**




**Operating Return on Assets (ROA) (%)(1)**




**Operating Efficiency Ratio (FTE) (%)(1)**

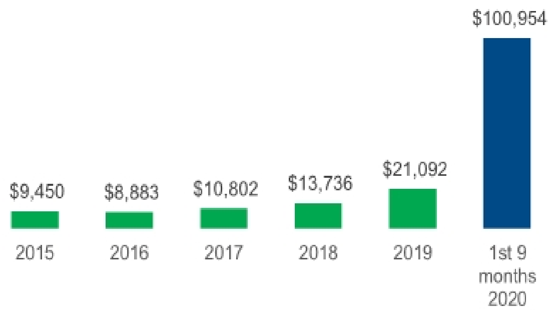



Atlantic Union Bankshares

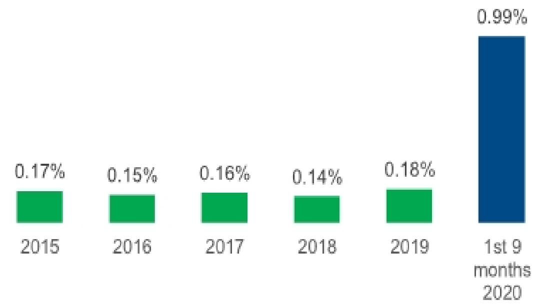
Data as of or for the twelve months ended each respective year, except for the nine months ended September 30, 2020
(1) Non-GAAP financial measure; See reconciliation to most directly comparable GAAP measure in "Appendix -- Reconciliation of Non-GAAP Disclosures"

# Credit Loss Trends (GAAP)

Provision for Credit Losses ($M)




Provision for Credit Losses as % of Average Loans (%)




Net Charge-offs ($M)

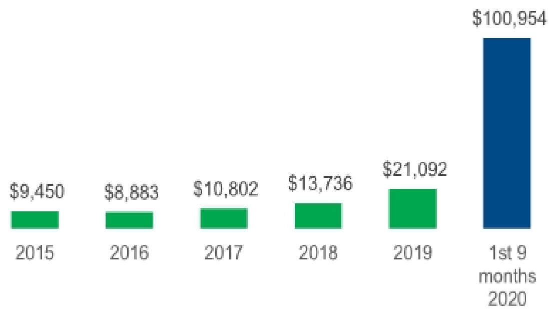

Net Charge-offs as % of Average Loans (%)


Atlantic Union Bankshares

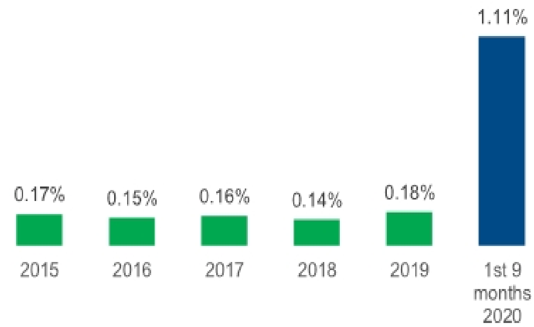
Data as of or for the twelve months ended each respective year, except for the nine months ended September 30, 2020

# Credit Loss Trends Excluding Impact of PPP loans (Non-GAAP)

**Provision for Credit Losses ($M)**

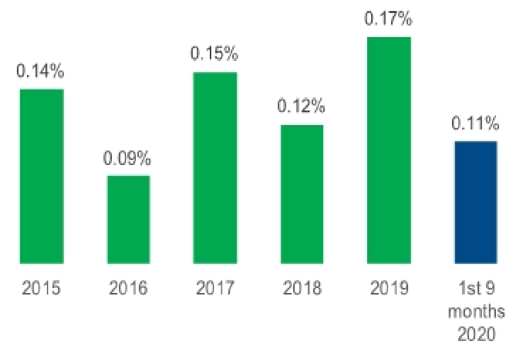



**Provision for Credit Losses as % of Average Loans (%)(1)**




**Net Charge-offs ($M)**


**Net Charge-offs as % of Average Loans (%)(1)**




Atlantic Union Bankshares

Data as of or for the twelve months ended each respective year, except for the nine months ended September 30, 2020
(1) Non-GAAP financial measure; See reconciliation to most directly comparable GAAP measure in "Appendix -- Reconciliation of Non-GAAP Disclosures"

## Q3 Allowance For Credit Loss (ACL) and Provision for Credit Losses

| *$ in millions* | Allowance for Loan & Lease Losses | Reserve for Unfunded Commitments | Allowance for Credit Losses |
|---|---|---|---|
| 12/31/2019 Ending Balance % of loans | $42MM<br>*.34%* | $1MM<br>*< .01%* | $43MM<br>*.34%* |
| CECL Adoption through Q2 2020 | **+$128MM**<br>• *$48MM - Day 1 increase from consumer loans (life of loan) and "double-count" on acquired loans*<br>• *$80MM - Day 2 increase attributable to COVID-19; large increase for COVID-19 sensitive portfolios* | **+$10MM**<br>• *$4MM – Day 1 adjustment for lifetime losses*<br>• *$6MM – Day 2 increase due to higher expected loss and funding rates related to COVID-19 environment* | **+$138MM**<br>• *Day 1 - $52 million Capital Cumulative Effect Adjustment of CECL Adoption*<br>• *Day 2 - $94 million Provision For Credit Losses including $8 million net charge-offs in Q1* |
| 6/30/2020 Ending Balance % of loans | $170MM<br>(1.19%;<br>*1.34% excl. PPP loans)* | $11MM<br>(.07%;<br>*.08% excl. PPP loans)* | $181MM<br>(1.26%;<br>*1.42% excl. PPP loans)* |
| Q3 2020 | **+$4MM**<br>• *Increase due to COVID-sensitive industries and uncertainty regarding future stimulus and path of virus* | **+$1MM**<br>• *Increase due to higher loss rate forecasts in COVID-sensitive industries and uncertainty* | **+$5MM**<br>• *$6.6 million Provision for Credit Losses including $1.4 million net charge-offs in Q3* |
| 9/30/2020 Ending Balance % of loans | $174MM<br>(1.21%;<br>*1.36% excl. PPP loans)* | *$12MM*<br>(.08%;<br>*.10% excl. PPP loans)* | *$186MM*<br>(1.29%;<br>*1.46% excl. PPP loans)* |

### Q3 Macroeconomic Forecast

Moody's September Forecast

- US GDP returns to pre-COVID levels in 2022. 2021 GDP forecasted at 3.5% growth relative to Moody's June forecast of 1.6% for 2021.
- US Unemployment Rate averages 8.4% in 2021 improved from Moody's June forecast of 9.3% average in 2021.
- Virginia's 2 year Unemployment Rate averages 6.3% and ends at just over 5% by the end of the 2-year forecast period, an improvement from a 2 year average rate of 6.8% and an ending rate of 6% in the June forecast.
- 2-year reasonable and supportable period; followed by reversion to the historical loss average over 2 years

### Q3 Additional Considerations

- Additional qualitative factors for COVID-19 sensitive portfolios and uncertainty regarding path of virus and future government stimulus
- Model results adjusted for existing stimulus and payment deferrals

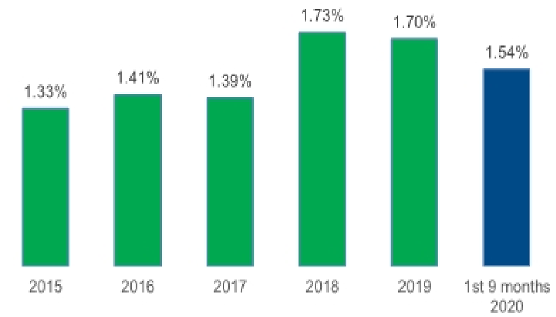
**Regulatory Capital:** Opted into 2 year CECL adoption capital impact delay with 25% of cumulative Day 2 impact added back to Common Equity Tier 1 capital through 2021. 3-year regulatory CECL capital phase-in begins in 2022

## Strong Track Record of Pre-tax pre-provision (PTPP) Performance (Non-GAAP)

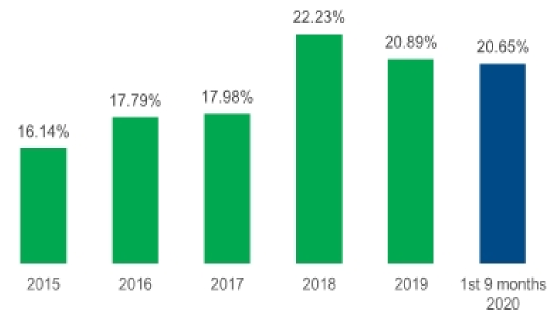
**PTPP Net Operating Earnings Available to Common Shareholders ($)(1)**


**PTPP Operating Earnings per Share Available to Common Shareholders, diluted (EPS) ($)(1)**


**PTPP Operating Return on Assets (ROA) (%)(1)**




**PTPP Operating Return on Tangible Common Equity (ROTCE) (%)(1)**




Atlantic Union Bankshares

Data as of or for the twelve months ended each respective year, except for the nine months ended Septmeber 30, 2020
(1) Non-GAAP financial measure; See reconciliation to most directly comparable GAAP measure in "Appendix – Reconciliation of Non-GAAP Disclosures"

## 2020 Operating Environment – Adapting to the New Reality

| Soundness | Profitability | Growth |
|---|---|---|

**During challenging times, it is important to remember our governing philosophy – "Soundness, Profitability, & Growth – in that order of priority"**

- This core philosophy is serving us well as we manage the Company through the current coronavirus pandemic crisis.

**We are managing through an unprecedented crisis that requires intense focus on the safety, soundness and profitability of the Company at this time. Growth is not our main focus. What we are doing now is:**

- **Taking care of our Teammates and clients –** they will remember how we treated them during this period.
- **Mitigating credit risk –** batten down the hatches and protect the Bank working with our business and consumer clients to assist them through these tough times.
- **Aligning the expense base to the new revenue reality –** ensure sustained top tier financial performance on the other side.

**We believe that by effectively managing through this crisis, we will become a stronger company that is well positioned to take advantage of growth opportunities as economic activity resumes aided by government support and stimulus.**

# Appendix

Atlantic Union Bankshares

# Atlantic Union's Long-Term Strategic Priorities

### Diversify Loan Portfolio and Revenue Streams

- Increase Commercial lending growth (Commercial & Industrial + Owner Occupied Real Estate) in order to better balance the total loan portfolio over time
- Grow fee-based products and services

### Grow Core Funding

- Fund loan growth with deposit growth; attain a 95% loan to deposit ratio over time
- Grow core deposits with particular focus on increasing commercial and small business operating accounts

### Manage to Higher Levels of Performance

- Achieve and sustain top tier financial performance
- Invest in talent, develop a culture of coaching and development, and align total rewards with corporate goals and objectives

### Strengthen Digital Capabilities

- Modernize customer experience with more digital capabilities
- Achieve digital parity with larger players especially in mass market/mass affluent
- Enhance features for wider usage and resolve top customer requests

### Make Banking Easier

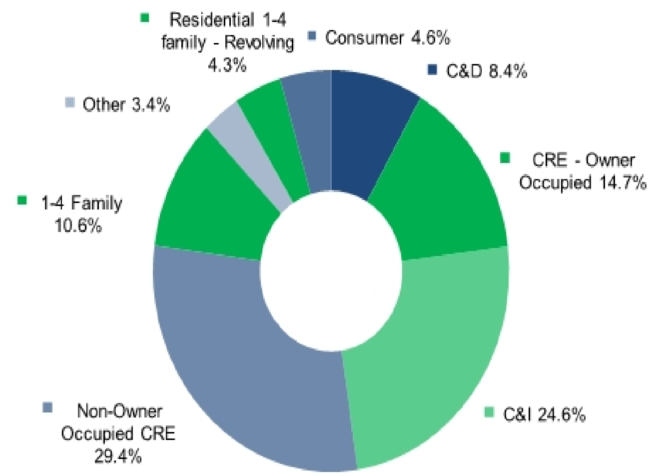
- Create compelling products and services
- Deliver hi-tech and hi-touch experiences
- Differentiated marketing highlighting our capabilities

### Capitalize on Strategic Opportunities

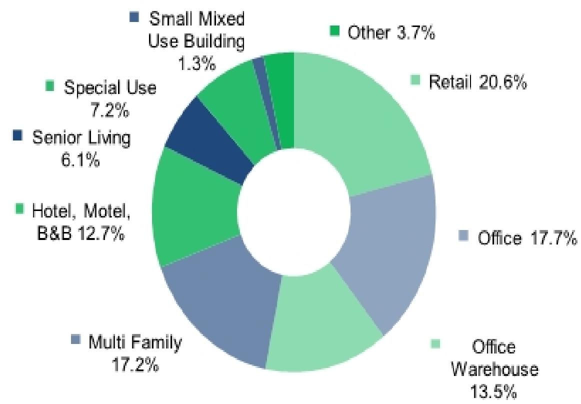
- Leverage commercial expertise and new market opportunities
- Market disruption opportunities

# Diversified and Granular Loan Portfolio

**Total Loan Portfolio $ 14.4 billion at September 30, 2020**




**Non-Owner Occupied CRE Composition - $4.2 Billion**




## Total Portfolio Characteristics

| | |
|---|---|
| Duration | 0.95 years |
| Q3 2020 Weighted Average Yield (Tax Equivalent) | 3.84% |

Atlantic Union Bankshares

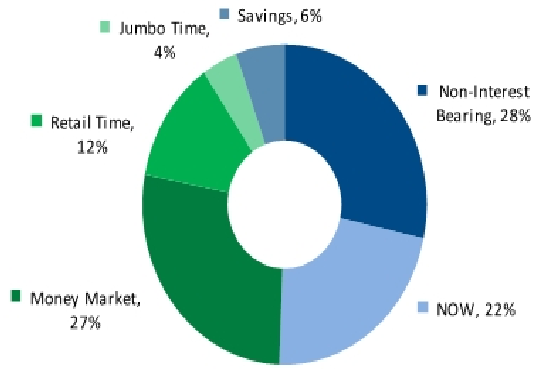
Note: Figures may not total to 100% due to rounding

# Attractive Core Deposit Base

**Deposit Base Characteristics**

- Q3 2020 Cost of deposits – 39 bps
- 96% core deposits (1)
- 50% transactional accounts

**Deposit Composition at September 30, 2020 - $15.6 Billion**




(1) Core deposits defined as total deposits less jumbo time deposits

# Reconciliation of Non-GAAP Disclosures

The Company has provided supplemental performance measures on a tax-equivalent, tangible, operating, adjusted or pre-tax pre-provision basis. These non-GAAP financial measures are a supplement to GAAP, which is used to prepare the Company's financial statements, and should not be considered in isolation or as a substitute for comparable measures calculated in accordance with GAAP. In addition, the Company's non-GAAP financial measures may not be comparable to non-GAAP financial measures of other companies. The Company uses the non-GAAP financial measures discussed herein in its analysis of the Company's performance. The Company's management believes that these non-GAAP financial measures provide additional understanding of ongoing operations, enhance comparability of results of operations with prior periods and show the effects of significant gains and charges in the periods presented without the impact of items or events that may obscure trends in the Company's underlying performance.

# Reconciliation of Non-GAAP Disclosures

Operating measures exclude merger and rebranding-related costs unrelated to the Company's normal operations. The Company believes these measures are useful to investors as they exclude certain costs resulting from acquisition activity and allow investors to more clearly see the combined economic results of the organization's operations. Additionally, the Company believes that return on tangible common equity (ROTCE) is a meaningful supplement to GAAP financial measures and useful to investors because it measures the performance of a business consistently across time without regard to whether components of the business were acquired or developed internally.

| OPERATING EARNINGS & FINANCIAL METRICS | | | | | | |
|---|---|---|---|---|---|---|
| | For the years ended December 31, | | | | | For the nine months ended |
| *(Dollars in thousands, except per share amounts)* | 2015 | 2016 | 2017 | 2018 | 2019 | September 30, 2020 |
| **Net income** | | | | | | |
| Net income (GAAP) | $ 67,079 | $ 77,476 | $ 72,923 | $ 146,248 | $ 193,528 | $ 98,798 |
| Plus: Merger and rebranding-related costs, net of tax | - | - | 4,405 | 32,065 | 27,395 | - |
| Plus: Nonrecurring tax expenses | - | - | 6,250 | - | - | - |
| Operating earnings (non-GAAP) | $ 67,079 | $ 77,476 | $ 83,578 | $ 178,313 | $ 220,923 | $ 98,798 |
| Less: Dividends on preferred stock | - | - | - | - | - | 2,691 |
| Net operating earnings available to common shareholders (non-GAAP) | $ 67,079 | $ 77,476 | $ 83,578 | $ 178,313 | $ 220,923 | $ 96,107 |
| **Earnings per share (EPS)** | | | | | | |
| Weighted average common shares, diluted | 45,138,891 | 43,890,271 | 43,779,744 | 65,908,573 | 80,263,557 | 78,921,108 |
| EPS available to common shareholders, diluted (GAAP) | $ 1.49 | $ 1.77 | $ 1.67 | $ 2.22 | $ 2.41 | $ 1.22 |
| Operating EPS available to common shareholders (non-GAAP) | $ 1.49 | $ 1.77 | $ 1.91 | $ 2.71 | $ 2.75 | $ 1.22 |
| **Return on assets (ROA)** | | | | | | |
| Average assets | $ 7,492,895 | $ 8,046,305 | $ 8,820,142 | $ 13,181,609 | $ 16,840,310 | $ 18,837,580 |
| ROA (GAAP) | 0.90% | 0.96% | 0.83% | 1.11% | 1.15% | 0.70% |
| Operating ROA (non-GAAP) | 0.90% | 0.96% | 0.95% | 1.35% | 1.31% | 0.70% |
| **Return on equity (ROE)** | | | | | | |
| Net operating earnings available to common shareholders, diluted (non-GAAP) | $ 67,079 | $ 77,476 | $ 83,578 | $ 178,313 | $ 220,923 | $ 96,107 |
| Plus: Amortization of intangibles, net of tax | 5,489 | 4,687 | 3,957 | 10,143 | 14,632 | 10,014 |
| Net operating earnings available to common shareholders before amortization of intangibles (non-GAAP) | $ 72,568 | $ 82,163 | $ 87,535 | $ 188,456 | $ 235,555 | $ 106,121 |
| Average equity (GAAP) | $ 991,977 | $ 994,785 | $ 1,030,847 | $ 1,863,216 | $ 2,451,435 | $ 2,541,856 |
| Less: Average intangible assets | 320,906 | 318,131 | 315,722 | 776,944 | 991,926 | 1,002,690 |
| Less: Average preferred stock | - | - | - | - | - | 69,248 |
| Average tangible common equity (non-GAAP) | $ 671,071 | $ 676,654 | $ 715,125 | $ 1,086,272 | $ 1,459,509 | $ 1,469,918 |
| ROE (GAAP) | 6.76% | 7.79% | 7.07% | 7.85% | 7.89% | 5.19% |
| Operating ROTCE (non-GAAP) | 10.81% | 12.14% | 12.24% | 17.35% | 16.14% | 9.64% |

Atlantic Union Bankshares

# Reconciliation of Non-GAAP Disclosures

Pre-tax pre-provision (PTPP) earnings excludes the provision for credit losses, which can fluctuate significantly from period-to-period under the recently adopted CECL methodology and income tax expense. The Company believes this measure is useful to investors as it excludes certain costs resulting from acquisition activity as well as the potentially volatile provision measure, and allows for greater comparability with others in the industry and for investors to more clearly see the combined economic results of the organization's operations. In addition, the Company believes that PTPP earnings excluding the amortization of intangibles helps illustrate the Company's core operating performance.

Additionally, the Company believes that return on tangible common equity (ROTCE) is a meaningful supplement to GAAP financial measures and useful to investors because it measures the performance of a business consistently across time without regard to whether components of the business were acquired or developed internally.

| PRE-TAX PRE-PROVISION OPERATING EARNINGS | | | | | | |
|---|---|---|---|---|---|---|
| | For the years ended December 31, | | | | | For the nine months ended |
| *(Dollars in thousands, except per share amounts)* | 2015 | 2016 | 2017 | 2018 | 2019 | September 30, 2020 |
| **Net income** | | | | | | |
| Net income (GAAP) | $ 67,079 | $ 77,476 | $ 72,923 | $ 146,248 | $ 193,528 | $ 98,798 |
| Plus: Provision for credit losses | 9,450 | 8,883 | 10,802 | 13,736 | 21,092 | 100,954 |
| Plus: Income tax expense | 23,309 | 26,779 | 33,387 | 28,901 | 37,497 | 17,506 |
| Plus: Merger and rebranding-related costs | - | - | 5,393 | 39,728 | 34,279 | - |
| PTPP operating earnings (non-GAAP) | $ 99,838 | $ 113,138 | $ 122,505 | $ 228,613 | $ 286,396 | $ 217,258 |
| Less: Dividends on preferred stock | - | - | - | - | - | 2,691 |
| PTPP net operating earnings available to common shareholders (non-GAAP) | $ 99,838 | $ 113,138 | $ 122,505 | $ 228,613 | $ 286,396 | $ 214,567 |
| **Earnings per share (EPS)** | | | | | | |
| Weighted average common shares, diluted | 45,138,891 | 43,890,271 | 43,779,744 | 65,908,573 | 80,263,557 | 78,921,108 |
| EPS available to common shareholders , diluted (GAAP) | $ 1.49 | $ 1.77 | $ 1.67 | $ 2.22 | $ 2.41 | $ 1.22 |
| PPTP Operating EPS available to common shareholders, diluted (non-GAAP) | $ 2.21 | $ 2.58 | $ 2.80 | $ 3.47 | $ 3.57 | $ 2.72 |
| **Return on assets (ROA)** | | | | | | |
| Average assets | $ 7,492,895 | $ 8,046,305 | $ 8,820,142 | $ 13,181,609 | $ 16,840,310 | $ 18,837,580 |
| ROA (GAAP) | 0.90% | 0.96% | 0.83% | 1.11% | 1.15% | 0.70% |
| PTPP operating ROA (non-GAAP) | 1.33% | 1.41% | 1.39% | 1.73% | 1.70% | 1.54% |
| **Return on equity (ROE)** | | | | | | |
| PTPP operating earnings (non-GAAP) | $ 99,838 | $ 113,138 | $ 122,505 | $ 228,613 | $ 286,396 | $ 217,258 |
| Plus: Amortization of intangibles | 8,445 | 7,210 | 6,088 | 12,839 | 18,521 | 10,014 |
| | $ 108,283 | $ 120,348 | $ 128,593 | $ 241,452 | $ 304,917 | $ 227,272 |
| PTPP net operating earnings before amortization of intangibles (non-GAAP) | | | | | | |
| Average equity (GAAP) | $ 991,977 | $ 994,785 | $ 1,030,847 | $ 1,863,216 | $ 2,451,435 | $ 2,541,856 |
| Less: Average intangible assets | 320,906 | 318,131 | 315,722 | 776,944 | 991,926 | 1,002,690 |
| Less: Average preferred stock | - | - | - | - | - | 69,248 |
| Average tangible common equity (non-GAAP) | $ 671,071 | $ 676,654 | $ 715,125 | $ 1,086,272 | $ 1,459,509 | $ 1,469,918 |
| ROE (GAAP) | 6.76% | 7.79% | 7.07% | 7.85% | 7.89% | 5.19% |
| PTPP operating ROTCE (non-GAAP) | 16.14% | 17.79% | 17.98% | 22.23% | 20.89% | 20.65% |

Atlantic Union Bankshares

# Reconciliation of Non-GAAP Disclosures

The operating efficiency ratio (FTE) excludes the amortization of intangible assets and merger-related costs. This measure is similar to the measure utilized by the Company when analyzing corporate performance and is also similar to the measure utilized for incentive compensation. The Company believes this measure is useful to investors as it excludes certain costs resulting from acquisition activity allowing for greater comparability with others in the industry and allowing investors to more clearly see the combined economic results of the organization's operations.

| OPERATING EFFICIENCY RATIO | | | | | | |
|---|---|---|---|---|---|---|
| | For the years ended December 31, | | | | | For the nine months ended |
| *(Dollars in thousands)* | 2015 | 2016 | 2017 | 2018 | 2019 | September 30, 2020 |
| Noninterest expense (GAAP) | $ 206,310 | $ 213,090 | $ 225,668 | $ 337,767 | $ 418,340 | $ 291,681 |
| Less: Merger and rebranding-related costs | - | - | 5,393 | 39,728 | 34,279 | - |
| Less: Amortization of intangible assets | 8,445 | 7,210 | 6,088 | 12,839 | 18,521 | 12,676 |
| Operating noninterest expense (non-GAAP) | $ 197,865 | $ 205,880 | $ 214,187 | $ 285,200 | $ 365,540 | $ 279,005 |
| | | | | | | |
| Net interest income (GAAP) | $ 250,450 | $ 263,966 | $ 279,007 | $ 426,691 | $ 537,872 | $ 409,694 |
| FTE adjustment | 10,463 | 11,428 | 11,767 | 8,195 | 11,121 | 8,462 |
| Net interest income (FTE) (non-GAAP) | $ 260,913 | $ 275,394 | $ 290,774 | $ 434,886 | $ 548,993 | $ 418,156 |
| Noninterest income (GAAP) | $ 54,993 | $ 59,849 | $ 62,429 | $ 104,241 | $ 132,815 | $ 99,245 |
| | | | | | | |
| Efficiency ratio (GAAP) | 67.5% | 65.8% | 66.1% | 63.6% | 62.4% | 57.3% |
| Operating efficiency ratio (non-GAAP) | 62.6% | 61.4% | 60.6% | 52.9% | 53.6% | 53.9% |

# Reconciliation of Non-GAAP Disclosures

Tangible common equity is used in the calculation of certain profitability, capital, and per share ratios. The Company believes tangible common equity and the related ratios are meaningful measures of capital adequacy because they provide a meaningful base for period-to-period and company-to-company comparisons, which the Company believes will assist investors in assessing the capital of the Company and its ability to absorb potential losses.

| TANGIBLE COMMON EQUITY | | |
|---|---|---|
| | As of September 30, 2020 | |
| *(Dollars in thousands)* | Atlantic Union Bankshares | Atlantic Union Bank |
| Assets (GAAP) | $ 19,930,650 | $ 19,882,017 |
| Less: Intangible assets | 996,628 | 996,628 |
| Tangible assets (non-GAAP) | $ 18,934,022 | $ 18,885,389 |
| Less: PPP loans | 1,600,577 | |
| Tangible assets, excl PPP (non-GAAP) | $ 17,333,445 | |
| | | |
| Common equity (GAAP) | $ 2,494,528 | $ 2,776,489 |
| Less: Intangible assets | 996,628 | 996,628 |
| Tangible common equity (non-GAAP) | $ 1,497,900 | $ 1,779,861 |
| | | |
| Common equity to assets (GAAP) | 12.5% | 14.0% |
| Tangible common equity to tangible assets (non-GAAP) | 7.9% | 9.4% |
| Tangible common equity to tangible assets, excl PPP (non-GAAP) | 8.6% | |
| | | |
| Book value per common share (GAAP) | $ 31.86 | |
| Tangible book value per common share (non-GAAP) | $ 19.13 | |

# Reconciliation of Non-GAAP Disclosures

Paycheck Protection Program (PPP) adjustment excludes the SBA guaranteed loans funded during the first half of 2020. The Company believes loans held for investment (net of deferred fees and costs), excluding PPP is useful to investors as it provides more clarity on the Company's organic growth. The Company also believes that the related non-GAAP financial measures of both provision for credit losses and net charge-offs as a percentage of average loans, excluding PPP, are useful to investors as loans originated under the PPP carry an SBA guarantee and because of the size of the Company's PPP originations and the impact of the embedded credit enhancement provided by the SBA guarantee.

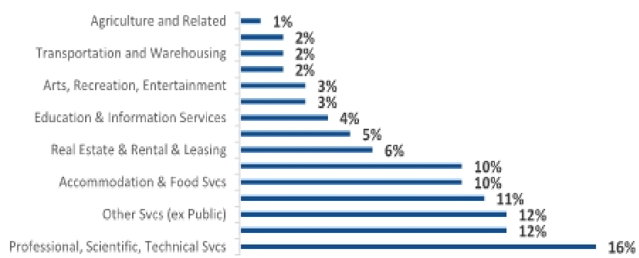
| CREDIT LOSS METRICS | | | | | | |
|---|---|---|---|---|---|---|
| | For the years ended December 31, | | | | | For the nine months ended |
| *(Dollars in thousands)* | 2015 | 2016 | 2017 | 2018 | 2019 | September 30, 2020 |
| Provision for credit losses (GAAP) | $ 9,450 | $ 8,883 | $ 10,802 | $ 13,736 | $ 21,092 | $ 100,954 |
| Net charge-offs | 7,608 | 5,530 | 10,055 | 11,062 | 20,876 | 9,669 |
| Average loans held for investment (GAAP) | $ 5,487,367 | $ 5,956,125 | $ 6,701,101 | $ 9,584,785 | $ 11,949,171 | $ 13,639,401 |
| Less: PPP adjustment | - | - | - | - | - | 1,457,091 |
| Average loans held for investment, excluding PPP (non-GAAP) | $ 5,487,367 | $ 5,956,125 | $ 6,701,101 | $ 9,584,785 | $ 11,949,171 | $ 12,182,310 |
| Provision for credit losses as % of average loans (GAAP) | 0.17% | 0.15% | 0.16% | 0.14% | 0.18% | 0.99% |
| Provision for credit losses as % of average loans, adjusted for PPP (non-GAAP) | 0.17% | 0.15% | 0.16% | 0.14% | 0.18% | 1.11% |
| Net charge-offs as % of average loans (GAAP) | 0.14% | 0.09% | 0.15% | 0.12% | 0.17% | 0.09% |
| Net charge-offs as % of average loans, adjusted for PPP (non-GAAP) | 0.14% | 0.09% | 0.15% | 0.12% | 0.17% | 0.11% |

# Paycheck Protection Program (PPP)

| SBA Tier | # of SBA Approved | Mix | $ of SBA Approved | Mix | Average Loan | Median Loan |
|---|---|---|---|---|---|---|
| $2 million to $10 million | 119 | 1% | $ 409,000,000 | 25% | $ 3,437,000 | $ 3,068,000 |
| >$350,000 to <$2 million | 846 | 7% | $ 630,000,000 | 38% | $ 745,000 | $ 600,000 |
| >$150,000 to $350,000 | 1,121 | 10% | $ 255,000,000 | 15% | $ 227,000 | $ 217,000 |
| >$50,000 to $150,000 | 2,647 | 23% | $ 231,000,000 | 14% | $ 87,000 | $ 82,000 |
| Up to $50,000 | 6,941 | 59% | $ 127,000,000 | 8% | $ 18,000 | $ 16,000 |
| Total | 11,674 | 100% | $ 1,652,000,000 | 100% | $ 142,000 | $ 36,000 |

- AUB had 11.1% of dollar share for VA loans, compared to deposit market share of 7%
- AUB effectively shared the top spot for number of PPP loans originated in VA and was #1 among VA headquartered banks
- AUB had nearly twice the count as the nearest VA headquartered bank
- AUB outperformed other banks based on relative branch footprint
- 9,581 loans of < $150,000 totaling $356.6 million

Industry Distribution of PPP Loans




Atlantic Union Bankshares

1) Dollars of SBA loans approved excludes $50 million in approved loans withdrawn under the safe harbor provision
Deposit data as of 6/30.19 and excludes branches with deposits greater than $5 billion
PPP data as of June 30, 2020. Figures may not total to 100% due to rounding

# Paycheck Protection Program (PPP)

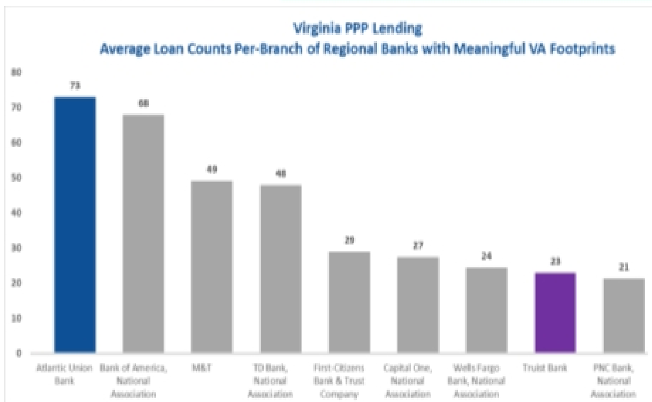
**SBA PPP Approved Loans for Virginia**
**Ranking of Top 10 Lenders in VA**

*Italics indicates a VA HQ'd Lender*

| Rank | Lender | Count of Loans | % of Total |
|---|---|---|---|
| 1 | Truist Bank | 10,203 | 9.3% |
| **2** | ***Atlantic Union Bank*** | **10,197** | **9.3%** |
| 3 | Bank of America, National Association | 8,487 | 7.8% |
| 4 | Wells Fargo Bank, National Association | 6,247 | 5.7% |
| 5 | *Towne Bank* | 5,126 | 4.7% |
| 6 | Celtic Bank Corporation | 2,934 | 2.7% |
| 7 | United Bank | 2,845 | 2.6% |
| 8 | Kabbage, Inc. | 2,667 | 2.4% |
| 9 | Cross River Bank | 2,512 | 2.3% |
| 10 | *The First Bank and Trust Company* | 2,216 | 2.0% |
| | Top 10 Financial Institutions Lending in VA | 53,434 | 49% |
| | All Institutions in Lending in VA | 109,227 | 100% |

**SBA PPP Approved Loans for Virginia**
**Ranking of Banks Headquartered in VA**

| VA HQ'd Bank Rank | Lender | Count of Loans | % of Total |
|---|---|---|---|
| **1** | **Atlantic Union Bank** | **10,197** | **27.7%** |
| 2 | Towne Bank | 5,126 | 13.9% |
| 3 | The First Bank and Trust Company | 2,216 | 6.0% |
| 4 | Sonabank | 2,192 | 5.9% |
| 5 | Navy FCU | 1,356 | 3.7% |
| 6 | Citizens and Farmers Bank | 1,214 | 3.3% |
| 7 | Capital One, National Association | 1,204 | 3.3% |
| 8 | The Old Point National Bank of Phoebus | 1,096 | 3.0% |
| 9 | Burke & Herbert Bank & Trust Company | 1,049 | 2.8% |
| 10 | Chesapeake Bank | 933 | 2.5% |
| | Top 10 Financial Institutions Headquartered in VA | 26,583 | 72% |
| | All Institutions Headquartered in VA | 36,843 | 100% |




Each institution's total count of Virginia loans also noted

Note: Virginia branches: AUB 140 Truist 445

Atlantic Union Bankshares