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Associated Banc-Corp

March 2021
RBC Capital Markets
Global Financials
Conference

Investor Presentation

Associated Bank
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ASB LISTED NYSE

March 8, 2021

Forward-Looking Statements

Important note regarding forward-looking statements:

Statements made in this presentation which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. Such forward-looking statements may be identified by the use of words such as "believe," "expect," "anticipate," "plan," "estimate," "should," "will," "intend," "target," "outlook" or similar expressions. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in the Company's most recent Form 10-K and subsequent Form 10-Qs and other SEC filings, and such factors are incorporated herein by reference.

Trademarks:

Presentation:

Within the charts and tables presented, certain segments, columns and rows may not sum to totals shown due to rounding.

Non-GAAP Measures:

This presentation includes certain non-GAAP financial measures. These non-GAAP measures are provided in addition to, and not as substitutes for, measures of our financial performance determined in accordance with GAAP. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

Our Franchise

Fourth Quarter 2020[1]

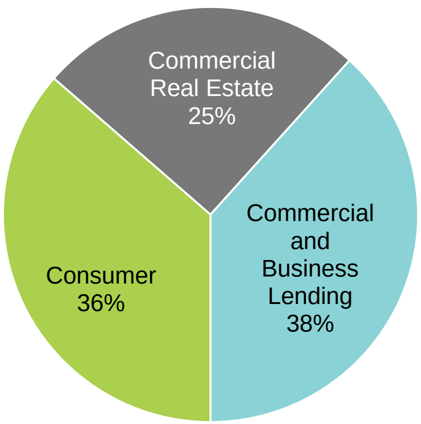
$33 billion of assets

$24 billion of loans

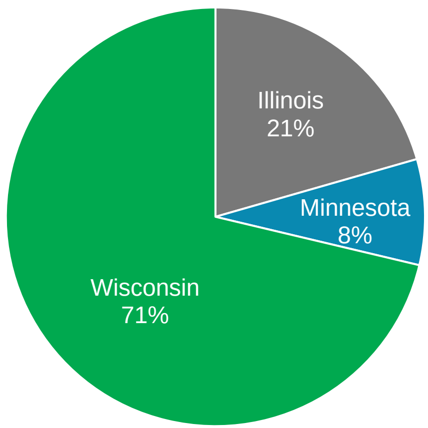
$4 billion of equity

$26 billion of deposits

4Q 2020 End of Period Loan Composition[2]



Deposit Location[3]



Highlights and Accomplishments

- Largest bank headquartered in Wisconsin[4]
- Approximately 4,100[1] employees, servicing 1.3 million customer accounts in 8 states and over 120 communities[1]
- Wisconsin's #1 Mortgage Lender[5]

Affinity Programs

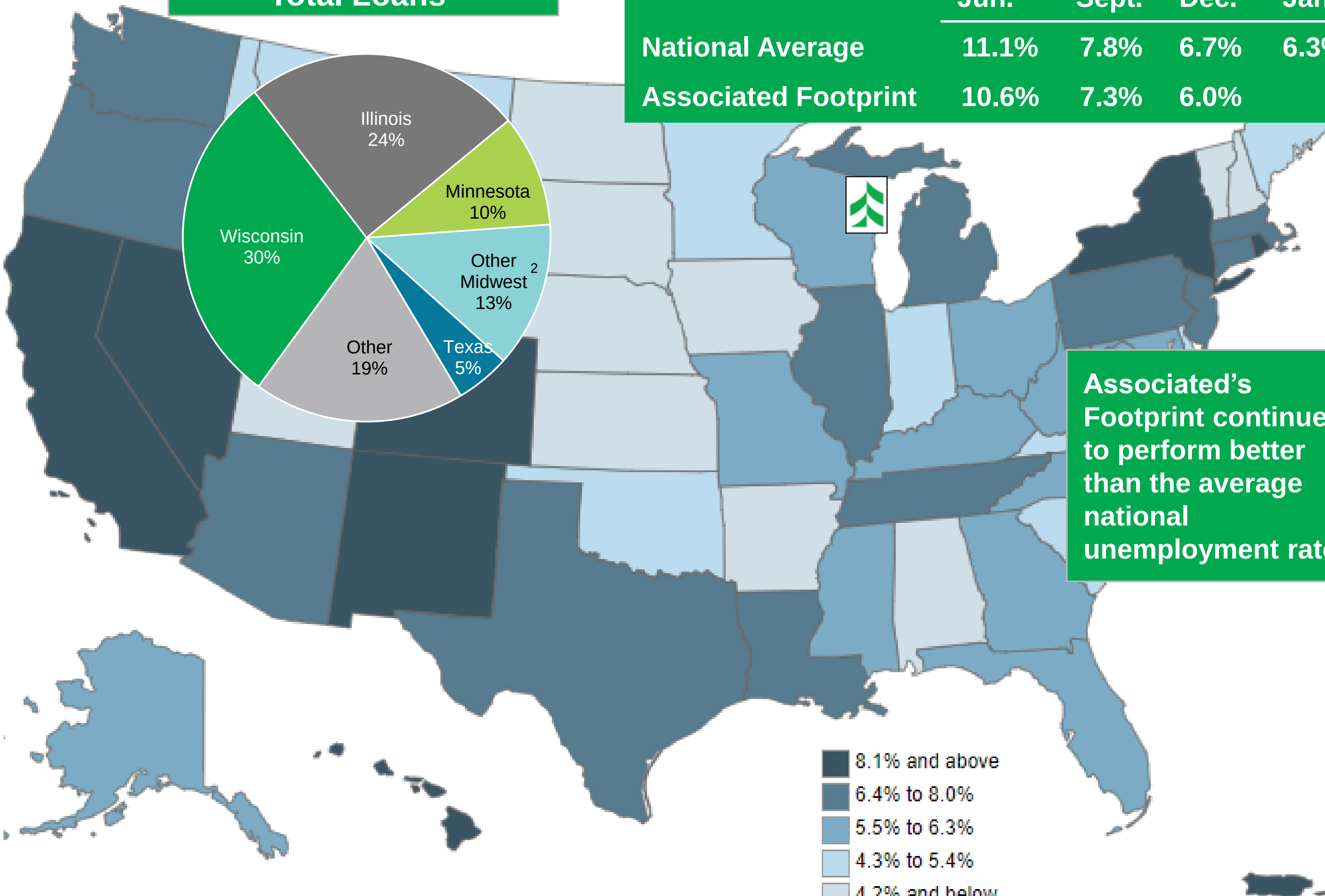
~40% of checking accounts are affinity related[6]

[1] As of December 31, 2020.
[2] Excludes loans held for sale.
[3] FDIC Summary of Deposits data as of June 30, 2020.
[4] Based on assets, as of December 31, 2020.
[5] The Wisconsin's #1 Mortgage Lender and Leading Lender in the Midwest designations are based on originated, closed-end mortgage loan count, gathered from the Home Mortgage Disclosure Act data compiled annually by the Consumer Financial Protection Bureau. The results of the data were obtained through the Consumer Financial Protection Bureau Mortgage Database (HMDA), August 2020.
[6] Affinity checking accounts as a percentage of total checking accounts, as of December 31, 2020.

Market Perspective

Our core markets are benefiting from less volatile and more resilient employment trends

Total Loans[1]



	Jun.	Sept.	Dec.	Jan.
National Average	11.1%	7.8%	6.7%	6.3%
Associated Footprint	10.6%	7.3%	6.0%	

Associated's Footprint continues to perform better than the average national unemployment rate.

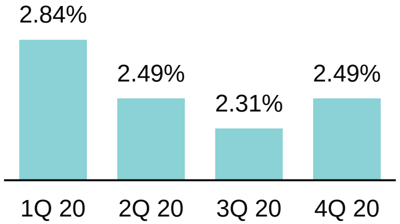
[1] As of 12/31/2020; excludes $313 million Other consumer portfolio.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.
Unemployment map source: U.S. Bureau of Labor Statistics as of 1/31/2021; ASB footprint shown as simple average of the 8 states where we operate

2020: Managing a Tumultuous Year

($ in millions except per share data)

Active NIM Management

(Quarterly NIM)



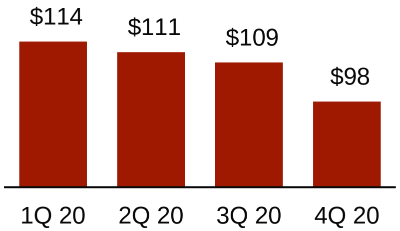
FY 2020 NIM 2.53%

We managed our margin through the low rate environment...

- Reduced the cost of funding across the bank
- Increased C&I loan spreads
- Minimized our investments and wholesale funding

Proactive Cost Saving Initiatives

(Quarterly personnel expense)



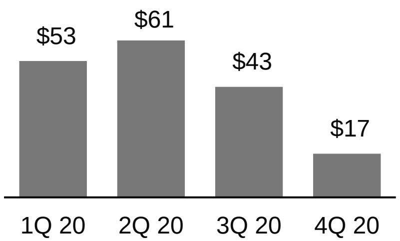
FY 2020 personnel expense down 11% YoY

...and completed cost saving initiatives...

- Further rationalized our branch network by 9%[1]
- Reduced staffing levels by 12%[1]
- Back office streamlining drove additional savings

Improving Credit Position

(Quarterly provision expense)



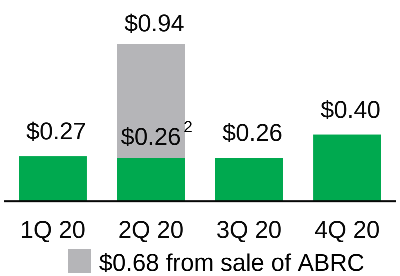
Quarterly provision for credit losses declining

...while continuing to produce improving credit quality metrics...

- Provision peaked in 2Q and has been declining
- Net reserve release for the fourth quarter of 2020
- Improving economic and portfolio outlook

Increasing Earnings

(Quarterly EPS)



FY 2020 GAAP EPS of $1.86 and adjusted EPS[2] of $1.19

...which has driven increasing EPS

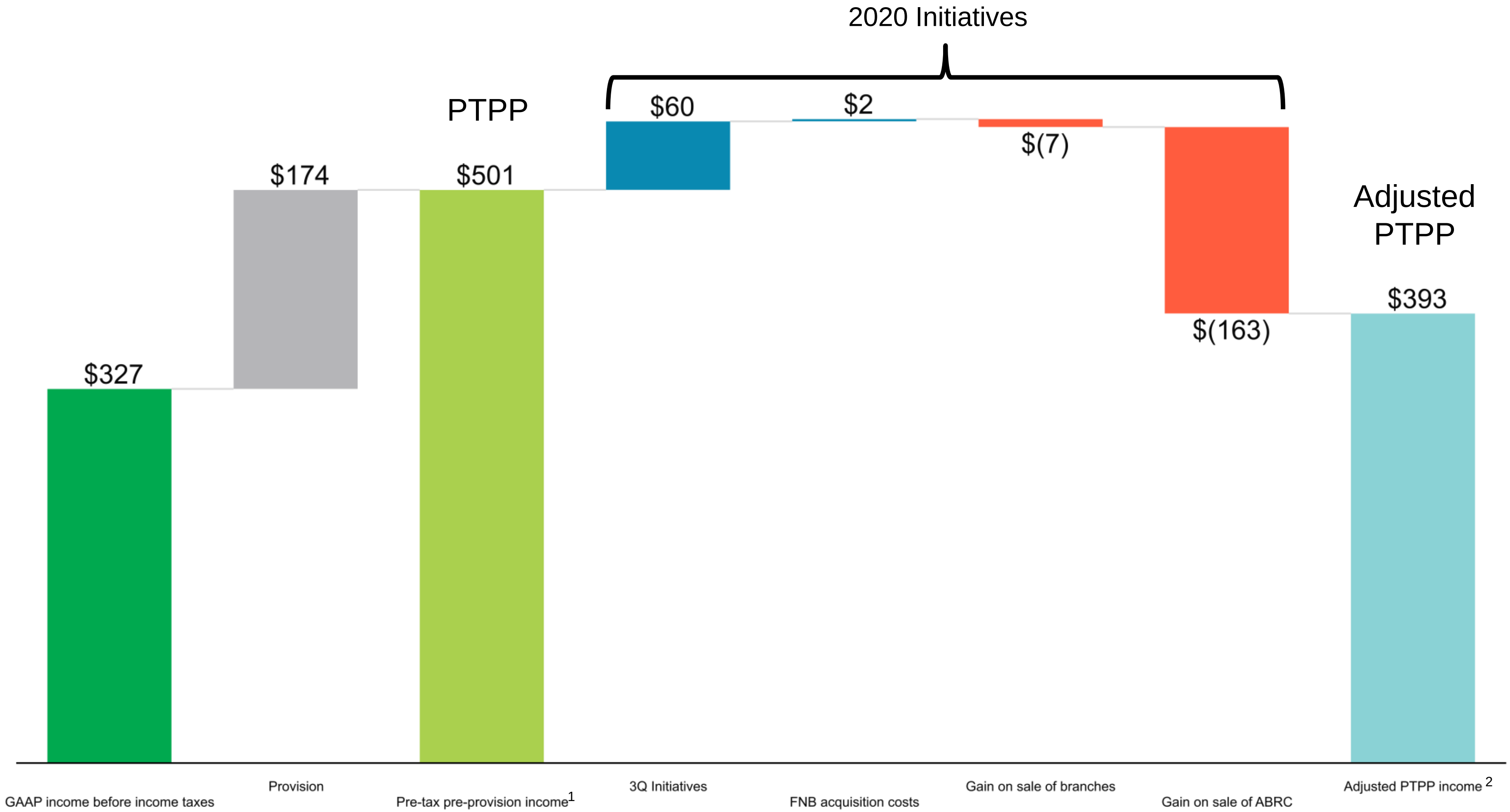
- Full year 2020 GAAP EPS was $1.86 as compared to $1.91 in 2019
- The cost saving initiatives executed during the year, along with reduced provision, were key drivers in the 54% increase to EPS from 3Q to 4Q

[1] Down from 12/31/2019.
[2] A non-GAAP measure. Please refer to the appendix for a reconciliation of adjusted earnings per common share to earnings per common share.

2020 Pre-Tax Pre-Provision

2020 included multiple cost saving initiatives and asset sales which drove PTPP higher YoY

($ in millions)

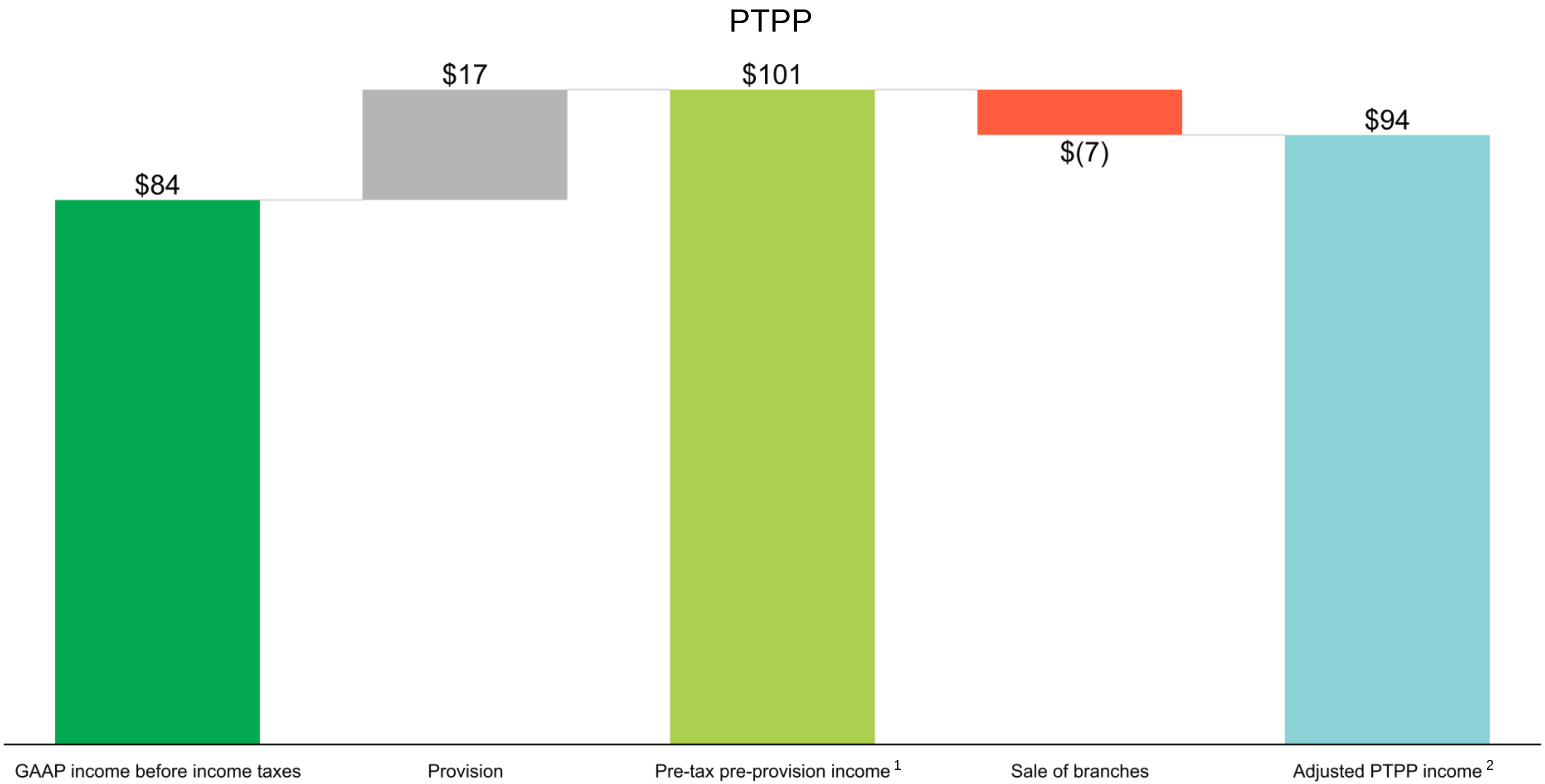


[1] A non-GAAP measure. Please refer to the appendix for a reconciliation of pre-tax pre-provision income to income before income taxes.
[2] A non-GAAP measure. Please refer to the appendix for a reconciliation of adjusted pre-tax pre-provision income to income before income taxes.

4Q 2020 PTPP Walkforward

4Q 2020 PTPP income excluding gain on sale of branches of $94 million

($ in millions)



[1] A non-GAAP measure. Please refer to the appendix for a reconciliation of pre-tax pre-provision income to income before income taxes.
[2] A non-GAAP measure. Please refer to the appendix for a reconciliation of adjusted pre-tax pre-provision income to income before income taxes.

Updated 2021 Outlook

We are reiterating our balance sheet, fee and expense guidance; and updating our credit outlook

Balance Sheet Management

- Commercial loan growth, excluding PPP, of 2-4%
- Full year margin of 2.55% to 2.65%
- Target investments / total assets ratio of 15%

Expense Management

- We expect 2021 expenses of approximately $675 million
- Full-year effective tax rate expected to be between 18-21%

Fee Businesses

- Noninterest income of $280 million to $300 million
- Mortgage banking revenue expected to moderate
- Wealth management fees are expected to be approximately $6 million lower in 2021 due to the strategic sale of Whitnell **(sale closed on March 1st)**

Capital & Credit Management

- Target TCE at or above 7.5%
- Target CET1 at or above 9.5%
- **Expect a negative 1Q provision**
- **Expect provision to range between $10-$20 million per quarter in each of 2Q, 3Q and 4Q 2021**
- Resumed share repurchases in 1Q 2021

Line of Business Profiles

Balanced Business Segments[1]

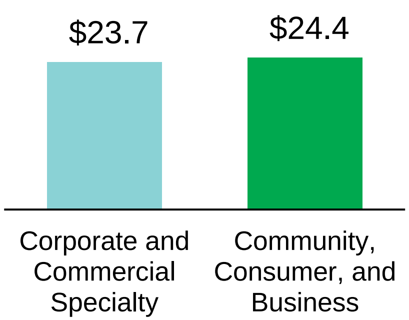
Corporate and Commercial Specialty

- Corporate Banking
- Commercial Real Estate
- Wealth Management

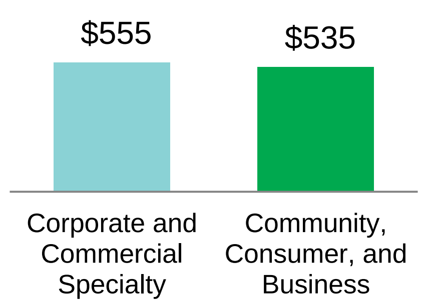
Community, Consumer, and Business

- Consumer and Business Banking
- Community Markets

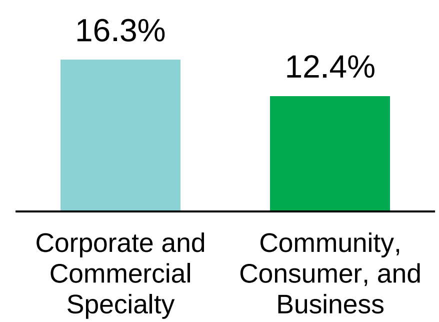
Average Loans and Deposit Footings
($ in billions)



Net Interest Income and Noninterest Income
($ in millions)



Return on Average Allocated Capital



[1] For the year ended December 31, 2020 excluding Associated Benefits & Risk Consulting (ABRC) and Risk Management and Shared Services.

Corporate Banking

Corporate and Commercial Specialty Segment

Business Units

- Corporate Lending
- Specialized Lending Verticals
- Commercial Deposits and Treasury Management
- Commercial Products and Services

2020 Overview

- $13.9 billion in average loans and deposits
- 5 offices across 3 states
- ~240 colleagues

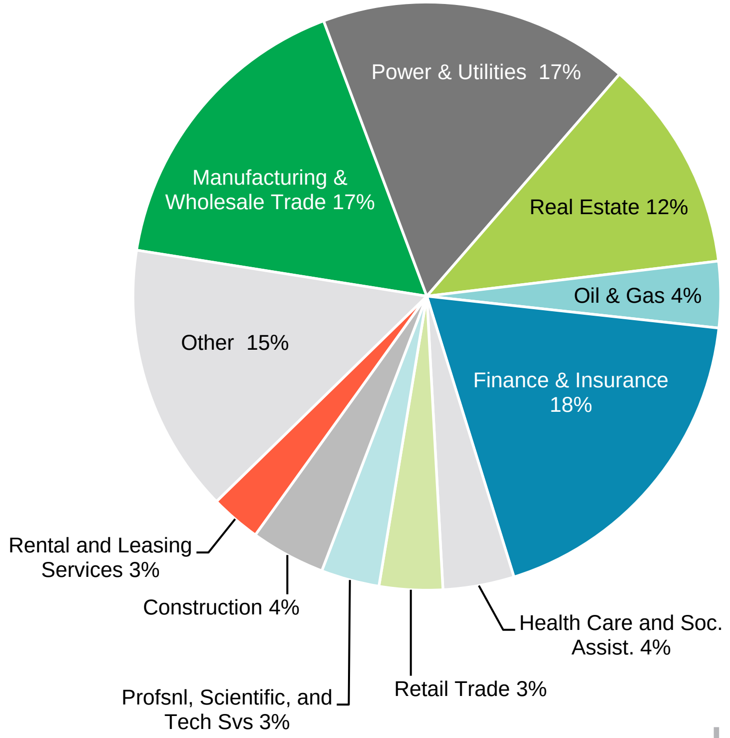
Creative, relationship-oriented teams build loyal, long-lasting client relationships

- **Corporate Lending** serves large and complex customers, including **Specialized Industries**
- **Commercial Deposits and Treasury Management** and **Capital Markets** provide solutions focused on customer needs and supported by high-touch, in-market service

2020 Highlights

- Corporate banking average loans grew by 12%
- Continued to augment the Treasury Management product offering and focus on developing and enhancing profitable relationships across the group

Commercial and Business Lending[1]
Loan Composition by Industry



[1] Total commercial and business lending loans outstanding as of December 31, 2020.

Commercial Real Estate

Corporate and Commercial Specialty Segment

Business Units

CRE Lending	Real Estate Investment Trusts	CRE Syndications	CRE Tax Credits

2020 Overview

- $7.1 billion in average loans and deposits
- 12 offices across 8 states
- ~100 colleagues

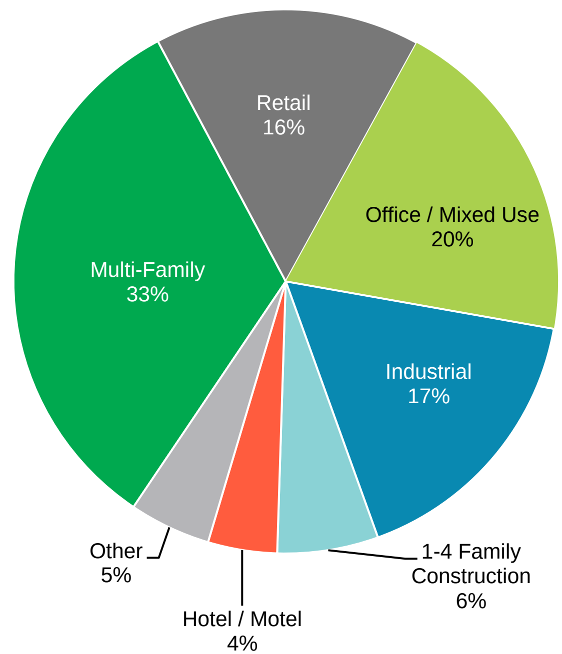
Local experienced teams create custom real estate financing solutions

- Term, acquisition, construction and interim-bridge financing
- Deposit and cash management solutions
- Specialized financial services including loan syndications and interest rate risk management

2020 Highlights

- Closed $2.3 billion of new loan commitments, down from record production levels in 2019 as we reacted to the pandemic and credit environment; flat to 2018's total production
- Year-end loan balances increased 13% from 2019 as payoffs slowed in an uncertain environment while construction loans continued to fund as normal
- Record fee income of ~$18 million was driven by record pace in pre-pandemic Q1 2020 as Swap fee income increased 34% to ~$7 million while syndication revenue came in at ~$3 million

Commercial Real Estate[1]
Loan Composition by Property Type



[1] Total commercial real estate lending loans outstanding as of December 31, 2020.

Wealth Management

Corporate and Commercial Specialty Segment

Business Units

Private Banking	Personal Trust	Retirement Plan Services (RPS)
Associated Investment Services (AIS)	Investment Management	Financial Planning

2020 Overview

- $2.7 billion in average loans and deposits
- $13.3 billion AUM
- ~330 colleagues

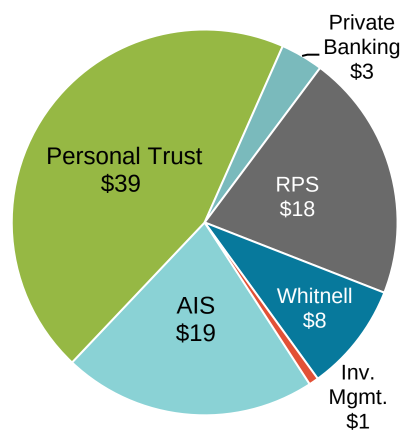
Market-based teams are comprised of specialists

- **Wealth Management Services** offers a suite of services tailored to the unique needs of high-net-worth and ultra-high-net-worth clients

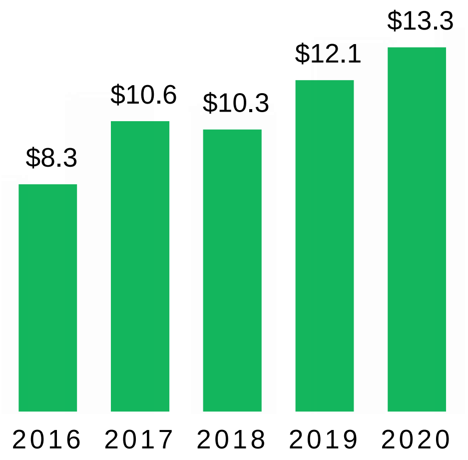
2020 Highlights

- Average deposit growth of 5%
- Wealth management fees up $4 million, or 5%, from 2019
- Announced sale of Whitnell (transaction closed on March 1, 2021)

2020 Fee Revenue[1]



Assets Under Management[2]



[1] Figures in millions, for the year ended December 31, 2020. AIS is our registered Broker-Dealer subsidiary.
[2] Balances in billions, for the years ended December 31. Includes AUM at Whitnell, which was $1.3 billion.

Consumer and Business Banking

Community, Consumer and Business Segment

Business Units Serving Metro Markets

Retail Banking	Residential & Consumer Lending	Business Banking

2020 Overview

- $18.7 billion in average loans and deposits
- 158 branches[1]
- ~1,900 colleagues

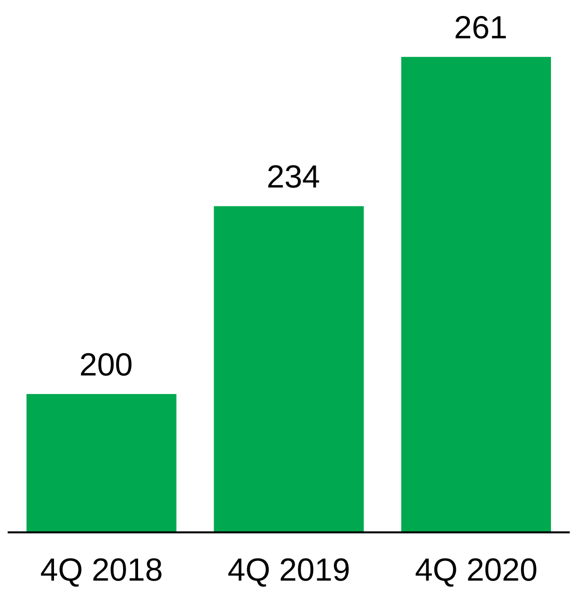
Full-range services for individuals and small businesses

- **Retail Banking** provides best-in-class customer experience across branches and digital channels
- **Residential & Consumer Lending** offers residential mortgages, home equity loans, auto loans, credit cards and unsecured credit through various direct and indirect channels
- **Business Banking** provides solutions to businesses with $10 million or less in annual revenue

2020 Highlights

- Originated a record $4.5 billion in residential mortgages; over 90% of applications through digital Blend platform
- Achieved best-ever customer satisfaction levels with branch experience despite downsizing network and managing through COVID-19 protocols
- Grew digital active adoption to 62% of consumer customers in 2020; ASB exceeds the regional bank peer benchmark in mobile adoption[2]
- Enabled over 8,000 customers to obtain over $1 billion in PPP loans and almost $250 million in loan forgiveness by year-end

Active Mobile Users[3]
(in thousands)



[1] Includes one branch that offers wealth management services only.
[2] Per Digital & Multichannel Banking Benchmark Study 2020, Finalta by McKinsey.
[3] Defined as customers who have logged in or transacted within mobile banking within 90 days. (quarterly average).

Community Markets

Community, Consumer and Business Segment

Business Units Serving Midsize Markets

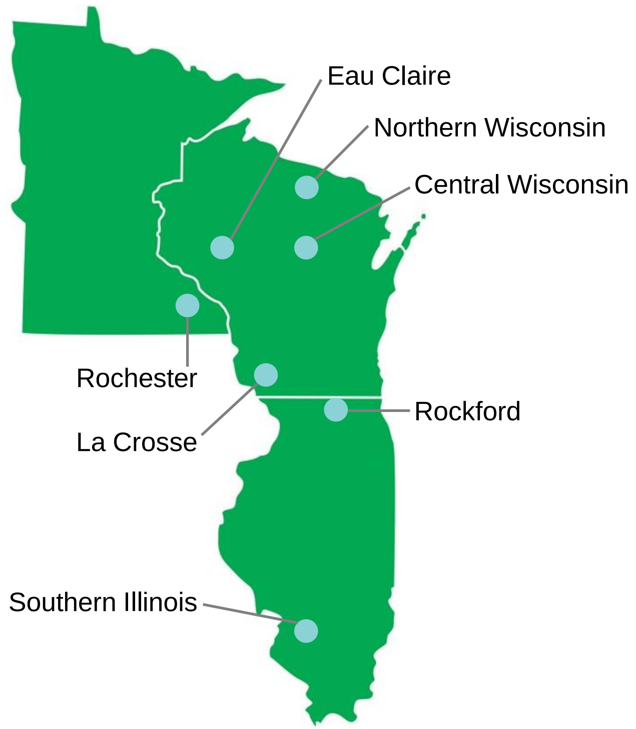
Branch Banking	Commercial & Business Banking	Residential & Consumer Lending	Private Banking

2020 Overview

- $5.8 billion in average loans and deposits
- 70 branches
- ~480 colleagues

Localized approach ensures the customer experience is at the forefront of decisions and actions

- Virtual community banks with our full suite of financial and risk management solutions in midsize markets
- Community market presidents are positioned as active community partners and financial leaders
- Strategy is intended to build on our strong deposit market share in select midsize markets
- Reduced residential loan officers while maintaining geographical coverage in all markets



2020 Highlights

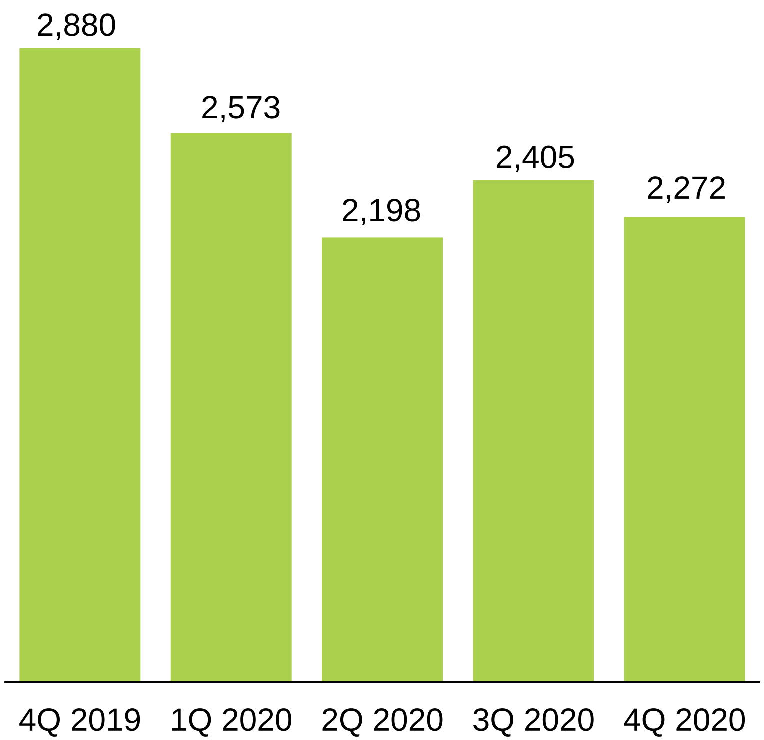
- Acquisition of First National Bank of Staunton, in Southern Illinois, bolstered our presence in the St. Louis MSA
- Sale of our Peoria branches resulted in a 4% deposit premium; highlighting the value of our regional footprint

Consumer Transaction Dynamics

Customers have shifted their transactions away from branch lobbies to drive ups and mobile channels

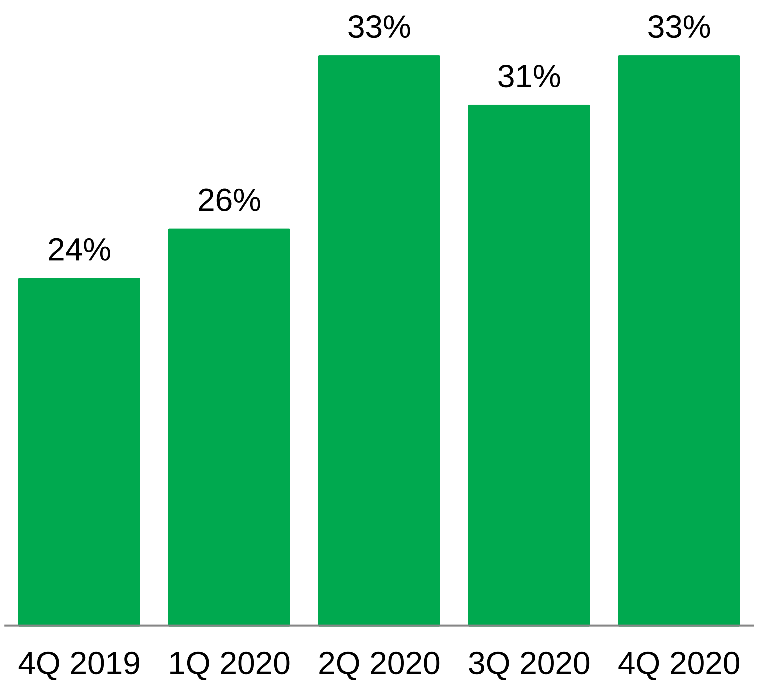
Branch Transactions[1]

- Overall footprint teller transactions down approximately 21% in 4Q 2020 from 4Q 2019 (including FNB)
- Teller transaction patterns in 2Q 2020 and 4Q 2020 partially influenced by lobby closures tied to COVID



Mobile Deposits (% of consumer deposits)[2]

- Our largest branch teller transaction declines are found in metro areas and branch locations without a drive up (including in-stores)
- Digital engagement grew by almost 50% in Q4 2020 YoY (as defined by active online and mobile banking sessions)

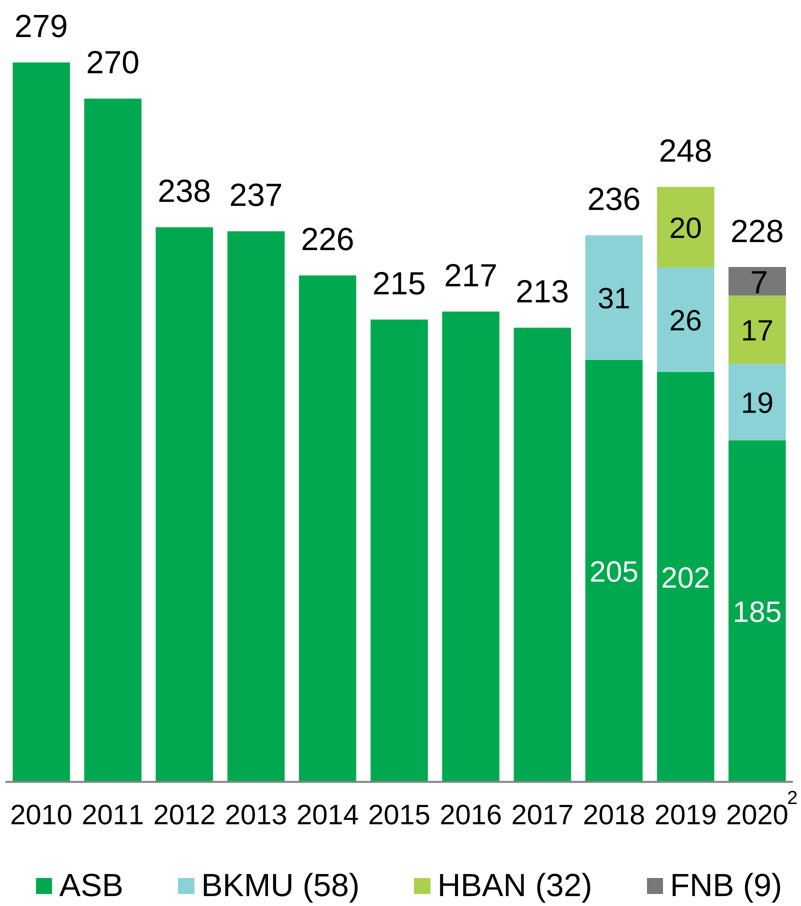


[1] Quarterly branch transactions displayed in thousands.
[2] Based on period end deposits.

Branch Optimization Trend

We have consistently optimized our branch network over the last decade

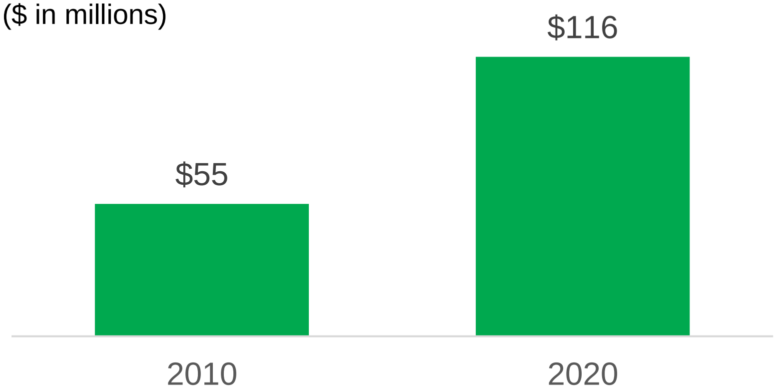
Pro Forma Branch Count Trend[1]



- Continued migration to mobile and online channels has reduced the centricity of branches to our distribution strategy
- Declining foot traffic in branches and customer behavior shifts have created additional opportunities to optimize our branch network over time
- The COVID pandemic and new technology have only accelerated these trends

Avg. Deposits / Branch[3]

($ in millions)



[1] Branch count at year end. Parenthetical amounts reflect amount at acquisition.
[2] Branch count after branch sales and consolidations in December 2020. One additional branch sale closed in 1Q 2021.
[3] Based on total period end deposits and branch count at year end.

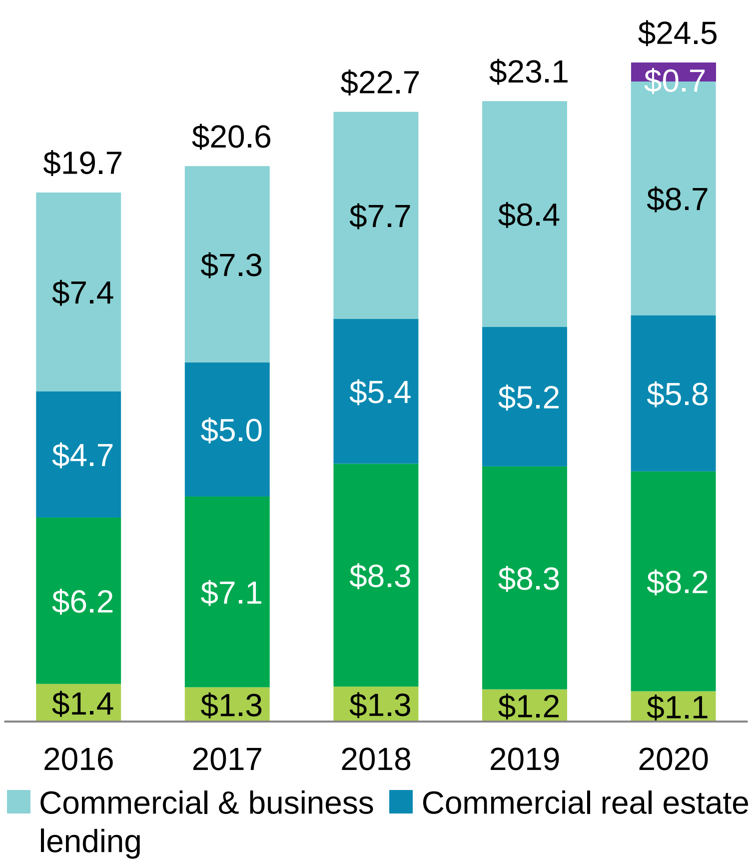
Financial Trends

Annual Loan Trends

PPP, CRE, and Mortgage Warehouse lead growth as we continued to reduce our Oil & Gas exposures

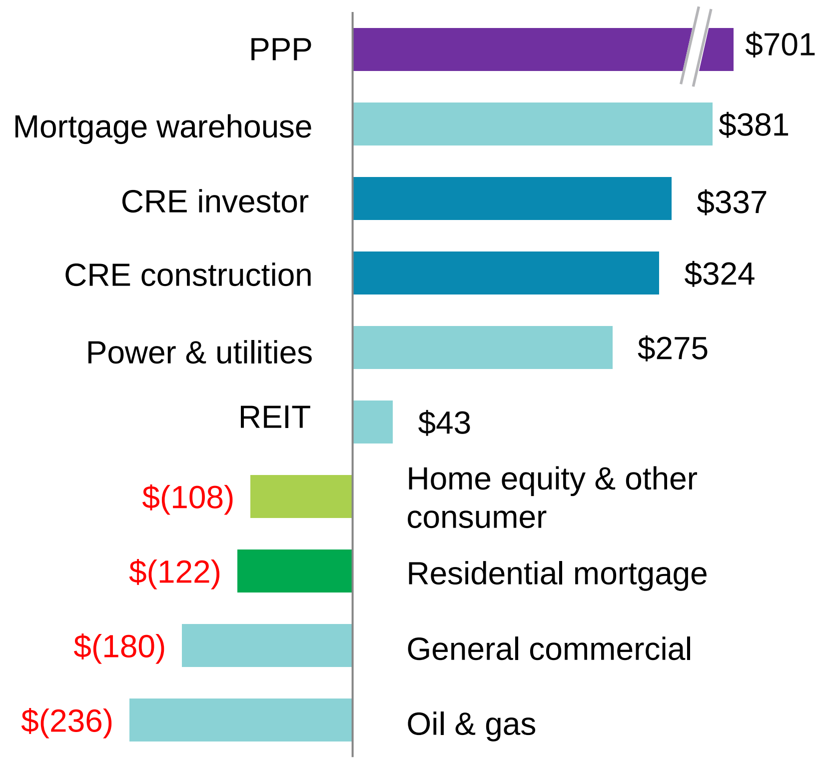
Average Annual Loans

($ in billions)



Average Loan Change (2019 to 2020)

($ in millions)

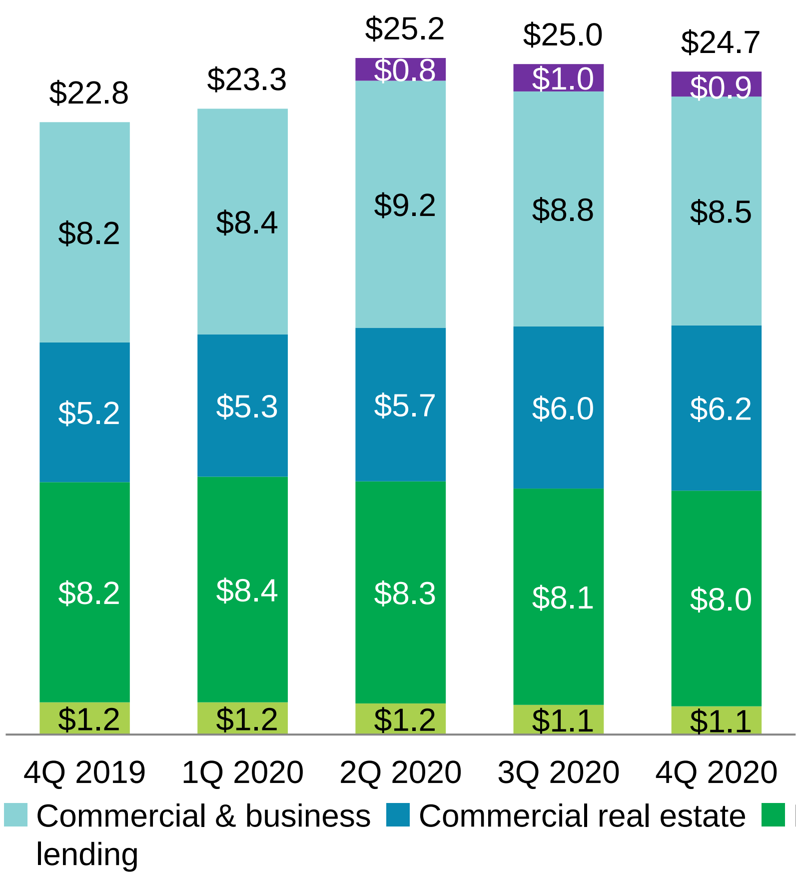


Quarterly Loan Trends

CRE continues to grow partially offset by general commercial loans

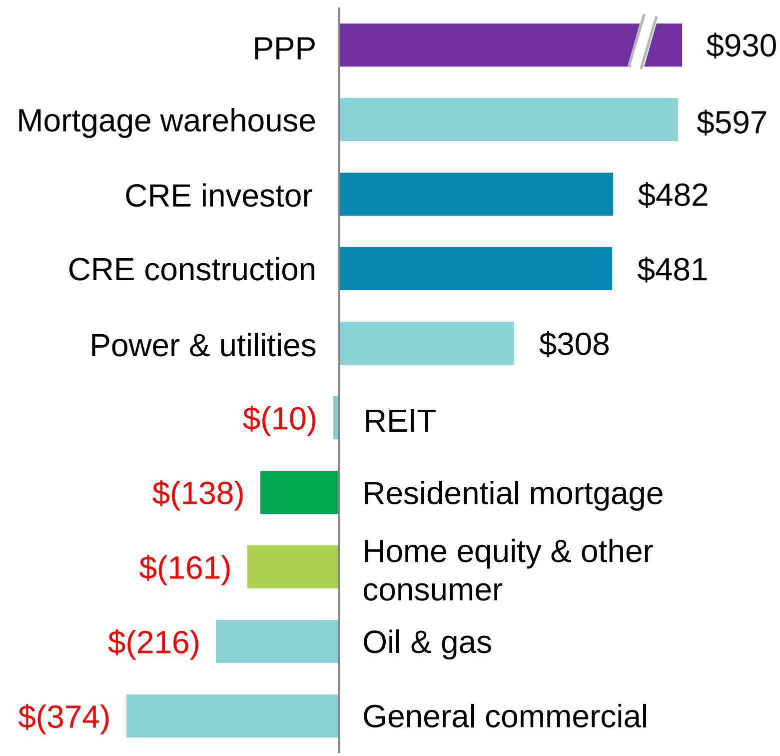
Average Quarterly Loans

($ in billions)



Average Loan Change (4Q19 to 4Q20)

($ in millions)



Loan Deferral Update

Total deferrals have declined approximately 95% since 2Q 2020

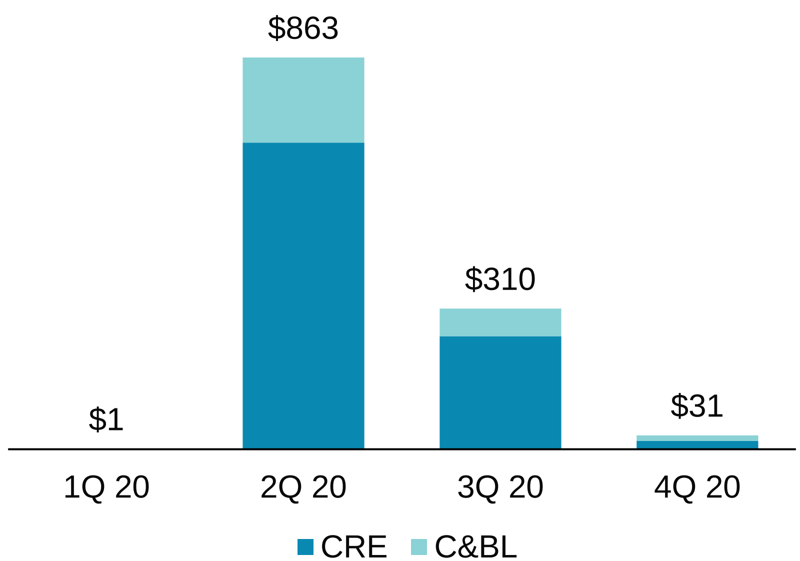
Active Commercial Loan Deferrals

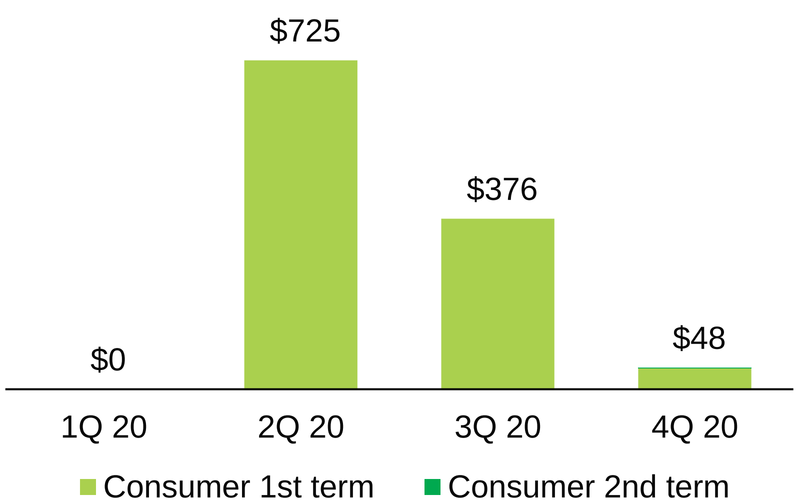
- We generally granted 90 day deferrals for our commercial customers
- Total commercial deferrals have declined approximately 96% since the end of 2Q 2020
- As of 12/31/20 commercial deferrals ($31 million) represent 0.20% of our commercial loan balances

Active Consumer Loan Deferrals

- We generally granted six month deferrals to consumers who requested assistance
- Total consumer deferrals have declined by approximately 93% since the end of 2Q 2020 and $46 million are still on their initial term
- As of 12/31/20, active consumer deferrals represent 0.54% of consumer loan balances

($ in millions)





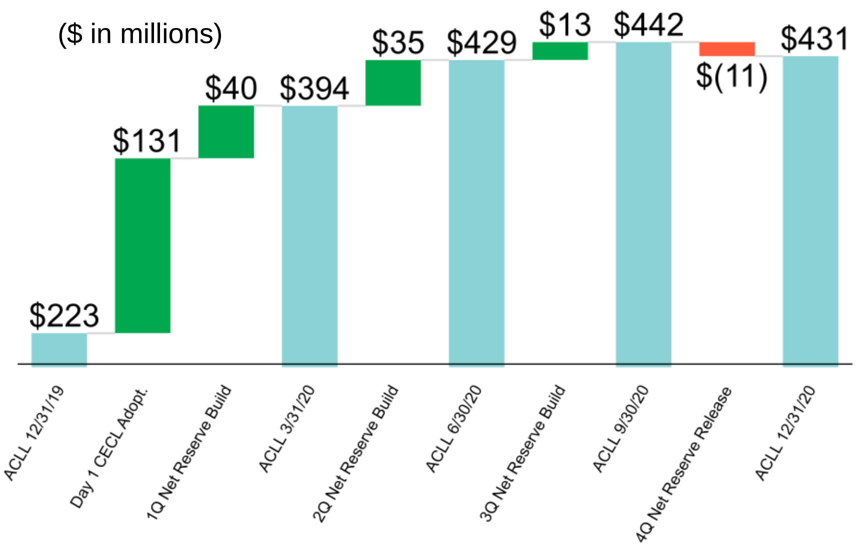
Allowance Update

ACLL[2] decreased $11 million and covered 1.76% of loan balances at the end of 2020

Fourth Quarter ACLL

- Allowance for credit losses on loans (ACLL) decreased $11 million at the end of 4Q 2020 from 3Q 2020
- ACLL to loans was 1.76%, or 1.82% excluding PPP loans
- 4Q 2020 provision of $17 million, down $26 million from 3Q 2020
- CECL forward looking assumptions based on Moody's December 2020 Baseline forecast

Loan Allowance Walkforward



($ in thousands)

Loan Category	ACLL[1] 12/31/19	Day 1 CECL Adoption[2]	Net 1Q Reserve Build[2]	Net 2Q Reserve Build[2]	Net 3Q Reserve Build[2]	Net 4Q Reserve Release[2]	ACLL[2] 12/31/20	12/31/20 ACLL[2] / Loans
C&BL - excl. Oil & Gas	$100,594	$ (8,390)	$ 29,571	$ 326	$ 27,699	$ (26,805)	$122,994	1.48%
C&BL Oil & Gas	13,226	55,460	8,880	6,025	(32,654)	2,712	53,650	18.12%
PPP Loans	-	-	-	808	160	(437)	531	0.07%
CRE - Investor	41,044	2,287	(785)	16,524	31,850	3,151	94,071	2.17%
CRE - Construction	32,447	25,814	7,428	10,585	(10,528)	12,334	78,079	4.24%
Residential Mortgage	16,960	33,215	(6,227)	(121)	(183)	(646)	42,997	0.55%
Other Consumer	19,008	22,760	777	363	(2,937)	(818)	39,154	3.84%
Total	**$223,278**	**$131,147**	**$ 39,643**	**$ 34,510**	**$ 13,408**	**$ (10,510)**	**$431,478**	**1.76%**
Total (excl. PPP Loans)	$223,278	$131,147	$ 39,643	$ 33,702	$ 13,248	$ (10,073)	$430,946	1.82%

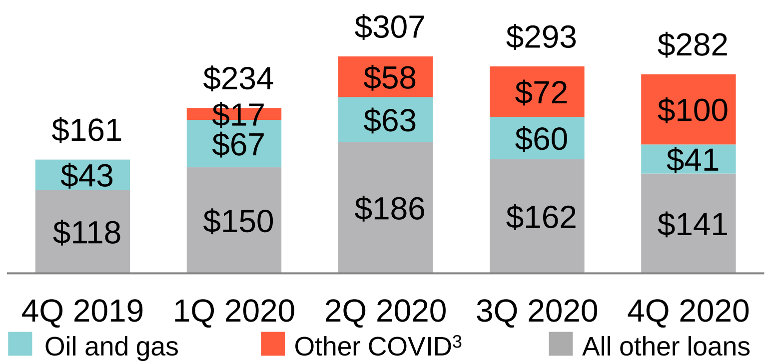
[1] Includes ALLL and the allowance for unfunded commitments.
[2] Includes funded and unfunded reserve for loans, excludes reserve for HTM securities. Positive numbers reflect increases to the reserve and negative numbers reflect releases.

Credit Quality – Quarterly Trends

Credit metrics improved during 4Q 2020

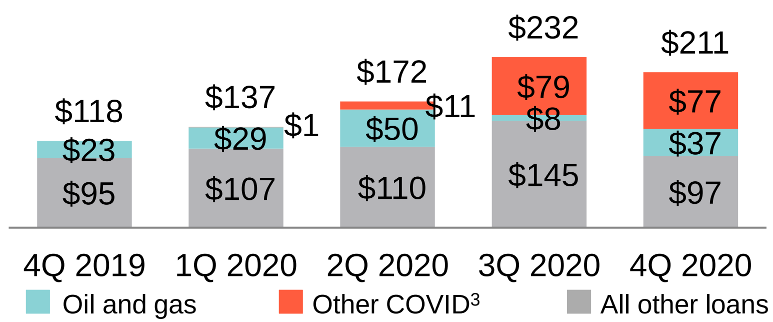
Potential Problem Loans

($ in millions)



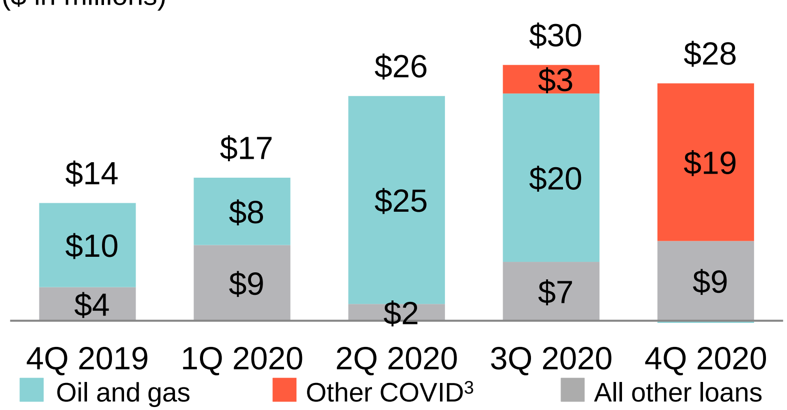
Nonaccrual Loans

($ in millions)

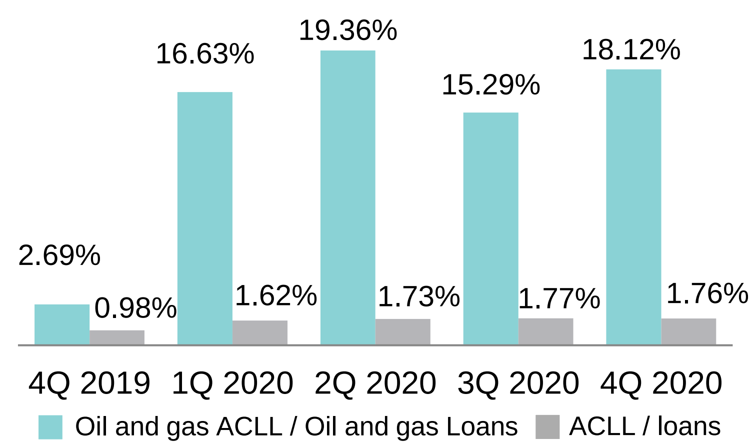


Net Charge Offs[1]

($ in millions)



ACLL[2] to Total Loans / Oil and Gas Loans



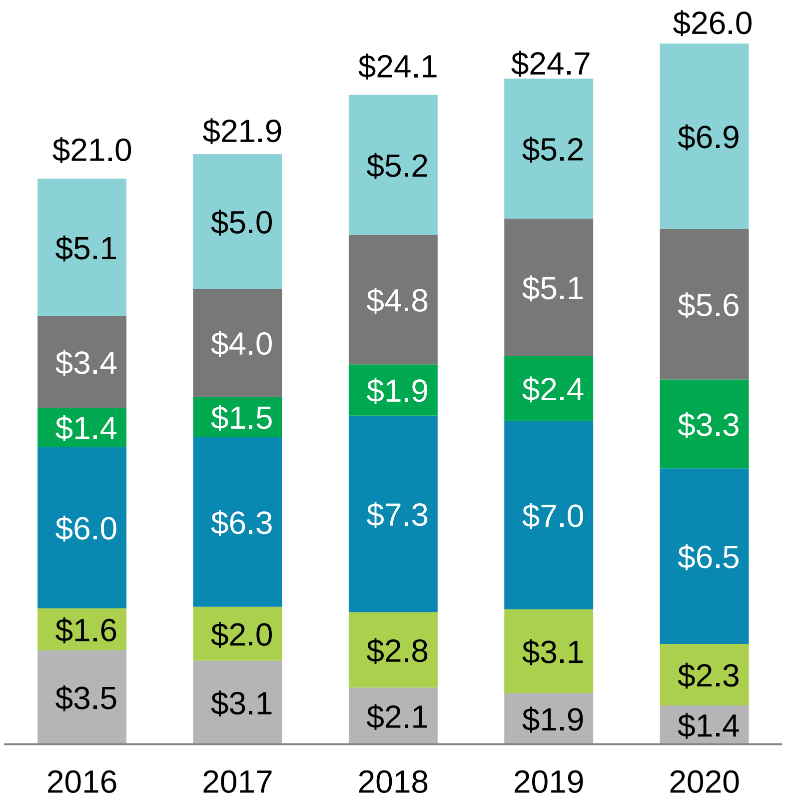
[1] Oil and gas had a net recovery of ~$710,000 in 4Q20.
[2] ACLL figures do not include the allowance for HTM securities.
[3] Please see slide 31 for more detail on our Key COVID Commercial Loan Exposures.

Annual Deposit Portfolio Trends

Low-cost core deposits have trended up while we reduced reliance on high-cost fund sources

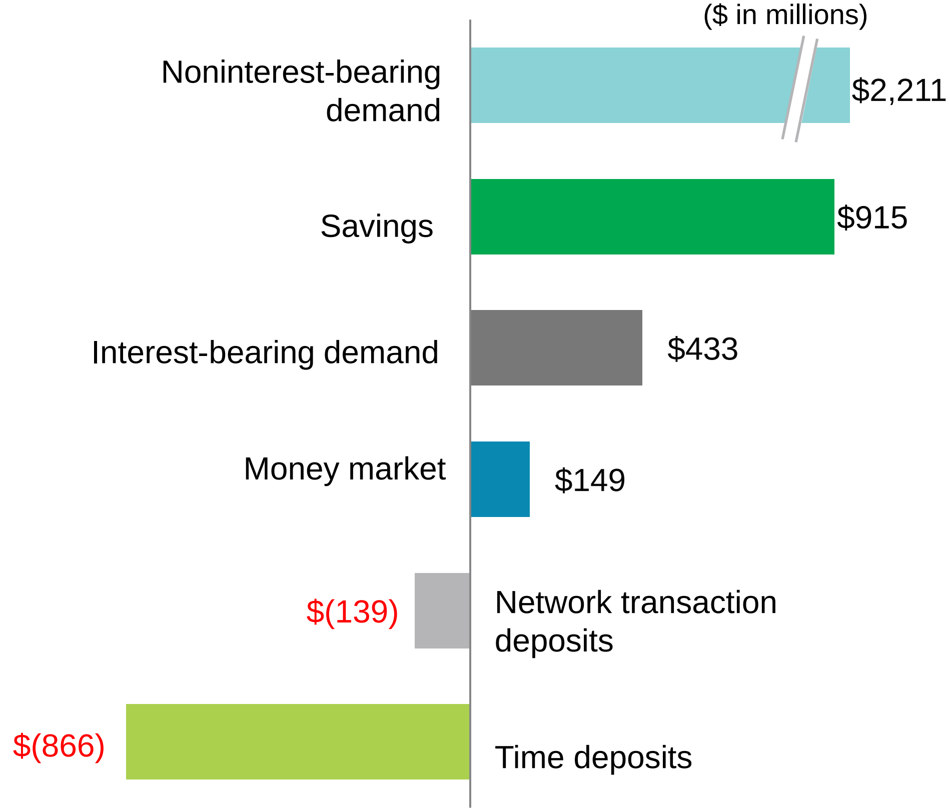
Average Annual Deposits

($ in billions)



EOP Deposit Change (2019 to 2020)

($ in millions)

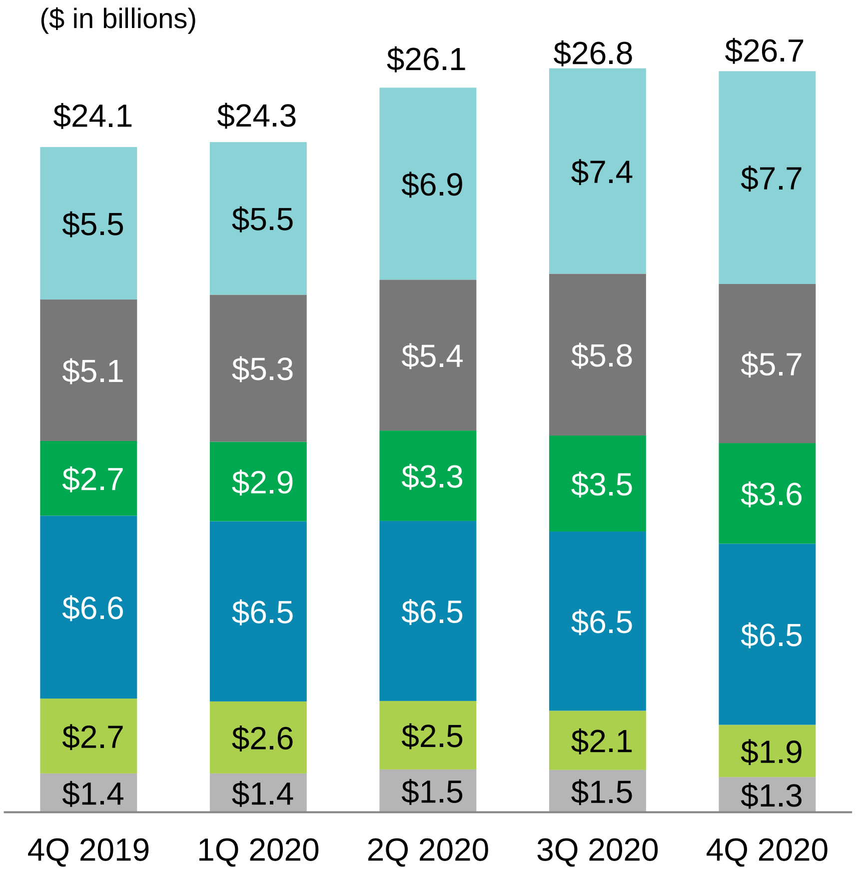


Noninterest-bearing demand
Interest-bearing demand
Savings
Money market
Time deposits
Network transaction deposits

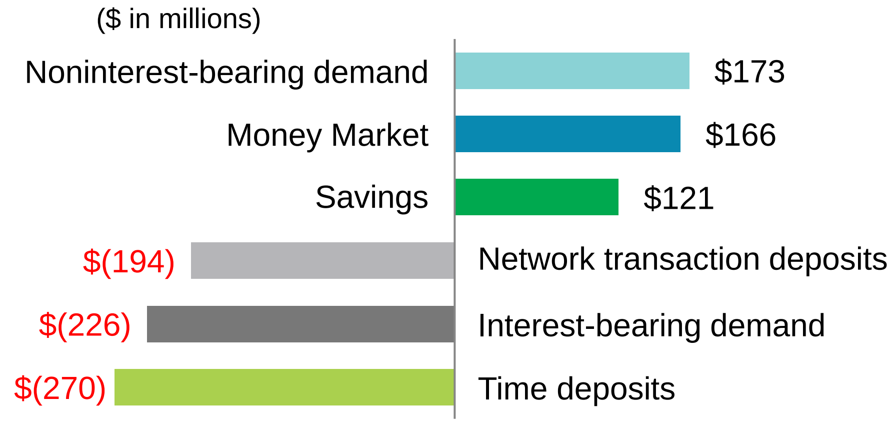
Quarterly Deposit Portfolio Trends

We continue to improve the mix of low-cost, core customer funding

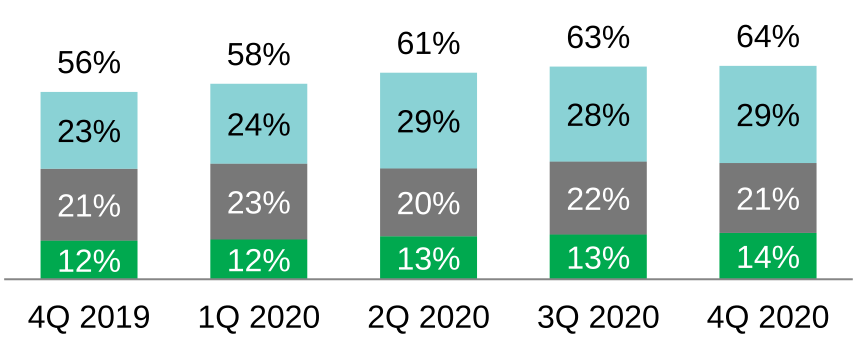
Average Quarterly Deposits



EOP Deposit Change 3Q20 to 4Q20



EOP Low-cost Deposit Mix Trend



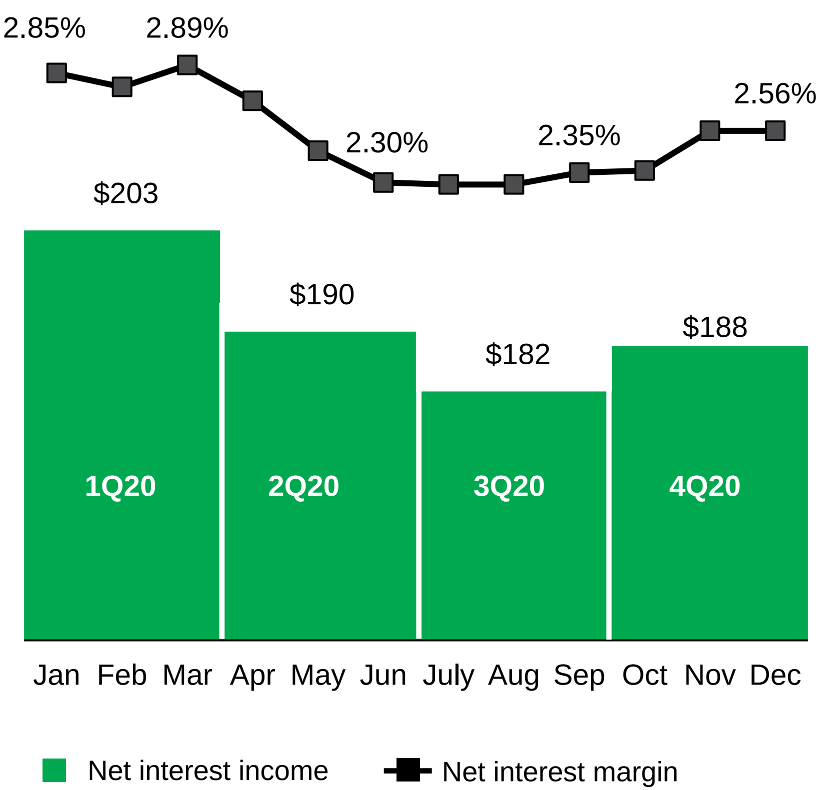
■ Noninterest-bearing demand ■ Savings ■ Time deposits
■ Interest-bearing demand ■ Money market ■ Network transaction deposits

Net Interest Income and Yield Trends

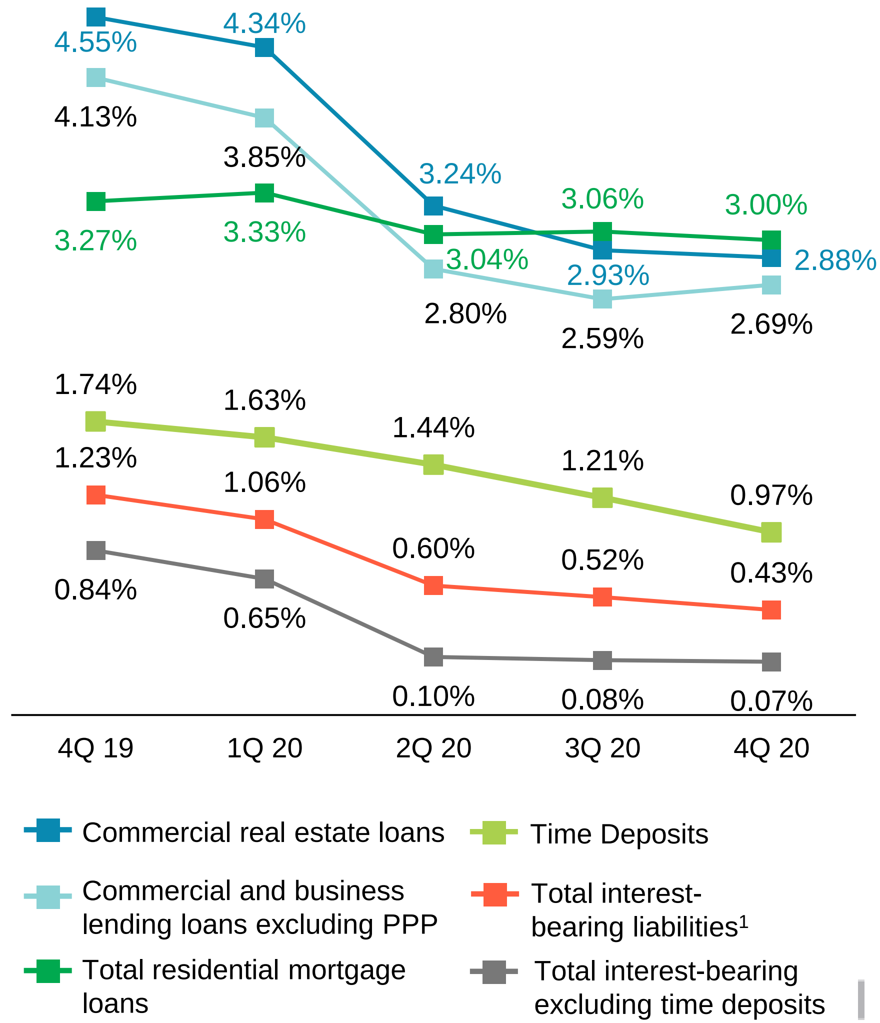
4Q 2020 margin rebounded as C&I spreads widened and liability costs declined

Net Interest Income and Net Interest Margin

($ in millions)



Average Yields



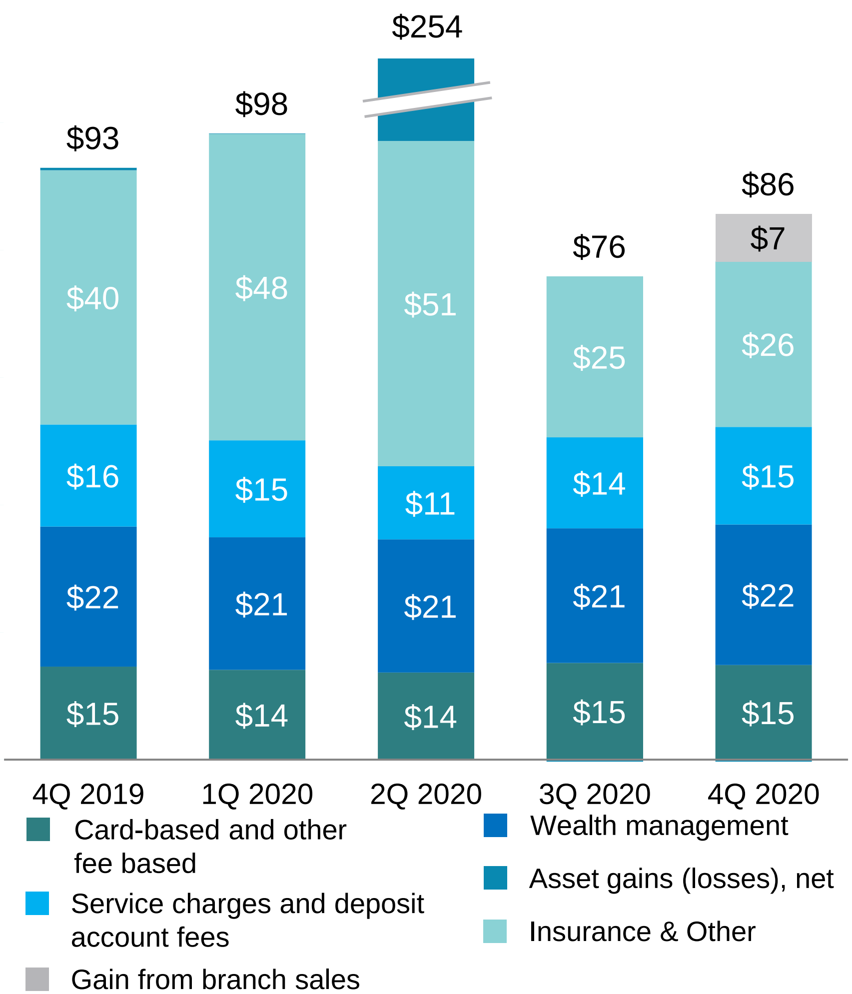
[1] Reflects approximately $1 billion repayment of FHLB advances in 3Q and $1 billion repayment of PPPLF in 4Q.

Noninterest Income Trends

The fourth quarter branch sales generated a gain of $7 million as mortgage banking and service charges grew

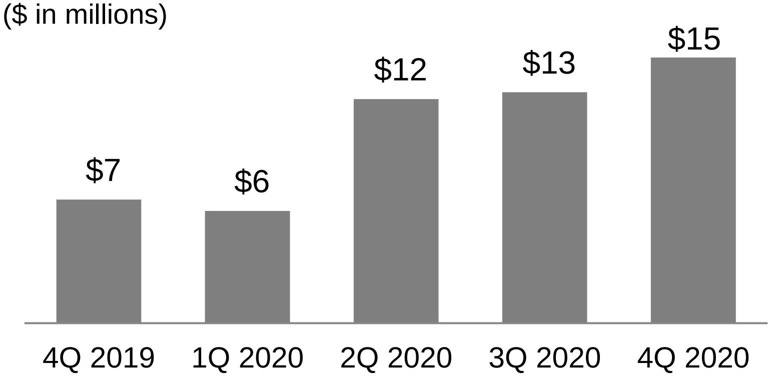
Noninterest Income Trend

($ in millions)



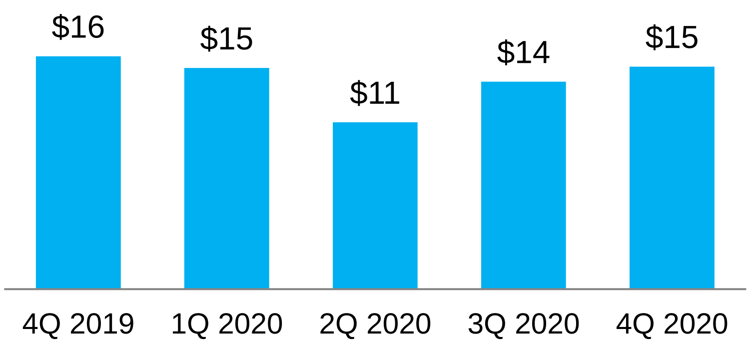
Net Mortgage Banking Income

($ in millions)



Service Charges & Deposit Account Fees

($ in millions)

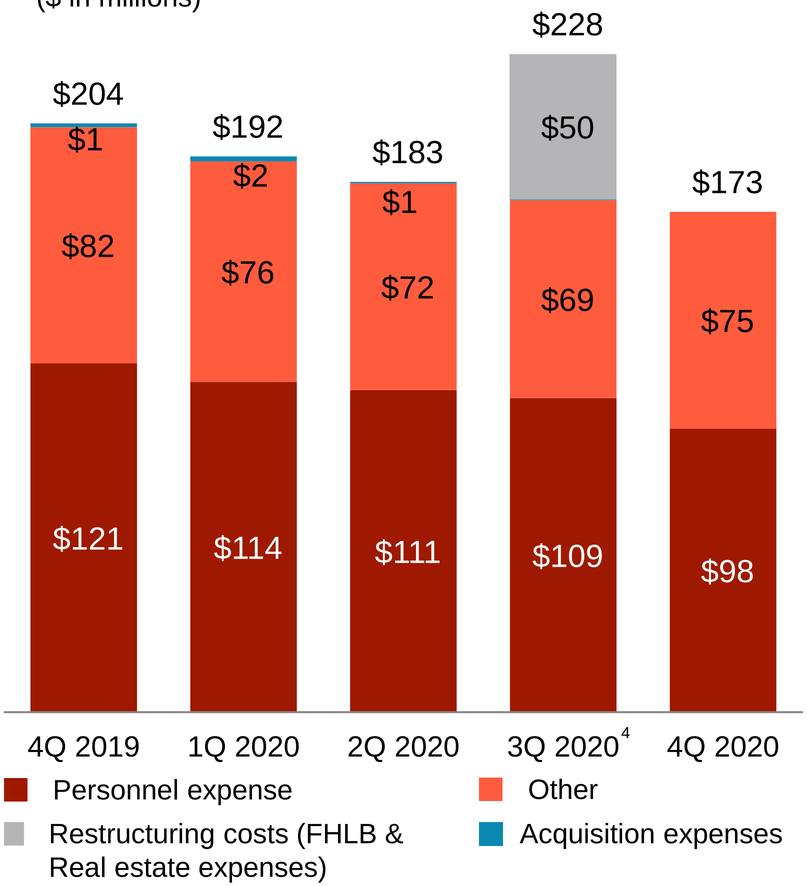


Expense Trends

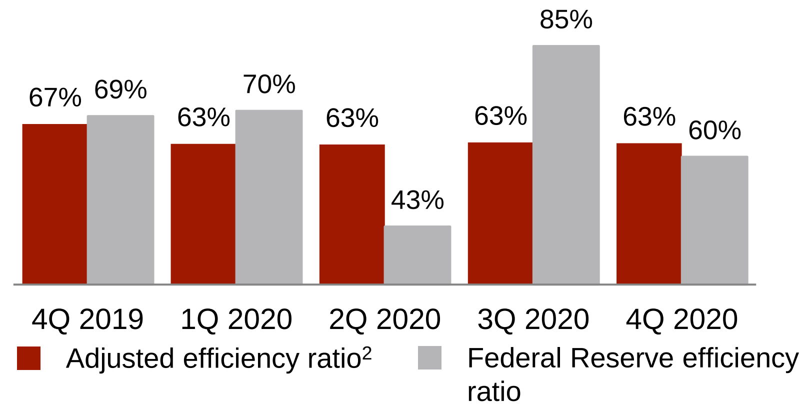
2020 cost saving initiatives reduced the expense run rate and improved the efficiency ratio

Noninterest Expense

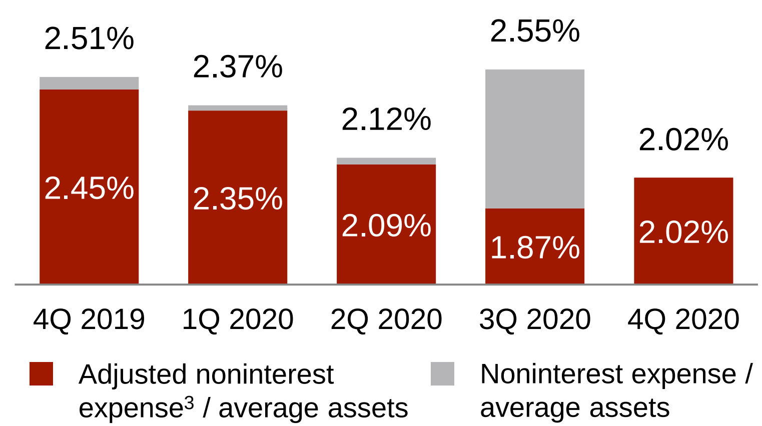
($ in millions)



Adjusted Efficiency Ratio[2]



Noninterest Expense[1] / Average Assets

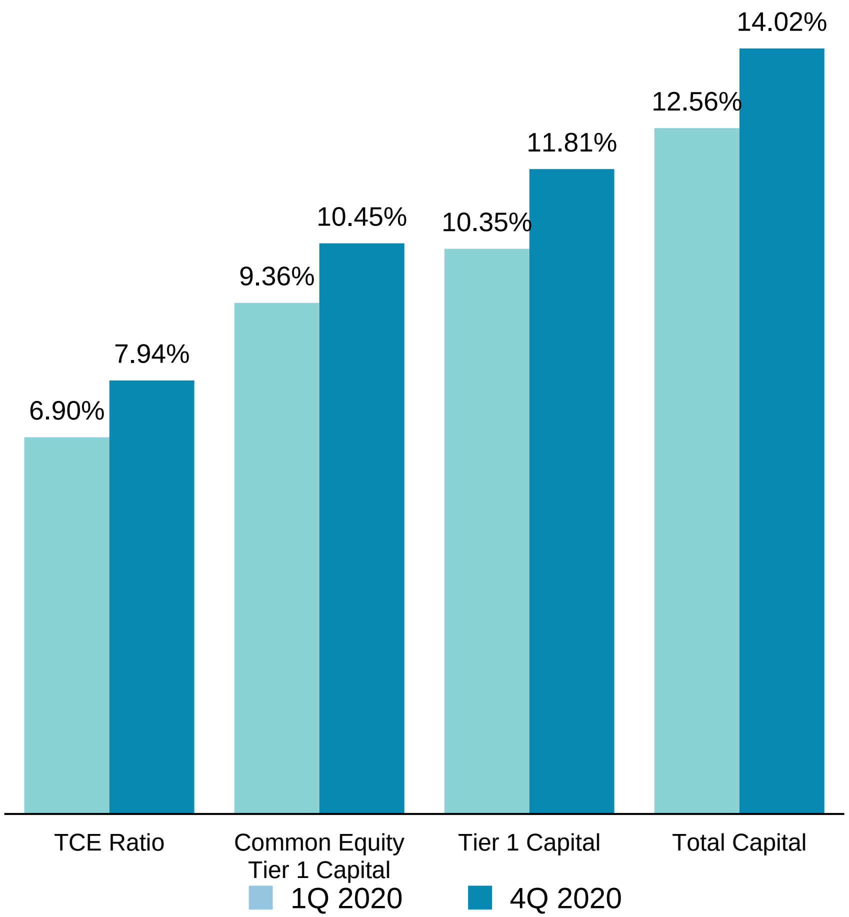


[1] Annualized
[2] A non-GAAP financial measure. Please refer to the appendix for a reconciliation of the Federal Reserve efficiency ratio to the adjusted efficiency ratio.
[3] A non-GAAP financial measure, adjusted noninterest expense excludes acquisition and restructuring related costs. Please refer to the appendix for a reconciliation of adjusted noninterest expense to noninterest expense.
[4] Personnel expense includes $10 million of severance.

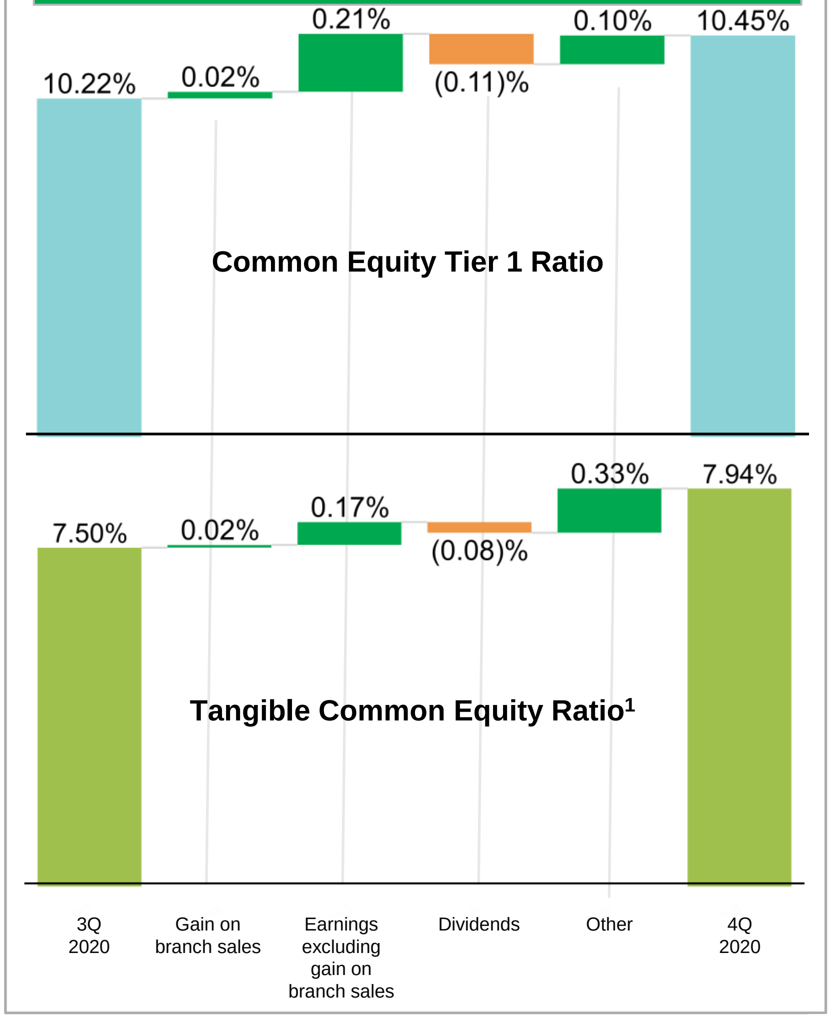
Strong Capital Position

Tangible Common Equity ratio increased 44 bps to 7.94% during 4Q 2020

Regulatory Capital Ratios



Capital Ratio Walkdowns



[1] Tangible common equity / tangible assets. This is a non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

Appendix

Total Loans Outstanding Balances as of December 31, 2020

Well diversified $24 billion loan portfolio

($ in millions)

	12/31/2020[1]	% of Total Loans
C&BL (by NAICS[2])		
Finance and Insurance[3]	$ 1,739	7.1%
Utilities	1,609	6.6%
Wholesale/Manufacturing	1,580	6.5%
Real Estate (includes REITs)	1,102	4.5%
Construction	386	1.6%
Health Care and Social Assistance	369	1.5%
Mining[4]	342	1.4%
Retail Trade	328	1.3%
Professional, Scientific, and Tech. Serv.	302	1.2%
Rental and Leasing Services	262	1.1%
Waste Management	197	0.8%
Transportation and Warehousing	186	0.8%
Accommodation and Food Services	161	0.7%
Arts, Entertainment, and Recreation	142	0.6%
Information	119	0.5%
Financial Investments & Related Activities	102	0.4%
Management of Companies & Enterprises	88	0.4%
Educational Services	68	0.3%
Public Administration	28	0.1%
Agriculture, Forestry, Fishing and Hunting	7	0.0%
Other	252	1.0%
Total C&BL	$ 9,370	38.3%

	12/31/2020[1]	% of Total Loans
CRE (by property type)		
Multi-Family	$ 2,035	8.3%
Office/Mixed	1,230	5.0%
Industrial	1,038	4.2%
Retail	979	4.0%
Single Family Construction	351	1.4%
Hotel/Motel	255	1.0%
Land	107	0.4%
Parking Lots and Garages	84	0.3%
Mobile Home Parks	16	0.1%
Other	88	0.4%
Total CRE	$ 6,183	25.3%
Consumer		
Residential Mortgage	$ 7,878	32.2%
Home Equity	707	2.9%
Student Loans	118	0.5%
Credit Cards	106	0.4%
Other Consumer	89	0.4%
Total Consumer	$ 8,899	36.4%
Total Loans	$ 24,452	100.0%

[1] All values as of period end.
[2] North American Industry Classification System.
[3] Includes mortgage warehouse financing.
[4] Includes $296 million of oil and gas loans and one $16 million fracking sand mining company loan.

Key COVID Commercial Loan Exposures[1]

Key COVID commercial loan exposures are spread across multiple industries without large concentrations

($ in millions)

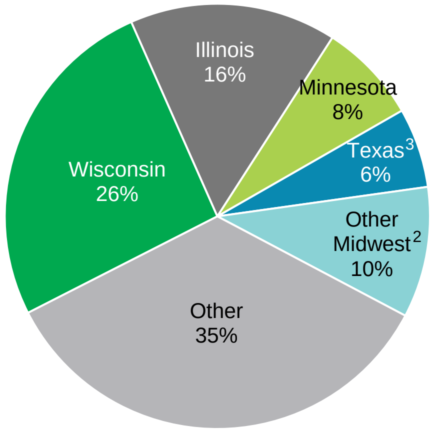
	C&BL	Utilization	CRE	Utilization	Total	% of total loans
Retailers/Shopping Centers[2]						
Retailers	$ 83.0	41%	$ 676.5	90%	$ 759.4	3.11%
Retail REITs	197.1	46%	153.5	98%	350.7	1.43%
Subtotal	280.1	44%	830.0	92%	1,110.1	4.54%
Oil & Gas						
Oil & Gas	296.0	64%	-	0%	296.0	1.21%
Subtotal	296.0	64%	-	0%	296.0	1.21%
Hotels, Amusement & Related						
Hotels	2.6	73%	255.2	89%	257.7	1.05%
Parking Lots and Garages	21.7	59%	101.8	90%	123.5	0.51%
Casinos	26.6	100%	-	0%	26.6	0.11%
Recreation & Entertainment	31.0	30%	6.4	97%	37.4	0.15%
Movie Theaters	10.0	30%	-	0%	10.0	0.04%
Subtotal	91.8	45%	363.4	90%	455.2	1.86%
Restaurants						
Full-Service	69.7	79%	14.5	100%	84.2	0.34%
Limited-Service & Other	21.5	89%	10.9	100%	32.4	0.13%
Subtotal	91.2	81%	25.4	100%	116.6	0.48%
Transportation & Other						
Transportation Services	51.1	81%	-	0%	51.1	0.21%
Fracking Sand Mining	16.3	67%	-	0%	16.3	0.07%
Subtotal	67.4	77%	-	0%	67.4	0.28%
Total	$ 826.5	55%	$ 1,218.8	91%	$ 2,045.3	8.36%

[1] As of 12/31/2020.

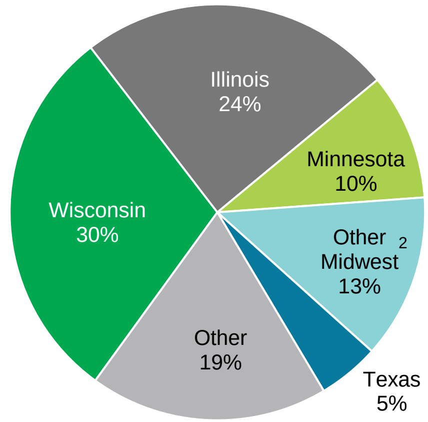
[2] C&BL excludes grocers, convenience stores, vehicle dealers, auto parts and tire dealers, direct and mail order retailers, and building material dealers; CRE excludes properties primarily anchored by grocers, self-storage facilities, and vehicle dealers.

Loan Stratification Outstandings as of 12/31/2020

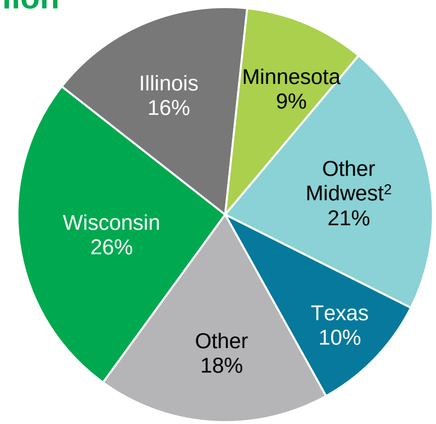
C&BL by Geography
$9.4 billion



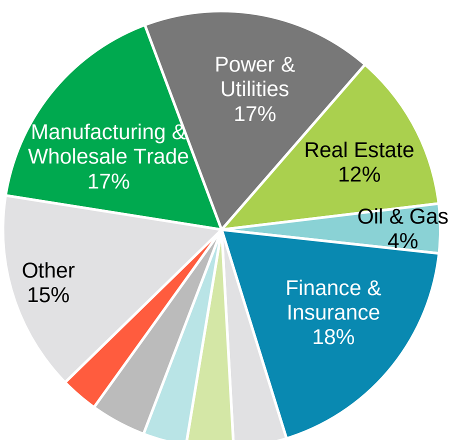
Total Loans[1]



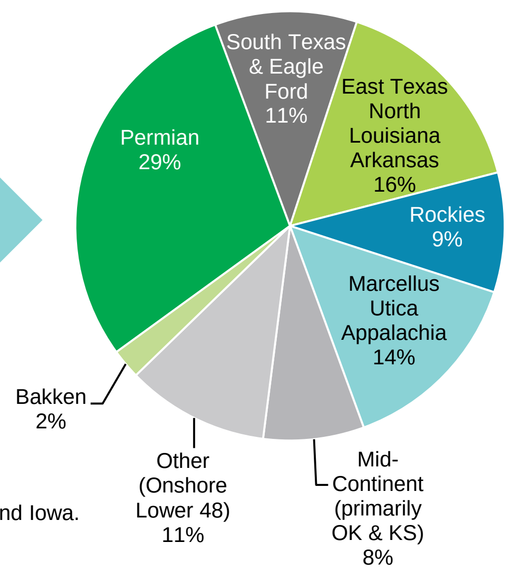
CRE by Geography
$6.2 billion



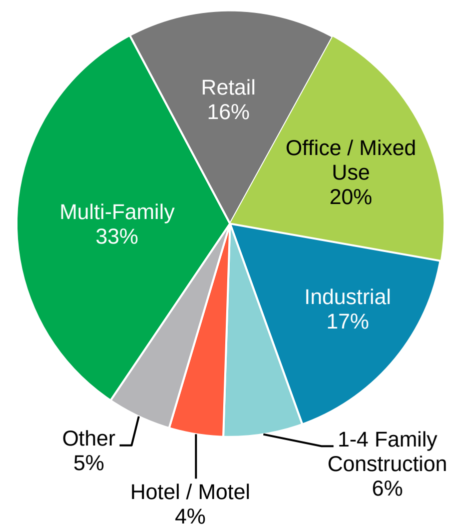
C&BL by Industry
$9.4 billion



Oil and Gas Lending[4]
$296 million



CRE by Property Type
$6.2 billion



[1] Excludes $313 million Other consumer portfolio.
[2] Other Midwest includes Missouri, Indiana, Ohio, Michigan and Iowa.
[3] Principally reflects the oil and gas portfolio.
[4] Chart based on commitments of $459 million.

Community, Diversity & Sustainability

We remain committed to initiatives that improve our communities, promote diversity and enhance sustainability

Over **$1.7 billion**[1] in credit commitments to support wind, hydroelectric and solar projects since 2012

Annual **Diversity & Inclusion training** for all colleagues and in 2020 a series of virtual events to understand racial disparity in our society

18% reduction in energy consumption[1] and approximately 6.0M kwh of annual electricity savings through our LED retrofit program

44% of employees[1] participate in one or more of our **six Colleague Resource Groups** acting to address the unique needs of Associated's diverse workforce

$3.5 million[1] in grants to support CRA programming at various nonprofit organizations

36,600 volunteer hours logged, with a value of $1 million[1]

$1.1 billion[1] in loans to support low- to moderate-income (LMI) and minority homeownership

2020 Women on Boards

2014-2020 | Winning "W" Company

[1] As of or for the year ended December 31, 2020.

Reconciliation and Definitions of Non-GAAP Items

($ in millions)

Adjusted Noninterest Expense Reconcilation[1]	4Q19	1Q20	2Q20	3Q20	4Q20
Noninterest expense	$204	$192	$183	$228	$173
Restructuring costs	0	0	0	50	0
Acquisition related costs	1	2	1	0	0
Severance / frontline pay	4	0	2	10	0
Adjusted noninterest expense	$199	$190	$181	$167	$173

Efficiency Ratio Reconciliation	4Q19	1Q20	2Q20	3Q20	4Q20
Federal Reserve efficiency ratio	69.14%	70.37%	43.49%	85.41%	59.68%
Fully tax-equivalent adjustment	(0.91)%	(0.96)%	(0.39)%	(1.29)%	(0.84)%
Other intangible amortization	(0.93)%	(0.95)%	(0.65)%	(0.87)%	(0.82)%
Fully tax-equivalent efficiency ratio	67.32%	68.47%	42.26%	83.25%	58.02%
Acquisition related costs adjustment	(0.45)%	(0.58)%	(0.12)%	(0.08)%	--%
Provision for unfunded commitments adjustment	0.34%	(5.18)%	(1.91)%	2.87%	3.42%
Asset gains (losses), net adjustment	0.09%	(0.02)%	22.10%	(0.11)%	(0.30)%
Branch sales	--%	--%	--%	--%	1.68%
3Q 2020 initiatives	--%	--%	--%	(22.90)%	--%
Adjusted efficiency ratio	67.30%	62.70%	62.53%	63.02%	62.83%

The efficiency ratio as defined by the Federal Reserve guidance is noninterest expense (which includes the provision for unfunded commitments) divided by the sum of net interest income plus noninterest income, excluding investment securities gains / losses, net. The fully tax-equivalent efficiency ratio is noninterest expense (which includes the provision for unfunded commitments), excluding other intangible amortization, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains / losses, net. The adjusted efficiency ratio is noninterest expense, which excludes the provision for unfunded commitments, other intangible amortization, acquisition related costs, and 3Q20 initiatives, divided by the sum of fully tax-equivalent net interest income plus noninterest income, excluding investment securities gains (losses), net, acquisition related costs, asset gains (losses), net and gain on sale of branches. Management believes the adjusted efficiency ratio is a meaningful measure as it enhances the comparability of net interest income arising from taxable and tax-exempt sources and provides a better measure as to how the Corporation is managing its expenses by adjusting for acquisition related costs, provision for unfunded commitments, asset gains (losses), net, branch sales, and 3Q 2020 initiatives.

[1] This is a non-GAAP financial measure. Management believes these measures are meaningful because they reflect adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of earnings per common share, provide greater understanding of ongoing operations and enhance comparability of results with prior periods.

Reconciliation and Definitions of Non-GAAP Items

($ in millions)

YTD 2020 Adjusted Pre-tax Pre-Provision Income Reconciliation[1]	YTD 2020	4Q 2020
Pre-tax pre-provision income		
Income before income taxes	$327	$84
Provision for credit losses	174	17
Pre-tax pre-provision income	501	101
2020 Acquisitions, dispositions, and announced initiatives		
Sale of ABRC	$(163)	0
Gain on sale of branches	(7)	(7)
Acquisitions related to costs (noninterest expense)	2	0
Loss on prepayment of FHLB advances	45	0
Severance	10	0
Branch sales & consolidations	6	0
3Q 2020 initiatives	60	0
2020 Acquisitions, dispositions, and announced initiatives	$(108)	$(7)
Pre-tax pre-provision income excluding 2020 initiatives	$393	$94

Tangible Common Equity and Tangible Assets Reconciliation[2]	3Q20	4Q20
Common equity	$3,692	$3,737
Goodwill and other intangible assets, net	(1,178)	(1,178)
Tangible common equity	$2,513	$2,560
Total assets	$34,699	$33,420
Goodwill and other intangible assets, net	(1,178)	(1,178)
Tangible assets	$33,520	$32,242

[1] This is a non-GAAP financial measure. Management believes these measures are meaningful because they reflect adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of earnings per common share, provide greater understanding of ongoing operations and enhance comparability of results with prior periods.

[2] The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. This financial measure has been included as it is considered to be a critical metric with which to analyze and evaluate financial condition and capital strength.