WORKING HARD FOR YOU TODAY...WITH AN EYE ON TOMORROW

TO OUR SHAREHOLDERS, CUSTOMERS, ASSOCIATES AND COMMUNITIES

I'm proud to report that our 20,000 highly committed and talented women and men of Regions worked extremely hard to grow and protect your investment in 2022.

Over the course of the year, I had the great privilege of watching our people going above and beyond to serve our customers and communities across our 15-state footprint and nation-wide.

I saw the power of Regions360®, our collaborative effort to bring personalized services and solutions to our customers, play out in so many ways — from helping expand our customers' business footprints to offering newlyweds and young professionals early-stage financial planning and banking services. I also witnessed the value our bankers delivered to countless customers by helping them mitigate fraud and protect their financial information.

Through these and so many other actions, we're on a mission to make life better and create shared value for our shareholders, customers, associates and the communities where we work and live.



"We're operating from a solid strategic plan built on the foundational elements of soundness, profitability and growth. By executing our simple but powerful strategic plan, we generated record financial performance in 2022."

While we continue to live in times of great uncertainty here in the U.S. and around the world, we have deliberately positioned our company to withstand an array of economic conditions.

OUR STRONG PERFORMANCE IN 2022 PROVIDES A SOLID FOUNDATION AS WE ENTER 2023

"For the year, both our reported and adjusted full-year pre-tax pre-provision income represent the highest levels on record."

- We finished 2022 with net income available to common shareholders of **$2.1 billion**, which resulted in earnings per diluted share of **$2.28** and generated record pre-tax pre-provision income[(1)] of **$3.1 billion**.
- We achieved total revenue gains of **12 percent** with growth across each of our three business segments.

Our strong capital and liquidity positions allowed us to continue to invest in the business and support our customers' needs. Additionally, in the third quarter of 2022 we increased our quarterly dividend per share by **18 percent**, further underscoring our commitment to investing in sound, profitable growth while distributing an appropriate amount of our earnings back to you.

The **Consumer Bank** delivered growth by providing personalized advice, guidance and financial expertise to consumers and small businesses through digital channels, the contact center, mortgage loan officers and our branch network. In 2022, Consumer bankers grew net new checking accounts, generated **$134 million** in new referral revenue, and completed approximately **800,000 Regions Greenprint®** financial plans to help Consumer and Small Business customers identify and achieve financial goals. Additionally, Consumer Banking generated a record **$3 billion-plus** in loan originations in **EnerBank's** first year as Regions' Consumer Home Improvement Lending Business.

Our **Corporate Banking Group** produced record revenue and pre-tax income growth in 2022 driven by increases in loans, increased treasury management revenue and improved credit performance. The group also successfully onboarded **Sabal Capital Partners** and **Clearsight Advisors**, enhancing our real estate capital markets and M&A advisory capabilities to meet more customer needs.

Like Corporate Banking, **Wealth Management** also posted a record year in 2022. Despite market volatility, Wealth Management produced historic levels of revenue and pre-tax income, driven by growth in investment management and trust, as well as increased investment services fee income. Our success reflected the strength of our business model — local advisors working with investment and product experts to bring our "best thinking" to our wealth clients through a dedication to financial planning, meeting customer needs and ongoing communication.

IN ADDITION, WE ACHIEVED STRONG CREDIT PERFORMANCE LAST YEAR

- **Asset quality remained broadly stable** over 2022 across most commercial and consumer loan portfolios. Certain commercial segments have exhibited signs of stress given the current economic environment, but we believe those risks are well managed.
- Our 2022 **adjusted net charge-offs were the lowest** since 2006.
- We have a **robust credit risk management framework** and a disciplined and dynamic approach to managing concentration risk, which has positioned us well to weather any economic environment.

Everything we achieved in 2022 was the result of remaining focused on what we could control and executing our strategic plan designed to deliver consistent, sustainable long-term growth.

Working hard for you today with an eye on tomorrow has become a rallying cry for us across every facet of our bank. And, throughout our organization, we're concentrating on three key priorities: enhancing digital and data across all channels, personalizing customer experiences and investing in our associates.

ENHANCING DIGITAL AND DATA ACROSS ALL CHANNELS

We know that when we complement the power of our high-touch organization with the ability to drive digital innovations that improve customer and associate satisfaction, the end result is a better experience with Regions.

"We're investing in game-changing technology to digitize the customer experience so we offer the same great service, regardless of the channel being used."

One example we introduced last year is our **Regions Greenprint®** co-browse feature. Whether a consumer or a small business owner, our customers have more options and greater convenience when they need financial planning assistance. No matter which channel they choose — a personal computer, a phone or a tablet — our customers can connect with their banker when, where and how they want.

In 2022, we also advanced our digital and data capabilities by joining the **Financial Data Exchange (FDX)**, a non-profit organization committed to defining and promoting adoption of its common, interoperable and royalty-free interface for financial data sharing. Through our **Working Toward a Common Goal initiative**, we're partnering with other FDX members to create new standards and protocols around open banking. We believe this work will result in greater sharing of information among financial institutions and customers to drive better, faster and more productive customer transactions and solutions.

Our focus on enhancing digital and data capabilities made banking easier for customers last year thanks to our card portal, a mobile feature that allows customers to manage all aspects of their cards in one place. Real-time payments capabilities helped business owners operate more efficiently. And, investing became simpler and more accessible thanks to **Regions InvestPath®**, a sophisticated digital investing solution that features a diversified investment portfolio based on individual financial goals and risk tolerance.*

**Provided through Regions Investment Solutions. Regions Investment Solutions is a marketing name of Cetera Investment Services. Securities and insurance products are offered through Cetera Investment Services LLC. Neither Cetera Investment Services nor Cetera Investment Advisers is an affiliate of Regions Bank or its related companies. Individuals affiliated with Cetera firms are either Registered Representatives who offer only brokerage services and receive transaction-based compensation (commissions), Investment Advisor Representatives who offer only Investment advisory services and receive fees based on assets, or both Registered Representatives and Investment Adviser Representatives, who can offer both types of services. Investments: • Are not FDIC/NCUSIF insured • May lose value • Are not financial institution guaranteed • Are not a deposit • Are not insured by any federal government agency.*

PERSONALIZING CUSTOMER EXPERIENCES

So much of the new technology like the Regions Greenprint® financial planning process that we've deployed over the past few years has had a significant impact on personalizing customer experiences with our bank.

Through one-on-one Regions Greenprint financial planning conversations, Regions' bankers listen to the needs, goals and questions of consumer and small-business customers. We then help them create tailored roadmaps designed to increase their financial health and reach their goals through recommended next steps.

It's a wonderful example of the power of high-tech and high-touch coming together in a seamless experience to help our customers.

In fact, we've now provided the highest number of financial health scores to customers leveraging the **Financial Health Network's FinHealth Score® Toolkit** — more than any other financial institution in the United States and second-most in the world.

We've also been on a journey to better understand the next generation of consumers and leaders. Last year, we spent several months researching what the **under-40 market segment** wants and expects from their bank. In short, they want more personalization, more guidance on investments and more mobile-enabled features. These conversations led to a number of new initiatives in 2022, including improving our Card Management capabilities in our **Regions Mobile App**. Now, with the single tap on a mobile device, our customers can access their data and manage their accounts on their time and terms.

We will continue to leverage this learning to develop new solutions for future business leaders and new customers entering into relationships with our bank.

THE UNIQUE POWER AND PROMISE OF STRONG RELATIONSHIP BANKING



Like so many Texas entrepreneurs, **Jose Rivas** sees a bright future ahead thanks to a strong partnership with Regions' small business, private wealth and local Houston bankers.

For nearly 30 years, Rivas has built his Houston-based Herman Packaging into a small business powerhouse which today employs over 50 people who manage everything from warehousing, graphic design, specialty die-cutting, sales, assembly and fulfillment.

A past president of the Latino Entrepreneur Chamber of Commerce, Rivas last year met with Regions to learn more about the bank's capabilities to help him continue to invest in the future and create new jobs for his community.

After talking to a group of relationship bankers at Regions, Rivas was able to secure refinancing on an existing loan to support construction of a new facility while also receiving an extended line of credit for additional captial for growth.

The results speak for themselves.

"With our additional facility, we are creating dozens of additional jobs in our community," says Rivas. "Our experience with Regions has been great, the team always strives to assist their customer in any way possible and I love the professionalism in all levels of the bank experience."

A happy moment for what will be a great start to a valued relationship.

ENHANCING OUR ASSOCIATES' EXPERIENCE

We know that keeping an eye on the future also means investing in our people today in meaningful ways. In 2022, we advanced a number of initiatives to provide cutting-edge training and development tools while also securing new pathways to create a more diverse, equitable and inclusive company.

No matter what an associate's role is at Regions, it's important that everyone has an opportunity to grow and develop professionally and personally. By investing in a new learning and development program called **RegionsLEADS**, we've opened the door for all associates to receive leadership training. In addition, we've expanded the **Degreed Learning** and **Guild Education** platforms to provide greater access to professional developmental tools and tuition-free education opportunities.

I can't overstate the importance of creating a team that's more diverse, equitable and inclusive (DEI). This past year, we held our third annual **Week of Understanding** designed to create an opportunity for all associates to engage in dialogue that leads to a greater understanding around differences.



"Our commitment to fostering a culture where everyone has a voice is grounded in the belief that diverse teams are stronger and more effective."

Results from last year's **Associate Engagement** survey reflect a **9 basis point increase** in the response to the survey question, *"I have a strong feeling of inclusion and belong at Regions."*

In the fourth quarter of 2022, Regions created the **DEI Executive Council**, which I chair. Top leaders in the bank are charged with providing input and guidance over our DEI strategic priorities; supporting the success of DEI programs and priorities; holding key stakeholders accountable for results; and driving the company's overall progress by linking these efforts to broader business strategies. To date, we've established **19 internal DEI networks** throughout the Regions footprint to engage associates and drive deeper commitment across the organization.

"Both inside and outside our company, we continue to champion meaningful policies and investments to create greater equity."

These include:

- Expanded **parental leave policies** for birth mothers and fathers, as well as parents adopting children.
- Introduced a required **Diversity, Equity and Inclusion training program** for all Regions associates.
- Launched ***BRAVE: Building Regions Associate Veterans Experience***, a military transition program, and veteran-to-veteran mentoring.
- Joined the **Department of Defense Military Spouse Employment Partnership**, connecting military spouses with career opportunities.
- Implemented **internal mobility strategies** that promote the development and career growth opportunities for all associates, including mentorship circles for **emerging diverse talent**.
- Continued to build on a **commitment to create an inclusive workplace** where everyone can bring their whole selves to work: In 2022, Regions saw a **13 percent increase** in disability self identification rate and a **20 percent increase** in LGBTQ+ self-identification rate, which speaks to associates feeling that they are working in an environment of trust and feel safe enough to openly share a part of their identity with our organization.

These and other initiatives have earned us:

- A top score of 100 and the distinction of being named one of the **"Best Places to Work for LGBTQ Equality"** in the **Human Rights Campaign Foundation's Corporate Equality Index**.
- Recognition as a **Military Friendly Employer** by **Military Friendly®**, an organization that measures the commitment of companies to create professional opportunities that leverage military experience.
- Recognition as a **Best Place to Work for Disability Inclusion**, receiving the highest possible score of 100 on the **Disability Equality Index**, the leading nonprofit resource for business disability inclusion worldwide.
- Being named one of **JUST Capital's Most Just Companies** — a recognition for Regions' commitment to serving our associates, customers, communities, the environment, and shareholders.

INDUSTRY RECOGNITION

- **Recognized as a Best Place to Work for Disability Inclusion**
- **Designated a Military Friendly® Employer**
- **Gallup's Don Clifton Strengths-based Culture Award**
- **Gallup Exceptional Workplace Award for 2022**
- **Designated a Best Place to Work for LBGTQ+ Equality**
- **Newsweek Most Responsible Companies in America**

HELPING OUR COMMUNITIES SUCCEED

We believe that our organization thrives when the communities we serve are thriving as well. That's why we're committed to doing work that fosters inclusive prosperity.

Our community engagement priorities focus on three pillars:



1. Advancing Economic and Community Development
2. Supporting Education and Workforce Readiness
3. Increasing Financial Wellness

In November of 2022 we announced an exciting collaborative agreement with seven **Community Development Financial Institutions (CDFIs)** and **Minority Depository Institutions (MDIs)** to allow people who bank with those organizations to use the Regions ATM network without paying the industry-standard out-of-network fee. This new collaboration will benefit individual consumers in several states.

Regions Bank and the Regions Community Development Corporation have also worked closely with CDFIs and MDIs in the past to support business activity in underserved communities. Initiatives like a series of equity investments and ongoing technical assistance and collaboration illustrate Regions' dedication to do more than just provide financial services — we're also uplifting communities across our footprint.

Throughout last year, we were also pleased to create partnerships with non-profits, community colleges and chambers of commerce to support programs that upskilled and recruited over 1,000 unemployed or underemployed individuals for meaningful careers. To date, hundreds of these individuals have been able to secure valuable career-enhancing credentials and a living wage job.

Financial education is also an area where we continue to make progress. This past year, we developed a three-pronged approach to help people navigate medical financial hardships. The scope of this work includes a comprehensive library of online resources, a grant that helped abolish **$12.8 million in medical debt** for 12,000 people and a national omnibus survey around medical financial hardship.



During 2022, our community outreach efforts also took on a very personal and individualized flavor, with Regions associates logging **74,000 hours** of activities in support of their communities. This work was complemented by **$19 million** in community giving from Regions Bank and **$3 million** from the Regions Foundation. Collectively, Regions Bank and the Regions Foundation also made a **$31.7 million** investment to help foster racial equity and economic empowerment of communities of color — more than double a 2-year pledge of $12 million between July 2020 and June 2022.

A BUSINESS BUILT ON RELATIONSHIPS

As we prepare for what's ahead, we're keenly aware that banking remains a business built on relationships.

"Regions will always be a relationship bank first and foremost, and Regions360 will continue to drive our approach to creating a high-tech/high-touch banking experience for every customer we serve."

In the year ahead we will continue to work to bring even more personalization, greater convenience and enhanced security for our customers, while creating extraordinary experiences that support every aspect of their financial lives.

And, of course, we will continue to work tirelessly to protect and enhance the investment and trust you've placed in our business. We thank you for that confidence and the privilege to serve you.

Sincerely,

John M. Turner, Jr.
President and Chief Executive Officer
March 6, 2023

REGIONS

2022 HIGHLIGHTS

$155.2 billion
assets

$97.0 billion
loans

$131.7 billion
deposits

9.6%
CET1 ratio

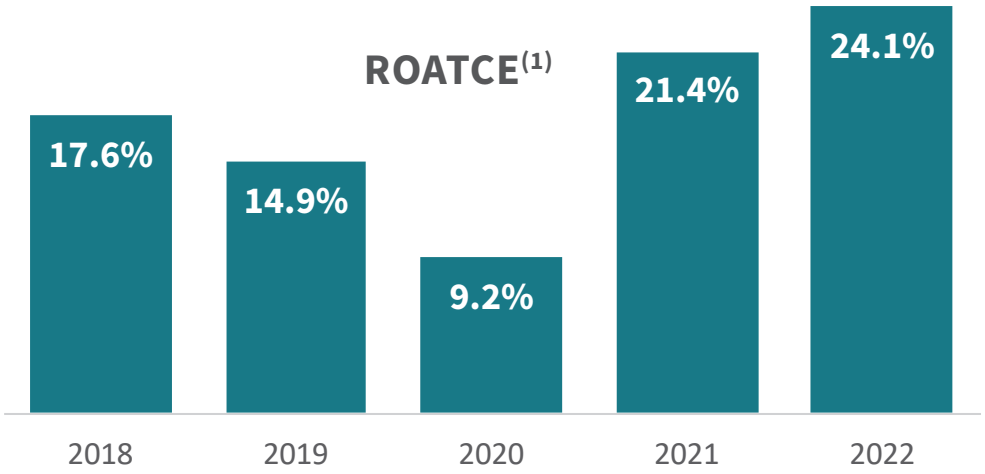
$3.1 billion
pre-tax pre-provision income[(1)] – highest level on record

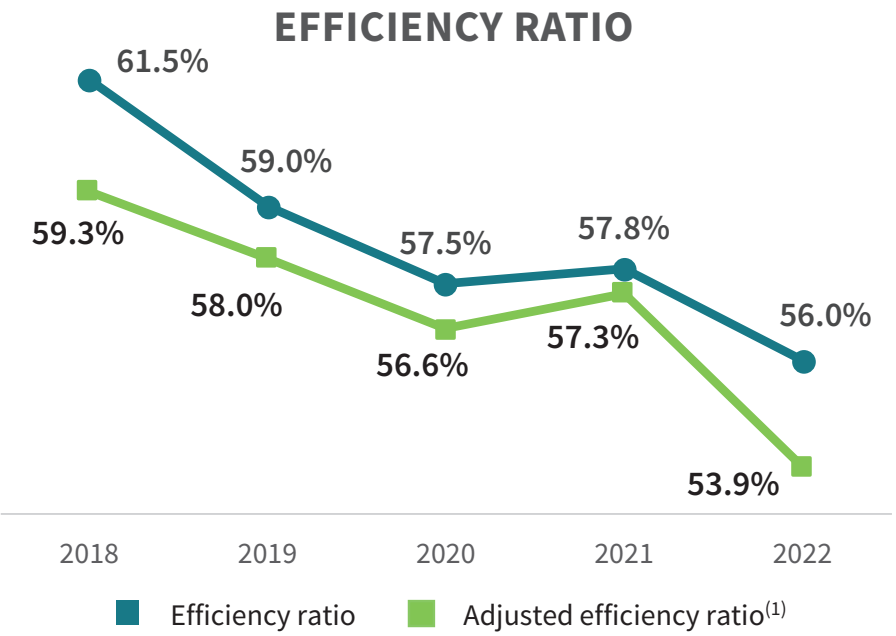
29 bps / 22bps[(1)]
net charge off ratio – below pre-pandemic levels

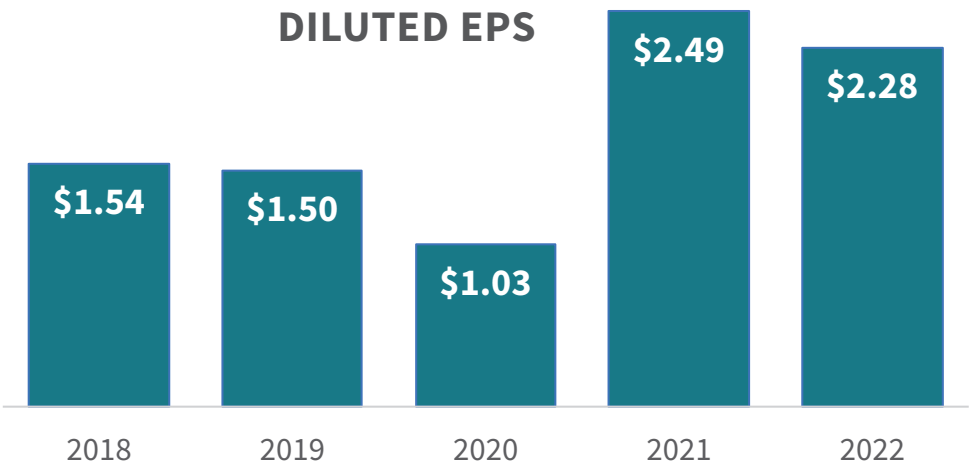
$922 million
total common dividends and share repurchases

REGIONS

Generating consistent sustainable long-term performance







(1) Non-GAAP measure, see Non-GAAP Reconciliation schedule included herein.

Non-GAAP Reconciliations

Management uses pre-tax pre-provision income (non-GAAP) and adjusted pre-tax pre-provision income (non-GAAP), as well as the adjusted efficiency ratio (non-GAAP) and the adjusted fee income ratio (non-GAAP) to monitor performance and believes these measures provide meaningful information to investors. Non-interest expense (GAAP) is presented excluding certain adjustments to arrive at adjusted non-interest expense (non-GAAP), which is the numerator for the efficiency ratio. Non-interest income (GAAP) is presented excluding certain adjustments to arrive at adjusted non-interest income (non-GAAP), which is the numerator for the fee income ratio. Adjusted non-interest income (non-GAAP) and adjusted non-interest expense (non-GAAP) are used to determine adjusted pre-tax pre-provision income (non-GAAP). Net interest income (GAAP) on a taxable-equivalent basis and non-interest income are added together to arrive at total revenue on a taxable-equivalent basis. Adjustments are made to arrive at adjusted total revenue on a taxable-equivalent basis (non-GAAP), which is the denominator for the fee income and efficiency ratios. Net loan charge-offs (GAAP) are presented excluding adjustments to arrive at adjusted net loan charge-offs (non-GAAP). Adjusted net loan charge-offs as a percentage of average loans (non-GAAP) are calculated as adjusted net loan charge-offs (non-GAAP) divided by average loans (GAAP) and annualized. Regions believes that the exclusion of these adjustments provides a meaningful base for period-to-period comparisons, which management believes will assist investors in analyzing the operating results of the Company and predicting future performance. These non-GAAP financial measures are also used by management to assess the performance of Regions' business. It is possible that the activities related to the adjustments may recur; however, management does not consider the activities related to the adjustments to be indications of ongoing operations. Regions believes that presentation of these non-GAAP financial measures will permit investors to assess the performance of the Company on the same basis as that applied by management. Tangible common stockholders' equity and return on average tangible common shareholders' equity (ROATCE) ratios have become a focus of some investors and management believes they may assist investors in analyzing the capital position of the Company absent the effects of intangible assets and preferred stock. Analysts and banking regulators have assessed Regions' capital adequacy using the tangible common stockholders' equity measure. Because tangible common stockholders' equity and ROATCE are not formally defined by GAAP or prescribed in any amount by federal banking regulations they are currently considered to be non-GAAP financial measures and other entities may calculate them differently than Regions' disclosed calculations. Adjustments to shareholders' equity include intangible assets and related deferred taxes and preferred stock. Additionally, adjustments to ROATCE include accumulated other comprehensive income. Since analysts and banking regulators may assess Regions' capital adequacy using tangible common stockholders' equity, management believes that it is useful to provide investors the ability to assess Regions' capital adequacy on this same basis.

Non-GAAP financial measures have inherent limitations, are not required to be uniformly applied and are not audited. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analyses of results as reported under GAAP. In particular, a measure of earnings that excludes selected items does not represent the amount that effectively accrues directly to stockholders.

Management and the Board of Directors utilize non-GAAP measures as follows:

- Preparation of Regions' operating budgets
- Monthly financial performance reporting
- Monthly close-out reporting of consolidated results (management only)
- Presentation to investors of company performance
- Metrics for incentive compensation

RETURN ON AVERAGE TANGIBLE COMMON SHAREHOLDERS' EQUITY

		Year-Ended				
($ amounts in millions)		2022	2021	2020	2019	2018
Return on Average Tangible Common Shareholders' Equity- Continuing Operations (non-GAAP)						
Net income available to common shareholders	A	$ 2,146	$ 2,400	$ 991	$ 1,503	$ 1,695
Average shareholders' equity		$ 16,503	$ 18,201	$ 17,382	$ 16,082	$ 15,381
Less:						
Average intangible assets		6,023	5,435	5,239	4,943	5,010
Average deferred tax liability related to intangibles		(103)	(99)	(99)	(94)	(97)
Average preferred stock		1,659	1,658	1,509	1,151	820
Average tangible common shareholders' equity	B	$ 8,924	$ 11,207	$ 10,733	$ 10,082	$ 9,648
Return on average tangible common shareholders' equity	A/B	24.05%	21.42%	9.23%	14.91%	17.57%

NII, NON-INTEREST/EXPENSE, AND EFFICIENCY RATIO

($ amounts in millions)		Year-Ended 2022	2021	2020	2019	2018
Efficiency Ratio (GAAP) and Adjusted Efficiency Ratio (non-GAAP)						
Non-interest expense(GAAP)	A	$ 4,068	$ 3,747	$ 3,643	$ 3,489	$ 3,570
Adjustments:						
Contribution to the Regions Financial Corporation foundation		-	(3)	(10)	-	(60)
Branch consolidations, property and equipment charges		(3)	(5)	(31)	(25)	(11)
Salaries and employee benefits - severance charges		-	(6)	(31)	(5)	(61)
Loss in early extinguishment of debt		-	(20)	(22)	(16)	-
Professional, legal and regulatory expenses		(179)	(15)	(7)	-	-
Expenses associated with residential mortgage loan sale		-	-	-	-	(4)
Acquisition expense		-	-	(1)	-	-
Adjusted non-interest expense (non-GAAP)	B	$ 3,886	$ 3,698	$ 3,541	$ 3,443	$ 3,434
Net interest income (GAAP)	C	$ 4,786	$ 3,914	$ 3,894	$ 3,745	$ 3,735
Taxable-equivalent adjustment		47	44	48	53	51
Net interest income, taxable-equivalent basis	D	$ 4,833	$ 3,958	$ 3,942	$ 3,798	$ 3,786
Non-interest income (GAAP)	E	$ 2,429	$ 2,524	$ 2,393	$ 2,116	$ 2,019
Adjustments:						
Securities (gains) losses, net		1	(3)	(4)	28	(1)
Valuation gain on equity investments		-	(3)	(50)	-	-
Leveraged lease termination gains		(1)	(2)	(2)	(1)	(8)
Gain on sale of affordable housing residential mortgage loans		-	-	-	(8)	-
Bank owned life insurance		-	(18)	(25)	-	-
Insurance proceeds		(50)	-	-	-	-
Adjusted Non-interest income (non-GAAP)	F	$ 2,379	$ 2,498	$ 2,312	$ 2,135	$ 2,010
Total revenue	C+E=G	$ 7,215	$ 6,438	$ 6,287	$ 5,861	$ 5,754
Adjusted total revenue (non-GAAP)	C+F=H	$ 7,165	$ 6,412	$ 6,206	$ 5,880	$ 5,745
Total revenue, taxable-equivalent basis	D+E=I	$ 7,262	$ 6,482	$ 6,335	$ 5,914	$ 5,805
Adjusted total revenue , taxable-equivalent basis (non-GAAP)	D+F=J	$ 7,212	$ 6,456	$ 6,254	$ 5,933	$ 5,796
Efficiency ratio (GAAP)	A/I	56.0%	57.8%	57.5%	59.0%	61.5%
Adjusted efficiency ratio (non-GAAP)	B/J	53.9%	57.3%	56.6%	58.0%	59.3%

PRE-TAX PRE-PROVISION INCOME (PPI)

($ amounts in millions)	Year-Ended 2022
Pre-tax pre-provision income (PPI) and Adjusted PPI (non-GAAP)	
Net income available to common shareholders (GAAP)	$ 2,146
Preferred dividends (GAAP)	99
Income tax expense (GAAP)	631
Income before income taxes (GAAP)	2,876
Provision for credit losses (GAAP)	271
Pre-tax pre-provision income (non-GAAP)	$ 3,147

ADJUSTED NET CHARGE-OFFS AND RATIO

($ amounts in millions)	Year-Ended 2022
Adjusted Net Charge-Offs and Ratio	
Net loans charge-offs (GAAP)	$ 263
Less: charge-offs associated with the sale of unsecured consumer loans	63
Adjusted net loan charge-offs (non-GAAP)	$ 200
Adjusted loans, net of unearned income, outstanding for the period (GAAP)	$ 92,282
Net loan charge-offs as a percentage of average loans, annualized (GAAP)	0.29%
Adjusted net loan charge-offs as a percentage of average loans, annualized (non-GAAP)	0.22%

This Page Intentionally Left Blank


REGIONS