

FULTON FINANCIAL CORPORATION

Dear Shareholder:

Overall, 2019 was another good year for our company as we hit record levels of revenue and net income. Our financial results in 2019 reflected our continued progress in executing our growth strategies while fulfilling our corporate purpose by changing lives for the better. We completed several key corporate objectives during 2019. Our last remaining BSA/AML consent order was terminated. We completed our multi-year initiative to consolidate all of our affiliate banks into Fulton Bank, and the Department of Justice informed us that it completed its fair lending investigation of Fulton without taking any action against the company. Achieving these objectives will help unify our brand and facilitate growth going forward, and I would like to thank our dedicated and hardworking team members for making this possible.

We continue to grow in Philadelphia and Baltimore. Each market is served by a team of commercial and consumer relationship managers who are helping us take advantage of what we view as tremendous long-term growth opportunities. In Philadelphia, we opened three financial centers in 2019, and have one more targeted to open in 2021. In Baltimore, we opened one financial center and a loan production office in 2019, and we have one financial center targeted to open in early 2020 and one in 2021. While we have been selectively opening new financial centers, we have also regularly reevaluated our existing financial center network. We have consolidated 37 financial centers¹, or approximately 14% of our network, since 2014. We believe there may be more opportunities to consolidate over time as customer preferences continue to shift toward digital channels.

In addition to consolidation, we have been working on a multi-year project to optimize all of our delivery channels, including our financial centers. Optimizing will allow us to focus on higher-value activities geared towards advice and sales and create a greater focus on the customer experience. To date, approximately 25% of our financial centers are already operating in this optimized format.

We launched a new state-of-the-art commercial loan origination system in the second half of 2019. We are excited about the new system as it streamlines the underwriting process, keeps our customers more informed and allows our relationship managers to focus more on maintaining and acquiring business. In early January of 2020, we also launched a new mortgage loan origination system. The new system should lead to greater efficiencies, increased revenue opportunities and a better customer experience.

From a talent perspective, we continue to invest in people to drive growth. In 2019, we increased our commercial revenue producer headcount by 5%. In consumer banking, our headcount was down 2% in 2019, driven by financial center consolidation. Despite this decrease, we saw an increase of 12% in revenue-producing mortgage headcount.

Strategically, the deployment of capital for the enhancement of long-term shareholder value remains one of our highest priorities. After 13 years of being on the sidelines from an M&A perspective, we deployed some of our excess capital to purchase two wealth management businesses in 2019 with approximately \$320 million in assets under management or administration. Our wealth management division has approximately \$11 billion in assets under management or administration as of year-end 2019. We also repurchased \$111 million of our common stock, a total of 6.8 million shares and paid common stock dividends of \$93 million, resulting in a return to shareholders of 88% of our 2019 net income.

Before I talk about our strategic priorities for 2020, I wanted to address Fulton's response to the coronavirus pandemic. Our company's brand – "It's Personal" – is not just about words, it's about actions. As we face the effects of the coronavirus together, Fulton and its subsidiary bank, Fulton Bank, are continuing efforts to support affected individuals, families and businesses by offering special programs to help ease the financial and economic impact in the communities we serve.

We understand the hardship our employees and customers may face as a result of business and school closures, reduced business and/or work hours, and social distancing, and we're prepared on an individualized and personal basis, to help them through these challenging times.

Fulton Bank is "well capitalized" and has more than ample liquidity to continue its primary mission – serving the banking needs of people and businesses in the communities in which it operates. Going forward, these are the engines that fuel the economy necessary to drive our country forward.

None of us knows at this moment where we will be in this life journey one year from now, but as Chairman and CEO of your company, I intend to maintain my focus on leading our management and employees through this difficult time so that we can all continue to change our customer's lives for the better.

As we do this, in 2020, we will continue to endeavor to make the following strategic priorities a reality so that Fulton can be here to serve you long into the future!

Growing the Company:

- Investing in talent to enhance our growth in targeted markets and businesses
- Investing in digital and customer intelligence capabilities to help us to acquire new relationships and further engage with existing clients
- Investing in capabilities to support the customer digital experience

- Implementing new branch formats and expanding in urban markets

Serving Our Communities:

- Serving all segments of our communities through the expansion of our Fulton Forward™ initiative, which focuses on four key areas: Affordable Housing & Home Ownership; Job Training & Workforce Development; Financial Education & Economic Empowerment; and Diversity & Inclusion

Achieving Operational Excellence:

- Focusing on achieving operational efficiency through enterprise process design, improvement and automation
- Investing in and using best-in-class systems, practices, and capabilities to provide efficient and effective experiences for our customers and employees

Sustaining and Scaling Effective Risk and Compliance Activities

- Sustaining risk management, compliance and systems to ensure all stakeholder expectations are met
- Implementing technology enhancements to automate controls and monitoring

In closing, I want to again, extend my gratitude for your continued confidence in Fulton. Please be assured that every member of our team is working hard to enhance the value of your investment. Most of all, may you have good health and happiness in the coming year.

Very truly yours,



E. Philip Wenger
Chairman and CEO

¹Net of new branch opening.

This letter contains forward-looking statements with respect to our financial condition, results of operations and business. Do not unduly rely on forward-looking statements. Forward-looking statements can be identified by the use of words such as "may," "should," "will," "could," "estimates," "predicts," "potential," "continue," "anticipates," "believes," "plans," "expects," "future," "intends," "projects," the negative of these terms and other comparable terminology. These forward-looking statements may include projections of, or guidance on, our future financial performance, expected levels of future expenses, anticipated growth strategies, descriptions of new business initiatives and anticipated trends in our business or financial results.

Forward-looking statements are neither historical facts, nor assurance of future performance. Instead, they are based on current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions, and speak only as of the date when made. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control, and actual results and financial condition may differ materially from those indicated in the forward-looking statements. A discussion of certain risks and uncertainties affecting us, and some of the factors that could cause our actual results to differ materially from those described in the forward-looking statements, can be found in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2019, which accompanies this letter. We undertake no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.