UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended September 30, 2025

or

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to

Commission File Number: 001-34034

Regions Financial Corporation

(Exact name of registrant as specified in its charter)

Delaware	**63-0589368**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1900 Fifth Avenue North **Birmingham** **Alabama**	**35203**
(Address of principal executive offices)	**(Zip Code)**

(800) 734-4667

(Registrant's telephone number, including area code)

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, $.01 par value	RF	New York Stock Exchange
Depositary Shares, each representing a 1/40th Interest in a Share of 5.700% Fixed-to-Floating Rate Non-Cumulative Perpetual Preferred Stock, Series C	RF PRC	New York Stock Exchange
Depositary Shares, each representing a 1/40th Interest in a Share of 4.45% Non-Cumulative Perpetual Preferred Stock, Series E	RF PRE	New York Stock Exchange
Depositary Shares, each representing a 1/40th Interest in a Share of Non-Cumulative Perpetual Preferred Stock, Series F	RF PRF	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act. ☒ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ 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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

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

As of November 3, 2025 there were 876,876,496 shares of the issuer's common stock, par value $.01 per share, outstanding.

REGIONS FINANCIAL CORPORATION

FORM 10-Q

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Glossary of Defined Terms

Agencies - collectively, FNMA and GNMA.

ACL - Allowance for credit losses.

ALCO - Asset/Liability Management Committee.

Allowance - Allowance for credit losses.

AOCI - Accumulated other comprehensive income.

ASU - Accounting Standards Update.

ATM - Automated teller machine.

Bank - Regions Bank.

Basel III - Basel Committee's 2010 Regulatory Capital Framework (Third Accord).

Basel III Endgame - New rules for capital requirements that include broad-based changes to the risk-weighting framework that were proposed by U.S. federal regulators in 2023.

Basel III Rules - Final capital rules adopting the Basel III capital framework approved by U.S. federal regulators in 2013.

Basel Committee - Basel Committee on Banking Supervision.

BHC - Bank Holding Company.

Board - The Company's Board of Directors.

CAP - Customer Assistance Program.

CCAR - Comprehensive Capital Analysis and Review.

CECL - ASU 2016-13, Measurement of Credit Losses on Financial Instruments ("Current Expected Credit Losses")

CET1 - Common Equity Tier 1.

CFPB - Consumer Financial Protection Bureau.

CME Term SOFR - Chicago Mercantile Exchange published term Secured Overnight Financing Rate.

Company - Regions Financial Corporation and its subsidiaries.

CPI - Consumer price index.

CPR - Constant (or Conditional) prepayment rate.

Dodd-Frank Act - The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

DPD - Days past due.

DBRS - Dominion Bond Rating Service Morningstar.

DUS - Fannie Mae Delegated Underwriting & Servicing.

EVE - Economic Value of Equity.

FASB - Financial Accounting Standards Board.

FDIC - The Federal Deposit Insurance Corporation.

Federal Reserve - The Board of Governors of the Federal Reserve System.

FHA - Federal Housing Administration.

FHLB - Federal Home Loan Bank.

FICO - Fair Isaac Corporation.

FICO scores - Personal credit scores based on the model introduced by the Fair Isaac Corporation.

Fintechs - Financial Technology Companies.

FOMC - Federal Open Market Committee.

GAAP - Generally Accepted Accounting Principles in the US.

GDP - Gross domestic product.

GNMA - Government National Mortgage Association.

HPI - Housing price index.

IRS - Internal Revenue Service.

IRE - Investor Real Estate.

ISDA - International Swaps and Derivatives Association.

LROC - Liquidity Risk Oversight Committee.

LTV - Loan to value.

MBS - Mortgage-backed securities.

MSAs - Metropolitan Statistical Areas.

MSR - Mortgage servicing right.

NM - Not meaningful.

OAS - Option-adjusted spread.

OCI - Other comprehensive income.

R&S - Reasonable and supportable.

REITs - Real estate investment trust.

SCB - Stress Capital Buffer.

SEC - U.S. Securities and Exchange Commission.

SERP - Supplemental Executive Retirement Plan.

SOFR - Secured Overnight Financing Rate.

U.S. - United States.

U.S. Treasury - The United States Department of the Treasury.

VIE - Variable interest entity.

Visa - The Visa, U.S.A. Inc. card association or its affiliates, collectively.

03PART I

Cautionary Note Regarding Forward-Looking Statements and Risk Factor Summary

This Quarterly Report on Form 10-Q, other periodic reports filed by Regions Financial Corporation under the Securities Exchange Act of 1934, as amended, and any other written or oral statements made by us or on our behalf to analysts, investors, the media and others, may include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. The terms "Regions," the "Company," "we," "us" and "our" as used herein mean collectively Regions Financial Corporation, a Delaware corporation, together with its subsidiaries when or where appropriate. The words "future," "anticipates," "assumes," "intends," "plans," "seeks," "believes," "predicts," "potential," "objectives," "estimates," "expects," "targets," "projects," "outlook," "forecast," "would," "will," "may," "might," "could," "should," "can," and similar terms and expressions often signify forward-looking statements. Forward-looking statements are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control. Forward-looking statements are not based on historical information, but rather are related to future operations, strategies, financial results or other developments. Forward-looking statements are based on management's current expectations as well as certain assumptions and estimates made by, and information available to, management at the time the statements are made. Those statements are based on general assumptions and are subject to various risks, and because they also relate to the future they are likewise subject to inherent uncertainties and other factors that may cause actual results to differ materially from the views, beliefs and projections expressed in such statements. Therefore, we caution you against relying on any of these forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, those described below:

- Current and future economic and market conditions in the United States generally or in the communities we serve (in particular the Southeastern United States), including the effects of possible declines in property values, increases in interest rates and unemployment rates, inflation, financial market disruptions and potential reductions of economic growth, which may adversely affect our lending and other businesses and our financial results and conditions.
- Possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations, including tariffs, which could have a material adverse effect on our businesses and our financial results and conditions.
- Changes in market interest rates or capital markets could adversely affect our revenue and expense, the value of assets (such as our portfolio of investment securities) and obligations, as well as the availability and cost of capital and liquidity.
- Volatility and uncertainty about the direction of interest rates and the timing of any changes, which may lead to increased costs for businesses and consumers and potentially contribute to poor business and economic conditions generally.
- Possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans and leases.
- Changes in the speed of loan prepayments, loan origination and sale volumes, charge-offs, credit loss provisions or actual credit losses where our allowance for credit losses may not be adequate to cover our eventual losses.
- Possible acceleration of prepayments on mortgage-backed securities due to declining interest rates, and the related acceleration of premium amortization on those securities.
- Possible changes in consumer and business spending and saving habits and the related effect on our ability to increase assets and to attract deposits, which could adversely affect our net income.
- Loss of customer checking and savings account deposits as customers pursue other, higher-yield investments, or the need to price interest-bearing deposits higher due to competitive forces. Either of these activities could increase our funding costs.
- Possible downgrades in our credit ratings or outlook could, among other negative impacts, increase the costs of funding from capital markets.
- The loss of value of our investment portfolio could negatively impact market perceptions of us.
- Our ability to manage fluctuations in the value of assets and liabilities and off-balance sheet exposure so as to maintain sufficient capital and liquidity to support our businesses.
- The effects of social media on market perceptions of us and banks generally.
- The effects of problems encountered by other financial institutions that adversely affect us or the banking industry generally could require us to change certain business practices, reduce our revenue, impose additional costs on us, or otherwise negatively affect our businesses.
- Volatility in the financial services industry (including failures or rumors of failures of other depository institutions), along with actions taken by governmental agencies to address such turmoil, could affect the ability of depository institutions, including us, to attract and retain depositors and to borrow or raise capital.

- Our ability to effectively compete with traditional and non-traditional financial services companies, including fintechs, some of which possess greater financial resources than we do or are subject to different regulatory standards than we are.
- Our inability to develop and gain acceptance from current and prospective customers for new products and services and the enhancement of existing products and services to meet customers' needs and respond to emerging technological trends in a timely manner could have a negative impact on our revenue.
- Our inability to keep pace with technological changes, including those related to the offering of digital banking and financial services, could result in losing business to competitors.
- The development and use of AI presents risks and challenges that may impact our business.
- Our ability to execute on our strategic and operational plans, including our ability to fully realize the financial and nonfinancial benefits relating to our strategic initiatives.
- The risks and uncertainties related to our acquisition or divestiture of businesses and risks related to such acquisitions, including that the expected synergies, cost savings and other financial or other benefits may not be realized within expected timeframes, or might be less than projected; and difficulties in integrating acquired businesses.
- The success of our marketing efforts in attracting and retaining customers.
- Our ability to achieve our expense management initiatives.
- Changes in commodity market prices and conditions could adversely affect the cash flows of our borrowers operating in industries that are impacted by changes in commodity prices (including businesses indirectly impacted by commodities prices such as businesses that transport commodities or manufacture equipment used in the production of commodities), which could impair the ability of those borrowers to service any loans outstanding to them and/or reduce demand for loans in those industries.
- The effects of geopolitical instability, including wars, conflicts, civil unrest, and terrorist attacks and the potential impact, directly or indirectly, on our businesses.
- Fraud, theft or other misconduct conducted by external parties, including our customers and business partners, or by our employees.
- Any inaccurate or incomplete information provided to us by our customers or counterparties.
- Inability of our framework to manage risks associated with our businesses, such as credit risk and operational risk, including third-party vendors and other service providers, which inability could, among other things, result in a breach of operating or security systems as a result of a cyber-attack or similar act or failure to deliver our services effectively.
- Our ability to identify and address operational risks associated with the introduction of or changes to products, services, or delivery platforms.
- Dependence on key suppliers or vendors to obtain equipment and other supplies for our businesses on acceptable terms.
- The inability of our internal controls and procedures to prevent, detect or mitigate any material errors or fraudulent acts.
- Our ability to identify and address cyber-security risks such as data security breaches, malware, ransomware, "denial of service" attacks, "hacking" and identity theft, including account take-overs, a failure of which could disrupt our businesses and result in the disclosure of and/or misuse or misappropriation of confidential or proprietary information, disruption or damage to our systems, increased costs, losses, or adverse effects to our reputation.
- The effects of the failure of any component of our business infrastructure provided by a third party could disrupt our businesses, result in the disclosure of and/or misuse of confidential information or proprietary information, increase our costs, negatively affect our reputation, and cause losses.
- The effects of any developments, changes or actions relating to any litigation or regulatory proceedings brought against us or any of our subsidiaries.
- The costs, including possibly incurring fines, penalties, or other negative effects (including reputational harm) of any adverse judicial, administrative, or arbitral rulings or proceedings, regulatory enforcement actions or other legal actions to which we or any of our subsidiaries are a party, and which may adversely affect our results.
- Changes in laws and regulations affecting our businesses, including legislation and regulations relating to bank products and services, such as changes to debit card interchange fees, special FDIC assessments, any new long-term debt requirements, as well as changes in the enforcement and interpretation of such laws and regulations by applicable governmental and self-regulatory agencies, including as a result of the changes in U.S. presidential administration, control of the U.S. Congress, and changes in personnel at the bank regulatory agencies, which could require us to change certain business practices, increase compliance risk, reduce our revenue, impose additional costs on us, or otherwise negatively affect our businesses.

- Our capital actions, including dividend payments, common stock repurchases, or redemptions of preferred stock, must not cause us to fall below minimum capital ratio requirements, with applicable buffers taken into account, and must comply with other requirements and restrictions under law or imposed by our regulators, which may impact our ability to return capital to shareholders.
- Our ability to comply with stress testing and capital planning requirements (as part of the CCAR process or otherwise) may continue to require a significant investment of our managerial resources due to the importance of such tests and requirements.
- Our ability to comply with applicable capital and liquidity requirements (including, among other things, the Basel III Rules), including our ability to generate capital internally or raise capital on favorable terms, and if we fail to meet requirements, our financial condition and market perceptions of us could be negatively impacted.
- Our ability to recruit and retain talented and experienced personnel to assist in the development, management and operation of our products and services may be affected by changes in laws and regulations in effect from time to time.
- Our ability to receive dividends from our subsidiaries, in particular Regions Bank, could affect our liquidity and ability to pay dividends to shareholders.
- Fluctuations in the price of our common stock and inability to complete stock repurchases in the time frame and/or on the terms anticipated.
- The effects of anti-takeover laws and exclusive forum provision in our certificate of incorporation and bylaws.
- The effect of new tax legislation and/or interpretation of existing tax law, which may impact our earnings, capital ratios and our ability to return capital to shareholders.
- Changes in accounting policies or procedures as may be required by the FASB or other regulatory agencies could materially affect our financial statements and how we report those results, and expectations and preliminary analyses relating to how such changes will affect our financial results could prove incorrect.
- Any impairment of our goodwill or other intangibles, any repricing of assets or any adjustment of valuation allowances on our deferred tax assets due to changes in tax law, adverse changes in the economic environment declining operations of the reporting unit or other factors.
- The effects of man-made and natural disasters, including fires, floods, droughts, tornadoes, hurricanes and environmental damage (especially in the Southeastern United States), which may negatively affect our operations and/or our loan portfolios and increase our cost of conducting business. The severity and frequency of future earthquakes, fires, hurricanes, tornadoes, droughts, floods and other weather-related events are difficult to predict and may be exacerbated by global climate change.
- The impact of pandemics on our businesses, operations and financial results and conditions. The duration and severity of any pandemic as well as government actions or other restrictions in connection with such events could disrupt the global economy, adversely affect our capital and liquidity position, impair the ability of borrowers to repay outstanding loans and increase our allowance for credit losses, impair collateral values and result in lost revenue or additional expenses.
- The effects of any damage to our reputation resulting from developments related to any of the items identified above.
- Other risks identified from time to time in reports that we file with the SEC.

You should not place undue reliance on any forward-looking statements, which speak only as of the date made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible to predict all of them. We assume no obligation and do not intend to update or revise any forward-looking statements that are made from time to time, either as a result of future developments, new information or otherwise, except as may be required by law.

See also the reports filed with the SEC, including the discussion under the “Risk Factors” section of Regions’ Annual Report on Form 10-K for the year ended December 31, 2024 and in Regions’ subsequent filings with the SEC.

PART I

FINANCIAL INFORMATION

Item 1. Financial Statements

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (Unaudited)

	September 30, 2025	December 31, 2024
	(In millions, except per share data)	
Assets		
Cash and due from banks	$ 3,073	$ 2,893
Interest-bearing deposits in other banks	9,026	7,819
Debt securities held to maturity (estimated fair value of $5,716 and $4,226, respectively)	5,769	4,427
Debt securities available for sale (amortized cost of $27,650 and $28,183, respectively)	26,886	26,224
Loans held for sale (includes $267 and $234 measured at fair value, respectively)	573	594
Loans, net of unearned income	96,125	96,727
Allowance for loan losses	(1,581)	(1,613)
Net loans	94,544	95,114
Other earning assets	1,513	1,616
Premises, equipment and software, net	1,742	1,673
Interest receivable	574	572
Goodwill	5,733	5,733
Residential mortgage servicing rights at fair value	976	1,007
Other identifiable intangible assets, net	146	169
Other assets	9,385	9,461
Total assets	$ 159,940	$ 157,302
Liabilities and Equity		
Deposits:		
Non-interest-bearing	$ 39,768	$ 39,138
Interest-bearing	90,566	88,465
Total deposits	130,334	127,603
Borrowed funds:		
Short-term borrowings	1,300	500
Long-term borrowings	4,785	5,993
Total borrowed funds	6,085	6,493
Other liabilities	4,426	5,296
Total liabilities	140,845	139,392
Equity:		
Preferred stock, authorized 10 million shares, par value $1.00 per share:		
Non-cumulative perpetual, including related surplus, net of issuance costs; issued—1,400,000 shares and 1,403,500, respectively	1,369	1,715
Common stock, authorized 3 billion shares, par value $0.01 per share:		
Issued including treasury stock—925,183,444 and 949,510,334 shares, respectively	9	9
Additional paid-in capital	10,780	11,394
Retained earnings	9,922	9,060
Treasury stock, at cost— 41,032,676 shares	(1,371)	(1,371)
Accumulated other comprehensive income (loss), net	(1,660)	(2,928)
Total shareholders' equity	19,049	17,879
Noncontrolling interest	46	31
Total equity	19,095	17,910
Total liabilities and equity	$ 159,940	$ 157,302

See notes to consolidated financial statements.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions, except per share data)			
Interest income on:				
Loans, including fees	$ 1,386	$ 1,463	$ 4,105	$ 4,316
Debt securities	293	241	845	669
Loans held for sale	9	11	26	28
Other earning assets	108	105	329	293
Total interest income	1,796	1,820	5,305	5,306
Interest expense on:				
Deposits	456	507	1,345	1,504
Short-term borrowings	8	10	13	24
Long-term borrowings	75	85	237	190
Total interest expense	539	602	1,595	1,718
Net interest income	1,257	1,218	3,710	3,588
Provision for credit losses	105	113	355	367
Net interest income after provision for credit losses	1,152	1,105	3,355	3,221
Non-interest income:				
Service charges on deposit accounts	160	158	472	457
Card and ATM fees	122	118	364	354
Investment management and trust fee income	91	85	267	249
Capital markets income	104	92	267	251
Mortgage income	38	36	126	111
Securities gains (losses), net	(27)	(78)	(53)	(178)
Other	171	161	452	436
Total non-interest income	659	572	1,895	1,680
Non-interest expense:				
Salaries and employee benefits	671	645	1,954	1,912
Equipment and software expense	106	101	309	302
Net occupancy expense	72	69	214	211
Other	254	254	738	779
Total non-interest expense	1,103	1,069	3,215	3,204
Income before income taxes	708	608	2,035	1,697
Income tax expense	139	118	413	338
Net income	$ 569	$ 490	$ 1,622	$ 1,359
Net income available to common shareholders	$ 548	$ 446	$ 1,547	$ 1,266
Weighted-average number of shares outstanding:				
Basic	890	914	898	917
Diluted	894	918	902	919
Earnings per common share:				
Basic	$ 0.62	$ 0.49	$ 1.72	$ 1.38
Diluted	0.61	0.49	1.72	1.38

See notes to consolidated financial statements.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

	Three Months Ended September 30	
	2025	2024
	(In millions)	
Net income	$ 569	$ 490
Other comprehensive income, net of tax:		
Unrealized losses on securities transferred to held to maturity:		
Unrealized losses on securities transferred from available for sale during the period (net of zero and ($111) tax effect, respectively)	—	(325)
Less: reclassification adjustments for amortization of unrealized losses on securities transferred to held to maturity (net of ($4) and zero tax effect, respectively)	(9)	(1)
Net change in unrealized losses on securities transferred to held to maturity, net of tax	9	(324)
Unrealized gains (losses) on securities available for sale:		
Unrealized losses on securities transferred to held to maturity during the period (net of zero and $111 tax effect, respectively	—	325
Unrealized holding gains (losses) arising during the period (net of $72 and $298 tax effect, respectively)	215	870
Less: reclassification adjustments for securities gains (losses) realized in net income (net of ($7) and ($20) tax effect, respectively)	(20)	(58)
Net change in unrealized gains (losses) on securities available for sale, net of tax	235	1,253
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:		
Unrealized holding gains (losses) on derivative instruments arising during the period (net of $4 and $121 tax effect, respectively)	9	354
Less: reclassification adjustments for gains (losses) on derivative instruments realized in net income (net of ($16) and ($28) tax effect, respectively)	(49)	(82)
Net change in unrealized gains (losses) on derivative instruments, net of tax	58	436
Defined benefit pension plans and other post employment benefits:		
Net actuarial gains (losses) arising during the period (net of zero and zero tax effect, respectively)	—	—
Less: reclassification adjustments for amortization of actuarial loss and settlements realized in net income (net of ($1) and ($1) tax effect, respectively)	(5)	(6)
Net change from defined benefit pension plans and other post employment benefits, net of tax	5	6
Other comprehensive income, net of tax	307	1,371
Comprehensive income	$ 876	$ 1,861

	Nine Months Ended September 30	
	2025	2024
	(In millions)	
Net income	$ 1,622	$ 1,359
Other comprehensive income, net of tax:		
Unrealized losses on securities transferred to held to maturity:		
Unrealized losses on securities transferred from available for sale during the period (net of ($57) and ($111) tax effect, respectively)	(170)	(325)
Less: reclassification adjustments for amortization of unrealized losses on securities transferred to held to maturity (net of ($22) and zero tax effect, respectively)	(56)	(2)
Net change in unrealized losses on securities transferred to held to maturity, net of tax	(114)	(323)
Unrealized gains (losses) on securities available for sale:		
Unrealized losses on securities transferred to held to maturity during the period (net of $57 and $111 tax effect, respectively)	170	325
Unrealized holding gains (losses) arising during the period (net of $228 and $193 tax effect, respectively)	687	560
Less: reclassification adjustments for securities gains (losses) realized in net income (net of ($13) and ($45), respectively)	(40)	(133)
Net change in unrealized gains (losses) on securities available for sale, net of tax	897	1,018
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:		
Unrealized holding gains (losses) on derivative instruments arising during the period (net of $109 and ($16) tax effect, respectively)	318	(46)
Less: reclassification adjustments for gains (losses) on derivative instruments realized in net income (net of ($48) and ($88) tax effect, respectively)	(144)	(255)
Net change in unrealized gains (losses) on derivative instruments, net of tax	462	209
Defined benefit pension plans and other post employment benefits:		
Net actuarial gains (losses) arising during the period (net of zero and zero tax effect, respectively)	—	—
Less: reclassification adjustments for amortization of actuarial loss and settlements realized in net income (net of ($4) and($5) tax effect, respectively)	(14)	(14)
Net change from defined benefit pension plans and other post employment benefits, net of tax	14	14
Other comprehensive income, net of tax	1,259	918
Comprehensive income	$ 2,881	$ 2,277

See notes to consolidated financial statements.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited),

	Shareholders' Equity									
	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock, At Cost	Accumulated Other Comprehensive Income (Loss), Net	Total	Non-controlling Interest
	Shares	Amount	Shares	Amount						
	(In millions, except per share data)									
BALANCE AT JANUARY 1, 2024	2	$ 1,659	924	$ 10	$ 11,757	$ 8,186	$ (1,371)	$ (2,812)	$ 17,429	$ 64
Cumulative effect from change in accounting guidance	—	—	—	—	—	(5)	—	—	(5)	—
Net income	—	—	—	—	—	368	—	—	368	—
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	—	(412)	(412)	—
Cash dividends declared	—	—	—	—	—	(220)	—	—	(220)	—
Preferred stock dividends	—	—	—	—	—	(25)	—	—	(25)	—
Impact of common stock share repurchases	—	—	(6)	—	(102)	—	—	—	(102)	—
Impact of common stock transactions under compensation plans, net	—	—	—	—	11	—	—	—	11	—
Other	—	—	—	—	—	—	—	—	—	(30)
BALANCE AT MARCH 31, 2024	2	$ 1,659	918	$ 10	$ 11,666	$ 8,304	$ (1,371)	$ (3,224)	$ 17,044	$ 34
BALANCE AT APRIL 1, 2024	2	$ 1,659	918	$ 10	$ 11,666	$ 8,304	$ (1,371)	$ (3,224)	$ 17,044	$ 34
Net income	—	—	—	—	—	501	—	—	501	—
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	—	(41)	(41)	—
Cash dividends declared	—	—	—	—	—	(220)	—	—	(220)	—
Preferred stock dividends	—	—	—	—	—	(24)	—	—	(24)	—
Impact of common stock share repurchases	—	—	(4)	—	(87)	—	—	—	(87)	—
Impact of common stock transactions under compensation plans, net	—	—	1	—	(4)	—	—	—	(4)	—
Other	—	—	—	—	—	—	—	—	—	$ (1)
BALANCE AT JUNE 30, 2024	2	$ 1,659	915	$ 10	$ 11,575	$ 8,561	$ (1,371)	$ (3,265)	$ 17,169	$ 33
BALANCE AT JULY 1, 2024	2	$ 1,659	915	$ 10	$ 11,575	$ 8,561	$ (1,371)	$ (3,265)	$ 17,169	$ 33
Net income	—	—	—	—	—	490	—	—	490	—
Other comprehensive income, net of tax	—	—	—	—	—	—	—	1,371	1,371	—
Cash dividends declared	—	—	—	—	—	(229)	—	—	(229)	—
Preferred stock dividends	—	—	—	—	—	(29)	—	—	(29)	—
Net proceeds from issuance of Series F preferred stock	—	489	—	—	—	—	—	—	489	—
Redemption of Series B preferred stock	—	(433)	—	—	(52)	(15)	—	—	(500)	—
Impact of common stock share repurchases	—	—	(4)	—	(101)	—	—	—	(101)	—
Impact of common stock transactions under compensation plans, net	—	—	—	—	16	—	—	—	16	—
Other	—	—	—	—	—	—	—	—	—	18
BALANCE AT SEPTEMBER 30, 2024	2	$ 1,715	911	$ 10	$ 11,438	$ 8,778	$ (1,371)	$ (1,894)	$ 18,676	$ 51

	Shareholders' Equity										
	Preferred Stock		Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Stock, At Cost	Accumulated Other Comprehensive Income (Loss), Net	Total	Non-controlling Interest
	Shares	Amount	Shares	Amount						
	(In millions, except per share data)									
BALANCE AT JANUARY 1, 2025	2	$ 1,715	909	$ 9	$ 11,394	$ 9,060	$ (1,371)	$ (2,928)	$ 17,879	$ 31
Net income	—	—	—	—	—	490	—	—	490	—
Other comprehensive income, net of tax	—	—	—	—	—	—	—	636	636	—
Cash dividends declared	—	—	—	—	—	(226)	—	—	(226)	—
Preferred stock dividends	—	—	—	—	—	(25)	—	—	(25)	—
Impact of common stock share repurchases	—	—	(10)	—	(242)	—	—	—	(242)	—
Impact of common stock transactions under compensation plans, net	—	—	—	—	9	—	—	—	9	—
Other	—	—	—	—	—	—	—	9	9	6
BALANCE AT MARCH 31, 2025	2	$ 1,715	899	$ 9	$ 11,161	$ 9,299	$ (1,371)	$ (2,283)	$ 18,530	$ 37
BALANCE AT APRIL 1, 2025	2	$ 1,715	899	$ 9	$ 11,161	$ 9,299	$ (1,371)	$ (2,283)	$ 18,530	$ 37
Net income	—	—	—	—	—	563	—	—	563	—
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	—	316	316	—
Cash dividends declared	—	—	—	—	—	(224)	—	—	(224)	—
Preferred stock dividends	—	—	—	—	—	(25)	—	—	(25)	—
Redemption of Series D preferred stock	(1)	(346)	—	—	—	(4)	—	—	(350)	—
Impact of common stock share repurchases	—	—	(7)	—	(144)	—	—	—	(144)	—
Impact of common stock transactions under compensation plans, net	—	—	2	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	3
BALANCE AT JUNE 30, 2025	1	$ 1,369	894	$ 9	$ 11,017	$ 9,609	$ (1,371)	$ (1,967)	$ 18,666	$ 40
BALANCE AT JULY 1, 2025	1	$ 1,369	894	$ 9	$ 11,017	$ 9,609	$ (1,371)	$ (1,967)	$ 18,666	$ 40
Net income	—	—	—	—	—	569	—	—	569	—
Other comprehensive income, net of tax	—	—	—	—	—	—	—	307	307	—
Cash dividends declared	—	—	—	—	—	(235)	—	—	(235)	—
Preferred stock dividends	—	—	—	—	—	(21)	—	—	(21)	—
Impact of common stock share repurchases	—	—	(10)	—	(251)	—	—	—	(251)	—
Impact of common stock transactions under compensation plans, net	—	—	1	—	14	—	—	—	14	—
Other	—	—	—	—	—	—	—	—	—	6
BALANCE AT SEPTEMBER 30, 2025	1	$ 1,369	885	$ 9	$ 10,780	$ 9,922	$ (1,371)	$ (1,660)	$ 19,049	$ 46

See notes to consolidated financial statements.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

	Nine Months Ended September 30	
	2025	2024
	(In millions)	
Operating activities:		
Net income	$ 1,622	$ 1,359
Adjustments to reconcile net income to net cash from operating activities:		
Provision for credit losses	355	367
Depreciation, amortization and accretion, net	62	123
Securities (gains) losses, net	53	178
Deferred income tax expense	105	33
Originations and purchases of loans held for sale	(4,034)	(4,443)
Proceeds from sales of loans held for sale	4,177	4,347
(Gain) loss on sale of loans, net	(44)	(43)
Net change in operating assets and liabilities:		
Other earning assets	103	(208)
Interest receivable and other assets	282	332
Other liabilities	(173)	(306)
Other	(8)	79
Net cash from operating activities	2,500	1,818
Investing activities:		
Proceeds from maturities of debt securities held to maturity	499	31
Proceeds from sales of debt securities available for sale	1,239	3,825
Proceeds from maturities of debt securities available for sale	2,579	2,356
Purchases of debt securities available for sale	(5,949)	(8,074)
Net (payments for) proceeds from bank-owned life insurance	4	14
Proceeds from sales of loans	470	73
Purchases of loans	(307)	(536)
Net change in loans	56	1,792
Purchases of mortgage servicing rights	(27)	(137)
Net purchases of other assets	(200)	(104)
Net cash from investing activities	(1,636)	(760)
Financing activities:		
Net change in deposits	2,731	(1,412)
Net change in short-term borrowings	800	1,500
Proceeds from long-term borrowings	—	3,740
Payments on long-term borrowings	(1,250)	(100)
Cash dividends on common stock	(677)	(662)
Cash dividends on preferred stock	(71)	(78)
Net proceeds from issuance of preferred stock	—	489
Payment for redemption of preferred stock	(350)	(500)
Repurchases of common stock	(637)	(290)
Taxes paid related to net share settlement of equity awards	(23)	(25)
Net cash from financing activities	523	2,662
Net change in cash and cash equivalents	1,387	3,720
Cash and cash equivalents at beginning of year	10,712	6,801
Cash and cash equivalents at end of period	$ 12,099	$ 10,521

See notes to consolidated financial statements.

REGIONS FINANCIAL CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

NOTE 1. BASIS OF PRESENTATION

Regions Financial Corporation (“Regions” or the "Company”) provides a full range of banking and bank-related services to individual and corporate customers through its subsidiaries and branch offices located across the South, Midwest and Texas as well as delivering specialty capabilities nationwide. Regions is subject to the regulations of certain government agencies and undergoes periodic examinations by certain regulatory authorities.

The accounting and reporting policies of Regions and the methods of applying those policies that materially affect the consolidated financial statements conform with GAAP and with general financial services industry practices. The accompanying interim financial statements have been prepared in accordance with the instructions for Form 10-Q and, therefore, do not include all information and notes to the consolidated financial statements necessary for a complete presentation of financial position, results of operations, comprehensive income and cash flows in conformity with GAAP. In the opinion of management, all adjustments, consisting of normal and recurring items, necessary for the fair presentation of the consolidated financial statements have been included. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto in Regions’ Annual Report on Form 10-K for the year ended December 31, 2024. Regions has evaluated all subsequent events for potential recognition and disclosure through the filing date of this Form 10-Q.

During 2025, the Company adopted new accounting guidance. See Note 13 for related disclosures.

NOTE 2. VARIABLE INTEREST ENTITIES

Regions is involved in various entities that are considered to be VIEs, as defined by authoritative accounting literature. Generally, a VIE is a corporation, partnership, trust or other legal structure that either does not have equity investors with substantive voting rights or has equity investors that do not provide sufficient financial resources for the entity to support its activities. The following discusses the VIEs in which Regions has a significant interest.

Regions periodically invests in various limited partnerships that sponsor affordable housing projects and economic development projects, which then provide tax credits to Regions. These investments are funded through a combination of debt and equity. These partnerships meet the definition of a VIE and are collectively referred to as tax credit investments in the table below. Due to the nature of the management activities of the general partner, Regions is not the primary beneficiary of these partnerships. Refer to Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional details. Additionally, Regions has loans or letters of credit commitments with certain limited partnerships. The funded portion of the loans and letters of credit are classified as commercial and industrial loans or investor real estate loans as applicable in Note 4 .

A summary of Regions’ tax credit investments and related loans and letters of credit, representing Regions’ maximum exposure to loss, is as follows:

	September 30, 2025	December 31, 2024
	(In millions)	
Tax credit investments included in other assets	$ 1,473	$ 1,471
Unfunded tax credit commitments included in other liabilities	485	590
Loans and letters of credit commitments	545	663
Funded portion of loans and letters of credit commitments	311	336

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions)			
Tax credits and other tax benefits recognized	$ 57	$ 59	$ 169	$ 175
Tax credit amortization expense included in income tax expense	47	49	142	142

In addition to the investments discussed above, Regions also syndicates affordable housing investments. In these syndication transactions, Regions creates affordable housing funds in which a subsidiary is the general partner or managing member and sells limited partnership interests to third parties. Regions' general partner or managing member interest represents an insignificant interest in the affordable housing fund. The affordable housing funds meet the definition of a VIE. As Regions is not the primary beneficiary, these investments are not consolidated. At September 30, 2025 and December 31, 2024, the value of Regions’ general partnership interest in affordable housing investments was immaterial.

NOTE 3. DEBT SECURITIES

The amortized cost, gross unrealized gains and losses, and estimated fair value of debt securities held to maturity and debt securities available for sale are as follows:

	September 30, 2025						
		Recognized in OCI [1]			Not recognized in OCI		
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
				(In millions)			
Debt securities held to maturity:							
Mortgage-backed securities:							
Residential agency	$ 6,252	$ —	$ (892)	$ 5,360	$ 18	$ (63)	$ 5,315
Commercial agency	409	—	—	409	—	(8)	401
	$ 6,661	$ —	$ (892)	$ 5,769	$ 18	$ (71)	$ 5,716
Debt securities available for sale:							
U.S. Treasury securities	$ 2,316	$ 9	$ (59)	$ 2,266			$ 2,266
Federal agency securities	614	5	(9)	610			610
Obligations of states and political subdivisions	2	—	—	2			2
Mortgage-backed securities:							
Residential agency	19,299	185	(765)	18,719			18,719
Commercial agency	4,865	29	(152)	4,742			4,742
Commercial non-agency	92	—	(9)	83			83
Corporate and other debt securities	462	6	(4)	464			464
	$ 27,650	$ 234	$ (998)	$ 26,886			$ 26,886

	December 31, 2024						
		Recognized in OCI [1]			Not recognized in OCI		
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
				(In millions)			
Debt securities held to maturity:							
Mortgage-backed securities:							
Residential agency	$ 4,663	$ —	$ (743)	$ 3,920	$ —	$ (186)	$ 3,734
Commercial agency	507	—	—	507	—	(15)	492
	$ 5,170	$ —	$ (743)	$ 4,427	$ —	$ (201)	$ 4,226
Debt securities available for sale:							
U.S. Treasury securities	$ 2,088	$ 2	$ (87)	$ 2,003			$ 2,003
Federal agency securities	460	1	(17)	444			444
Obligations of states and political subdivisions	2	—	—	2			2
Mortgage-backed securities:							
Residential agency	20,482	20	(1,557)	18,945			18,945
Commercial agency	4,389	1	(300)	4,090			4,090
Commercial non-agency	92	—	(10)	82			82
Corporate and other debt securities	670	2	(14)	658			658
	$ 28,183	$ 26	$ (1,985)	$ 26,224			$ 26,224

(1) Debt securities held to maturity gross unrealized losses recognized in OCI resulted from transfers of securities available for sale.

The Company utilizes interest rate swap agreements to manage interest rate exposure on certain of the Company's fixed-rate prepayable and non-prepayable debt securities available for sale. See Note 9 for additional information.

The Company reclassified debt securities with an amortized cost, excluding items recognized in OCI, of $1.0 billion in each of the first and second quarters of 2025, for a total of $2.0 billion from available for sale to held to maturity. The Company determined it has both the positive intent and ability to hold these debt securities to maturity. The debt securities were transferred at amortized cost, in addition to the amount of any remaining unrealized holding gain or loss reported in AOCI, and represented a non-cash transaction. OCI included net pre-tax unrealized losses of $153 million and $74 million in the first and second quarters, respectively, at the date of transfer and the offsetting OCI components are being amortized into net interest income over the remaining life of the related debt securities as a yield adjustment, resulting in no impact on future net income.

Debt securities with carrying values of $21.0 billion and $20.9 billion at September 30, 2025 and December 31, 2024, respectively, were pledged to secure public funds, trust deposits and other borrowing arrangements.

The amortized cost and estimated fair value of debt securities held to maturity and debt securities available for sale at September 30, 2025, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Estimated Fair Value
	(In millions)	
Debt securities held to maturity:		
Mortgage-backed securities:		
Residential agency	$ 6,252	$ 5,315
Commercial agency	409	401
	$ 6,661	$ 5,716
Debt securities available for sale:		
Due in one year or less	$ 316	$ 313
Due after one year through five years	1,926	1,897
Due after five years through ten years	1,079	1,061
Due after ten years	73	71
Mortgage-backed securities:		
Residential agency	19,299	18,719
Commercial agency	4,865	4,742
Commercial non-agency	92	83
	$ 27,650	$ 26,886

The following tables present gross unrealized losses and the related estimated fair value of debt securities held to maturity and debt securities available for sale at September 30, 2025 and December 31, 2024. For debt securities transferred to held to maturity from available for sale, the analysis in the tables below compares the debt securities' original amortized cost to its current estimated fair value. All debt securities in an unrealized position are segregated between investments that have been in a continuous unrealized loss position for less than twelve months and for twelve months or more.

	September 30, 2025					
	Less Than Twelve Months		Twelve Months or More		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
	(In millions)					
Debt securities held to maturity:						
Mortgage-backed securities:						
Residential agency	$ 197	$ (1)	$ 5,118	$ (937)	$ 5,315	$ (938)
Commercial agency	—	—	401	(8)	401	(8)
	$ 197	$ (1)	$ 5,519	$ (945)	$ 5,716	$ (946)
Debt securities available for sale:						
U.S Treasury securities	$ 551	$ (7)	$ 1,031	$ (52)	$ 1,582	$ (59)
Federal agency securities	234	(1)	138	(8)	372	(9)
Mortgage-backed securities:						
Residential agency	1,193	(13)	8,144	(752)	9,337	(765)
Commercial agency	—	—	2,430	(152)	2,430	(152)
Commercial non-agency	—	—	84	(9)	84	(9)
Corporate and other debt securities	—	—	182	(4)	182	(4)
	$ 1,978	$ (21)	$ 12,009	$ (977)	$ 13,987	$ (998)

	December 31, 2024					
	Less Than Twelve Months		Twelve Months or More		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
	(In millions)					
Debt securities held to maturity:						
Mortgage-backed securities:						
Residential agency	$ —	$ —	$ 3,734	$ (929)	$ 3,734	$ (929)
Commercial agency	—	—	492	(15)	492	(15)
	$ —	$ —	$ 4,226	$ (944)	$ 4,226	$ (944)
Debt securities available for sale:						
U.S. Treasury securities	$ 612	$ (14)	$ 1,033	$ (73)	$ 1,645	$ (87)
Federal agency securities	155	(3)	195	(14)	350	(17)
Mortgage-backed securities:						
Residential agency	8,012	(203)	9,605	(1,354)	17,617	(1,557)
Commercial agency	1,043	(35)	2,991	(265)	4,034	(300)
Commercial non-agency	—	—	82	(10)	82	(10)
Corporate and other debt securities	59	(1)	397	(13)	456	(14)
	$ 9,881	$ (256)	$ 14,303	$ (1,729)	$ 24,184	$ (1,985)

The number of individual debt security positions in an unrealized loss position in the tables above decreased to 1,405 at September 30, 2025 from 1,722 at December 31, 2024. The decrease in the total amount of unrealized losses was impacted by changes in market interest rates. In instances where an unrealized loss existed, there was no indication of an adverse change in credit on the underlying positions in the tables above. As it relates to these positions, management believes no individual unrealized loss represented credit impairment as of those dates. At September 30, 2025, the Company does not intend to sell, and it is not more likely than not that the Company will be required to sell, the positions before the recovery of their amortized cost bases, which may be at maturity.

The following table presents gross realized gains and gross realized losses on sales of debt securities available for sale.

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions)			
Gross realized gains	$ —	$ 14	$ 1	$ 14
Gross realized losses	(27)	(92)	(54)	(192)
Securities gains (losses), net	$ (27)	$ (78)	$ (53)	$ (178)

The cost of debt securities sold is based on the specific identification method. As part of the Company's normal process for evaluating impairment, including credit-related impairment, impairment identified by management was immaterial for both the three and nine months ended September 30, 2025 and 2024.

NOTE 4. LOANS AND THE ALLOWANCE FOR CREDIT LOSSES

LOANS

The following table presents the distribution of Regions' loan portfolio by segment and class, net of unearned income:

	September 30, 2025	December 31, 2024
	(In millions)	
Commercial and industrial	$ 49,234	$ 49,671
Commercial real estate mortgage—owner-occupied	4,835	4,841
Commercial real estate construction—owner-occupied	285	333
Total commercial	54,354	54,845
Commercial investor real estate mortgage	7,122	6,567
Commercial investor real estate construction	1,948	2,143
Total investor real estate	9,070	8,710
Residential first mortgage	19,881	20,094
Home equity lines	3,209	3,150
Home equity loans	2,340	2,390
Consumer credit card	1,437	1,445
Other consumer [(1)]	5,834	6,093
Total consumer	32,701	33,172
Total loans, net of unearned income	$ 96,125	$ 96,727

(1) Starting in 2025, other consumer loans also includes exit portfolios, which were previously presented separately. The portfolio consists primarily of indirect auto loans, and presentation of prior periods has been conformed accordingly.

ALLOWANCE FOR CREDIT LOSSES

Regions determines the appropriate level of the allowance on a quarterly basis. Refer to Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024, for a description of the methodology.

ROLLFORWARD OF ALLOWANCE FOR CREDIT LOSSES

The following tables present analyses of the allowance for credit losses by portfolio segment for three and nine months ended September 30, 2025, and 2024.

	Three Months Ended September 30, 2025			
	Commercial	Investor Real Estate	Consumer	Total
	(In millions)			
Allowance for loan losses, July 1, 2025	$ 747	$ 234	$ 631	$ 1,612
Provision for loan losses	86	(47)	65	104
Loan losses:				
Charge-offs	(58)	(34)	(68)	(160)
Recoveries	11	2	12	25
Net loan losses	(47)	(32)	(56)	(135)
Allowance for loan losses, September 30, 2025	786	155	640	1,581
Reserve for unfunded credit commitments, July 1, 2025	99	13	19	131
Provision for unfunded credit commitments	3	(3)	1	1
Reserve for unfunded credit commitments, September 30, 2025	102	10	20	132
Allowance for credit losses, September 30, 2025	$ 888	$ 165	$ 660	$ 1,713

	Three Months Ended September 30, 2024			
	Commercial	Investor Real Estate	Consumer	Total
	(In millions)			
Allowance for loan losses, July 1, 2024	$ 736	$ 233	$ 652	$ 1,621
Provision for loan losses	47	10	46	103
Loan losses:				
Charge-offs	(71)	(12)	(60)	(143)
Recoveries	15	—	11	26
Net loan losses	(56)	(12)	(49)	(117)
Allowance for loan losses, September 30, 2024	727	231	649	1,607
Reserve for unfunded credit commitments, July 1, 2024	85	8	18	111
Provision for unfunded credit commitments	8	2	—	10
Reserve for unfunded credit commitments, September 30, 2024	93	10	18	121
Allowance for credit losses, September 30, 2024	$ 820	$ 241	$ 667	$ 1,728

	Nine Months Ended September 30, 2025			
	Commercial	Investor Real Estate	Consumer	Total
	(In millions)			
Allowance for loan losses, January 1, 2025	$ 743	$ 240	$ 630	$ 1,613
Provision for loan losses	197	(29)	171	339
Loan losses:				
Charge-offs	(187)	(58)	(193)	(438)
Recoveries	33	2	32	67
Net loan losses	(154)	(56)	(161)	(371)
Allowance for loan losses, September 30, 2025	786	155	640	1,581
Reserve for unfunded credit commitments, January 1, 2025	91	7	18	116
Provision for (benefit from) unfunded credit losses	11	3	2	16
Reserve for unfunded credit commitments, September 30, 2025	102	10	20	132
Allowance for credit losses, September 30, 2025	$ 888	$ 165	$ 660	$ 1,713

	Nine Months Ended September 30, 2024			
	Commercial	Investor Real Estate	Consumer	Total
	(In millions)			
Allowance for loan losses, January 1, 2024	$ 722	$ 192	$ 662	$ 1,576
Provision for loan losses	166	54	150	370
Loan losses:				
Charge-offs	(194)	(17)	(196)	(407)
Recoveries	33	2	33	68
Net loan losses	(161)	(15)	(163)	(339)
Allowance for loan losses, September 30, 2024	727	231	649	1,607
Reserve for unfunded credit commitments, January 1, 2024	92	13	19	124
Provision for (benefit from) unfunded credit losses	1	(3)	(1)	(3)
Reserve for unfunded credit commitments, September 30, 2024	93	10	18	121
Allowance for credit losses, September 30, 2024	$ 820	$ 241	$ 667	$ 1,728

PORTFOLIO SEGMENT RISK FACTORS

Regions' portfolio segments are commercial, investor real estate, and consumer. Classes within each segment present unique credit risks. Refer to Note 5 "Allowance for Credit Losses" in the Annual Report on Form 10-K for the year ended December 31, 2024 for information regarding Regions' portfolio segments and related classes, as well as the risks specific to each.

CREDIT QUALITY INDICATORS

The commercial and investor real estate portfolio segments' primary credit quality indicator is internal risk ratings which are detailed by categories related to underlying credit quality and probability of default. Regions assigns these risk ratings at loan origination and reviews the relationship utilizing a risk-based approach on, at minimum, an annual basis or at any time management becomes aware of information affecting the borrowers' ability to fulfill their obligations. Both quantitative and qualitative factors are considered in this review process. Refer to Note 5 "Allowance for Credit Losses" in the Annual Report on Form 10-K for the year ended December 31, 2024 for information regarding commercial risk ratings.

Regions' consumer portfolio segment has various classes that present unique credit risks. Regions considers factors such as periodic updates of FICO scores, accrual status, days past due status, unemployment rates, home prices, and geography as credit quality indicators for the consumer loan portfolio. FICO scores are obtained at origination as part of Regions' formal underwriting process. Refreshed FICO scores are obtained by the Company quarterly for most consumer loans, including residential first mortgage loans. Current FICO data is not available for certain loans in the portfolio for various reasons; for example, if customers do not use sufficient credit, an updated score may not be available. These categories are utilized to develop the associated allowance for credit losses. The higher the FICO score the less probability of default and vice versa.

The following tables present applicable credit quality indicators for the loan portfolio segments and classes, excluding loans held for sale and gross charge-offs, by vintage year as of September 30, 2025 and December 31, 2024. Regions defines the vintage date for the purposes of disclosure as the date of the most recent credit decision. In general, renewals that are categorized as new credit decisions reflect the renewal date as the vintage date. Classes in the commercial and investor real estate portfolio segments are disclosed by risk rating. Classes in the consumer portfolio segment are disclosed by current FICO scores. Refer to Note 5 "Allowance for Credit Losses" in the Annual Report on Form 10-K for the year ended December 31, 2024 for more information regarding Regions' credit quality indicators.

	September 30, 2025									
	Term Loans						Revolving Loans	Revolving Loans Converted to Amortizing	Other [1]	Total
	2025	2024	2023	2022	2021	Prior				
	(In millions)									
Commercial and industrial:										
Risk rating:										
Pass	$ 7,784	$ 6,535	$ 3,131	$ 4,193	$ 2,100	$ 3,762	$ 19,381	$ —	$ 301	$ 47,187
Special Mention	43	57	182	45	35	12	232	—	—	606
Substandard Accrual	111	54	155	159	14	17	407	—	—	917
Non-accrual	48	96	126	44	33	29	148	—	—	524
Total commercial and industrial	$ 7,986	$ 6,742	$ 3,594	$ 4,441	$ 2,182	$ 3,820	$ 20,168	$ —	$ 301	$ 49,234
Commercial real estate mortgage—owner-occupied:										
Risk rating:										
Pass	$ 554	$ 720	$ 614	$ 750	$ 690	$ 1,053	$ 111	$ —	$ (6)	$ 4,486
Special Mention	4	7	6	39	28	58	1	—	—	143
Substandard Accrual	31	26	12	21	35	37	3	—	—	165
Non-accrual	1	3	2	3	13	19	—	—	—	41
Total commercial real estate mortgage—owner-occupied:	$ 590	$ 756	$ 634	$ 813	$ 766	$ 1,167	$ 115	$ —	$ (6)	$ 4,835
Commercial real estate construction—owner-occupied:										
Risk rating:										
Pass	$ 63	$ 42	$ 33	$ 31	$ 23	$ 46	$ 13	$ —	$ —	$ 251
Special Mention	—	8	—	8	—	—	—	—	—	16
Substandard Accrual	5	10	—	—	—	2	—	—	—	17
Non-accrual	—	—	—	—	—	1	—	—	—	1
Total commercial real estate construction—owner-occupied:	$ 68	$ 60	$ 33	$ 39	$ 23	$ 49	$ 13	$ —	$ —	$ 285
Total commercial	$ 8,644	$ 7,558	$ 4,261	$ 5,293	$ 2,971	$ 5,036	$ 20,296	$ —	$ 295	$ 54,354

	September 30, 2025									
	Term Loans									
	2025	2024	2023	2022	2021	Prior	Revolving Loans	Revolving Loans Converted to Amortizing	Other [1]	Total
	(In millions)									
Commercial investor real estate mortgage:										
Risk rating:										
Pass	$ 2,192	$ 1,010	$ 591	$ 1,063	$ 367	$ 203	$ 521	$ —	$ (5)	$ 5,942
Special Mention	157	—	98	178	3	2	—	—	—	438
Substandard Accrual	216	46	—	160	98	28	57	—	—	605
Non-accrual	15	69	—	44	—	9	—	—	—	137
Total commercial investor real estate mortgage	$ 2,580	$ 1,125	$ 689	$ 1,445	$ 468	$ 242	$ 578	$ —	$ (5)	$ 7,122
Commercial investor real estate construction:										
Risk rating:										
Pass	$ 180	$ 528	$ 301	$ 177	$ —	$ 1	$ 700	$ —	$ (11)	$ 1,876
Special Mention	—	7	—	42	—	—	—	—	—	49
Substandard Accrual	—	—	—	—	—	—	23	—	—	23
Non-accrual	—	—	—	—	—	—	—	—	—	—
Total commercial investor real estate construction	$ 180	$ 535	$ 301	$ 219	$ —	$ 1	$ 723	$ —	$ (11)	$ 1,948
Total investor real estate	$ 2,760	$ 1,660	$ 990	$ 1,664	$ 468	$ 243	$ 1,301	$ —	$ (16)	$ 9,070
Residential first mortgage:										
FICO scores:										
Above 720	$ 932	$ 1,212	$ 1,799	$ 2,578	$ 3,785	$ 6,132	$ —	$ —	$ —	$ 16,438
681-720	72	95	160	207	255	471	—	—	—	1,260
620-680	35	49	80	124	138	372	—	—	—	798
Below 620	6	38	97	164	169	534	—	—	—	1,008
Data not available	25	27	15	14	31	93	2	—	170	377
Total residential first mortgage	$ 1,070	$ 1,421	$ 2,151	$ 3,087	$ 4,378	$ 7,602	$ 2	$ —	$ 170	$ 19,881
Home equity lines:										
FICO scores:										
Above 720	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,425	$ 59	—	$ 2,484
681-720	—	—	—	—	—	—	343	12	—	355
620-680	—	—	—	—	—	—	198	14	—	212
Below 620	—	—	—	—	—	—	116	9	—	125
Data not available	—	—	—	—	—	—	1	—	32	33
Total home equity lines	$ —	$ —	$ —	$ —	$ —	$ —	$ 3,083	$ 94	$ 32	$ 3,209
Home equity loans:										
FICO scores:										
Above 720	$ 245	$ 277	$ 217	$ 267	$ 286	$ 524	$ —	$ —	$ —	$ 1,816
681-720	46	44	34	43	33	62	—	—	—	262
620-680	14	20	19	22	21	54	—	—	—	150
Below 620	1	8	13	16	16	43	—	—	—	97
Data not available	—	—	—	—	—	—	—	—	15	15
Total home equity loans	$ 306	$ 349	$ 283	$ 348	$ 356	$ 683	$ —	$ —	$ 15	$ 2,340
Consumer credit card:										
FICO scores:										
Above 720	$ —	$ —	$ —	$ —	$ —	$ —	$ 820	$ —	$ —	$ 820
681-720	—	—	—	—	—	—	276	—	—	276
620-680	—	—	—	—	—	—	238	—	—	238
Below 620	—	—	—	—	—	—	119	—	—	119
Data not available	—	—	—	—	—	—	5	—	(21)	(16)
Total consumer credit card	$ —	$ —	$ —	$ —	$ —	$ —	$ 1,458	$ —	$ (21)	$ 1,437

	September 30, 2025									
	Term Loans						Revolving Loans	Revolving Loans Converted to Amortizing	Other [1]	Total
	2025	2024	2023	2022	2021	Prior				
	(In millions)									
Other consumer[2]:										
FICO scores:										
Above 720	$ 577	$ 671	$ 841	$ 1,167	$ 352	$ 362	$ 113	$ —	$ —	$ 4,083
681-720	94	117	150	232	77	66	60	—	—	796
620-680	47	69	85	163	53	46	48	—	—	511
Below 620	10	25	49	109	36	28	31	—	—	288
Data not available	79	3	4	9	5	143	—	—	(87)	156
Total other consumer	$ 807	$ 885	$ 1,129	$ 1,680	$ 523	$ 645	$ 252	$ —	$ (87)	$ 5,834
Total consumer loans	$ 2,183	$ 2,655	$ 3,563	$ 5,115	$ 5,257	$ 8,930	$ 4,795	$ 94	$ 109	$ 32,701
Total Loans	$ 13,587	$ 11,873	$ 8,814	$ 12,072	$ 8,696	$ 14,209	$ 26,392	$ 94	$ 388	$ 96,125

	December 31, 2024									
	Term Loans						Revolving Loans	Revolving Loans Converted to Amortizing	Other [1]	Total
	2024	2023	2022	2021	2020	Prior				
	(In millions)									
Commercial and industrial:										
Risk rating:										
Pass	$ 8,285	$ 4,798	$ 6,295	$ 3,284	$ 1,526	$ 3,446	$ 19,165	$ —	$ 114	$ 46,913
Special Mention	59	309	173	61	3	41	460	—	—	1,106
Substandard Accrual	81	179	255	79	32	84	534	—	—	1,244
Non-accrual	48	90	124	37	5	6	98	—	—	408
Total commercial and industrial	$ 8,473	$ 5,376	$ 6,847	$ 3,461	$ 1,566	$ 3,577	$ 20,257	$ —	$ 114	$ 49,671
Commercial real estate mortgage—owner-occupied:										
Risk rating:										
Pass	$ 794	$ 695	$ 796	$ 785	$ 522	$ 808	$ 87	$ —	$ (5)	$ 4,482
Special Mention	5	21	57	33	9	57	2	—	—	184
Substandard Accrual	4	6	37	40	15	33	3	—	—	138
Non-accrual	2	2	5	14	4	9	1	—	—	37
Total commercial real estate mortgage—owner-occupied:	$ 805	$ 724	$ 895	$ 872	$ 550	$ 907	$ 93	$ —	$ (5)	$ 4,841
Commercial real estate construction—owner-occupied:										
Risk rating:										
Pass	$ 131	$ 54	$ 38	$ 30	$ 20	$ 37	$ 7	$ —	$ —	$ 317
Special Mention	—	6	1	—	—	—	—	—	—	7
Substandard Accrual	—	—	3	—	1	—	—	—	—	4
Non-accrual	—	—	—	—	1	4	—	—	—	5
Total commercial real estate construction—owner-occupied:	$ 131	$ 60	$ 42	$ 30	$ 22	$ 41	$ 7	$ —	$ —	$ 333
Total commercial	$ 9,409	$ 6,160	$ 7,784	$ 4,363	$ 2,138	$ 4,525	$ 20,357	$ —	$ 109	$ 54,845
Commercial investor real estate mortgage:										
Risk rating:										
Pass	$ 1,598	$ 464	$ 1,753	$ 747	$ 322	$ 125	$ 314	$ —	$ (2)	$ 5,321
Special Mention	173	12	209	30	11	1	4	—	—	440
Substandard Accrual	76	—	131	39	28	2	107	—	—	383
Non-accrual	167	93	113	—	—	50	—	—	—	423
Total commercial investor real estate mortgage	$ 2,014	$ 569	$ 2,206	$ 816	$ 361	$ 178	$ 425	$ —	$ (2)	$ 6,567

	December 31, 2024									
	Term Loans						Revolving Loans	Revolving Loans Converted to Amortizing	Other [(1)]	Total
	2024	2023	2022	2021	2020	Prior				
Commercial investor real estate construction:										
Risk rating:										
Pass	$ 300	$ 380	$ 443	$ —	$ —	$ 2	$ 694	$ —	$ (13)	$ 1,806
Special Mention	—	32	218	—	—	—	76	—	—	326
Substandard Accrual	—	—	—	—	—	—	11	—	—	11
Non-accrual	—	—	—	—	—	—	—	—	—	—
Total commercial investor real estate construction	$ 300	$ 412	$ 661	$ —	$ —	$ 2	$ 781	$ —	$ (13)	$ 2,143
Total investor real estate	$ 2,314	$ 981	$ 2,867	$ 816	$ 361	$ 180	$ 1,206	$ —	$ (15)	$ 8,710
Residential first mortgage:										
FICO scores:										
Above 720	$ 1,111	$ 1,967	$ 2,742	$ 4,055	$ 4,004	$ 2,730	$ —	$ —	$ —	$ 16,609
681-720	107	185	253	289	222	305	—	—	—	1,361
620-680	56	87	141	136	99	283	—	—	—	802
Below 620	15	73	138	150	100	419	—	—	—	895
Data not available	29	31	16	41	46	90	2	—	172	427
Total residential first mortgage	$ 1,318	$ 2,343	$ 3,290	$ 4,671	$ 4,471	$ 3,827	$ 2	$ —	$ 172	$ 20,094
Home equity lines:										
FICO scores:										
Above 720	$ —	$ —	$ —	$ —	$ —	$ —	$ 2,341	$ 48	$ —	$ 2,389
681-720	—	—	—	—	—	—	339	12	—	351
620-680	—	—	—	—	—	—	176	11	—	187
Below 620	—	—	—	—	—	—	96	7	—	103
Data not available	—	—	—	—	—	—	81	5	34	120
Total home equity lines	$ —	$ —	$ —	$ —	$ —	$ —	$ 3,033	$ 83	$ 34	$ 3,150
Home equity loans:										
FICO scores:										
Above 720	$ 328	$ 263	$ 308	$ 329	$ 163	$ 472	$ —	$ —	$ —	$ 1,863
681-720	51	40	49	39	16	56	—	—	—	251
620-680	18	19	23	21	9	48	—	—	—	138
Below 620	3	7	14	13	5	37	—	—	—	79
Data not available	1	1	4	7	4	26	—	—	16	59
Total home equity loans	$ 401	$ 330	$ 398	$ 409	$ 197	$ 639	$ —	$ —	$ 16	$ 2,390
Consumer credit card:										
FICO scores:										
Above 720	$ —	$ —	$ —	$ —	$ —	$ —	$ 847	$ —	$ —	$ 847
681-720	—	—	—	—	—	—	270		—	270
620-680	—	—	—	—	—	—	224	—	—	224
Below 620	—	—	—	—	—	—	108	—	—	108
Data not available	—	—	—	—	—	—	18	—	(22)	(4)
Total consumer credit card	$ —	$ —	$ —	$ —	$ —	$ —	$ 1,467	$ —	$ (22)	$ 1,445

	December 31, 2024									
	Term Loans									
	2024	2023	2022	2021	2020	Prior	Revolving Loans	Revolving Loans Converted to Amortizing	Other [(1)]	Total
Other consumer[(2)]:										
FICO scores:										
Above 720	$ 898	$ 1,016	$ 1,337	$ 417	$ 232	$ 213	$ 117	$ —	$ —	$ 4,230
681-720	160	191	275	97	49	40	62	—	—	874
620-680	82	111	191	64	31	25	50	—	—	554
Below 620	16	47	117	43	19	17	31	—	—	290
Data not available	71	4	10	6	5	155	2	—	(108)	145
Total other consumer	$ 1,227	$ 1,369	$ 1,930	$ 627	$ 336	$ 450	$ 262	$ —	$ (108)	$ 6,093
Total consumer loans	$ 2,946	$ 4,042	$ 5,618	$ 5,707	$ 5,004	$ 4,916	$ 4,764	$ 83	$ 92	$ 33,172
Total Loans	$ 14,669	$ 11,183	$ 16,269	$ 10,886	$ 7,503	$ 9,621	$ 26,327	$ 83	$ 186	$ 96,727

(1) Other consists of amounts that are not accounted for at the loan level.
(2) Other consumer class includes overdrafts which are included in the current vintage year. Starting in 2025, other consumer loans also includes exit portfolios, which were previously presented separately. The portfolio consists primarily of indirect auto loans, and presentation of prior periods has been conformed accordingly.

The following tables present gross charge-offs by vintage year for the nine months ended September 30, 2025 and 2024.

	Nine Months Ended September 30, 2025							
	Term Loans							
	2025	2024	2023	2022	2021	Prior	Revolving Loans	Total
	(In millions)							
Commercial and industrial	$ 1	$ 22	$ 26	$ 51	$ 8	$ 2	$ 74	$ 184
Commercial real estate mortgage—owner-occupied	—	—	—	—	1	2	—	3
Total commercial	1	22	26	51	9	4	74	187
Commercial investor real estate mortgage	3	19	23	7	—	5	1	58
Total investor real estate	3	19	23	7	—	5	1	58
Residential first mortgage	—	—	—	2	—	—	—	2
Home equity lines	—	—	—	—	—	—	1	1
Consumer credit card	—	—	—	—	—	—	50	50
Other consumer[(1)]	32	20	20	34	12	14	8	140
Total consumer	32	20	20	36	12	14	59	193
Total gross charge-offs	$ 36	$ 61	$ 69	$ 94	$ 21	$ 23	$ 134	$ 438

	Nine Months Ended September 30, 2024							
	Term Loans							
	2024	2023	2022	2021	2020	Prior	Revolving Loans	Total
	(In millions)							
Commercial and industrial	$ 6	$ 52	$ 51	$ 12	$ 6	$ 9	$ 56	$ 192
Commercial real estate mortgage—owner-occupied	—	—	—	1	—	1	—	2
Total commercial	6	52	51	13	6	10	56	194
Commercial investor real estate mortgage	—	—	6	5	—	6	—	17
Total investor real estate	—	—	6	5	—	6	—	17
Residential first mortgage	—	—	—	—	—	1	—	1
Home equity lines	—	—	—	—	—	—	3	3
Consumer credit card	—	—	—	—	—	—	47	47
Other consumer[(1)]	28	30	46	15	7	12	7	145
Total consumer	28	30	46	15	7	13	57	196
Total gross charge-offs	$ 34	$ 82	$ 103	$ 33	$ 13	$ 29	$ 113	$ 407

(1) Other consumer class includes overdraft gross charge-offs. The majority of overdraft gross charge-offs for the nine months ended September 30, 2025 and 2024 are included in the current vintage year. Starting in 2025, other consumer loans also includes exit portfolios, which were previously presented separately. The portfolio consists primarily of indirect auto loans, and presentation of prior periods has been conformed accordingly.

AGING AND NON-ACCRUAL ANALYSIS

The following tables include an aging analysis of DPD and loans on non-accrual status for each portfolio segment and class as of September 30, 2025 and December 31, 2024. Loans on non-accrual status with no related allowance totaled $173 million and $119 million and were comprised of commercial and investor real estate loans at September 30, 2025 and December 31, 2024, respectively. Non–accrual loans with no related allowance typically include loans where the underlying collateral is deemed sufficient to recover all remaining principal. Loans that have been fully charged-off do not appear in the tables below.

	September 30, 2025						
	Accrual Loans						
	30-59 DPD	60-89 DPD	90+ DPD	Total 30+ DPD	Total Accrual	Non-accrual	Total
				(In millions)			
Commercial and industrial	$ 43	$ 20	$ 4	$ 67	$ 48,710	$ 524	$ 49,234
Commercial real estate mortgage—owner-occupied	7	3	2	12	4,794	41	4,835
Commercial real estate construction—owner-occupied	—	—	—	—	284	1	285
Total commercial	50	23	6	79	53,788	566	54,354
Commercial investor real estate mortgage	28	—	—	28	6,985	137	7,122
Commercial investor real estate construction	—	—	—	—	1,948	—	1,948
Total investor real estate	28	—	—	28	8,933	137	9,070
Residential first mortgage	119	75	132	326	19,857	24	19,881
Home equity lines	20	8	14	42	3,185	24	3,209
Home equity loans	9	5	7	21	2,333	7	2,340
Consumer credit card	12	8	20	40	1,437	—	1,437
Other consumer[(1)]	44	24	23	91	5,834	—	5,834
Total consumer	204	120	196	520	32,646	55	32,701
	$ 282	$ 143	$ 202	$ 627	$ 95,367	$ 758	$ 96,125

	December 31, 2024						
	Accrual Loans						
	30-59 DPD	60-89 DPD	90+ DPD	Total 30+ DPD	Total Accrual	Non-accrual	Total
				(In millions)			
Commercial and industrial	$ 51	$ 18	$ 7	$ 76	$ 49,263	$ 408	$ 49,671
Commercial real estate mortgage—owner-occupied	4	1	1	6	4,804	37	4,841
Commercial real estate construction—owner-occupied	—	—	—	—	328	5	333
Total commercial	55	19	8	82	54,395	450	54,845
Commercial investor real estate mortgage	—	—	—	—	6,144	423	6,567
Commercial investor real estate construction	—	—	—	—	2,143	—	2,143
Total investor real estate	—	—	—	—	8,287	423	8,710
Residential first mortgage	139	78	143	360	20,071	23	20,094
Home equity lines	15	9	16	40	3,124	26	3,150
Home equity loans	11	6	7	24	2,384	6	2,390
Consumer credit card	11	9	20	40	1,445	—	1,445
Other consumer[(1)]	51	26	27	104	6,093	—	6,093
Total consumer	227	128	213	568	33,117	55	33,172
	$ 282	$ 147	$ 221	$ 650	$ 95,799	$ 928	$ 96,727

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(1) Starting in 2025, other consumer loans also includes exit portfolios, which were previously presented separately. The portfolio consists primarily of indirect auto loans, and presentation of prior periods has been conformed accordingly.

At September 30, 2025 and December 31, 2024, the Company had collateral-dependent commercial loans of $381 million and $264 million, respectively. At September 30, 2025 and December 31, 2024, the Company had collateral-dependent investor real estate loans of $134 million and $323 million, respectively. The collateral for commercial and investor real estate loans generally consists of all business assets including real estate, receivables and equipment. At September 30, 2025 and December 31, 2024, the Company had collateral-dependent residential mortgage and home equity loans and lines totaling $117 million and $115 million, respectively. The collateral for these loans are secured by residential real estate. Refer to Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional details for the criteria of collateral-dependent loans.

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MODIFICATIONS TO BORROWERS EXPERIENCING FINANCIAL DIFFICULTY

Modifications to troubled borrowers are loans where the borrower is experiencing financial difficulty at the time of modification and are undertaken in order to improve the likelihood of repayment. Refer to Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information.

For each portfolio segment and class, the following tables present the end of period balances of new modifications to troubled borrowers and the related percentage of the loan portfolio period-end balance by the type of modification in the three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30, 2025					
	Term Extension		Term Extension and Interest Rate Modification		Total	
	$	%(1)	$	%(1)	$	%(1)
	(Dollars in millions)					
Commercial and industrial	$ 27	0.06 %	$ —	— %	$ 27	0.06 %
Commercial real estate mortgage—owner-occupied	3	0.05 %	—	— %	3	0.05 %
Total commercial	30	0.05 %	—	— %	30	0.06 %
Residential first mortgage	50	0.25 %	5	0.02 %	55	0.28 %
Home equity lines	—	— %	2	0.05 %	2	0.05 %
Home equity loans	1	0.03 %	1	0.06 %	2	0.09 %
Total consumer	51	0.15 %	8	0.02 %	59	0.18 %
Total	$ 81	0.08 %	$ 8	0.01 %	$ 89	0.09 %

	Three Months Ended September 30, 2024									
	Term Extension		Payment Deferral		Term Extension and Interest Rate Modification		Other		Total	
	$	%(1)	$	%(1)	$	%(1)	$	%(1)	$	%(1)
	(Dollars in millions)									
Commercial and industrial	$ 21	0.04 %	$ —	— %	$ 33	0.07 %	$ —	— %	$ 54	0.11 %
Commercial real estate mortgage—owner-occupied	2	0.04 %	—	— %	—	— %	—	— %	2	0.04 %
Total commercial	23	0.04 %	—	— %	33	0.06 %	—	— %	56	0.10 %
Commercial investor real estate mortgage	72	1.10 %	—	— %	—	— %	29	0.44 %	101	1.54 %
Total investor real estate	72	0.82 %	—	— %	—	— %	29	0.33 %	101	1.14 %
Residential first mortgage	37	0.18 %	1	0.01 %	2	0.01 %	—	— %	40	0.20 %
Home equity lines	—	— %	—	— %	4	0.13 %	—	— %	4	0.13 %
Home equity loans	1	0.05 %	—	— %	2	0.08 %	—	— %	3	0.13 %
Total consumer	38	0.11 %	1	— %	8	0.02 %	—	— %	47	0.14 %
Total	$ 133	0.14 %	$ 1	— %	$ 41	0.04 %	$ 29	0.03 %	$ 204	0.21 %

	Nine Months Ended September 30, 2025							
	Term Extension		Payment Deferral		Term Extension and Interest Rate Modification		Total	
	$	%(1)	$	%(1)	$	%(1)	$	%(1)
	(Dollars in millions)							
Commercial and industrial	$ 105	0.21 %	$ —	— %	$ —	— %	$ 105	0.21 %
Commercial real estate mortgage—owner-occupied	3	0.07 %	—	— %	—	— %	3	0.07 %
Total commercial	108	0.20 %	—	— %	—	— %	108	0.20 %
Commercial investor real estate mortgage	77	1.07 %	—	— %	—	— %	77	1.07 %
Total investor real estate	77	0.84 %	—	— %	—	— %	77	0.84 %
Residential first mortgage	162	0.81 %	3	0.01 %	14	0.07 %	179	0.90 %
Home equity lines	1	0.02 %	—	— %	5	0.14 %	6	0.17 %
Home equity loans	3	0.11 %	—	— %	4	0.19 %	7	0.30 %
Total consumer	166	0.51 %	3	0.01 %	23	0.07 %	192	0.58 %
Total	$ 351	0.36 %	$ 3	— %	$ 23	0.02 %	$ 377	0.39 %

	Nine Months Ended September 30, 2024									
	Term Extension		Payment Deferral		Term Extension and Interest Rate Modification		Other		Total	
	$	%(1)	$	%(1)	$	%(1)	$	%(1)	$	%(1)
	(Dollars in millions)									
Commercial and industrial	$ 51	0.10 %	$ —	— %	$ 33	0.07 %	$ —	— %	$ 84	0.17 %
Commercial real estate mortgage—owner-occupied	4	0.08 %	—	— %	—	— %	—	— %	4	0.09 %
Total commercial	55	0.10 %	—	— %	33	0.06 %	—	— %	88	0.16 %
Commercial investor real estate mortgage	99	1.51 %	—	— %	—	— %	29	0.44 %	128	1.95 %
Total investor real estate	99	1.13 %	—	— %	—	— %	29	0.33 %	128	1.46 %
Residential first mortgage	115	0.57 %	2	0.01 %	4	0.02 %	—	— %	121	0.60 %
Home equity lines	—	0.01 %	—	— %	7	0.21 %	—	— %	7	0.22 %
Home equity loans	3	0.13 %	—	— %	6	0.24 %	—	— %	9	0.37 %
Total consumer	118	0.36 %	2	0.01 %	17	0.05 %	—	— %	137	0.41 %
Total	$ 272	0.28 %	$ 2	— %	$ 50	0.05 %	$ 29	0.03 %	$ 353	0.36 %

(1) Amounts calculated based upon whole dollar values.

The end of period balance of unfunded commitments related to modifications to troubled borrowers was $118 million and $71 million at September 30, 2025 and December 31, 2024, respectively.

The following tables present the financial impact of modifications to troubled borrowers during the three and nine months ended September 30, 2025 and 2024 by class of financing receivable and the type of modification. The tables include new modifications to troubled borrowers, as well as renewals of existing modifications to troubled borrowers.

	Three Months Ended September 30, 2025		
	Term Extension	Term Extension and Interest Rate Modification	
	Weighted-Average Term Extension	Weighted-Average Term Extension	Weighted-Average Reduction in Interest Rate
	(In years, except for percentage data)		
Commercial and industrial	0.92	—	—
Commercial real estate mortgage—owner-occupied	0.75	—	—
Residential first mortgage	6	6	less than 1%
Home equity lines	—	25	1 %
Home equity loans	7	21	3 %

	Three Months Ended September 30, 2024			
	Term Extension	Payment Deferral	Term Extension and Interest Rate Modification	
	Weighted-Average Term Extension	Weighted-Average Payment Deferral	Weighted-Average Term Extension	Weighted-Average Reduction in Interest Rate
	(In years, except for percentage data)			
Commercial and industrial	1.08	—	1.17	less than 2%
Commercial real estate mortgage—owner-occupied	1.42	—	—	—
Commercial investor real estate construction	0.17	—	—	—
Residential first mortgage	7	0.42	4	less than 1%
Home equity lines	—	—	24	2 %
Home equity loans	16	—	24	3 %

	Nine Months Ended September 30, 2025			
	Term Extension	Payment Deferral	Term Extension and Interest Rate Modification	
	Weighted-Average Term Extension	Weighted-Average Payment Deferral	Weighted-Average Term Extension	Weighted-Average Reduction in Interest Rate
	(In years, except for percentage data)			
Commercial and industrial	0.75	—	—	—
Commercial real estate mortgage—owner-occupied	1.75	—	—	—
Commercial investor real estate mortgage	0.67	—	—	—
Residential first mortgage	7	0.67	5	less than 1%
Home equity lines	29	—	26	1 %
Home equity loans	11	—	21	3 %

	Nine Months Ended September 30, 2024			
	Term Extension	Payment Deferral	Term Extension and Interest Rate Modification	
	Weighted-Average Term Extension	Weighted-Average Payment Deferral	Weighted-Average Term Extension	Weighted-Average Reduction in Interest Rate
	(In years, except for percentage data)			
Commercial and industrial	1.83	—	1.17	less than 2%
Commercial real estate mortgage—owner-occupied	1.00	—	—	—
Commercial investor real estate mortgage	0.75	—	—	—
Residential first mortgage	7	0.5	5	less than 1%
Home equity lines	—	—	23	2 %
Home equity loans	12	—	25	2 %

In addition to the financial impacts in the table above, during the three and nine months ended September 30, 2024, the Company had an other modification type in which a commercial investor real estate loan was modified from amortizing to an interest-only structure. Under this structure the interest was extended for an average of two months and principal payments were deferred.

The following tables include the end of period balances of aging and non-accrual performance for modifications to troubled borrowers modified in the previous twelve-month period by portfolio segment and class as of September 30, 2025 and September 30, 2024.

	September 30, 2025				
	Current	30-89 DPD	90+ DPD	Non-Performing Loans	Total
			(In millions)		
Commercial and industrial	$ 77	$ —	$ —	$ 34	$ 111
Commercial real estate mortgage—owner-occupied	3	—	—	1	4
Total commercial	80	—	—	35	115
Commercial investor real estate mortgage	82	—	—	53	135
Total investor real estate	82	—	—	53	135
Residential first mortgage	155	39	17	7	218
Home equity lines	6	—	—	2	8
Home equity loans	8	—	—	3	11
Total consumer	169	39	17	12	237
	$ 331	$ 39	$ 17	$ 100	$ 487

	September 30, 2024				
	Current	30-89 DPD	90+ DPD	Non-Performing Loans	Total
			(In millions)		
Commercial and industrial	$ 101	$ —	$ —	$ 46	$ 147
Commercial real estate mortgage—owner-occupied	3	—	—	2	5
Total commercial	104	—	—	48	152
Commercial investor real estate mortgage	103	27	—	134	264
Total investor real estate	103	27	—	134	264
Residential first mortgage	106	20	11	5	142
Home equity lines	7	—	—	1	8
Home equity loans	8	1	—	1	10
Total consumer	121	21	11	7	160
	$ 328	$ 48	$ 11	$ 189	$ 576

For modifications to troubled borrowers, a subsequent payment default is defined in terms of delinquency, when a principal or interest payment is 90 days past due or classified as non-accrual status during the reporting period. Loans defaulted during the three and nine month periods ended September 30, 2025 that were restructured as modifications to troubled borrowers during the previous twelve months had period-end balances of $26 million and $74 million, respectively. Loans defaulted during the three and nine month periods ended September 30, 2024 that were restructured as modifications to troubled borrowers during the previous twelve months had period-end balances of $49 million and $183 million, respectively.

NOTE 5. SERVICING OF FINANCIAL ASSETS

RESIDENTIAL MORTGAGE BANKING ACTIVITIES

The fair value of residential MSRs is calculated using various assumptions including future cash flows, market discount rates, expected prepayment rates, servicing costs and other factors. A significant change in prepayments of mortgages in the servicing portfolio could result in significant changes in the valuation adjustments, thus creating potential volatility in the carrying amount of residential MSRs. The Company compares fair value estimates and assumptions to observable market data where available, and also considers recent market activity and actual portfolio experience.

The table below presents an analysis of residential MSRs under the fair value measurement method:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions)			
Carrying value, beginning of period	$ 988	$ 1,020	$ 1,007	$ 906
Additions	7	8	20	20
Purchases (1)	8	4	26	134
Increase (decrease) in fair value(2):				
Due to change in valuation inputs or assumptions	1	(28)	7	4
Economic amortization associated with borrower repayments (3)	(28)	(33)	(84)	(93)
Carrying value, end of period	$ 976	$ 971	$ 976	$ 971

____
(1) Purchases of residential MSRs can be structured with cash hold back provisions, therefore the timing of payment may be made in future periods.
(2) Included in mortgage income. Amounts presented exclude offsetting impact from related derivatives.
(3) Includes both total loan payoffs as well as partial paydowns. Regions' MSR decay methodology is a discounted net cash flow approach.

Data and assumptions used in the fair value calculation, as well as the valuation's sensitivity to rate fluctuations, related to residential MSRs (excluding related derivative instruments) are as follows:

	September 30	
	2025	2024
	(Dollars in millions)	
Unpaid principal balance	$ 65,572	$ 68,361
Weighted-average CPR (%)	7.7 %	9.0 %
Estimated impact on fair value of a 10% increase	$ (36)	$ (46)
Estimated impact on fair value of a 20% increase	$ (69)	$ (87)
Option-adjusted spread (basis points)	495	496
Estimated impact on fair value of a 10% increase	$ (22)	$ (21)
Estimated impact on fair value of a 20% increase	$ (44)	$ (43)
Weighted-average coupon interest rate	3.9 %	3.8 %
Weighted-average remaining maturity (months)	291	298
Weighted-average servicing fee (basis points)	27.5	27.3

The sensitivity calculations above are hypothetical and should not be considered to be predictive of future performance. Changes in fair value based on adverse changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, the effect of an adverse variation in a particular assumption on the fair value of the residential MSRs is calculated without changing any other assumption, while in reality changes in one factor may result in changes in another, which may either magnify or counteract the effect of the change. The derivative instruments utilized by Regions would serve to reduce the estimated impacts to fair value included in the table above.

Servicing related fees, which include contractually specified servicing fees, late fees and other ancillary income resulting from the servicing of residential mortgage loans totaled $47 million and $53 million for the three months ended September 30, 2025 and 2024, respectively and $141 million and $143 million for the nine months ended September 30, 2025 and 2024, respectively.

Residential mortgage loans are sold in the secondary market with standard representations and warranties regarding certain characteristics such as the quality of the loan, the absence of fraud, the eligibility of the loan for sale and the future servicing associated with the loan. Regions may be required to repurchase these loans at par, or make-whole or indemnify the purchasers for losses incurred when representations and warranties are breached.

Regions maintains an immaterial repurchase liability related to residential mortgage loans sold with representations and warranty provisions. This repurchase liability is reported in other liabilities on the consolidated balance sheets and reflects management's estimate of losses based on historical repurchase and loss trends, as well as other factors that may result in anticipated losses different from historical loss trends. Adjustments to this reserve are recorded in other non-interest expense on the consolidated statements of income.

COMMERCIAL MORTGAGE BANKING ACTIVITIES

Regions engages in the servicing of commercial mortgage loans through agreements with the agencies and through a DUS lending program. Commercial MSRs of loans through the agency programs are measured at fair value while commercial MSRs of loans through the DUS lending program are measured at cost and subsequently amortized.

Commercial mortgage banking through non-DUS agency programs

The fair value of commercial MSRs through non-DUS agency programs is calculated using various assumptions including future cash flows, market discount rates, expected prepayment rates, servicing costs and other factors. A significant change in prepayments of mortgages in this servicing portfolio could result in significant changes in the valuation adjustments, thus creating potential volatility in the carrying amount of these commercial MSRs. Commercial mortgages commonly have protection against prepayments in the forms of lockout periods and prepayment penalty features, which reduce the likelihood of prepayment. The Company compares fair value estimates and assumptions to observable market data where available, and also considers recent market activity and actual portfolio experience. Regions assumes a loss share guarantee associated with loans sold to Fannie Mae. See Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information. Also see Note 12 for additional information related to the guarantee.

The table below presents an analysis of commercial MSRs through non-DUS agency programs under the fair value measurement method:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions)			
Carrying value, beginning of period	$ 93	$ 90	$ 97	$ 81
Additions	3	5	8	16
Increase (decrease) in fair value[1]:				
Due to change in valuation inputs or assumptions	—	(4)	(1)	2
Economic amortization associated with borrower repayments [2]	(5)	(4)	(13)	(12)
Carrying value, end of period	$ 91	$ 87	$ 91	$ 87

(1) Included in capital markets income. Amounts presented exclude offsetting impact from related derivatives.
(2) Includes both total loan payoffs as well as partial paydowns. Regions' MSR decay methodology is a discounted net cash flow approach.

Data and assumptions used in the fair value calculation, as well as the valuation's sensitivity to rate fluctuations, related to commercial MSRs through non-DUS agency programs (excluding related derivative instruments) are as follows:

	September 30	
	2025	2024
	(Dollars in millions)	
Unpaid principal balance	$ 8,063	$ 6,912
Weighted-average CPR (%)	7.6 %	8.0 %
Estimated impact on fair value of a 10% increase	$ (1)	$ (1)
Estimated impact on fair value of a 20% increase	$ (3)	$ (3)
Weighted-average discount rate (%)	8.2 %	7.1 %
Estimated impact on fair value of a 10% increase	$ (3)	$ (2)
Estimated impact on fair value of a 20% increase	$ (5)	$ (4)
Weighted-average coupon interest rate	4.9 %	4.6 %
Weighted-average remaining maturity (months)	144	154
Weighted-average servicing fee (basis points)	24.7	27.6

The sensitivity calculations above are hypothetical and should not be considered to be predictive of future performance. Changes in fair value based on adverse changes in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, the effect of an adverse variation in a particular assumption on the fair value of the commercial MSRs is calculated without changing any other assumption, while in reality changes in one factor may result in changes in another, which may either magnify or counteract the effect of the change. The derivative instruments utilized by Regions would serve to reduce the estimated impacts to fair value included in the table above.

Servicing related fees, which include contractually specified servicing fees, late fees and other ancillary income resulting from the servicing of commercial mortgage loans through the agency programs totaled $6 million for both the three months ended September 30, 2025 and 2024 and $19 million and $18 million for the nine months ended September 30, 2025 and 2024, respectively.

Commercial mortgage banking through the DUS lending program

Regions is an approved DUS lender. The DUS program provides liquidity to the multi-family housing market. In connection with the DUS program, Regions services commercial mortgage loans, retains commercial MSRs and intangible assets associated with the DUS license, and assumes a loss share guarantee associated with the loans. See Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information. Also see Note 12 for additional information related to the guarantee.

The table below presents an analysis of commercial DUS MSRs under the amortization measurement method:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions)			
Carrying value, beginning of period	$ 91	$ 85	$ 90	$ 87
Additions	4	5	14	12
Economic amortization associated with borrower repayments (1)	(5)	(4)	(14)	(13)
Carrying value, end of period	$ 90	$ 86	$ 90	$ 86

(1) Economic amortization associated with borrower repayments includes both total loan payoffs as well as partial paydowns.

Regions periodically evaluates DUS MSRs for impairment based on fair value. The estimated fair value of the DUS MSRs was approximately $112 million at September 30, 2025 and $117 million at December 31, 2024.

Servicing related fees in connection with the DUS program, which include contractually specified servicing fees, late fees and other ancillary income resulting from the servicing of DUS commercial mortgage loans totaled $7 million and $6 million for three months ended September 30, 2025 and 2024, respectively and $20 million and $19 million for the nine months ended September 30, 2025 and 2024, respectively.

NOTE 6. SHAREHOLDERS' EQUITY AND ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

PREFERRED STOCK

The following table presents a summary of the non-cumulative perpetual preferred stock:

									September 30, 2025	December 31, 2024
	Issuance Date	Earliest Redemption Date	Dividend Rate (1)	Liquidation Amount	Liquidation preference per Share	Liquidation preference per Depositary Share	Ownership Interest per Depositary Share	Shares Issued and Outstanding	Carrying Amount	Carrying Amount
				(Dollars in millions, except for share and per share amounts)						
Series C	4/30/2019	5/15/2029	5.700 % (2)	$ 500	1,000	25	1/40th	500,000	$ 490	$ 490
Series D(3)	6/5/2020	6/15/2025	5.750 %	—	100,000	1,000	1/100th	—	—	346
Series E	5/4/2021	6/15/2026	4.450 %	400	1,000	25	1/40th	400,000	390	390
Series F	7/29/2024	9/15/2029	6.950 % (4)	500	1,000	25	1/40th	500,000	489	489
				$ 1,400				1,400,000	$ 1,369	$ 1,715

(1) Dividends on all series of preferred stock, if declared, accrue and are payable quarterly in arrears.

(2) Dividends, if declared, will be paid quarterly at an annual rate equal to (i) for each period beginning prior to August 15, 2029, 5.700%, and (ii) for each period beginning on or after August 15, 2029, three-month CME Term SOFR plus 3.410% which includes a 0.262% spread adjustment for the transition to SOFR in accordance with ISDA protocols.

(3) Prior to the shares' full redemption on June 16, 2025, dividends were paid quarterly at an annual rate equal to 5.750%.

(4) Dividends, if declared, will be paid quarterly at an annual rate equal to (i) for each period beginning on September 15, 2024, 6.950% and (ii) for each period beginning on or after September 15, 2029, the five-year Treasury rate as of the most recent reset dividend determination date plus 2.771%.

All series of preferred stock have no stated maturity and redemption is solely at Regions' option, subject to regulatory approval, in whole, or in part, after the earliest redemption date or in whole, but not in part, at any time following a regulatory capital treatment event for the Series C, Series E, and Series F preferred stock.

The Board declared a total of $71 million and $78 million in cash dividends on preferred stock in the nine months ended September 30, 2025 and 2024, respectively.

During the second quarter of 2025, the Company redeemed all 3,500 outstanding shares of Series D non-cumulative perpetual preferred stock and the corresponding depositary fractional shares at par for $350 million. Upon redemption, net income available to common shareholders was reduced by $4 million related to issuance costs.

In the event Series C, Series E, or Series F preferred shares are redeemed in full at their respective liquidation amounts, $10 million, $10 million, or $11 million in excess of the redemption amount over the carrying amount will be recognized, respectively. These excess amounts represent issuance costs that were recorded as reductions to preferred stock, including related surplus, and will be recorded as reductions to net income available to common shareholders.

COMMON STOCK

The Company's results of the 2024 stress test from the Federal Reserve reflect that the Company exceeded all minimum capital levels and the Company's SCB was floored at 2.5 percent from the fourth quarter of 2024 through the third quarter of 2025. As a Category IV bank, Regions was not required to participate in the 2025 stress test. However, the Company did receive results from the Federal Reserve during the second quarter of 2025 and from the fourth quarter of 2025 through the third quarter of 2026, the Company's SCB will remain at 2.5 percent.

On April 20, 2022, the Board authorized the repurchase of up to $2.5 billion of the Company's common stock, permitting purchases from the second quarter of 2022 through the fourth quarter of 2024 and was subsequently extended on December 10, 2024 permitting repurchases through the fourth quarter of 2025. As of September 30, 2025, Regions had repurchased approximately 61 million shares of common stock at a total cost of $1.3 billion under this plan. All of these shares were immediately retired upon repurchase and therefore were not included in treasury stock.

In the third quarter of 2025, Regions declared a cash dividend of $0.265 per share, a $0.015 increase to the quarterly common stock dividend. Regions declared $0.25 per share in cash dividends for both the first and second quarters of 2025, totaling $0.765 per common share for the nine months ended September 30, 2025 compared $0.73 per common share for the nine months ended September 30, 2024.

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following tables present the balances and activity in AOCI on a pre-tax and net of tax basis for the three and nine months ended September 30, 2025 and 2024:

	Three Months Ended September 30, 2025		
	Pre-tax AOCI Activity	Tax Effect (1)	Net AOCI Activity
		(In millions)	
Total accumulated other comprehensive income (loss), beginning of period	$ (2,631)	$ 664	$ (1,967)
Unrealized losses on securities transferred to held to maturity:			
Beginning balance	$ (906)	$ 227	$ (679)
Reclassification adjustments for amortization on unrealized losses on securities transferred to held for maturity (2)	13	(4)	9
Ending balance	$ (893)	$ 223	$ (670)
Unrealized gains (losses) on securities available for sale:			
Beginning balance	$ (1,077)	$ 271	$ (806)
Unrealized gains (losses) arising during the period	287	(72)	215
Reclassification adjustments for securities (gains) losses realized in net income (3)	27	(7)	20
Change in AOCI from securities available for sale activity in the period	314	(79)	235
Ending balance	$ (763)	$ 192	$ (571)
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:			
Beginning balance	$ (121)	$ 31	$ (90)
Unrealized gains (losses) on derivative instruments arising during the period	13	(4)	9
Reclassification adjustments for (gains) losses on derivative instruments realized in net income (2)	65	(16)	49
Change in AOCI from derivative activity in the period	78	(20)	58
Ending balance	$ (43)	$ 11	$ (32)
Defined benefit pension plans and other post employment benefit plans:			
Beginning balance	$ (536)	$ 135	$ (401)
Reclassification adjustments for amortization of actuarial (gains) losses and settlements realized in net income (4)	6	(1)	5
Ending balance	$ (530)	$ 134	$ (396)
Total other comprehensive income	411	(104)	307
Total accumulated other comprehensive income (loss), end of period	$ (2,220)	$ 560	$ (1,660)

	Three Months Ended September 30, 2024		
	Pre-tax AOCI Activity	Tax Effect [1]	Net AOCI Activity
		(In millions)	
Total accumulated other comprehensive income (loss), beginning of period	$ (4,379)	$ 1,114	$ (3,265)
Unrealized losses on securities transferred to held to maturity:			
Beginning balance	$ (8)	$ 1	$ (7)
Unrealized gains (losses) on securities transferred from available for sale during the period	(436)	111	(325)
Reclassification adjustments for amortization on unrealized losses on securities transferred to held for maturity [2]	1	—	1
Change in AOCI from securities held to maturity activity in the period	(435)	111	(324)
Ending balance	$ (443)	$ 112	$ (331)
Unrealized gains (losses) on securities available for sale:			
Beginning balance	$ (3,074)	$ 783	$ (2,291)
Unrealized (gains) losses on securities transferred to held to maturity during the period	436	(111)	325
Unrealized gains (losses) arising during the period	1,168	(298)	870
Reclassification adjustments for securities (gains) losses realized in net income [3]	78	(20)	58
Change in AOCI from securities available for sale activity in the period	1,682	(429)	1,253
Ending balance	$ (1,392)	$ 354	$ (1,038)
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:			
Beginning balance	$ (703)	$ 179	$ (524)
Unrealized gains (losses) on derivative instruments arising during the period	475	(121)	354
Reclassification adjustments for (gains) losses on derivative instruments realized in net income [2]	110	(28)	82
Change in AOCI from derivative activity in the period	585	(149)	436
Ending balance	$ (118)	$ 30	$ (88)
Defined benefit pension plans and other post employment benefit plans:			
Beginning balance	$ (594)	$ 151	$ (443)
Reclassification adjustments for amortization of actuarial (gains) losses and settlements realized in net income [4]	7	(1)	6
Ending balance	$ (587)	$ 150	$ (437)
Total other comprehensive income	1,839	(468)	1,371
Total accumulated other comprehensive income (loss), end of period	$ (2,540)	$ 646	$ (1,894)

	Nine Months Ended September 30, 2025		
	Pre-tax AOCI Activity	Tax Effect and Other (1)	Net AOCI Activity
	(In millions)		
Total accumulated other comprehensive income (loss), beginning of period	$ (3,912)	$ 984	$ (2,928)
Unrealized losses on securities transferred to held to maturity:			
Beginning balance	$ (744)	$ 188	$ (556)
Unrealized gains (losses) on securities transferred from available for sale during the period	(227)	57	(170)
Reclassification adjustments for amortization on unrealized losses on securities transferred to held for maturity (2)	78	(22)	56
Change in AOCI from securities held to maturity activity in the period	(149)	35	(114)
Ending balance	$ (893)	$ 223	$ (670)
Unrealized gains (losses) on securities available for sale:			
Beginning balance	$ (1,958)	$ 490	$ (1,468)
Unrealized (gains) losses on securities transferred to held to maturity during the period	227	(57)	170
Unrealized gains (losses) arising during the period	915	(228)	687
Reclassification adjustments for securities (gains) losses realized in net income (3)	53	(13)	40
Change in AOCI from securities available for sale activity in the period	1,195	(298)	897
Ending balance	$ (763)	$ 192	$ (571)
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:			
Beginning balance	$ (662)	$ 168	$ (494)
Unrealized gains (losses) on derivative instruments arising during the period	427	(109)	318
Reclassification adjustments for (gains) losses on derivative instruments realized in net income (2)	192	(48)	144
Change in AOCI from derivative activity in the period	619	(157)	462
Ending balance	$ (43)	$ 11	$ (32)
Defined benefit pension plans and other post employment benefit plans:			
Beginning balance	$ (548)	$ 138	$ (410)
Reclassification adjustments for amortization of actuarial (gains) losses and settlements realized in net income (4)	18	(4)	14
Ending balance	$ (530)	$ 134	$ (396)
Total other comprehensive income	1,683	(424)	1,259
Other	9	—	9
Total accumulated other comprehensive income (loss), end of period	$ (2,220)	$ 560	$ (1,660)

	Nine Months Ended September 30, 2024		
	Pre-tax AOCI Activity	Tax Effect (1)	Net AOCI Activity
		(In millions)	
Total accumulated other comprehensive income (loss), beginning of period	$ (3,773)	$ 961	$ (2,812)
Unrealized losses on securities transferred to held to maturity:			
Beginning balance	$ (9)	$ 1	$ (8)
Unrealized gains (losses) on securities transferred from available for sale during the period	(436)	111	(325)
Reclassification adjustments for amortization on unrealized losses on securities transferred to held for maturity (2)	2	—	2
Change in AOCI from securities held to maturity activity in the period	(434)	111	(323)
Ending balance	$ (443)	$ 112	$ (331)
Unrealized gains (losses) on securities available for sale:			
Beginning balance	$ (2,759)	$ 703	$ (2,056)
Unrealized (gains) losses on securities transferred to held to maturity during the period	436	(111)	325
Unrealized gains (losses) arising during the period	753	(193)	560
Reclassification adjustments for securities (gains) losses realized in net income (3)	178	(45)	133
Change in AOCI from securities available for sale activity in the period	1,367	(349)	1,018
Ending balance	$ (1,392)	$ 354	$ (1,038)
Unrealized gains (losses) on derivative instruments designated as cash flow hedges:			
Beginning balance	$ (399)	$ 102	$ (297)
Unrealized gains (losses) on derivative instruments arising during the period	(62)	16	(46)
Reclassification adjustments for (gains) losses on derivative instruments realized in net income (2)	343	(88)	255
Change in AOCI from derivative activity in the period	281	(72)	209
Ending balance	$ (118)	$ 30	$ (88)
Defined benefit pension plans and other post employment benefit plans:			
Beginning balance	$ (606)	$ 155	$ (451)
Reclassification adjustments for amortization of actuarial (gains) losses and settlements realized in net income (4)	19	(5)	14
Ending balance	$ (587)	$ 150	$ (437)
Total other comprehensive income	1,233	(315)	918
Total accumulated other comprehensive income (loss), end of period	$ (2,540)	$ 646	$ (1,894)

(1) The impact of all AOCI activity is shown net of the related tax impact, calculated using a nominal tax rate of approximately 25 percent.
(2) Reclassification amount is recognized in net interest income in the consolidated statements of income.
(3) Reclassification amount is recognized in securities gains (losses), net in the consolidated statements of income.
(4) Reclassification amount is recognized in other non-interest expense in the consolidated statements of income. Additionally, these accumulated other comprehensive income (loss) components are included in the computation of net periodic pension cost (see Note 8 for additional details).

NOTE 7. EARNINGS PER COMMON SHARE

The following table sets forth the computation of basic earnings per common share and diluted earnings per common share:

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(In millions, except per share data)			
Numerator:				
Net income	$ 569	$ 490	$ 1,622	$ 1,359
Preferred stock dividends and other (1)	(21)	(44)	(75)	(93)
Net income available to common shareholders	$ 548	$ 446	$ 1,547	$ 1,266
Denominator:				
Weighted-average common shares outstanding—basic	$ 890	$ 914	$ 898	$ 917
Potential common shares	4	4	4	2
Weighted-average common shares outstanding—diluted	$ 894	$ 918	$ 902	$ 919
Earnings per common share:				
Basic	$ 0.62	$ 0.49	$ 1.72	$ 1.38
Diluted	$ 0.61	$ 0.49	$ 1.72	$ 1.38

(1) Preferred stock dividends and other for the nine months ended September 30, 2025 included $4 million of issuance costs associated with the redemption of Series D preferred shares in the second quarter of 2025. Preferred stock dividends and other for the three and nine months ended September 30, 2024 included $15 million of issuance costs associated with the redemption of Series B preferred shares in the third quarter of 2024. See Note 6 for additional information.

The effects from the assumed exercise of restricted stock units and performance stock units totaling 4 million for both the three and nine months ended September 30, 2025 were not included in the above computations of diluted earnings per common share because such amounts would have had an antidilutive effect on earnings per common share.

The effects from the assumed exercise of 4 million and 5 million in restricted stock units and awards and performance stock units for the three and nine months ended September 30, 2024, respectively, were not included in the above computations of diluted earnings per common share because such amounts would have had an antidilutive effect on earnings per common share.

NOTE 8. PENSION AND OTHER POSTRETIREMENT BENEFITS

Regions' defined benefit pension plans cover certain employees as the pension plans are closed to new entrants. The Company also sponsors a SERP, which is a non-qualified pension plan that provides certain senior executive officers defined benefits in relation to their compensation.

Net periodic pension cost included the following components:

	Three Months Ended September 30					
	Qualified Plans		Non-qualified Plans		Total	
	2025	2024	2025	2024	2025	2024
	(In millions)					
Service cost	$ 4	$ 6	$ 1	$ —	$ 5	$ 6
Interest cost	21	21	1	2	22	23
Expected return on plan assets	(30)	(31)	—	—	(30)	(31)
Amortization of actuarial loss	6	7	—	—	6	7
Net periodic pension cost	$ 1	$ 3	$ 2	$ 2	$ 3	$ 5

	Nine Months Ended September 30					
	Qualified Plans		Non-qualified Plans		Total	
	2025	2024	2025	2024	2025	2024
	(In millions)					
Service cost	$ 14	$ 16	$ 1	$ 1	$ 15	$ 17
Interest cost	61	62	3	4	64	66
Expected return on plan assets	(92)	(93)	—	—	(92)	(93)
Amortization of actuarial loss	17	18	1	1	18	19
Net periodic pension cost	$ —	$ 3	$ 5	$ 6	$ 5	$ 9

The service cost component of net periodic pension cost is recorded in salaries and employee benefits on the consolidated statements of income. Components other than service cost are recorded in other non-interest expense on the consolidated statements of income.

Regions' funding policy for the qualified plans is to contribute annually at least the amount required by IRS minimum funding standards. Regions made no contributions to qualified plans during the nine months ended September 30, 2025.

Regions also provides other postretirement benefits, such as defined benefit health care plans and life insurance plans, that cover certain retired employees. There was no material impact from other postretirement benefits on the consolidated financial statements for the nine months ended September 30, 2025 or 2024.

NOTE 9. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

The following tables present the notional amount and estimated fair value of derivative instruments:

	September 30, 2025			December 31, 2024		
	Notional Amount(1)	Estimated Fair Value		Notional Amount	Estimated Fair Value	
		Gain(1)	Loss(1)		Gain(1)	Loss(1)
	(In millions)					
Derivatives in cash flow hedging relationships:						
Interest rate swaps	36,418	133	214	36,660	—	718
Interest rate options	2,000	3	1	2,000	4	6
Total derivatives in cash flow hedging relationships	38,418	136	215	38,660	4	724
Derivatives in fair value hedging relationships:						
Interest rate swaps	$ 7,533	$ 10	$ 97	$ 5,484	$ 26	$ 95
Total derivatives designated as hedging instruments	$ 45,951	$ 146	$ 312	$ 44,144	$ 30	$ 819
Derivatives not designated as hedging instruments:						
Interest rate swaps	$ 95,826	$ 1,080	$ 1,034	$ 94,803	$ 1,608	$ 1,598
Interest rate options	11,211	19	8	11,005	31	24
Interest rate futures and forward commitments	1,682	8	3	1,247	8	4
Other contracts	14,805	155	140	12,539	139	106
Total derivatives not designated as hedging instruments	$ 123,524	$ 1,262	$ 1,185	$ 119,594	$ 1,786	$ 1,732
Total derivatives	$ 169,475	$ 1,408	$ 1,497	$ 163,738	$ 1,816	$ 2,551
Total gross derivative instruments, before netting		$ 1,408	$ 1,497		$ 1,816	$ 2,551
Less: Netting adjustments (2)		1,171	1,000		1,703	1,615
Total gross derivative instruments, after netting		$ 237	$ 497		$ 113	$ 936

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(1) Derivatives in a gain position are recorded as other assets and derivatives in a loss position are recorded as other liabilities on the consolidated balance sheets. Includes accrued interest as applicable. The table reflects net notional presentation and gross asset and liability presentation to capture the economic impact of the trades.

(2) Netting adjustments represent amounts recorded to convert derivative assets and derivative liabilities from a gross basis to a net basis in accordance with applicable accounting guidance. The net basis takes into account the impact of cash collateral received or posted, legally enforceable master netting agreements, and variation margin that allow Regions to settle derivative contracts with the counterparty on a net basis and to offset the net position with the related cash collateral. Cash collateral, all of which is included as a netting adjustment, totaled $84 million and $106 million for derivative assets at September 30, 2025 and December 31, 2024, respectively. Cash collateral totaled $115 million and $87 million for derivative liabilities at September 30, 2025 and December 31, 2024, respectively.

HEDGING DERIVATIVES

Derivatives entered into to manage interest rate risk and facilitate asset/liability management strategies are designated as hedging derivatives. Derivative financial instruments that qualify in a hedging relationship are classified, based on the exposure being hedged, as either fair value hedges or cash flow hedges. See Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information regarding accounting policies for derivatives.

CASH FLOW HEDGES

Cash flow hedge relationships mitigate exposure to the variability of future cash flows or other forecasted transactions.

Regions enters into interest rate swaps, options (e.g., floors, caps and collars), and agreements with a combination of these instruments to manage overall cash flow changes related to interest rate risk exposure on variable rate loans. The agreements effectively modify the Company’s exposure to interest rate risk by utilizing receive fixed/pay SOFR interest rate swaps and interest rate options. As of September 30, 2025, Regions was hedging its exposure to the variability in future cash flows into 2034.

As of September 30, 2025, cash flow hedges were held at a pre-tax net loss of $43 million, which includes pre-tax net gains of $14 million related to terminated cash flow floors and swaps. Regions expects to reclassify into earnings approximately $111 million in pre-tax losses due to the net receipt/payment of interest and amortization on all cash flow hedges within the next twelve months. Included in this amount is $5 million in pre-tax net gains related to the amortization of terminated cash flow floors and swaps.

See Note 6 for the impact of cash flow hedges on the consolidated statements of income regarding the realized gains or (losses) reclassified from AOCI into net income.

FAIR VALUE HEDGES

Fair value hedge relationships mitigate exposure to the change in fair value of an asset, liability or firm commitment.

Regions enters into interest rate swap agreements to manage interest rate exposure on the Company's fixed-rate borrowings and time deposits. These agreements involve the receipt of fixed-rate amounts in exchange for floating-rate interest payments over the life of the agreements. Regions also enters into interest rate swap agreements to manage interest rate exposure on certain of the Company's fixed-rate prepayable and non-prepayable debt securities available for sale. These agreements involve the payment of fixed-rate amounts in exchange for floating-rate interest receipts.

The following tables present the effect of fair value hedging derivative instruments on the consolidated statements of income and the total amounts for the respective line items affected:

	Three Months Ended September 30, 2025	
	Interest Income	Interest Expense
	Debt securities	Long-term borrowings
	(In millions)	
Total income (expense) presented in the consolidated statements of income	$ 293	$ (75)
Gains/(losses) on fair value hedging relationships:		
Interest rate contracts:		
Amounts related to interest settlements on derivatives	$ 7	$ (6)
Recognized on derivatives	(7)	6
Recognized on hedged items	7	(6)
Income (expense) recognized on fair value hedges	$ 7	$ (6)

	Three Months Ended September 30, 2024		
	Interest Income	Interest Expense	
	Debt securities	Long-term borrowings	Deposits
		(In millions)	
Total income (expense) presented in the consolidated statements of income	$ 241	$ (85)	$ (507)
Gains/(losses) on fair value hedging relationships:			
Interest rate contracts:			
Amounts related to interest settlements on derivatives	$ 2	$ (18)	$ —
Recognized on derivatives	(8)	39	1
Recognized on hedged items	9	(39)	(1)
Income (expense) recognized on fair value hedges	$ 3	$ (18)	$ —

	Nine Months Ended September 30, 2025	
	Interest Income	Interest Expense
	Debt securities	Long-term borrowings
	(In millions)	
Total income (expense) presented in the consolidated statements of income	$ 845	$ (237)
Gains/(losses) on fair value hedging relationships:		
Interest rate contracts:		
Amounts related to interest settlements on derivatives	$ 15	$ (27)
Recognized on derivatives	(86)	40
Recognized on hedged items	86	(40)
Income (expense) recognized on fair value hedges	$ 15	$ (27)

	Nine Months Ended September 30, 2024		
	Interest Income	Interest Expense	
	Debt securities	Long-term borrowings	Deposits
		(In millions)	
Total income (expense) presented in the consolidated statements of income	$ 669	$ (190)	$ (1,504)
Gains/(losses) on fair value hedging relationships:			
Interest rate contracts:			
Amounts related to interest settlements on derivatives	$ 7	$ (52)	$ (1)
Recognized on derivatives	(2)	45	—
Recognized on hedged items	2	(45)	—
Income (expense) recognized on fair value hedges	$ 7	$ (52)	$ (1)

The following tables present the carrying amount and associated cumulative basis adjustment related to the application of hedge accounting that is included in the carrying amount of hedged assets and liabilities in fair value hedging relationships.

	September 30, 2025		December 31, 2024	
	Hedged Items Currently Designated		Hedged Items Currently Designated	
	Amortized Cost Basis of Assets/(Liabilities)	Hedge Accounting Basis Adjustment	Amortized Cost Basis of Assets/(Liabilities)	Hedge Accounting Basis Adjustment
	(In millions)		(In millions)	
Debt securities available for sale	$ 8,978	$ 38	$ 3,304	$ (22)
Long-term borrowings	(2,349)	51	(3,058)	91

Included in the amortized cost basis and hedge accounting basis adjustment of fair value hedges of debt securities available for sale are hedges designated under the portfolio layer method. At September 30, 2025 and December 31, 2024, the Company designated $2.5 billion and $750 million, respectively, as the hedged amount from a closed portfolio of prepayable financial assets with a carrying amount of $6.3 billion and $1.8 billion, respectively. At September 30, 2025, approximately $11 million of the hedge accounting basis adjustments related to active portfolio layer method hedges.

During 2025, the Company terminated fair value hedges related to available for sale debt securities. The terminated hedges had a remaining basis adjustment of $25 million.

DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Company holds a portfolio of derivative instruments not designated as accounting hedges, therefore these derivatives are marked-to market through earnings (in capital markets income or mortgage income as appropriate) and included in other assets and other liabilities, as appropriate. Refer to Note 20 "Derivative Financial Instruments and Hedging Activities" in the Annual Report on Form 10-K for the year ended December 31, 2024 for more information regarding these derivative instruments.

The following table presents the location and amount of gain recognized in income on derivatives not designated as hedging instruments in the consolidated statements of income for the periods presented below:

	Three Months Ended September 30		Nine Months Ended September 30	
<u>Derivatives Not Designated as Hedging Instruments</u>	2025	2024	2025	2024
	(In millions)			
Capital markets income:				
Interest rate swaps	$ 12	$ 3	$ 23	$ 18
Interest rate options	10	15	31	38
Interest rate futures and forward commitments	4	4	12	18
Other contracts	11	12	(10)	17
Total capital markets income	37	34	56	91
Mortgage income:				
Interest rate swaps	—	26	12	3
Interest rate options	(2)	(1)	(2)	(2)
Interest rate futures and forward commitments	4	3	4	11
Total mortgage income	2	28	14	12
	$ 39	$ 62	$ 70	$ 103

CREDIT DERIVATIVES

Regions has both bought and sold credit protection in the form of participations on interest rate swaps (swap participations). These swap participations, which meet the definition of credit derivatives, were entered into in the ordinary course of business to serve the credit needs of customers. Swap participations, whereby Regions has purchased credit protection, entitle Regions to receive a payment from the counterparty if the customer fails to make payment on any amounts due to Regions upon early termination of the swap transaction and have maturities between 2025 and 2030. Swap participations, whereby Regions has sold credit protection have maturities between 2026 and 2035. For contracts where Regions sold credit protection, Regions would be required to make payment to the counterparty if the customer fails to make payment on any amounts due to the counterparty upon early termination of the swap transaction. Regions bases the current status of the prepayment/performance risk on bought and sold credit derivatives on recently issued internal risk ratings consistent with the risk management practices of unfunded commitments.

Regions' maximum potential amount of future payments under these contracts as of September 30, 2025 was approximately $573 million. This scenario occurs if variable interest rates were at zero percent and all counterparties defaulted with zero recovery. The fair value of sold protection at September 30, 2025 and 2024 was immaterial. In transactions where Regions has sold credit protection, recourse to collateral associated with the original swap transaction is available to offset some or all of Regions' obligation.

CONTINGENT FEATURES

Certain of Regions' derivative instrument contracts with broker-dealers contain credit-related termination provisions and/or credit-related provisions regarding the posting of collateral, allowing those broker-dealers to terminate the contracts in the event that Regions' and/or Regions Bank's credit ratings falls below specified ratings from certain major credit rating agencies. The aggregate fair values of all derivative instruments with any credit-risk-related contingent features that were in a liability position totaled $47 million at both September 30, 2025 and December 31, 2024, for which Regions had posted collateral of $42 million and $34 million, respectively, in the normal course of business.

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NOTE 10. FAIR VALUE MEASUREMENTS

See Note 1 "Summary of Significant Accounting Policies" to the consolidated financial statements of the Annual Report on Form 10-K for the year ended December 31, 2024 for a description of valuation methodologies for assets and liabilities measured at fair value on a recurring and non-recurring basis. Assets and liabilities measured at fair value rarely transfer between Level 1 and Level 2 measurements. Debt securities available for sale may be periodically transferred to or from Level 3 valuation based on management's conclusion regarding the observability of inputs used in valuing the securities. Such transfers are accounted for as if they occur at the beginning of a reporting period.

The following table presents assets and liabilities measured at estimated fair value on a recurring basis:

	September 30, 2025				December 31, 2024			
	Level 1	Level 2	Level 3 (1)	Total Estimated Fair Value	Level 1	Level 2	Level 3 (1)	Total Estimated Fair Value
	(In millions)							
Recurring fair value measurements								
Debt securities available for sale:								
U.S. Treasury securities	$ 2,266	$ —	$ —	$ 2,266	$ 2,003	$ —	$ —	$ 2,003
Federal agency securities	—	610	—	610	—	444	—	444
Obligations of states and political subdivisions	—	2	—	2	—	2	—	2
Mortgage-backed securities:								
Residential agency	—	18,719	—	18,719	—	18,945	—	18,945
Commercial agency	—	4,742	—	4,742	—	4,090	—	4,090
Commercial non-agency	—	83	—	83	—	82	—	82
Corporate and other debt securities	—	459	5	464	—	655	3	658
Total debt securities available for sale	$ 2,266	$ 24,615	$ 5	$ 26,886	$ 2,003	$ 24,218	$ 3	$ 26,224
Loans held for sale	$ —	$ 267	$ —	$ 267	$ —	$ 234	$ —	$ 234
Marketable equity securities in other earning assets	$ 699	$ —	$ —	$ 699	$ 819	$ —	$ —	$ 819
Residential mortgage servicing rights	$ —	$ —	$ 976	$ 976	$ —	$ —	$ 1,007	$ 1,007
Commercial mortgage servicing rights through non-DUS agency programs	$ —	$ —	$ 91	$ 91	$ —	$ —	$ 97	$ 97
Derivative assets (2):								
Interest rate swaps	$ —	$ 1,223	$ —	$ 1,223	$ —	$ 1,634	$ —	$ 1,634
Interest rate options	—	14	8	22	—	30	5	35
Interest rate futures and forward commitments	—	8	—	8	—	8	—	8
Other contracts	1	154	—	155	13	126	—	139
Total derivative assets	$ 1	$ 1,399	$ 8	$ 1,408	$ 13	$ 1,798	$ 5	$ 1,816
Derivative liabilities (2):								
Interest rate swaps	$ —	$ 1,345	$ —	$ 1,345	$ —	$ 2,411	$ —	$ 2,411
Interest rate options	—	9	—	9	—	30	—	30
Interest rate futures and forward commitments	—	3	—	3	—	4	—	4
Other contracts	—	140	—	140	3	103	—	106
Total derivative liabilities	$ —	$ 1,497	$ —	$ 1,497	$ 3	$ 2,548	$ —	$ 2,551
Securities sold, but not yet purchased	$ 17	$ —	$ —	$ 17	$ 147	$ —	$ —	$ 147

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(1) All following disclosures related to Level 3 recurring assets do not include those deemed to be immaterial.

(2) As permitted under U.S. GAAP, variation margin collateral payments made or received for derivatives that are centrally cleared are legally characterized as settled. As such, these derivative assets and derivative liabilities and the related variation margin collateral are presented on a net basis on the balance sheet.

Assets and liabilities in all levels could result in volatile and material price fluctuations. Realized and unrealized gains and losses on Level 3 assets represent only a portion of the risk to market fluctuations in Regions' consolidated balance sheets. See Note 5 for analyses of activity related to the MSRs for three and nine months ended September 30, 2025 and 2024.

RECURRING FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS

Residential mortgage servicing rights

The significant unobservable inputs used in the fair value measurement of residential MSRs are CPR and OAS. This valuation requires generating cash flow projections over multiple interest rate scenarios and discounting those cash flows at a risk-adjusted rate. Additionally, the impact of prepayments and changes in the OAS are based on a variety of underlying inputs including servicing costs. Increases or decreases to the underlying cash flow inputs will have a corresponding impact on the value of the MSR asset. The net change in unrealized gains (losses) included in earnings related to MSRs held at period end are disclosed as the changes in valuation inputs or assumptions included in the MSR rollforward table in Note 5 .

Commercial mortgage servicing rights through non-DUS agency programs

The significant unobservable inputs used in the fair value measurement of commercial MSRs are CPR and the discount rate. This valuation requires generating cash flow projections over multiple interest rate scenarios and discounting those cash flows at a risk-adjusted rate. Additionally, the impact of prepayments and changes in the discount rate are based on a variety of underlying inputs including servicing costs. Increases or decreases to the underlying cash flow inputs will have a corresponding impact on the value of the MSR asset. The net change in unrealized gains (losses) included in earnings related to MSRs held at period end are disclosed as the changes in valuation inputs or assumptions included in the MSR rollforward table in Note 5 .

The following tables present detailed information regarding material assets and liabilities measured at fair value using significant unobservable inputs (Level 3) as of September 30, 2025 and December 31, 2024. The tables include the valuation techniques and the significant unobservable inputs utilized. The range of each significant unobservable input as well as the weighted-average within the range utilized at September 30, 2025 and December 31, 2024 are included. Following the tables are descriptions of the valuation techniques and the sensitivity of the techniques to changes in the significant unobservable inputs.

	September 30, 2025			
	Level 3 Estimated Fair Value	Valuation Technique	Unobservable Input(s)	Quantitative Range of Unobservable Inputs and (Weighted-Average)
	(Dollars in millions)			
Recurring fair value measurements:				
Residential MSR [(1)]	$976	Discounted cash flow	Weighted-average CPR (%)	4.0% - 18.7% (7.7%)
			OAS (%)	4.7% - 8.0% (5.0%)
Commercial MSR through non-DUS agency programs [(1)]	$91	Discounted cash flow	Weighted-average CPR (%)	6.6% - 7.7% (7.6%)
			Discount rate (%)	8.0% - 10.0% (8.2%)

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(1) See Note 5 for additional disclosures related to assumptions used in the fair value calculation for residential and commercial mortgage servicing rights.

	December 31, 2024			
	Level 3 Estimated Fair Value	Valuation Technique	Unobservable Input(s)	Quantitative Range of Unobservable Inputs and (Weighted-Average)
	(Dollars in millions)			
Recurring fair value measurements:				
Residential MSR [(1)]	$1,007	Discounted cash flow	Weighted-average CPR (%)	4.6% - 23.1% (8.0%)
			OAS (%)	4.8% -7.7% (5.1%)
Commercial MSR through non-DUS agency programs [(1)]	$97	Discounted cash flow	Weighted-average CPR (%)	5.4% - 10.6% (7.7%)
			Discount rate (%)	7.0% -8.0% (7.1%)

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(1) See Note 6 to the consolidated financial statements of the Annual Report on Form 10-K for the year ended December 31, 2024 for additional disclosures related to assumptions used in the fair value calculations for residential and commercial mortgage servicing rights.

FAIR VALUE OPTION

Regions has elected the fair value option for all eligible agency residential first mortgage loans originated with the intent to sell. This election allows for a more effective offset of the changes in fair values of the loans and the derivative instruments used to economically hedge them without the burden of complying with the requirements for hedge accounting. Fair values of residential first mortgage loans held for sale are based on traded market prices of similar assets where available and/or discounted cash flows at market interest rates, adjusted for securitization activities that include servicing values and market conditions, and are recorded in loans held for sale. At September 30, 2025, the aggregate fair value of these loans totaled $253 million compared to aggregate unpaid principal of $247 million. At December 31, 2024, the aggregate fair value of these loans totaled $222 million compared to aggregate unpaid principal of $219 million.

Interest income on residential first mortgage loans held for sale is recognized based on contractual rates and is reflected in interest income on loans held for sale. Net gains and losses resulting from changes in fair value of residential mortgage loans held for sale, which were recorded in mortgage income in the consolidated statements of income during the three and nine months ended September 30, 2025 and 2024, were immaterial. These changes in fair value are mostly offset by economic hedging activities. An immaterial portion of these amounts was attributable to changes in instrument-specific credit risk.

NON-RECURRING FAIR VALUE MEASUREMENTS

Items measured at fair value on a non-recurring basis include loans held for sale for which the fair value option has not been elected, foreclosed property and other real estate and equity investments without a readily determinable fair value; all of which may be considered either Level 2 or Level 3 valuation measurements. Non-recurring fair value adjustments related to loans held for sale, foreclosed property and other real estate are typically a result of the application of lower of cost or fair value accounting during the period. Non-recurring fair value adjustments related to equity investments without readily determinable fair values are the result of impairments or price changes from observable transactions. The balances of each of these assets, as well as the related fair value adjustments during the periods, were immaterial at both September 30, 2025 and December 31, 2024.

FINANCIAL INSTRUMENTS NOT RECORDED AT FAIR VALUE

For financial instruments not recorded at fair value, estimates of fair value are based on relevant market data and information about the instruments. The following tables present the carrying amounts and estimated fair values, as well as the level within the fair value hierarchy, of the Company’s financial instruments not recorded at fair value as of September 30, 2025 and December 31, 2024.

	September 30, 2025					December 31, 2024				
	Carrying Amount	Estimated Fair Value(1)	Level 1	Level 2	Level 3	Carrying Amount	Estimated Fair Value(1)	Level 1	Level 2	Level 3
	(In millions)									
Financial assets:										
Cash and cash equivalents	$ 12,099	$ 12,099	$12,099	$ —	$ —	$ 10,712	$ 10,712	$10,712	$ —	$ —
Debt securities held to maturity	5,769	5,716	—	5,716	—	4,427	4,226	—	4,226	—
Loans held for sale	306	306	—	251	55	360	360	—	360	—
Loans (excluding leases), net of unearned income and allowance for loan losses(2)(3)	92,993	90,783	—	—	90,783	93,424	89,907	—	—	89,907
Other earning assets	814	814	—	814	—	797	797	—	797	—
Financial liabilities:										
Deposits with no stated maturity(4)	115,432	115,432	—	115,432	—	111,883	111,883	—	111,883	—
Time deposits(4)	14,902	14,891	—	14,891	—	15,720	15,694	—	15,694	—
Short-term borrowings	1,300	1,300	—	1,300	—	500	500	—	500	—
Long-term borrowings	4,785	4,962	—	4,961	1	5,993	6,059	—	6,058	1
Loan commitments and letters of credit	170	170	—	—	170	149	149	—	—	149

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(1) Estimated fair values are consistent with an exit price concept. The assumptions used to estimate the fair values are intended to approximate those that a market participant would use in a hypothetical orderly transaction. In estimating fair value, the Company makes adjustments for estimated changes in interest rates, market liquidity and credit spreads in the periods they are deemed to have occurred.

(2) The estimated fair value of portfolio loans assumes sale of the loans to a third-party financial investor. Accordingly, the value to the Company if the loans were held to maturity is not reflected in the fair value estimate. The fair value discount on the loan portfolio's net carrying amount at September 30, 2025 was $2.2 billion or 2.4 percent. The fair value discount on the loan portfolio's net carrying amount at December 31, 2024 was $3.5 billion or 3.8 percent

(3) Excluded from this table is the sales-type, direct financing, and leveraged lease carrying amount of $1.5 billion at September 30, 2025 and $1.7 billion at December 31, 2024.

(4) The fair value of non-interest-bearing deposit accounts, interest-bearing checking accounts, savings accounts, and money market accounts is the amount payable on demand at the reporting date (i.e., the carrying amount) as these instruments have an indeterminate maturity date. Fair values for time deposits are estimated by using discounted cash flow analyses, based on market spreads to benchmark rates.

NOTE 11. BUSINESS SEGMENT INFORMATION

Each of Regions’ reportable segments is a strategic business unit that serves specific needs of Regions’ customers based on the products and services provided. The Company has three reportable segments: Corporate Bank, Consumer Bank, and Wealth Management, with the remainder in Other. The segments are based on the manner in which the CODM reviews the Company's performance. The Company's CODM is the CEO, President and Chair of the Board. As a part of the CODM review, pre-tax income is utilized to allocate resources amongst segments. Additional information about the Company's reportable segments is included in Regions' Annual Report on Form 10-K for the year ended December 31, 2024.

The application and development of management reporting methodologies is a dynamic process and is subject to periodic enhancements. As these enhancements are made, financial results presented by each reportable segment may be periodically revised and the prior periods updated to reflect these enhancements. Accordingly, the prior periods were updated to reflect these enhancements.

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The following tables present financial information, including non-interest income disaggregated by major product category, for each reportable segment:

	Three Months Ended September 30, 2025				
	Corporate Bank	Consumer Bank	Wealth Management	Other	Consolidated
			(In millions)		
Net interest income	$ 475	$ 738	$ 44	$ —	$ 1,257
Provision for (benefit from) credit losses	84	69	2	(50)	105
Non-interest income:					
Service charges on deposit accounts	61	99	—	—	160
Card and ATM fees	10	112	—	—	122
Investment management and trust fee income	—	—	91	—	91
Capital markets income	104	—	—	—	104
Mortgage income	—	38	—	—	38
Investment services fee income	—	—	48	—	48
Commercial credit fee income	28	—	—	—	28
Bank-owned life insurance	—	—	—	25	25
Securities gains (losses), net	—	—	—	(27)	(27)
Market value adjustments on employee benefit assets	—	—	—	12	12
Other miscellaneous income (loss)	61	19	2	(24)	58
Total non-interest income	264	268	141	(14)	659
Non-interest expense:					
Salaries and employee benefits	143	184	70	274	671
Equipment and software expense	6	25	—	75	106
Net occupancy expense	6	56	3	7	72
Other expenses (benefits) [1]	165	385	49	(345)	254
Total non-interest expense	320	650	122	11	1,103
Income before income taxes	335	287	61	25	708
Income tax expense (benefit)	84	72	15	(32)	139
Net income	$ 251	$ 215	$ 46	$ 57	$ 569
Average assets	$ 70,567	$ 37,360	$ 2,130	$ 49,032	$ 159,089

	Three Months Ended September 30, 2024				
	Corporate Bank	Consumer Bank	Wealth Management	Other	Consolidated
			(In millions)		
Net interest income	$ 459	$ 718	$ 41	$ —	$ 1,218
Provision for (benefit from) credit losses	91	67	2	(47)	$ 113
Non-interest income (loss):					
Service charges on deposit accounts	58	100	—	—	158
Card and ATM fees	11	108	—	(1)	118
Investment management and trust fee income	—	—	85	—	85
Capital markets income	92	—	—	—	92
Mortgage income	—	36	—	—	36
Investment services fee income	—	—	43	—	43
Commercial credit fee income	28	—	—	—	28
Bank-owned life insurance	—	—	—	28	28
Securities gains (losses), net	—	—	—	(78)	(78)
Market value adjustments on employee benefit assets	—	—	—	13	13
Other miscellaneous income (loss)	51	20	2	(24)	49
Total non-interest income (loss)	240	264	130	(62)	572
Non-interest expense:					
Salaries and employee benefits	141	178	66	260	645
Equipment and software expense	5	25	—	71	101
Net occupancy expense	7	51	3	8	69
Other expenses (benefits) [(1)]	166	349	45	(306)	254
Total non-interest expense	319	603	114	33	1,069
Income before income taxes (loss)	289	312	55	(48)	608
Income tax expense (benefit)	73	78	13	(46)	118
Net income (loss)	$ 216	$ 234	$ 42	$ (2)	$ 490
Average assets	$ 69,364	$ 37,882	$ 2,088	$ 45,333	$ 154,667

	Nine Months Ended September 30, 2025				
	Corporate Bank	Consumer Bank	Wealth Management	Other	Consolidated
			(In millions)		
Net interest income	$ 1,391	$ 2,189	$ 130	$ —	$ 3,710
Provision for (benefit from) credit losses	259	203	5	(112)	355
Non-interest income (loss):					
Service charges on deposit accounts	185	285	2	—	472
Card and ATM fees	32	331	—	1	364
Investment management and trust fee income	—	—	267	—	267
Capital markets income	265	1	1	—	267
Mortgage income	—	126	—	—	126
Investment services fee income	—	—	134	—	134
Commercial credit fee income	84	—	—	—	84
Bank-owned life insurance	—	—	—	72	72
Securities gains (losses), net	—	—	—	(53)	(53)
Market value adjustments on employee benefit assets	—	—	—	25	25
Other miscellaneous income (loss)	145	59	3	(70)	137
Total non-interest income (loss)	711	802	407	(25)	1,895
Non-interest expense:					
Salaries and employee benefits	425	543	206	780	1,954
Equipment and software expense	15	73	2	219	309
Net occupancy expense	20	164	9	21	214
Other expenses (benefits) [(1)]	480	1,093	143	(978)	738
Total non-interest expense	940	1,873	360	42	3,215
Income before income taxes	903	915	172	45	2,035
Income (loss) before income taxes	226	229	43	(85)	413
Net income	$ 677	$ 686	$ 129	$ 130	$ 1,622
Average assets	$ 69,879	$ 37,502	$ 2,125	$ 48,482	$ 157,988

	Nine Months Ended September 30, 2024				
	Corporate Bank	Consumer Bank	Wealth Management	Other	Consolidated
			(In millions)		
Net interest income	$ 1,359	$ 2,107	$ 122	$ —	$ 3,588
Provision for (benefit from) credit losses	272	202	6	(113)	367
Non-interest income (loss):					
Service charges on deposit accounts	167	287	2	1	457
Card and ATM fees	32	322	1	(1)	354
Investment management and trust fee income	—	—	249	—	249
Capital markets income	249	1	1	—	251
Mortgage income	—	111	—	—	111
Investment services fee income	—	—	120	—	120
Commercial credit fee income	83	—	—	—	83
Bank-owned life insurance	—	—	—	81	81
Securities gains (losses), net	—	—	—	(178)	(178)
Market value adjustments on employee benefit assets	—	—	—	30	30
Other miscellaneous income (loss)	126	59	1	(64)	122
Total non-interest income (loss)	657	780	374	(131)	1,680
Non-interest expense:					
Salaries and employee benefits	424	539	194	755	1,912
Equipment and software expense	14	76	2	210	302
Net occupancy expense	20	159	9	23	211
Other expenses (benefit) [1]	492	1,026	128	(867)	779
Total non-interest expense	950	1,800	333	121	3,204
Income (loss) before income taxes	794	885	157	(139)	1,697
Income tax expense (benefit)	199	221	40	(122)	338
Net income (loss)	$ 595	$ 664	$ 117	$ (17)	$ 1,359
Average assets	$ 69,081	$ 37,974	$ 2,059	$ 43,884	$ 152,998

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(1) Other expenses are primarily comprised of outside services, marketing, professional, legal and regulatory expenses, credit and checkcard expenses, and FDIC insurance assessment fees.

NOTE 12. COMMITMENTS, CONTINGENCIES AND GUARANTEES

COMMERCIAL COMMITMENTS

Regions issues off-balance sheet financial instruments in connection with lending activities. The credit risk associated with these instruments is essentially the same as that involved in extending loans to customers and is subject to Regions' normal credit approval policies and procedures. Regions measures inherent risk associated with these instruments by recording a reserve for unfunded commitments based on an assessment of the likelihood that the guarantee will be funded and the creditworthiness of the customer or counterparty. Collateral is obtained based on management's assessment of the creditworthiness of the customer. Credit risk is represented in unused commitments to extend credit, standby letters of credit and commercial letters of credit. Refer to Note 23 "Commitments, Contingencies and Guarantees" in the Annual Report on Form 10-K for the year ended December 31, 2024 for more information regarding these instruments.

Credit risk associated with these instruments is represented by the contractual amounts indicated in the following table:

	September 30, 2025	December 31, 2024
	(In millions)	
Unused commitments to extend credit	$ 67,571	$ 63,232
Standby letters of credit	2,281	2,096
Commercial letters of credit	82	58
Liabilities associated with standby letters of credit	38	33
Assets associated with standby letters of credit	39	35
Reserve for unfunded credit commitments	132	116

LEGAL CONTINGENCIES

Regions and its subsidiaries are routinely subject to actual or threatened legal proceedings, including litigation and regulatory matters, arising in the ordinary course of business. Litigation matters range from individual actions involving a single plaintiff to class action lawsuits and can involve claims for substantial or indeterminate alleged damages or for injunctive or other relief. Regulatory investigations and enforcement matters may involve formal or informal proceedings and other inquiries initiated by various governmental agencies, law enforcement authorities, and self-regulatory organizations, and can result in fines, penalties, restitution, changes to Regions' business practices, and other related costs, including reputational damage. At any given time, these legal proceedings are at varying stages of adjudication, arbitration, or investigation, and may relate to a variety of topics, including common law tort and contract claims, as well as statutory consumer protection-related claims, among others.

Assessment of exposure that could result from legal proceedings is complex because these proceedings often involve inherently unpredictable factors, including, but not limited to, the following: whether the proceeding is in early stages; whether damages or the amount of potential fines, penalties, and restitution are unspecified, unsupported, or uncertain; whether there is a potential for punitive or other pecuniary damages; whether the matter involves legal uncertainties, including novel issues of law; whether the matter involves multiple parties and/or jurisdictions; whether discovery or other investigation has begun or is not complete; whether material facts may be disputed or unsubstantiated; whether meaningful settlement discussions have commenced; and whether the matter involves class allegations. As a result of these complexities, Regions may be unable to develop an estimate or range of loss.

Regions evaluates legal proceedings based on information currently available, including advice of counsel. Regions establishes accruals for those matters when a loss is considered probable and the related amount is reasonably estimable. Additionally, when it is practicable and reasonably possible that it may experience losses in excess of established accruals, Regions estimates possible loss contingencies. Regions currently estimates that the aggregate amount of reasonably possible losses that it may experience, in excess of what has been accrued, is immaterial. While the final outcomes of legal proceedings are inherently unpredictable, management is currently of the opinion that the outcomes of pending and threatened matters, including the litigation matter described below, will not have a material effect on Regions' business, consolidated financial position, results of operations or cash flows as a whole.

As available information changes, the matters for which Regions is able to estimate, as well as the estimates themselves, will be adjusted accordingly. Regions' estimates are subject to significant judgment and uncertainties, and the matters underlying the estimates will change from time to time. In the event of unexpected future developments, it is possible that an adverse outcome in any such matter could be material to Regions' business, consolidated financial position, results of operations, or cash flows as a whole for any particular reporting period of occurrence.

Some of Regions' exposure with respect to loss contingencies may be offset by applicable insurance coverage. However, in determining the amounts of any accruals or estimates of possible loss contingencies, Regions does not take into account the availability of insurance coverage. To the extent that Regions has an insurance recovery, the proceeds are recorded in the period the recovery is received.

Shareholder Derivative Litigation

On December 22, 2023, a putative shareholder derivative complaint was filed in the Court of Chancery of the State of Delaware, captioned *Brewer v. Turner, et al.*, Case No. 2023-1284-KSJM, allegedly on behalf of Regions as a nominal defendant, against a number of Regions' current and former directors and officers (the "Derivative Complaint"). The claims in the Derivative Complaint relate to the subject matter of the previously disclosed Consent Order that Regions entered into with the CFPB in September 2022. In September 2025, the court issued an order granting in part, and denying in part, the defendants' motion to dismiss. The defendants have filed a Notice of Appeal with the Delaware Supreme Court as to the claims that were not dismissed.

GUARANTEES

FANNIE MAE LOSS SHARE GUARANTEE

Regions sells commercial loans to Fannie Mae through the DUS lending program and through other platforms. The DUS program provides liquidity to the multi-family housing market. Regions services loans sold to Fannie Mae and is required to provide a loss share guarantee equal to one-third of the principal balance for the majority of the commercial servicing portfolio. At September 30, 2025 and December 31, 2024, the Company's DUS servicing portfolio totaled approximately $7.7 billion and $7.0 billion, respectively. Regions has additional loans sold to Fannie Mae outside of the DUS program that are also subject to a loss share guarantee and at September 30, 2025 and December 31, 2024, these serviced loans totaled approximately $765 million and $665 million, respectively. Regions' maximum quantifiable contingent liability related to all loans subject to a loss share guarantee was approximately $2.7 billion and $2.4 billion at September 30, 2025 and December 31, 2024, respectively. The Company would be liable for this amount only if all of the loans it services for Fannie Mae, for which the Company retains some risk of loss, were to default and all of the collateral underlying these loans was determined to be without value at the time of settlement. Therefore, the maximum quantifiable contingent liability is not representative of the actual loss the Company would be expected to incur. The estimated fair value of the associated loss share guarantee recorded as a liability on the Company's consolidated balance sheets was immaterial at both September 30, 2025 and December 31, 2024. Refer to Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for additional information.

NOTE 13. RECENT ACCOUNTING PRONOUNCEMENTS

The following table provides a brief description of accounting standards adopted in 2025 and those that could have a material impact to Regions' consolidated financial statements upon adoption in the future.

Standard	Description	Required Date of Adoption	Effect on Regions' financial statements or other significant matters
Standards Adopted (or partially adopted) in 2025			
ASU 2023-05, Business Combinations— Joint Venture Formations (Subtopic 805-60)	This Update requires certain joint ventures, upon formation, to use a new basis of accounting by applying most aspects of the acquisition method for business combinations. New joint ventures generally will recognize and initially measure assets and liabilities at fair value. The Update is effective for all joint ventures with a formation date on or after January 1, 2025. Early adoption is permitted.	January 1, 2025	Regions adopted this guidance as of January 1, 2025 with no material impact.
ASU 2023-09, Income Taxes (Topic 740) Improvements to Income Tax Disclosures	The ASU improves the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures.	January 1, 2025	Regions adopted this guidance as of January 1, 2025 for disclosure to appear in the Annual Report on Form 10-K for the year ended December 31, 2025 with no material impact.
Standards Not Yet Adopted			
ASU 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative	This Update incorporates into the Codification 14 of the 27 disclosures referred by the SEC in Release No. 33-10532, Disclosure Update and Simplification. This Update clarifies and improves the disclosure and presentation requirements of a variety of Topics in the Codification to align with the SEC's regulations.	The effective date for each amendment will be the date on which the SEC removes the related disclosure requirements from its regulations, with early adoption prohibited.	The adoption of this guidance is not likely to have a material impact. Regions will continue to evaluate through date of adoption.
ASU 2024-03, Income Statement Expense Disaggregation Disclosures (Subtopic 220-40) Disaggregation of Income Statement Expenses	This ASU will change the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses (for example, employee compensation, depreciation, and amortization) in expense captions.	January 1, 2027 Early adoption is permitted.	Regions will continue to evaluate through date of adoption.
ASU 2024-04 Debt with Conversion and Other Options (Subtopic 470-20) Induced Conversions of Convertible Debt Instruments	This ASU will standardize the application of induced conversion guidance in 470-20. This update focuses on how to determine whether a settlement of convertible debt at terms that differ from the original conversion terms should be accounted for under the induced conversion or extinguishment guidance.	January 1, 2026 Early adoption is permitted.	The adoption of this guidance is not likely to have a material impact. Regions will continue to evaluate through date of adoption.
ASU 2025-03 Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity	This ASU will require entities to consider the factors in Business Combinations (ASC 805) to identify the accounting acquirer when a VIE that is a business is legally acquired primarily through the exchange of equity interests.	January 1, 2027 Early adoption is permitted.	Regions will continue to evaluate through date of adoption.
ASU 2025-05 Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets	This ASU will provide an optional practical expedient that allows entities to assume that current conditions as of the balance sheet date will not change for the asset's remaining life when developing reasonable and supportable forecasts as a part of estimating expected credit losses for current account receivable and current contract assets that arise from transactions accounted for under Topic 606, Revenue from Contracts with Customers.	January 1, 2026 Early adoption is permitted.	The adoption of this guidance will not have a material impact.
ASU 2025-06 Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software	This ASU will clarify and modernize the accounting for costs related to internal-use software by removing all references to project stages and clarifying the threshold entities apply to begin capitalizing costs.	January 1, 2028 Early adoption is permitted.	Regions will continue to evaluate through date of adoption.
ASU 2025-07 Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract	This ASU will refine the scope of the guidance on derivatives in Topic 815 by adding a derivative scope exception for certain contracts with underlyings that are based on the operations or activities of one of the parties to the contract. It will also clarify the applicability of Topic 606 and its interaction Topic 815 and Topic 321, Investments - Equity Securities, in the accounting for share-based noncash consideration (e.g., warrants or shares) received from a customer for the transfer of goods or services.	January 1, 2027 Early adoption is permitted.	Regions will continue to evaluate through date of adoption.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

INTRODUCTION

The following discussion and analysis is part of Regions Financial Corporation's ("Regions" or the "Company") Quarterly Report on Form 10-Q filed with the SEC and should be read in conjunction with the consolidated financial statements and the related notes that appear in Part I, Item 1 of this report. In addition, this discussion and analysis updates Regions' Annual Report on Form 10-K for the year ended December 31, 2024, which was previously filed with the SEC. This financial information is presented to aid in understanding Regions' financial position and results of operations and should be read together with the financial information contained in Regions' Annual Report on Form 10-K. See Note 1 "Basis of Presentation" and Note 13 "Recent Accounting Pronouncements" to those consolidated financial statements for further detail. The emphasis of this discussion will be on the three and nine months ended September 30, 2025 compared to the three and nine months ended September 30, 2024 for the consolidated statements of income. For the consolidated balance sheets, the emphasis of this discussion will be on the balances as of September 30, 2025 compared to December 31, 2024.

This discussion and analysis contains statements that may be considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. See pages 6 through 8 for additional information regarding forward-looking statements.

CORPORATE PROFILE

Regions is a financial holding company headquartered in Birmingham, Alabama operating in the South, Midwest and Texas. In addition, Regions operates several offices delivering specialty capabilities in New York, Washington D.C., Chicago, Salt Lake City, and other locations nationwide. Regions provides financial solutions for a wide range of clients including retail and mortgage banking services, commercial banking services and wealth and investment services. Further, Regions and its subsidiaries deliver other specialty capabilities including merger and acquisition advisory services, capital markets solutions, home improvement lending, investment advisory services, equipment financing for commercial clients and small business customers, low income housing tax credit corporate fund syndication and asset management, financing to CRA-qualified customers, investment and insurance products, broker-dealer services to commercial clients, and others.

Regions conducts its banking operations through Regions Bank, an Alabama state-chartered commercial bank that is a member of the Federal Reserve System. At September 30, 2025, Regions operated 1,248 total branch outlets. Regions carries out its strategies and derives its profitability from three reportable business segments: Corporate Bank, Consumer Bank, and Wealth Management, with the remainder in Other. See Note 11 "Business Segment Information" to the consolidated financial statements for more information regarding Regions' segment reporting structure.

Regions' business strategy is focused on providing a competitive mix of products and services, delivering quality customer service, and continuing to develop and optimize distribution channels that include a branch distribution network with offices in convenient locations, as well as electronic and mobile banking.

Regions' profitability, like that of many other financial institutions, is dependent on its ability to generate revenue from net interest income as well as non-interest income sources. Net interest income is primarily the difference between the interest income Regions receives on interest-earning assets, such as loans, leases, investment securities and cash balances held at the Federal Reserve Bank, and the interest expense Regions pays on interest-bearing liabilities, principally deposits and borrowings. Regions' net interest income is impacted by the size and mix of its balance sheet components and the interest rate spread between interest earned on its assets and interest paid on its liabilities. Non-interest income includes fees from service charges on deposit accounts, card and ATM fees, mortgage servicing and secondary marketing, investment management and trust activities, capital markets and other customer services which Regions provides. Results of operations are also affected by the provision for credit losses and non-interest expenses such as salaries and employee benefits, equipment and software expenses, occupancy, professional, legal and regulatory expenses, FDIC insurance assessments, and other operating expenses, as well as income taxes.

Economic conditions, competition, new legislation and related rules impacting regulation of the financial services industry and the monetary and fiscal policies of the Federal government significantly affect most, if not all, financial institutions, including Regions. Lending and deposit activities and fee income generation are influenced by levels of business spending and investment, consumer income, consumer spending and savings, capital market activities, and competition among financial institutions, as well as customer preferences, interest rate conditions, inflation and prevailing market rates on competing products in Regions' market areas.

THIRD QUARTER OVERVIEW

Economic Environment in Regions' Banking Markets

Regions utilized its internal September baseline forecast to calculate the ACL as of September 30, 2025. Refer to the Baseline economic forecast discussion in the "Allowance" section for further detail.

Third Quarter Results

Regions reported net income available to common shareholders of $548 million or $0.61 per diluted share in the third quarter of 2025 compared to net income available to common shareholders of $446 million or $0.49 per diluted share in the third quarter of 2024.

Net interest income (taxable-equivalent basis) totaled $1.3 billion in the third quarter of 2025, which increased $39 million compared to the third quarter of 2024. The net interest margin (taxable-equivalent basis) was 3.59 percent in the third quarter of 2025, reflecting a 5 basis point increase from the same period in 2024. The increases in net interest income and margin were driven by the replacement of fixed-rate loans and debt securities in a higher interest rate environment, lower funding costs and hedge performance improvements as short-term interest rates declined. Refer to the related discussion below Table 17 "Consolidated Average Daily Balances and Yield/Rate Analysis" for further detail.

The provision for credit losses totaled $105 million in the third quarter of 2025 compared to $113 million in the third quarter of 2024. Net charge-offs totaled $135 million, or 0.55 percent of average loans, in the third quarter of 2025, compared to $117 million, or 0.48 percent in the third quarter of 2024. This increase reflected charge-offs that were already reserved for related to previously identified portfolios of interest. The allowance as a percent of total loans, net, decreased slightly to 1.78 percent at September 30, 2025, compared to 1.79 percent at December 31, 2024. Refer to the "Allowance for Credit Losses" section for further detail.

Non-interest income was $659 million in the third quarter of 2025 compared to $572 million in the third quarter of 2024 primarily driven by a decline in securities losses associated with less repositioning activity in the third quarter of 2025 compared to 2024. Additionally, most categories of non-interest income increased, including capital markets income, other miscellaneous income, investment management and trust fee income, and investment services income. See Table 22 "Non-Interest Income" for further details.

Non-interest expense was $1.1 billion in the third quarter of 2025 which increased $34 million compared to the third quarter of 2024. The increase was primarily driven by an increase in salaries and benefits, professional, legal and regulatory expenses, and other miscellaneous expenses. These were partially offset by a decline in Visa class B shares expense. See Table 23 "Non-Interest Expense" for further details.

Regions' effective tax rate was 19.7 percent in the third quarter of 2025 compared to 19.4 percent in the third quarter of 2024. See the "Income Taxes" section for further details.

Capital

Regions and Regions Bank are required to comply with regulatory capital requirements established by Federal and State banking agencies, which include quantitative requirements including the CET1 ratio. At September 30, 2025, Regions’ CET1 ratio was estimated to be 10.9 percent. For additional information on Regions' regulatory capital requirements see the "Regulatory Requirements" section.

Regions participates in supervisory stress testing conducted by the Federal Reserve and its SCB is currently floored at 2.5 percent. See Note 6 "Shareholders' Equity and Accumulated Other Comprehensive Income (Loss)" to the consolidated financial statements for further details.

The Board has authorized the repurchase of up to $2.5 billion of the Company's common stock through the fourth quarter of 2025. See Note 6 "Shareholders' Equity and Accumulated Other Comprehensive Income (Loss)" for more information.

BALANCE SHEET ANALYSIS

The following sections provide expanded discussion of significant changes in certain line items in asset, liability, and shareholders' equity categories.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents increased approximately $1.4 billion from December 31, 2024 to September 30, 2025 primarily due to an increase in deposits and, to a lesser degree, a decrease in loans. These changes were partially offset by securities purchases, a decline in borrowings and the redemption of Series D preferred stock. See the "Debt Securities", "Loans" "Deposits", "Borrowings", and "Liquidity" sections for more information.

DEBT SECURITIES

The following table details the carrying values of debt securities, including both held to maturity and available for sale:

Table 1—Debt Securities

	September 30, 2025	December 31, 2024
	(In millions)	
U.S. Treasury securities	$ 2,266	$ 2,003
Federal agency securities	610	444
Obligations of states and political subdivisions	2	2
Mortgage-backed securities:		
Residential agency	24,079	22,865
Commercial agency	5,151	4,597
Commercial non-agency	83	82
Corporate and other debt securities	464	658
	$ 32,655	$ 30,651

Debt securities, which comprise approximately 23 percent of earning assets, are an important tool used to manage interest rate sensitivity and provide a primary source of liquidity for the Company, as much of the portfolio is highly liquid. Additionally, some of the debt securities portfolio is eligible to be used as collateral for funding of various types of borrowings. See the "Liquidity" section for more information on these arrangements. Also see the "Market Risk-Interest Rate Risk" section for more information. See also Note 3 "Debt Securities" for additional information.

Debt securities held to maturity constituted approximately 18 percent of the debt securities portfolio at September 30, 2025. In the first half of 2025, the Company reclassified debt securities with an amortized cost, excluding items recognized in OCI, of $2.0 billion from available for sale into held to maturity to reduce the volatility in AOCI in preparation for expected, upcoming changes to regulatory guidance as discussed in the "Regulatory Requirements" section.

Debt securities available for sale constituted approximately 82 percent of the debt securities portfolio at September 30, 2025. Regions maintains a highly-rated debt securities portfolio consisting primarily of agency MBS. Regions' investment policy emphasizes credit quality and liquidity.

Debt securities increased $2.0 billion from December 31, 2024 to September 30, 2025 due to the purchase of approximately $1.0 billion of residential agency MBS debt securities in the second quarter of 2025, lower market interest rates and tighter spreads resulting in lower unrealized holding losses, and AOCI amortization. Of note, the Company executed debt securities repositionings in the first and third quarters of 2025 involving the sale of shorter-duration commercial and residential agency MBS and replacement with residential agency MBS with favorable prepayment profiles. In total, the Company sold approximately $1.0 billion of debt securities available for sale and realized approximately $50 million in pre-tax losses. The intent was to maintain the debt securities portfolio duration that would otherwise shorten naturally while efficiently deploying capital. Proceeds from the sales were reinvested at higher market yields.

The average life of the debt securities portfolio at September 30, 2025 was estimated to be 5.9 years, with a duration of approximately 4.0 years, inclusive of fair value hedges (see Table 19). These metrics compare with an estimated average life of 6.1 years and a duration of approximately 4.5 years for the portfolio at December 31, 2024.

LOANS HELD FOR SALE

The following table presents Regions' loans held for sale by type:

Table 2—Loans Held for Sale

	September 30, 2025	December 31, 2024
	(In millions)	
Commercial	$ 304	$ 372
Residential first mortgage	253	222
Consumer and other performing	4	—
Non-performing	12	—
	$ 573	$ 594

Commercial loans held for sale include commercial mortgage loans originated for sale to third parties and commercial loans originally recorded as held for investment when management has the intent to sell. Levels of commercial loans held for sale fluctuate based on timing of sale to third parties. The levels of residential first mortgage loans held for sale that are part of the Company's mortgage originations fluctuate depending on the timing of origination and sale to third parties.

LOANS

GENERAL

Loans, net of unearned income, represented 69 percent of interest-earning assets as of September 30, 2025. The following table presents the distribution of Regions' loan portfolio by segment and class, net of unearned income:

Table 3—Loan Portfolio

	September 30, 2025	December 31, 2024
	(In millions, net of unearned income)	
Commercial and industrial	$ 49,234	$ 49,671
Commercial real estate mortgage—owner-occupied	4,835	4,841
Commercial real estate construction—owner-occupied	285	333
Total commercial	54,354	54,845
Commercial investor real estate mortgage	7,122	6,567
Commercial investor real estate construction	1,948	2,143
Total investor real estate	9,070	8,710
Residential first mortgage	19,881	20,094
Home equity lines	3,209	3,150
Home equity loans	2,340	2,390
Consumer credit card	1,437	1,445
Other consumer[1]	5,834	6,093
Total consumer	32,701	33,172
	$ 96,125	$ 96,727

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(1) Starting in 2025, other consumer loans also includes exit portfolios, which were previously presented separately. The portfolio consists primarily of indirect auto loans, and presentation of prior periods has been conformed accordingly.

PORTFOLIO CHARACTERISTICS

Loans, net of unearned income, decreased $602 million from year-end 2024 due to a decline in commercial loans and declines across most consumer loans as discussed below. These declines were partially offset by an increase in investor real estate loans. Regions manages loan growth with a focus on risk management and risk-adjusted return on capital.

The following sections describe the composition of the portfolio segments and classes disclosed in Table 3, explain changes in balances from year-end 2024 and highlight the related risk characteristics. Regions believes that its loan portfolio is well diversified by product, client, and geography throughout its footprint. However, the loan portfolio may be exposed to certain concentrations of credit risk which exist in relation to individual borrowers or groups of borrowers, certain types of collateral, certain types of industries, and certain loan products. See Note 4 "Loans and the Allowance for Credit Losses" to the consolidated financial statements for additional discussion.

Commercial

Over half of the Company's total loans are included in the commercial portfolio segment. These balances are spread across numerous industries, as noted in Table 4. The Company manages the related risks to this portfolio by setting certain lending limits for each significant industry.

The commercial portfolio segment includes commercial and industrial loans for use in customers' normal business operations to finance working capital needs, equipment purchases, expansion projects and acquisitions. Regions' commercial and industrial loans generally mature within a five-year period with applicable amortization based on the underlying collateral or financing purpose. Typical loan structures consist of revolving and non-revolving lines of credit, amortizing term loans, guidance facilities, and single-pay loans, further tailored to meet the specific needs of the customer. These loans frequently have a covenant package combination inclusive of applicable debt service coverage, leverage, and liquidity measurements.

Underwriting of commercial and industrial loans includes the assessment of the financial performance and profile, management experience and capability, industry position and outlook, the applicability of the transactional structure, as well as the repayment enhancement provided by collateral, guarantees, and ownership or sponsorship. Any forward view of operating performance is tested against applicable stressors that may include revenue decline, margin compression, and interest rate hikes.

Commercial and industrial loans decreased $437 million since year-end 2024 due to loans refinanced off the Company's balance sheet through the debt capital markets and loan utilization rates remaining below historic levels. In the nine months ended September 30, 2025, the decline in commercial and industrial loans was broad-based as shown in Table 4.

The commercial portfolio also includes owner-occupied commercial real estate mortgage loans to operating businesses, which are loans for long-term financing on real estate assets, and are repaid by cash generated by business operations. Owner-occupied commercial real estate construction loans are made to commercial businesses for the development of land or construction of a building where the repayment is derived from revenues generated from the business of the borrower. These owner-occupied real estate and real estate construction loans generally mature within a 10 year period and with amortization periods reflecting the longer life of the underlying collateral. Typical structure is an amortizing term loan, though construction loans are short-term, monitored, non-revolving draw facilities. These loans frequently have a covenant package combination consistent with the underwriting of commercial loans, inclusive of applicable debt service coverage, leverage, and liquidity measurements.

Underwriting for owner-occupied real estate and real estate construction loans is consistent with the underwriting of commercial loans, with particular attention to the enhancement provided by the underlying real estate collateral.

Real estate appraisals, for both commercial and IRE loans, are performed in accordance with regulatory guidelines. In some cases, reports from automated valuation services are used or internal evaluations are performed. An appraisal is ordered and reviewed prior to loan closing, and a new appraisal or evaluation is generally ordered when market conditions indicate a potential decline in the value of the collateral, or when the loan is either modified, renewed, or deteriorates to a certain level of credit weaknesses.

Investor Real Estate

Loans for real estate development are repaid through cash flows related to the operation, sale or refinance of the property. This portfolio segment includes extensions of credit to real estate developers or investors where repayment is dependent on the sale of real estate or income generated from the real estate collateral. A portion of Regions' IRE portfolio segment consists of loans secured by residential product types (land, single-family and condominium loans) within Regions' markets. Additionally, this category includes loans made to finance income-producing properties such as apartment buildings, office and industrial buildings, and retail shopping centers. Total IRE loans increased $360 million in comparison to year-end 2024 balances due to increases in fundings to previously approved projects and new term loans for apartments, data centers and industrial properties.

IRE loans generally mature within a three-to-seven-year period and consist of full, partial, and non-recourse guarantee structures. Typical term loan structures include annually testing operating covenants that require loan rebalancing based on minimum debt service coverage, debt yield, and/or LTV tests. Construction and land development loans generally mature in 12 to 24 months for acquisition and development, to 42 to 60 months for construction and contain full or partial recourse guarantee structures with 12 to 24 month extension options or roll-to-permanent financing options that often result in term loans.

Underwriting on IRE properties is based on the economic viability of the project with significant consideration given to the creditworthiness and experience of the sponsor, who is responsible for managing the property. The Company generally requires that the owner, who provides the capital to purchase the property, infuse their equity prior to any advances. Re-margining requirements (e.g., required equity infusions upon a decline in value or cash flow of the collateral) are often included in the loan agreement along with required guarantees of the sponsor.

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The following tables provide detail of Regions' commercial and IRE lending balances in selected industries.

Table 4—Commercial and Investor Real Estate Industry Exposure

	September 30, 2025				December 31, 2024 [3]			
	Loans	Unfunded Commitments	Total Exposure	Percent of Balance	Loans	Unfunded Commitments	Total Exposure	Percent of Balance
	(In millions)							
Commercial:								
Administrative, support, waste and repair	$ 1,121	$ 782	$ 1,903	1.8 %	$ 1,306	$ 751	$2,057	2.0 %
Agriculture	194	117	311	0.2 %	211	142	353	0.3 %
Educational services	3,094	726	3,820	3.6 %	3,229	875	4,104	4.0 %
Energy	1,484	3,883	5,367	5.1 %	1,322	3,484	4,806	4.7 %
Financial services	8,191	9,688	17,879	16.9 %	8,463	9,308	17,771	17.4 %
Government and public sector	3,253	515	3,768	3.6 %	3,121	437	3,558	3.5 %
Healthcare	3,170	2,500	5,670	5.4 %	3,338	2,480	5,818	5.7 %
Information	1,983	1,114	3,097	2.9 %	2,186	1,115	3,301	3.2 %
Manufacturing	5,063	5,104	10,167	9.6 %	5,037	5,138	10,175	9.9 %
Professional, scientific and technical services	1,823	1,766	3,589	3.4 %	1,970	1,736	3,706	3.6 %
Real estate [1]	9,043	9,417	18,460	17.4 %	8,857	9,110	17,967	17.6 %
Religious, leisure, personal and non-profit services	1,724	981	2,705	2.6 %	1,579	852	2,431	2.4 %
Restaurant, accommodation and lodging	1,250	362	1,612	1.5 %	1,285	216	1,501	1.5 %
Retail trade	2,478	2,063	4,541	4.3 %	2,604	1,908	4,512	4.4 %
Transportation and warehousing	3,464	1,982	5,446	5.1 %	3,655	1,645	5,300	5.2 %
Utilities	2,193	4,000	6,193	5.9 %	2,329	3,223	5,552	5.4 %
Wholesale goods	4,524	3,508	8,032	7.6 %	4,232	3,371	7,603	7.4 %
Other [2]	302	2,993	3,295	3.1 %	121	1,677	1,798	1.8 %
Total commercial	$ 54,354	$ 51,501	$ 105,855	100.0 %	$ 54,845	$ 47,468	$102,313	100.0 %
Investor real estate:								
Hotel	$ 149	$ 11	$ 160	1.3 %	$ 188	$ 18	$206	1.8 %
Industrial	1,068	222	1,290	10.8 %	808	160	968	8.5 %
Land	107	11	118	1.0 %	74	49	123	1.1 %
Multi-family	4,246	1,118	5,364	44.8 %	3,834	1,417	5,251	46.2 %
Office	1,135	70	1,205	10.1 %	1,325	34	1,359	12.0 %
Retail	221	69	290	2.4 %	314	2	316	2.8 %
Single-family/condo	726	490	1,216	10.2 %	668	467	1,135	10.0 %
Data center	87	71	158	1.3 %	215	32	247	2.2 %
Self storage	38	6	44	0.4 %	16	1	17	0.1 %
Other [2]	1,293	838	2,131	17.7 %	1,268	482	1,750	15.3 %
Total investor real estate	$ 9,070	$ 2,906	$ 11,976	100 %	$ 8,710	$ 2,662	$11,372	100 %

(1) "Real estate" includes REITs, which are unsecured commercial and industrial products that are real estate related. This portfolio is well diversified, generally has low leverage with strong access to liquidity, and the REITs included in this portfolio are primarily investment or near investment grade.

(2) "Other" contains balances related to non-classifiable and invalid business industry codes offset by payments in process and fee accounts that are not available at the loan level.

(3) As customers' businesses evolve (e.g. up or down the vertical manufacturing chain), Regions may need to change the assigned business industry code used to define the customer relationship. When these changes occur, Regions does not recast the customer history for prior periods into the new classification because the business industry code used in the prior period was deemed appropriate. As a result, year over year changes may be impacted.

The Company's total non-owner-occupied commercial real estate lending consists of both unsecured commercial and industrial loans that are real estate related (including REITs) and investor real estate loans and are considered to be well diversified across property types. The following tables provide detail of these loans:

Table 5— Unsecured Commercial Real Estate and Investor Real Estate Exposure

	September 30, 2025		December 31, 2024	
	Loan Balance	Percent of Total (1)	Loan Balance	Percent of Total (1)
	(In millions)			
Residential homebuilders	$ 1,331	8.4 %	$ 1,081	7.1 %
Apartments	4,867	30.7 %	4,371	28.6 %
Industrial	2,485	15.6 %	2,287	15.0 %
Data center	363	2.3 %	332	2.2 %
Diversified	1,741	11.0 %	1,740	11.4 %
Business offices	1,120	7.1 %	1,473	9.6 %
Residential land	65	0.4 %	55	0.4 %
Retail	1,146	7.2 %	1,458	9.5 %
Healthcare	1,249	7.9 %	1,129	7.4 %
Hotel	732	4.6 %	785	5.1 %
Commercial land	42	0.3 %	19	0.1 %
Self Storage	258	1.6 %	296	1.9 %
Other	460	2.9 %	260	1.7 %
Total (2)	$ 15,859	100.0 %	$ 15,286	100.0 %

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(1) Amounts calculated based on whole dollar values.

(2) Owner-occupied commercial real estate is not included as the principal source of repayment is individual businesses, which more closely aligns with the commercial portfolio credit performance.

Portfolios that are experiencing higher risk due to conditions such as inflationary pressures, higher interest rates, and adverse underlying market fundamentals (identified as portfolios of interest) include business offices and trucking (included within transportation and warehousing) at September 30, 2025 within Table 4 above. Recent and potential future interest rate cuts should ease pressure on borrowers across the entire loan portfolio.

The business offices portfolio remains a portfolio of interest due to low occupancy rates and reductions in net effective rents. The office portfolio totaled $1.1 billion and represented 1.2 percent of total loans at September 30, 2025. The office portfolio included non-performing loans of $113 million and had associated charge-offs of $51 million in the nine months ended September 30, 2025. Approximately 91 percent of the office portfolio was secured, with approximately 62 percent of secured balances located in the South region of the U.S, of which 80 percent were Class A properties. Approximately 55 percent of the office portfolio will mature in the next 12 months. Additionally, the IRE office portfolio had a weighted-average LTV of approximately 67 percent at September 30, 2025, based upon appraisal at origination or most recent received, and a stressed weighted-average LTV of approximately 88 percent as of October 6, 2025, based upon GreenStreet's Commercial Property Price Index. No new loan originations are being contemplated in this portfolio.

The trucking portfolio remains a portfolio of interest as trucking companies have been working through one of the most prolonged downturns in the U.S. domestic freight market. The industry has experienced marginal improvement in 2025; however, freight demand remains soft and tariff policies may reduce demand further. The trucking portfolio totaled $1.3 billion and represented 1.3 percent of total loans at September 30, 2025. The trucking portfolio included non-performing loans of $117 million and had associated charge-offs of $52 million in the nine months ended September 30, 2025. New originations in the sector have been curtailed and those that occur are secured.

Residential First Mortgage

Residential first mortgage loans represent loans to consumers to finance a residence. These loans are typically financed over a 15 to 30 year term and, in most cases, are extended to borrowers to finance their primary residence. Total residential first mortgage loans decreased $213 million in comparison to year-end 2024 balances as payoffs and paydowns outpaced production.

Home Equity Lines

Home equity lines are secured by a first or second mortgage on the borrower's residence and allow customers to borrow against the equity in their homes. Substantially all of this portfolio was originated through Regions' branch network.

Beginning in December 2016, new home equity lines of credit have a 10-year draw period and a 20-year repayment term. During the 10-year draw period customers do not have an interest-only payment option, except on a very limited basis. From May 2009 to December 2016, home equity lines of credit had a 10-year draw period and a 10-year repayment term. Prior to May 2009, the predominant structure was a 20-year draw period with a balloon payment upon maturity. The term “balloon payment” means there are no principal payments required until the balloon payment is due for interest-only lines of credit.

The following table presents information regarding the future principal payment reset dates for the Company's home equity lines of credit as of September 30, 2025. The balances presented are based on maturity date for lines with a balloon payment and draw period expiration date for lines that convert to a repayment period.

Table 6—Home Equity Lines of Credit - Future Principal Payment Resets

	First Lien	% of Total	Second Lien	% of Total	Total
	(Dollars in millions)				
2025	$ 20	0.62 %	$ 21	0.65 %	$ 41
2026	87	2.71 %	91	2.82 %	178
2027	229	7.13 %	194	6.06 %	423
2028	225	7.00 %	143	4.46 %	368
2029	99	3.09 %	68	2.13 %	167
2030-2034	560	17.45 %	995	31.00 %	1,555
2035-2039	133	4.16 %	234	7.28 %	367
Thereafter	9	0.28 %	7	0.22 %	16
Revolving Loans Converted to Amortizing	54	1.69 %	40	1.25 %	94
Total	$ 1,416	44.13 %	$ 1,793	55.87 %	$ 3,209

Home Equity Loans

Home equity loans are also secured by a first or second mortgage on the borrower's residence, are primarily originated as amortizing loans, and allow customers to borrow against the equity in their homes. Substantially all of this portfolio was originated through Regions’ branch network.

Consumer Credit Quality Data

The Company calculates an estimate of the current value of property secured as collateral for both residential first mortgage and home equity lending products (“current LTV”). The estimate is based on home price indices compiled by a third party that is updated typically every three months. The third party data indicates trends for MSAs. Regions uses the third party valuation trends from the MSAs in the Company's footprint in its estimate. The trend data is applied to the loan portfolios taking into account the age of the most recent valuation and geographic area.

The following table presents current LTV data for components of the residential first mortgage, home equity lines and home equity loans classes of the consumer portfolio segment. Current LTV data for some loans in the portfolio is not available due to mergers and systems integrations. The amounts in the table represent the entire loan balance. For purposes of the table below, if the loan balance exceeds the current estimated collateral the entire balance is included in the “Above 100%” category, regardless of the amount of collateral available to partially offset the shortfall.

Table 7—Estimated Current Loan to Value Ranges

	September 30, 2025				
	Residential First Mortgage	Home Equity Lines of Credit		Home Equity Loans	
		1st Lien	2nd Lien	1st Lien	2nd Lien
	(In millions)				
Estimated current LTV:					
Above 100%	$ 69	$ —	$ —	$ 1	$ 1
Above 80% - 100%	1,848	1	6	7	13
80% and below	17,751	1,403	1,775	1,776	540
Data not available	213	12	12	2	—
	$ 19,881	$ 1,416	$ 1,793	$ 1,786	$ 554

	December 31, 2024				
	Residential First Mortgage	Home Equity Lines of Credit		Home Equity Loans	
		1st Lien	2nd Lien	1st Lien	2nd Lien
	(In millions)				
Estimated current LTV:					`
Above 100%	$ 63	$ 2	$ —	$ 1	$ —
Above 80% - 100%	1,799	2	3	9	11
80% and below	17,898	1,430	1,687	1,883	484
Data not available	334	14	12	2	—
	$ 20,094	$ 1,448	$ 1,702	$ 1,895	$ 495

Consumer Credit Card

Consumer credit card lending represents primarily open-ended variable interest rate consumer credit card loans.

Other Consumer

Other consumer loans primarily include indirect and direct consumer loans, overdrafts and other revolving loans. Other consumer loans decreased $259 million from year-end 2024 driven by a decline in consumer home improvement lending production.

Regions considers factors such as periodic updates of FICO scores, accrual status, days past due status, unemployment rates, home prices, and geography as credit quality indicators for the consumer loan portfolio. FICO scores are obtained at origination and refreshed FICO scores are obtained by the Company quarterly for most consumer loans. For more information on credit quality indicators refer to Note 4 "Loans and the Allowance for Credit Losses".

ALLOWANCE

The allowance represents management's best estimate of expected losses over the life of the loan and credit commitment portfolios and consists of two components: the allowance for loan losses and the reserve for unfunded credit commitments. Unfunded credit commitments includes items such as letters of credit, financial guarantees and binding unfunded loan commitments. The allowance totaled $1.7 billion at both September 30, 2025 and December 31, 2024.

Details regarding the allowance and net charge-offs, including an analysis of activity in the three and nine months ended September 30, 2025 and 2024, are included below:

Table 8—Allowance for Credit Losses

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
	(Dollars in millions)			
Beginning allowance for loan losses	$ 1,612	$ 1,621	$ 1,613	$ 1,576
Loans charged-off:				
Commercial and industrial	57	70	184	192
Commercial real estate mortgage—owner-occupied	1	1	3	2
Commercial investor real estate mortgage	34	12	58	17
Residential first mortgage	1	—	2	1
Home equity lines	—	1	1	3
Consumer credit card	16	16	50	47
Other consumer	51	43	140	145
	160	143	438	407
Recoveries of loans previously charged-off:				
Commercial and industrial	10	15	31	31
Commercial real estate mortgage—owner-occupied	1	—	1	1
Commercial real estate construction—owner-occupied	—	—	1	1
Commercial investor real estate mortgage	2	—	2	2
Residential first mortgage	—	1	1	3
Home equity lines	1	1	3	5
Consumer credit card	2	3	7	6
Other consumer	9	6	21	19
	25	26	67	68

	Three Months Ended September 30		Nine Months Ended September 30	
	2025	2024	2025	2024
Net charge-offs (recoveries):				
Commercial and industrial	47	55	153	161
Commercial real estate mortgage—owner-occupied	—	1	2	1
Commercial real estate construction—owner-occupied	—	—	(1)	(1)
Commercial investor real estate mortgage	32	12	56	15
Residential first mortgage	1	(1)	1	(2)
Home equity lines	(1)	—	(2)	(2)
Consumer credit card	14	13	43	41
Other consumer	42	37	119	126
	135	117	371	339
Provision for loan losses	104	103	339	370
Ending allowance for loan losses	1,581	1,607	1,581	1,607
Beginning reserve for unfunded credit commitments	131	111	116	124
Provision for (benefit from) unfunded credit losses	1	10	16	(3)
Ending reserve for unfunded credit commitments	132	121	132	121
Ending allowance for credit losses	$ 1,713	$ 1,728	$ 1,713	$ 1,728
Loans, net of unearned income, outstanding at end of period	$ 96,125	$ 96,789	$ 96,125	$ 96,789
Average loans, net of unearned income, outstanding for the period	$ 96,647	$ 97,040	$ 96,284	$ 97,246
Net loan charge-offs (recoveries) as a % of average loans, annualized (1):				
Commercial and industrial	0.37 %	0.44 %	0.41 %	0.43 %
Commercial real estate mortgage—owner-occupied	0.04 %	0.09 %	0.06 %	0.03 %
Commercial real estate construction—owner-occupied	(0.01)%	(0.01)%	(0.31)%	(0.24)%
Total commercial	0.34 %	0.41 %	0.38 %	0.39 %
Commercial investor real estate mortgage	1.82 %	0.71 %	1.11 %	0.30 %
Commercial investor real estate construction	— %	(0.01)%	— %	— %
Total investor real estate	1.41 %	0.52 %	0.84 %	0.22 %
Residential first mortgage	0.01 %	(0.01)%	— %	(0.01)%
Home equity lines	(0.12)%	(0.08)%	(0.07)%	(0.10)%
Home equity loans	(0.01)%	(0.01)%	(0.01)%	(0.02)%
Consumer credit card	3.94 %	3.84 %	4.12 %	4.07 %
Other consumer	2.83 %	2.37 %	2.67 %	2.70 %
Total consumer	0.67 %	0.58 %	0.65 %	0.65 %
Total	0.55 %	0.48 %	0.52 %	0.47 %
Ratios (1):				
Allowance for credit losses at end of period to loans, net of unearned income	1.78 %	1.79 %	1.78 %	1.79 %
Allowance for credit losses at end of period to non-performing loans, excluding loans held for sale	226 %	210 %	226 %	210 %

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(1) Amounts have been calculated using whole dollar values.

Net charge-offs increased $18 million and $32 million for the three and nine months ended September 30, 2025, compared to the same periods in 2024, respectively. Economic trends such as interest rates, unemployment, volatility in commodity prices, collateral valuations and inflationary pressure will impact the future levels of net charge-offs and may result in volatility of certain credit metrics for the remainder of 2025 and beyond.

Regions' quarterly allowance estimation process utilizes loss forecasting models for pooled loans, specific reserves for significant individually evaluated non-performing loans, and qualitative adjustments for items not captured by the models including specific adjustments and general imprecision. Key inputs to Regions' loss forecasting models include, but are not limited to, loan risk ratings (commercial and investor real estate loans), maturity date, days past due and FICO scores (consumer loans), collateral values securing loans, and Regions' internally prepared baseline economic forecast. Changes in any of these factors, assumptions, or the availability of new information, could require the allowance to be adjusted in future periods, perhaps materially. Outputs from the loss forecasting models, in combination with Regions' qualitative framework and other analyses, inform management in its estimation of Regions' expected credit losses to ensure the overall allowance estimate is appropriate from both a bottom-up and top-down perspective. Actual losses could vary, perhaps materially, from management’s estimates. See Note 1 "Summary of Significant Accounting Policies" in the Annual Report on Form 10-K for the year ended December 31, 2024 for more information.

Baseline economic forecast

In deriving any forecast, Regions benchmarks its internal forecast with external forecasts and external data available. Regions' September 2025 baseline forecast reflected deterioration across some key variables as compared to the June baseline forecast, which resulted in an increase in the allowance.

The September baseline forecast anticipates real GDP growth of 1.8 percent for 2025 and 2026, with real private domestic demand expected to rise by 2.2 percent in 2025. The quarterly growth pattern over the coming quarters is expected to be somewhat less volatile compared to the first half of 2025. Recent upward revisions to GDP growth and real private domestic demand reflect stronger business investment and consumer spending.

Corporate profits show moderate gains and, despite a slight narrowing of profit margins, they remain well above historical averages, indicating that most firms have been able to absorb higher tariff costs without immediately passing them on to consumers. While profit margins are currently elevated, as margins compress companies may face tougher decisions regarding pricing and cost management. However, recent tax code changes could provide some buffer against higher tariff costs.

Job growth has clearly slowed, but the extent and drivers remain somewhat uncertain as challenges persist with data collection and measurement from monthly employment reports. However, labor supply, particularly among the foreign-born workforce, appears to be a significant factor. While a slower pace of economic growth, combined with heightened attention to operational efficiency and cost control, have contributed to the demand for labor, the reduction in labor supply may be having an equally significant, if not greater, effect on overall job growth.

Inflation data at the retail level has revealed uneven tariff pass-through into final goods prices, with August CPI data showing the largest year-over-year increase in core goods prices since May 2023 and the largest increase in prices for motor vehicles since December 2024. As expected, the FOMC cut the Fed funds rate by 25 basis points during the third quarter of 2025, and by another 25 basis points subsequent to quarter-end on October 29, 2025. Additional incoming labor market and inflation data will determine the extent of further cuts in 2025.

Subsequent to the end of the third quarter of 2025, Congress had not reached an agreement on government funding, resulting in a shutdown of Federal Government operations. While the shutdown did not impact Regions' September 2025 baseline forecast, the remaining uncertainty of its duration and resolution creates challenges for any future forecast.

The risks to the baseline forecast are weighted to the downside. Current prevailing economic uncertainty and the potential for further disruption could likely influence future levels of the allowance.

Table 9 below reflects a range of macroeconomic factors utilized in the baseline economic forecast over the two-year R&S forecast period as of September 30, 2025. The unemployment rate is the most significant macroeconomic factor among the allowance models and as of the June 2025 baseline forecast was expected to remain relatively consistent over the forecast period.

Table 9—Macroeconomic Factors in the Forecast

	Pre-R&S Period	Baseline R&S Forecast							
		September 30, 2025							
	3Q2025	4Q2025	1Q2026	2Q2026	3Q2026	4Q2026	1Q2027	2Q2027	3Q2027
Unemployment rate	4.3 %	4.4 %	4.4 %	4.4 %	4.4 %	4.4 %	4.3 %	4.3 %	4.3 %
Real GDP, annualized % change	1.4 %	1.2 %	1.7 %	1.9 %	1.9 %	2.1 %	1.9 %	2.0 %	1.9 %
HPI, year-over-year % change	0.8 %	(0.6)%	(1.5)%	(1.4)%	(0.8)%	0.6 %	2.2 %	2.9 %	3.3 %
CPI, year-over-year % change	2.9 %	3.0 %	2.9 %	3.2 %	3.0 %	2.7 %	2.6 %	2.5 %	2.4 %

Portfolio, credit metrics, and specific reserves

The loan portfolio composition is evaluated each quarter and changes to the composition can influence modeled allowance results.

Credit metrics are monitored throughout each quarter and are a key consideration in the allowance process. In the third quarter of 2025, overall asset quality improved. Commercial and investor real estate criticized balances decreased approximately $926 million from $4.6 billion in the second quarter to $3.7 billion in the third quarter of 2025. The decrease was due primarily to upgrades and significant payoffs during the quarter, which were fairly widespread across numerous industry portfolios. Non-performing loans, excluding held for sale, decreased approximately $18 million from $776 million in the second quarter to $758 million in the third quarter of 2025. See Table 11 for more details regarding non-performing assets. While the ratio of net charge-offs to average loans increased 8 basis points for the third quarter of 2025 compared to the second quarter of 2025, the majority of business services charge-offs related to previously identified portfolios of interest for which specific reserves had already been established. The combination of credit quality improvements and specific reserve changes drove a net decrease in the allowance during the third quarter.

Qualitative adjustments

While it is the intent of Regions' quantitative allowance methodologies to reflect all risk factors, including incremental risk in portfolios identified as under stress, any estimate involves assumptions and uncertainties resulting in some level of imprecision. Regions' qualitative framework has a general imprecision component which is meant to acknowledge that model and forecast errors are inherent in any modeling estimate. In the third quarter of 2025, the general imprecision component increased due to uncertainty related to the government shutdown and continued elevated economic uncertainty partially offset by general model imprecision improvements.

The qualitative framework also has specific adjustment components which are reserves meant to capture specific issues or events that management believes are not adequately captured in the model outcomes. Qualitative adjustments for the third quarter of 2025 were reduced slightly from the second quarter of 2025 levels due to improvements in previously identified portfolios of interest.

The combined results from general imprecision and specific qualitative adjustments slightly increased the allowance during the third quarter.

Overall allowance

Based upon the factors discussed above, the September 30, 2025 allowance decreased $30 million compared to the second quarter of 2025 due primarily to improvement in commercial and investor real estate criticized loans, a decline in non-performing loans, and continued resolutions of loans within previously identified portfolios of interest, partially offset by a decline in the economic forecast.

Allocation of the allowance by portfolio segment and class is summarized as follows:

Table 10—Allowance Allocation

	September 30, 2025			December 31, 2024		
	Loan Balance	Allowance Allocation	Allowance to Loans %(1)	Loan Balance	Allowance Allocation	Allowance to Loans %(1)
	(Dollars in millions)					
Commercial and industrial	$ 49,234	$ 774	1.57 %	$ 49,671	$ 717	1.44 %
Commercial real estate mortgage—owner-occupied	4,835	106	2.18 %	4,841	108	2.22 %
Commercial real estate construction—owner-occupied	285	8	2.81 %	333	9	2.75 %
Total commercial	54,354	888	1.63 %	54,845	834	1.52 %
Commercial investor real estate mortgage	7,122	140	1.97 %	6,567	216	3.29 %
Commercial investor real estate construction	1,948	25	1.28 %	2,143	31	1.47 %
Total investor real estate	9,070	165	1.82 %	8,710	247	2.84 %
Residential first mortgage	19,881	113	0.57 %	20,094	106	0.53 %
Home equity lines	3,209	94	2.92 %	3,150	86	2.73 %
Home equity loans	2,340	29	1.25 %	2,390	27	1.12 %
Consumer credit card	1,437	121	8.41 %	1,445	122	8.44 %
Other consumer	5,834	303	5.20 %	6,093	307	5.05 %
Total consumer	32,701	660	2.02 %	33,172	648	1.95 %
Total	$ 96,125	$ 1,713	1.78 %	$ 96,727	$ 1,729	1.79 %

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(1) Amounts have been calculated using whole dollar values.

NON-PERFORMING ASSETS

The following table presents non-performing assets as of September 30, 2025 and December 31, 2024:

Table 11—Non-Performing Assets

	September 30, 2025	December 31, 2024
	(Dollars in millions)	
Non-performing loans:		
Commercial and industrial	$ 524	$ 408
Commercial real estate mortgage—owner-occupied	41	37
Commercial real estate construction—owner-occupied	1	5
Total commercial	566	450
Commercial investor real estate mortgage	137	423
Total investor real estate	137	423
Residential first mortgage	24	23
Home equity lines	24	26
Home equity loans	7	6
Total consumer	55	55
Total non-performing loans, excluding loans held for sale	758	928
Non-performing loans held for sale	12	—
Total non-performing loans[1]	770	928
Foreclosed properties	18	14
Total non-performing assets[1]	$ 788	$ 942
Accruing loans 90+ days past due:		
Commercial and industrial	$ 4	$ 7
Commercial real estate mortgage—owner-occupied	2	1
Total commercial	6	8
Residential first mortgage[2]	84	88
Home equity lines	14	16
Home equity loans	7	7
Consumer credit card	20	20
Other consumer	23	27
Total consumer	148	158
Total accruing loans 90+ days past due	$ 154	$ 166
Non-performing loans[1] to loans and non-performing loans held for sale	0.80 %	0.96 %
Non-performing loans, excluding loans held for sale[1] to loans	0.79 %	0.96 %
Non-performing assets[1] to loans, foreclosed properties and non-performing loans held for sale	0.82 %	0.97 %

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(1) Excludes accruing loans 90+ days past due.

(2) Excludes residential first mortgage loans that are 100% guaranteed by the FHA and all guaranteed loans sold to Ginnie Mae where Regions has the right but not the obligation to repurchase. Total 90+ days or more past due guaranteed loans excluded were $48 million at September 30, 2025 and $55 million at December 31, 2024.

Non-performing loans (excluding loans held for sale) at September 30, 2025 decreased $170 million as compared to year-end 2024 levels primarily due to reductions in the business offices, healthcare and apartments portfolios, which were partially offset by an increase in the manufacturing portfolio. The same economic trends that impact net charge-offs, as discussed above, will impact the future level of non-performing loans. Circumstances related to individually large credits could also result in volatility.

The following tables provide an analysis of non-accrual loans (excluding loans held for sale) by portfolio segment:

Table 12— Analysis of Non-Accrual Loans

	Non-Accrual Loans, Excluding Loans Held for Sale for the Nine Months Ended September 30, 2025			
	Commercial	Investor Real Estate	Consumer[1]	Total
	(In millions)			
Balance at beginning of period	$ 450	$ 423	$ 55	$ 928
Additions	492	47	—	539
Net payments/other activity	(156)	(192)	—	(348)
Return to accrual	(16)	—	—	(16)
Charge-offs on non-accrual loans[2]	(179)	(58)	—	(237)
Transfers to held for sale[3]	(22)	(17)	—	(39)
Net loan sales	(3)	(66)	—	(69)
Balance at end of period	$ 566	$ 137	$ 55	$ 758

	Non-Accrual Loans, Excluding Loans Held for Sale for the Nine Months Ended September 30, 2024			
	Commercial	Investor Real Estate	Consumer[1]	Total
	(In millions)			
Balance at beginning of period	$ 515	$ 233	$ 57	$ 805
Additions	485	164	—	649
Net payments/other activity	(280)	(92)	(2)	(374)
Return to accrual	(21)	—	—	(21)
Charge-offs on non-accrual loans[2]	(187)	(17)	—	(204)
Transfers to held for sale[3]	(9)	(1)	—	(10)
Net loan sales	(24)	—	—	(24)
Balance at end of period	$ 479	$ 287	$ 55	$ 821

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(1) All net activity within the consumer portfolio segment other than sales and transfers to held for sale (including related charge-offs) is included as a single net number within the net payments/other activity line.
(2) Includes charge-offs on loans on non-accrual status and charge-offs taken upon sale and transfer of non-accrual loans to held for sale.
(3) Transfers to held for sale are shown net of charge-offs recorded upon transfer.

GOODWILL

Goodwill totaled $5.7 billion at both September 30, 2025 and December 31, 2024. Refer to Note 1 "Summary of Significant Accounting Policies" and Note 9 "Goodwill and Other Intangible Assets" to the consolidated financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2024 for the methodologies and assumptions used in the goodwill impairment analysis.

DEPOSITS

Regions competes with other banking and financial services companies for a share of the deposit market. Regions’ ability to compete in the deposit market depends heavily on the pricing of its deposits and how effectively the Company meets customers’ needs. Regions employs various means to meet those needs and enhance competitiveness, such as providing a high level of customer service, competitive pricing and convenient branch locations for its customers. Regions also serves customers through providing centralized, high-quality banking services through the Company's digital channels and contact center.

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Deposits are Regions' primary source of funds, providing funding for over 90 percent of average earning assets at both September 30, 2025 and December 31, 2024. The following table summarizes deposits by category and by segment:

Table 13—Deposits by Category and by Segment

	September 30, 2025	December 31, 2024
	(In millions)	
Non-interest-bearing deposits	$ 39,768	$ 39,138
Interest-bearing checking	24,669	25,079
Savings	11,944	12,022
Money market—domestic	39,051	35,644
Time deposits	14,902	15,720
	$ 130,334	$ 127,603
Consumer Bank segment	$ 79,689	$ 78,637
Corporate Bank segment	40,415	38,361
Wealth Management segment	7,654	7,736
Other[(1)]	2,576	2,869
	$ 130,334	$ 127,603

(1) Other deposits represent non-customer balances primarily consisting of wholesale funding (for example, selected deposits and brokered time deposits). Other deposits include brokered deposits totaling $1.8 billion at September 30, 2025 and $2.2 billion at December 31, 2024.

Total deposits at September 30, 2025 increased approximately $2.7 billion compared to year-end 2024 levels driven primarily by growth in money market and, to a lesser degree, non-interest-bearing deposits from growth in corporate and consumer deposits. The increase in deposits reflects customer growth and preference for liquidity as there remains some uncertainty in the economic environment. The mix of non-interest-bearing deposits remained stable at approximately 31 percent of total deposits at both September 30, 2025 and December 31, 2024. Regions' deposits are granular and diversified including insured and collateralized deposits, with consumer deposits making up more than 60 percent of the total deposit base at both September 30, 2025 and December 31, 2024.

See the "Liquidity" and "Market Risk-Interest Rate Risk" sections for further discussion on liquidity and interest rates.

BORROWED FUNDS

Short-Term Borrowings

Short-term borrowings, which primarily consist of FHLB advances, were $1.3 billion at September 30, 2025 and $500 million at December 31, 2024. The levels of these borrowings can fluctuate depending on the Company's funding needs and the sources utilized.

Short-term secured borrowings, such as securities sold under agreements to repurchase and FHLB advances, are a portion of Regions' funding strategy. See the "Liquidity" section for further detail of Regions' borrowing capacity with the FHLB.

Table 14—Long-Term Borrowings

	September 30, 2025	December 31, 2024
	(In millions)	
Regions Financial Corporation (Parent):		
2.25% senior notes due May 2025	$ —	$ 749
1.80% senior notes due August 2028	648	647
5.722% senior notes due June 2030[(1)]	747	746
5.502% senior notes due September 2035[(2)]	995	994
6.75% subordinated debentures due November 2025	150	151
7.375% subordinated notes due December 2037	298	299
Valuation adjustments on hedged long-term debt	(51)	(91)
	2,787	3,495
Regions Bank:		
FHLB advances	1,500	2,000
6.45% subordinated notes due June 2037	497	496
Other long-term debt	1	2
	1,998	2,498
Total consolidated	$ 4,785	$ 5,993

(1) On June 6, 2029, the Notes will bear floating rate interest equal to Compounded SOFR plus 1.49%.
(2) On September 6, 2034, the Notes will bear floating rate interest equal to Compounded SOFR plus 2.06%.

Long-term borrowings decreased by approximately $1.2 billion from year-end 2024 due to the maturity of the Company's 2.25% senior notes in the second quarter of 2025 and a $500 million decrease in FHLB advances in the third quarter of 2025.

Funding from the FHLB and Federal Reserve Bank is secured by pledged assets, primarily certain loan portfolios which are also subject to blanket lien arrangements with the FHLB and Federal Reserve Bank. As of September 30, 2025, Regions' blanket lien arrangements with these entities covered a total loan balance of approximately $93.4 billion and included loans from various loan portfolios. However, borrowing capacity with the FHLB and Federal Reserve Bank is contingent on a subset of the blanket lien portfolios which are eligible and pledged according to the parameters for each counterparty.

REGULATORY REQUIREMENTS

CAPITAL RULES

Regions and Regions Bank are required to comply with regulatory capital requirements established by Federal and State banking agencies. These regulatory capital requirements involve quantitative measures of the Company's assets, liabilities and selected off-balance sheet items, and also qualitative judgments by the regulators. Failure to meet minimum capital requirements can subject the Company to a series of increasingly restrictive regulatory actions. Under the Basel III Rules, Regions is designated as a standardized approach bank. Regions is a "Category IV" institution under the Federal Reserve's Tailoring Rules.

Federal banking agencies allowed a phase-in of the impact of CECL on regulatory capital. At December 31, 2021, the add-back to regulatory capital was calculated as the impact of initial adoption, adjusted for 25 percent of subsequent changes in the allowance. The amount was phased-in over a three-year period beginning in 2022 and concluded in the first quarter of 2025. At December 31, 2024, the net impact of the add-back on CET1 was approximately $102 million or approximately 8 basis points.

Regions participates in supervisory stress testing conducted by the Federal Reserve and its SCB is currently floored at 2.5 percent. See Note 6 "Shareholders' Equity and Accumulated Other Comprehensive Income" to the consolidated financial statements for further details regarding CCAR results.

The following table summarizes the applicable holding company and bank regulatory requirements:

Table 15—Regulatory Capital Requirements

	September 30, 2025 Ratio[(1)]	December 31, 2024 Ratio	Minimum Requirement	Minimum Requirement plus SCB [(2)]	To Be Well Capitalized
Common equity Tier 1 capital:					
Regions Financial Corporation	10.86 %	10.80 %	4.50 %	7.00 %	N/A
Regions Bank	11.66	11.32	4.50	7.00	6.50 %
Tier 1 capital:					
Regions Financial Corporation	11.95 %	12.17 %	6.00 %	8.50 %	6.00 %
Regions Bank	11.66	11.32	6.00	8.50	8.00
Total capital:					
Regions Financial Corporation	13.84 %	14.06 %	8.00 %	10.50 %	10.00 %
Regions Bank	13.31	12.97	8.00	10.50	10.00
Leverage capital:					
Regions Financial Corporation	9.68 %	9.88 %	4.00 %	4.00 %	N/A
Regions Bank	9.46	9.21	4.00	4.00	5.00

(1) The current quarter Basel III CET1 capital, Tier 1 capital, Total capital, and Leverage capital ratios are estimated.
(2) Reflects Regions' SCB of 2.5 percent. SCB does not apply to leverage capital ratios.

In the third quarter of 2023, proposals were issued by the U.S federal banking regulators that, if adopted, would impact the Company related to long-term debt requirements and U.S. implementation of capital requirements under Basel IV rules, more recently referred to as the Basel III "Endgame". The Company continues to monitor developments around the proposals and evaluate their potential impact. Additional discussion of the Basel III Rules, their applicability to Regions, recent proposals and final rules issued by the federal banking agencies and recent laws enacted that impact regulatory requirements is included in the "Supervision and Regulation" subsection of the "Business" section in Regions’ Annual Report on Form 10-K for the year ended December 31, 2024.

LIQUIDITY

Regions maintains a robust liquidity management framework designed to effectively manage liquidity risk in accordance with sound risk management principals and regulatory expectations. The framework establishes sustainable processes and tools to effectively identify, measure, mitigate, monitor, and report liquidity risks beginning with Regions’ Liquidity Management Policy and the Liquidity Risk Appetite Statements approved by the Board. Processes within the liquidity management framework include, but are not limited to, liquidity risk governance, cash management, liquidity stress testing, liquidity risk limits, contingency funding plans, and collateral management. While the framework is designed to comply with liquidity regulations, the processes are further tailored to be commensurate with Regions' operating model and risk profile.

See the "Liquidity" section for more information. Also, see the "Supervision and Regulation—Liquidity Requirements" subsection of the "Business" section and the "Risk Factors" section in the 2024 Annual Report on Form 10-K for additional information.

RATINGS

Table 16 "Credit Ratings" reflects the debt ratings information of Regions Financial Corporation and Regions Bank by S&P, Moody's, Fitch and DBRS.

Table 16—Credit Ratings

	As of September 30, 2025			
	S&P	Moody's	Fitch	DBRS (1)
Regions Financial Corporation				
Senior unsecured debt	BBB+	Baa1	A-	A
Subordinated debt	BBB	Baa1	BBB+	WR
Regions Bank				
Short-term	A-2	P-1	F1	R-1M
Long-term bank deposits	N/A	A1	A	AH
Senior unsecured debt	A-	Baa1	A-	AH
Subordinated debt	BBB+	Baa1	BBB+	A
Outlook	Stable	Stable	Stable	Positive

(1) As of March 31, 2024, DBRS withdrew their rating on Regions Financial Corporation's subordinated debt.

On September 8, 2025, DBRS affirmed the Company's senior unsecured debt rating and revised its outlook to positive from stable citing Regions strong deposit franchise and market share in the Southeastern region.

In general, ratings agencies base their ratings on many quantitative and qualitative factors, including capital adequacy, liquidity, asset quality, business mix, probability of government support, and level and quality of earnings. Any downgrade in credit ratings by one or more ratings agencies may impact Regions in several ways, including, but not limited to, Regions' access to the capital markets or short-term funding, borrowing cost and capacity, collateral requirements, and acceptability of its letters of credit, thereby potentially adversely impacting Regions' financial condition and liquidity. See "Risk Factors" for more information.

A security rating is not a recommendation to buy, sell or hold securities, and the ratings are subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating. Additional information on the credit rating ranking within the overall classification system is located on the website of each credit rating agency.

SHAREHOLDERS' AND TOTAL EQUITY

Shareholders' equity was $19.0 billion at September 30, 2025 as compared to $17.9 billion at December 31, 2024. During the nine months ended September 30, 2025, net income increased shareholders' equity by $1.6 billion, cash dividends on common stock reduced shareholders' equity by $685 million, and cash dividends on preferred stock reduced shareholders' equity by $71 million. Changes in OCI increased shareholders' equity by $1.3 billion, primarily due to available for sale securities and derivative instruments as a result of changes in market interest rates during the nine months ended September 30, 2025. During the second quarter of 2025, the Company redeemed all of the outstanding shares of its Series D preferred stock, which decreased shareholders' equity by $350 million. Common stock repurchased during the nine months ended September 30, 2025 decreased shareholders' equity by $637 million. These shares were immediately retired upon repurchase and therefore were not included in treasury stock.

Total equity included noncontrolling interest of $46 million and $31 million at September 30, 2025 and December 31, 2024, respectively. The noncontrolling interest represents the unowned portion of a low income housing tax credit fund syndication, of which Regions held the majority interest at September 30, 2025 and December 31, 2024.

Subsequent to September 30, 2025, the Company purchased 8.0 million shares for approximately $195 million through November 3, 2025. These shares were immediately retired upon repurchase and therefore were not included in treasury stock.

See Note 6 "Shareholders' Equity and Accumulated Other Comprehensive Income (Loss)" section for additional information.

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Table 17 "Consolidated Average Daily Balances and Yield/Rate Analysis" presents a detail of net interest income (on a taxable-equivalent basis), the net interest margin, and the net interest spread.

Table 17—Consolidated Average Daily Balances and Yield/Rate Analysis

	Three Months Ended September 30					
	2025			2024		
	Average Balance	Income/ Expense	Yield/ Rate [(1)]	Average Balance	Income/ Expense	Yield/ Rate [(1)]
	(Dollars in millions; yields on taxable-equivalent basis)					
Assets						
Earning assets:						
Federal funds sold and securities purchased under agreements to resell	$ —	$ —	— %	$ 1	$ —	5.44 %
Debt securities [(2)(3)]	33,223	293	3.53	32,252	241	2.98
Loans held for sale	662	9	5.52	642	11	6.56
Loans, net of unearned income [(4)(5)]	96,647	1,398	5.70	97,040	1,475	6.02
Interest-bearing deposits in other banks	8,316	94	4.51	6,682	92	5.52
Other earning assets	1,519	14	3.63	1,456	13	3.58
Total earning assets	140,367	1,808	5.09	138,073	1,832	5.26
Unrealized gains/(losses) on securities available for sale, net [(2)]	(1,001)			(2,213)		
Allowance for loan losses	(1,616)			(1,629)		
Cash and due from banks	2,892			2,822		
Other non-earning assets	18,447			17,614		
	$ 159,089			$ 154,667		
Liabilities and Shareholders' Equity						
Interest-bearing liabilities:						
Savings	$ 12,046	4	0.13	$ 12,183	4	0.13
Interest-bearing checking	24,274	86	1.41	23,599	98	1.64
Money market	38,593	234	2.40	35,051	247	2.80
Time deposits	15,124	132	3.45	15,427	158	4.09
Total interest-bearing deposits [(6)]	90,037	456	2.01	86,260	507	2.34
Federal funds purchased and securities sold under agreements to repurchase	48	—	4.36	22	—	4.40
Other short-term borrowings	696	8	4.49	641	10	5.42
Long-term borrowings	5,527	75	5.39	5,351	85	6.28
Total interest-bearing liabilities	96,308	539	2.22	92,274	602	2.59
Non-interest-bearing deposits [(6)]	39,538	—	—	39,690	—	—
Total funding sources	135,846	539	1.57	131,964	602	1.81
Net interest spread [(2)]			2.87			2.67
Other liabilities	4,515			4,623		
Shareholders' equity	18,688			18,047		
Noncontrolling interest	40			33		
	$ 159,089			$ 154,667		
Net interest income /margin on a taxable-equivalent basis [(7)]		$ 1,269	3.59 %		$ 1,230	3.54 %

(1) Amounts have been calculated using whole dollar values and the prevailing interest accrual methodology.
(2) Debt securities are included on an amortized cost basis with yield and net interest margin calculated accordingly.
(3) Interest income on debt securities includes hedging income of $7 million and $3 million for the three months ended September 30, 2025 and 2024, respectively.
(4) Loans, net of unearned income include non-accrual loans for all periods presented.
(5) Interest income on loans, net of unearned income, includes hedging expense of $65 million and $110 million for the three months ended September 30, 2025 and 2024, respectively. Interest income on loans, net of unearned income, also includes net loan fees of $31 million and $36 million for the three months ended September 30, 2025 and 2024 , respectively.
(6) Total deposit costs may be calculated by dividing total interest expense on deposits by the sum of interest-bearing deposits and non-interest-bearing deposits and equaled 1.39% and 1.60% for the three months ended September 30, 2025 and 2024, respectively.
(7) The computation of taxable-equivalent net interest income is based on the statutory federal income tax rate of 21%, adjusted for applicable state income taxes net of the related federal tax benefit.

	Nine Months Ended September 30					
	2025			2024		
	Average Balance	Income/ Expense	Yield/ Rate(1)	Average Balance	Income/ Expense	Yield/ Rate(1)
	(Dollars in millions; yields on taxable-equivalent basis)					
Assets						
Earning assets:						
Federal funds sold and securities purchased under agreements to resell	$ 1	$ —	4.42 %	$ 1	$ —	5.44 %
Debt securities (2)(3)	32,798	845	3.44	31,800	669	2.80
Loans held for sale	535	26	6.50	557	28	6.61
Loans, net of unearned income (4)(5)	96,284	4,141	5.70	97,246	4,353	5.94
Interest-bearing deposits in other banks	8,529	285	4.48	5,868	246	5.61
Other earning assets	1,490	44	3.92	1,414	47	4.47
Total earning assets	139,637	5,341	5.08	136,886	5,343	5.19
Unrealized gains/(losses) on securities available for sale, net (2)	(1,352)			(2,838)		
Allowance for loan losses	(1,628)			(1,615)		
Cash and due from banks	2,914			2,694		
Other non-earning assets	18,417			17,871		
	$ 157,988			$ 152,998		
Liabilities and Shareholders' Equity						
Interest-bearing liabilities:						
Savings	$ 12,174	12	0.13	$ 12,437	12	0.13
Interest-bearing checking	24,722	263	1.42	24,100	303	1.68
Money market	37,213	658	2.37	34,358	713	2.77
Time deposits	15,416	412	3.57	15,386	476	4.13
Total interest-bearing deposits (6)	89,525	1,345	2.01	86,281	1,504	2.33
Federal funds purchased and securities sold under agreements to repurchase	56	1	4.39	13	—	4.83
Other short-term borrowings	346	12	4.52	560	24	5.47
Long-term borrowings	5,728	237	5.47	3,790	190	6.63
Total interest-bearing liabilities	95,655	1,595	2.23	90,644	1,718	2.53
Non-interest-bearing deposits(6)	39,384	—	—	40,375	—	—
Total funding sources	135,039	1,595	1.58	131,019	1,718	1.75
Net interest spread (2)			2.85			2.66
Other liabilities	4,523			4,647		
Shareholders' equity	18,390			17,295		
Noncontrolling interest	36			37		
	$ 157,988			$ 152,998		
Net interest income/margin on a taxable-equivalent basis (7)		$ 3,746	3.59 %		$ 3,625	3.54 %

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(1) Amounts have been calculated using whole dollar values and the prevailing interest accrual methodology.
(2) Debt securities are included on an amortized cost basis with yield and net interest margin calculated accordingly.
(3) Interest income on debt securities includes hedging income of $15 million and $7 million for the nine months ended September 30, 2025 and 2024, respectively.
(4) Loans, net of unearned income include non-accrual loans for all periods presented.
(5) Interest income on loans, net of unearned income, includes hedging expense of $192 million and $343 million for the nine months ended September 30, 2025 and 2024, respectively. Interest income on loans, net of unearned income, also includes net loan fees of $92 million and $105 million for the nine months ended September 30, 2025 and 2024 , respectively.
(6) Total deposit costs may be calculated by dividing total interest expense on deposits by the sum of interest-bearing deposits and non-interest-bearing deposits and equaled 1.39% and 1.58% for the nine months ended September 30, 2025 and 2024, respectively.
(7) The computation of taxable-equivalent net interest income is based on the statutory federal income tax rate of 21%, adjusted for applicable state income taxes net of the related federal tax benefit.

Net interest income is Regions' principal source of income and is one of the most important elements of Regions' ability to meet its overall performance goals. Both net interest income and net interest margin are influenced by both long-term and short-term market interest rates.

Net interest income (taxable-equivalent basis) and net interest margin increased in both the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 due primarily to the benefits of new fixed-rate asset originations and reinvestments in the high rate environment as well as the benefits from securities repositioning activities completed in late 2024 and the first and third quarters of 2025. Net interest income and net interest margin are well protected from the reduction in short-term interest rates with floating-rate asset yield declines being offset by hedging benefits and lower funding costs. Growth in deposit balances also improved the funding mix. Net interest margin continued to be negatively impacted by higher cash balances (see the "Cash and Cash Equivalents" section for related discussion).

MARKET RISK—INTEREST RATE RISK

Regions' primary market risk is interest rate risk. This includes uncertainty with respect to absolute interest rate levels as well as relative interest rate levels, which are impacted by both the shape and the slope of the various yield curves that affect the financial products and services that the Company offers. As its primary tool to analyze this risk, Regions measures the change in its net interest income in various interest rate scenarios compared to a base case scenario. Net interest income sensitivity to market rate movements is a useful short-term indicator of Regions' interest rate risk.

In addition to net interest income simulations, Regions also utilizes an EVE analysis as a measurement tool to estimate risk exposure over a longer-term horizon. EVE measures the extent to which the economic value of assets, liabilities and derivative instruments may change in response to fluctuations in interest rates. Importantly, EVE values only the current balance sheet, excluding the growth assumptions used in net interest income sensitivity analyses. Additionally, the results are highly dependent on assumptions for products with embedded prepay optionality and indeterminate maturities. The uncertainty surrounding important assumptions used in EVE analysis may limit its efficacy.

Sensitivity Measurement—Financial simulation models are Regions' primary tools used to measure interest rate exposure. Using a wide range of sophisticated simulation techniques provides management with extensive information on the potential impact to net interest income caused by changes in interest rates. Models are structured to simulate cash flows and accrual characteristics of Regions' balance sheet. Assumptions are made about the direction and magnitude of interest rate movements, the slope of the yield curve, and the changing composition of the balance sheet that results from both strategic plans and customer behavior. Among the assumptions are expectations of balance sheet growth and composition, the pricing and maturity characteristics of existing business and the characteristics of future business. Interest rate-related risks are expressly considered, such as pricing spreads, the pricing of deposit accounts, prepayments and other option risks. Regions considers these factors, as well as the degree of certainty or uncertainty surrounding their future behavior.

The primary objective of asset/liability management at Regions is to coordinate balance sheet composition with interest rate risk management to sustain reasonable and stable net interest income throughout various interest rate cycles. In computing interest rate sensitivity, Regions compares a set of alternative interest rate scenarios to the results of a base case scenario derived using "market forward rates." The set of alternative interest rate scenarios includes instantaneous parallel rate shifts of various magnitudes. In addition to parallel rate shifts, multiple curve steepening and flattening scenarios are contemplated. Regions includes simulations of gradual interest rate movements phased in over a six-month period that may more realistically mimic the speed of potential interest rate changes.

Exposure to Interest Rate Movements—Regions' balance sheet is naturally asset sensitive, with net interest income increasing with higher interest rates, and decreasing with lower interest rates. This is the result of approximately half of the loan portfolio floating contractually with market rate indices, and funding from a large, mostly stable retail deposit portfolio. Importantly, the stability and rate sensitivity of Regions' deposit portfolio has been proven over multiple interest rate cycles. With this natural balance sheet profile, the ability to utilize discretionary asset duration strategies within the investment portfolio and through derivative hedges is critical in mitigating the Bank's naturally asset sensitive position.

As of September 30, 2025, Regions evidenced a mostly balanced, or "neutral" asset/liability position, with asset and liability duration of approximately 2.6 years, using historically-informed approximations. While the debt securities portfolio has been recorded on the balance sheet at an unrealized loss, deposit value increases more than offset this loss during a rising rate cycle. The additional value of deposits in a higher rate environment is realized in the form of lower-cost funding when compared with wholesale sources. While a balance sheet analysis, particularly EVE analysis, does contemplate the economic value of deposits, the estimated fair value of deposits is equal to their carrying value for certain financial statement footnote disclosures, consistent with industry practices. See Note 10 "Fair Value Measurements" to the consolidated financial statements for additional information.

Recently, pay-fixed fair value hedges and debt securities transfers from available for sale to held to maturity classification have been used to reduce AOCI volatility associated with unrealized securities gains and losses. Inclusive of these activities, the total debt securities portfolio duration is 4.0 years, the available for sale securities portfolio duration is 3.6 years, and the held to maturity securities portfolio duration is 6.0 years. As pay-fixed fair value hedges are further utilized to manage AOCI volatility, receive-fixed cash flow hedges may be entered into as an offset to preserve the interest rate sensitivity of Regions' entire balance sheet.

As of September 30, 2025, Regions' net interest income profile was mostly neutral to both gradual and instantaneous parallel yield curve shifts as compared to the base case for the 12-month measurement horizon ending September 2026. The estimated exposure associated with the rising and falling rate scenarios in Table 18 below reflects the combined impacts of movements in short-term and long-term interest rates. An increase or reduction in short-term interest rates (such as the Federal Funds rate, the interest rate on reserve balances, and SOFR) will drive the yield on assets and liabilities contractually tied to such rates higher or lower. In either scenario, it is expected that changes in funding costs and balance sheet hedging income will offset the change in asset yields, resulting in little change to net interest income.

Net interest income remains exposed to intermediate and long-term yield curve tenors. In the current higher interest rate environment, the exposure to fixed-rate asset turnover represents a tailwind to net interest income growth. Elevated, or increasing intermediate and long-term interest rates (such as intermediate to longer-term U.S. Treasuries, swaps and mortgage rates) will drive yields higher on certain fixed-rate, newly originated or renewed loans, and increase prospective yields on certain investment portfolio purchases. The opposite is true in an environment where intermediate and long-term interest rates fall. Additionally, shifts in the long end of the yield curve will impact securities prepayments and alter the amount of discount accretion and premium amortization in any given period.

The interest rate sensitivity analysis presented below in Table 18 is informed by a variety of assumptions and estimates regarding the progression of the balance sheet in both the baseline scenario as well as the scenarios of instantaneous and gradual shifts in the yield curve. Though there are many assumptions which affect the estimates for net interest income, those pertaining to deposit pricing, deposit mix and overall balance sheet composition are particularly impactful. Given the uncertainties associated with monetary policy on industry liquidity levels and the cost of that liquidity, management evaluates the impacts from these key assumptions through sensitivity analysis. Sensitivity calculations are hypothetical and should not be considered predictive of future results.

The Company's baseline balance sheet assumptions include management's best estimate for balance sheet changes in the coming 12 months. A reduction in deposit balances of $1 billion when compared to the base case estimate would reduce net interest income by $17 million over 12 months in the parallel, instantaneous +100 basis point scenario in Table 18. Conversely, if an additional $1 billion are added, a positive benefit of $17 million would be expected over 12 months in the parallel, instantaneous +100 basis point scenario in Table 18.

In rising rate scenarios only, management assumes that the mix of deposits will change versus the base case as informed by analyses of prior rate cycles. Currently, however, much of the anticipated mix shift has already occurred or is expected to occur within the baseline scenario, mitigating the amount of additional remixing in higher rate scenarios. The magnitude of the remixing shift is rate dependent and equates to an approximate $1.2 billion shift from non-interest bearing deposits into time deposits over 12 months in the parallel, instantaneous +100 basis point scenario in Table 18. Furthermore, over the 12 month horizon, an increase of $1 billion in deposit remixing would decrease net interest income by approximately $21 million, and a decrease of $1 billion in deposit remixing would increase net interest income by $21 million in the parallel, instantaneous +100 basis point scenario.

The interest-bearing deposit beta is calibrated using the experience from prior rate cycles and is dynamic across both interest rate level and time. The parallel, instantaneous +100 basis point and -100 basis point shock scenarios in Table 18 both incorporate an incremental beta between 35 and 40 percent when compared to the base case scenario. Incremental deposit pricing outperformance or underperformance of 5 percent in a parallel, instantaneous 100 basis point shock would increase or decrease net interest income by approximately $46 million.

The table below summarizes Regions' positioning over the next 12 months in various parallel yield curve shifts (i.e., all yield curve tenors move by the same magnitude). The scenarios are inclusive of all interest rate hedging activities. More information regarding hedges is disclosed in Table 19 and its accompanying description.

Table 18—Interest Rate Sensitivity

	Estimated Annual Change in Net Interest Income September 30, 2025(1)(2)
	(In millions)
Gradual Change in Interest Rates	
+ 200 basis points	$ 103
+ 100 basis points	51
- 100 basis points	(55)
- 200 basis points	(93)
Instantaneous Change in Interest Rates	
+ 200 basis points	$ 57
+ 100 basis points	36
- 100 basis points	(48)
- 200 basis points	(67)

(1) Disclosed interest rate sensitivity levels represent the 12-month forward looking net interest income changes as compared to market forward rate cases and include expected balance sheet growth and remixing.
(2) Active hedges, including forward starting hedges, are included in the sensitivity analysis to the extent that they fall within the measurement horizon.

While not depicted in the table above, interest rate movements may also have an impact on the value of Regions' securities portfolio, which can directly impact the carrying value of shareholders' equity.

Derivatives—Regions uses financial derivative instruments for management of interest rate sensitivity. ALCO, which consists of members of Regions' senior management team, in its oversight role for the management of interest rate sensitivity, approves the use of derivatives in balance sheet hedging strategies. Derivatives are also used to offset the risks associated with customer derivatives, which include interest rate, credit, and foreign exchange risks. The most common derivatives Regions employs are forward rate contracts, forward sale commitments, futures contracts, interest rate swaps, interest rate options (caps, floors and collars), and contracts with a combination of these instruments.

Forward rate contracts are commitments to buy or sell financial instruments at a future date at a specified price or yield. Futures contracts subject Regions to market risk associated with changes in interest rates. Because futures contracts are cash settled daily, there is minimal credit risk associated with futures. Interest rate swaps are contractual agreements typically entered into to exchange fixed for variable (or vice versa) streams of interest payments. The notional principal is not exchanged but is used as a reference for the size of interest settlements. Interest rate options are contracts that allow the buyer to purchase or sell a financial instrument at a predetermined price and time. Forward sale commitments are contractual obligations to sell market instruments at a future date for an already agreed-upon price. Foreign currency contracts involve the exchange of one currency for another on a specified date and at a specified rate. These contracts are executed on behalf of the Company's customers and are used by customers to manage fluctuations in foreign exchange rates. The Company is subject to the credit risk that another party will fail to perform.

Regions has made use of interest rate swaps and options in balance sheet hedging strategies to effectively convert a portion of its fixed-rate funding position to a variable-rate position, to effectively convert a portion of its fixed-rate debt securities available for sale portfolio to a variable-rate position, and to effectively convert a portion of its floating-rate loan portfolios to fixed-rate. Regions also uses derivatives to economically manage interest rate and pricing risk associated with its mortgage origination business. In the period of time that elapses between the origination and sale of mortgage loans, changes in interest rates have the potential to cause a decline in the value of the loans in this held-for-sale portfolio. Futures contracts and forward sale commitments are used to protect the value of the loan pipeline and loans held for sale from changes in interest rates and pricing.

The following table presents additional information about hedging interest rate derivatives used by Regions to manage interest rate risk:

Table 19—Hedging Derivatives by Interest Rate Risk Management Strategy

	September 30, 2025			
		Weighted-Average		
	Notional Amount	Maturity (Years)	Receive Rate	Pay Rate
		(Dollars in millions)		
Derivatives in cash flow hedging relationships:				
Receive fixed/pay variable swaps - floating-rate loans(1)(2)(3)	$ 36,418	3.5	3.2 %	3.9 %
Interest rate options(4)	2,000	2.8		
Derivatives in fair value hedging relationships:				
Receive variable/pay fixed swaps - debt securities available for sale(1)(2)(3)	5,133	6.3	4.2 %	3.7 %
Receive fixed/pay variable swaps - borrowings(3)	2,400	5.6	2.9 %	3.7 %
Total derivatives designated as hedging instruments	$ 45,951			

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(1) Floating rates represent the most recent fixing for active derivatives and the first forward fixing for future starting derivatives.
(2) Includes forward starting notional with maturity relative to current quarter-end. For more information on notional by year, see Table 20.
(3) All floating rates are SOFR based and may include SOFR conversion spread.
(4) Interest rate options have an average cap strike of 6.22% and a floor of 1.86%.

In the third quarter of 2025, the Company added $2.5 billion in forward-starting receive fixed swaps with a receive rate of 3.7 percent, which will become active in January 2028 and mature in January 2033, to reduce net interest margin volatility associated with floating rate loans.

The Company also added $670 million in pay-fixed swaps with a pay rate of 3.4 percent, which became active in the third quarter of 2025 and mature in 2032 to reduce AOCI volatility in the available for sale securities portfolio. As an offset to the interest rate risk associated with these pay-fixed fair value hedges, the Company added $670 million in receive-fixed interest rate swaps (floating rate loan hedges) with a receive rate of 3.3 percent, which became active in the third quarter of 2025 and mature in September 2032.

Additionally, the Company added approximately $710 million in primarily forward-starting pay fixed interest rate swaps (hedges of debt securities available for sale) with an average pay rate of 3.7 percent, which have an average start date in 2028 and an average maturity in 2032, to reduce AOCI volatility associated with securities reinvestment.

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The following table presents the average asset hedge notional amounts that are active during each of the remaining quarterly and annual periods.

Table 20—Schedule of Notional for Asset Hedging Derivatives

	Average Active Notional Amount (1)										
	Quarters Ended		Years Ended								
	9/30/2025	12/31/2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	(In millions)										
Asset Hedging Relationships:											
Receive fixed/pay variable swaps	$ 21,693	$ 22,168	$ 22,127	$ 20,915	$ 18,871	$ 13,959	$ 13,273	$ 8,307	$ 3,935	$ 364	$ 217
Receive variable/pay fixed swaps	3,781	4,340	4,421	4,456	4,113	4,035	4,302	4,195	2,275	789	311
Net receive fixed/pay variable swaps	$ 17,912	$ 17,828	$ 17,706	$ 16,459	$ 14,758	$ 9,924	$ 8,971	$ 4,112	$ 1,660	$ (425)	$ (94)
Interest rate options	$ 2,000	$ 2,000	$ 2,000	$ 2,000	$ 999	$ 1	$ —	$ —	$ —	$ —	$ —

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(1) Active hedges, including forward-starting hedges, are included in the sensitivity levels disclosed in Table 18 to the extent that they fall within the measurement horizon.

Regions manages the credit risk of these instruments in much the same way as it manages credit risk of the loan portfolios by establishing credit limits for each counterparty and through collateral agreements for dealer transactions. For non-dealer transactions, the need for collateral is evaluated on an individual transaction basis and is primarily dependent on the financial strength of the counterparty. Credit risk is also reduced significantly by entering into legally enforceable master netting agreements. When there is more than one transaction with a counterparty and there is a legally enforceable master netting agreement in place, the exposure represents the net of the gain and loss positions with and collateral received from and/or posted to that counterparty. Most hedging interest rate swap derivatives traded by Regions are subject to mandatory clearing. The counterparty risk for cleared trades effectively moves from the executing broker to the clearinghouse allowing Regions to benefit from the risk mitigation controls in place at the respective clearinghouse. See the “Credit Risk” section in the 2024 Annual Report on Form 10-K for more information on the management of credit risk.

Regions also uses derivatives to meet the needs of its customers. Interest rate swaps, interest rate options and foreign exchange forwards are the most common derivatives sold to customers. Other derivative instruments with similar characteristics are used to hedge market risk and minimize volatility associated with this portfolio. Instruments used to service customers are held in the trading account, with changes in value recorded in the consolidated statements of income.

The primary objective of Regions’ hedging strategies is to mitigate the impact of interest rate changes, from an economic perspective, on net interest income and other financing income and the net present value of its balance sheet. The overall effectiveness of these hedging strategies is subject to market conditions, the quality of Regions’ execution, the accuracy of its valuation assumptions, counterparty credit risk and changes in interest rates.

See Note 9 "Derivative Financial Instruments and Hedging Activities" to the consolidated financial statements for a tabular summary of Regions’ year-end derivatives positions and further discussion.

Regions accounts for residential MSRs at fair market value with any changes to fair value being recorded within mortgage income. Regions also accounts for non-DUS agency commercial MSRs at fair market value with changes to fair value recorded within capital markets income. Regions enters into derivative transactions to economically mitigate the impact of market value fluctuations related to MSRs at fair market value. Derivative instruments entered into in the future could be materially different from the current risk profile of Regions’ current portfolio.

LIQUIDITY

Liquidity is an important factor in the financial condition of Regions and affects Regions’ ability to meet the needs of the Company and its customers. Regions’ goal in liquidity management is to maintain diverse liquidity sources and reserves sufficient to satisfy the cash flow requirements of depositors and borrowers, under normal and stressed conditions. Accordingly, Regions maintains a variety of liquidity sources to fund its obligations, as further described below. See also Note 12 "Commitments, Contingencies and Guarantees" to the consolidated financial statements for additional discussion of the Company’s funding requirements. Furthermore, Regions performs specific procedures, including scenario analyses and stress testing to evaluate and maintain appropriate levels of available liquidity in alignment with liquidity risk.

Regions' operation of its business provides a generally balanced liquidity base which is comprised of customer assets, consisting principally of loans, and funding provided by customer deposits and borrowed funds. Maturities in the loan portfolio provide a steady flow of funds, and are supplemented by Regions' deposit base.

Cash reserves, liquid assets and secured borrowing capabilities aid in the management of liquidity in normal and stressed conditions, and/or meeting the need of contingent events such as obligations related to potential litigation. As part of its normal management practice, Regions maintains collateral and operational readiness to utilize secured funding sources such as the FHLB and the Federal Reserve Bank on a same-day basis (subject to any practical constraints affecting these market participants). While the securities portfolio is a primary source of liquidity, the secured borrowing capabilities, in addition to cash reserves on hand, assist in alleviating the Company's need to sell securities for funding purposes. Liquidity needs can also be met by borrowing funds in national money markets, though Regions does maintain limits on short-term unsecured funding due to the volatility that can affect such markets.

The following table summarizes the Company's available sources of liquidity as of September 30, 2025:

Table 21—Liquidity Sources

	Availability as of September 30, 2025
	(In billions)
Cash at the Federal Reserve Bank[1]	$ 9.0
Unencumbered investment securities[2]	26.2
FHLB borrowing availability	10.2
Federal Reserve Bank borrowing availability through the discount window	23.1
Total liquidity sources	$ 68.5

(1) Includes small in transit items that may not yet be reflected in the Federal Reserve Bank master account closing balance.

(2) Unencumbered investment securities comprise securities that are eligible as collateral for secured transactions through market channels or are eligible to be pledged to the FHLB, the Federal Reserve discount window, or the Standing Repo Facility.

The balance with the Federal Reserve Bank is the primary component of the balance sheet line item “interest-bearing deposits in other banks.” At September 30, 2025, Regions had approximately $9.0 billion in cash on deposit with the Federal Reserve Bank and other depository institutions, an increase from approximately $7.8 billion at December 31, 2024. Refer to the "Cash and Cash Equivalents" section for more information.

The securities portfolio also serves as a primary source and storehouse of liquidity. Proceeds from maturities and principal and interest payments of securities provide a continual flow of funds available for cash needs (see Note 3 "Debt Securities" to the consolidated financial statements). Furthermore, the highly liquid nature of the available for sale securities portfolio (for example, the agency guaranteed MBS portfolio) can be readily used as a source of cash through various secured borrowing arrangements. Regions' securities portfolio consists of residential and commercial agency MBS, U.S. Treasury securities, federal agency securities, and corporate and other debt. In evaluating the liquidity within the securities portfolio, unencumbered investment securities are primarily comprised of U.S Treasury securities and residential and commercial agency MBS. Unencumbered investment securities also includes certain corporate bonds considered to be highly liquid and other securities.

Regions’ financing arrangement with the FHLB adds additional flexibility in managing the Company's liquidity position. As of September 30, 2025, Regions had $1.3 billion in short-term FHLB borrowings, $1.5 billion in long-term FHLB borrowings, and had borrowing capacity as shown in Table 21. FHLB borrowing capacity was determined based on eligible securities and loan amounts, as of September 30, 2025, that were pledged as collateral for future borrowing capacity. Additionally, investment in FHLB stock is required in relation to the level of outstanding borrowings. The FHLB has been and is expected to continue to be a reliable and economical source of funding.

Regions has additional borrowing availability with the Federal Reserve Bank through the discount window as shown in Table 21. Federal Reserve Bank borrowing capacity is determined based on eligible loan amounts that were pledged as collateral for future borrowing capacity. Also through the Federal Reserve Bank, Regions is an eligible Standing Repo Facility counterparty, which supplements Regions' available channels for monetizing unencumbered securities.

Regions maintains a shelf registration statement with the SEC that can be utilized by Regions to issue various debt and/or equity securities. Additionally, Regions' Board has authorized Regions Bank to issue up to $10 billion in aggregate principal amount of bank notes outstanding at any one time. Refer to Note 11 "Borrowed Funds" to the consolidated financial statements in the 2024 Annual Report on Form 10-K for additional information.

Regions may, from time to time, consider opportunistically retiring outstanding issued securities, including subordinated debt in privately negotiated or open market transactions for cash or common shares. Regulatory approval would be required for retirement of some instruments. See Note 6 "Shareholders' Equity and Accumulated Other Comprehensive Income (Loss)" to the consolidated financial statements for additional information.

Regions' liquidity policy requires the holding company to maintain cash sufficient to cover the greater of (1) 18 months of debt service and other cash needs or (2) a minimum cash balance of $500 million. Cash and cash equivalents at the holding company exceeded minimums and totaled $1.0 billion at September 30, 2025. Overall liquidity risk limits are established by the

Board through its Risk Appetite Statement and Liquidity Policy. The Company's Board, LROC and ALCO regularly review compliance with the established limits.

INFORMATION SECURITY RISK

Refer to Part 1 Item1C. *Cybersecurity* in the Annual Report on Form 10-K for the year ended December 31, 2024 for further discussion of Regions' risk identification and assessment, risk management and governance of information security risk.

PROVISION FOR CREDIT LOSSES

The provision for credit losses is used to maintain the allowance for loan losses and the reserve for unfunded credit losses at a level that management determines is appropriate to absorb expected credit losses over the contractual life of the loan and credit commitment portfolio at the balance sheet date. In the third quarter of 2025 and nine months ended September 30, 2025, the net charge-offs exceeded provision by $30 million and $16 million, respectively. In the third quarter of 2024, the net charge offs exceeded provision by $4 million and in the nine months ended September 30, 2024, the provision exceeded net charge-offs by $28 million. Refer to the "Allowance" section for further detail.

NON-INTEREST INCOME

Table 22—Non-Interest Income

	Three Months Ended September 30		Quarter-to-Date Change 9/30/2025 vs. 9/30/2024	
	2025	2024	Amount	Percent
	(Dollars in millions)			
Service charges on deposit accounts	$ 160	$ 158	$ 2	1.3 %
Card and ATM fees	122	118	4	3.4 %
Investment management and trust fee income	91	85	6	7.1 %
Capital markets income	104	92	12	13.0 %
Mortgage income	38	36	2	5.6 %
Investment services fee income	48	43	5	11.6 %
Commercial credit fee income	28	28	—	— %
Bank-owned life insurance	25	28	(3)	(10.7)%
Market value adjustments on employee benefit assets	12	13	(1)	(7.7)%
Securities gains (losses), net	(27)	(78)	51	65.4 %
Other miscellaneous income	58	49	9	18.4 %
	$ 659	$ 572	$ 87	15.2 %

	Nine Months Ended September 30		Year-to-Date Change 9/30/2025 vs. 9/30/2024	
	2025	2024	Amount	Percent
	(Dollars in millions)			
Service charges on deposit accounts	$ 472	$ 457	$ 15	3.3 %
Card and ATM fees	364	354	10	2.8 %
Investment management and trust fee income	267	249	18	7.2 %
Capital markets income	267	251	16	6.4 %
Mortgage income	126	111	15	13.5 %
Investment services fee income	134	120	14	11.7 %
Commercial credit fee income	84	83	1	1.2 %
Bank-owned life insurance	72	81	(9)	(11.1)%
Market valuation adjustments on employee benefit assets	25	30	(5)	(16.7)%
Securities gains (losses), net	(53)	(178)	125	70.2 %
Other miscellaneous income	137	122	15	12.3 %
	$ 1,895	$ 1,680	$ 215	12.8 %

Service Charges on Deposit Accounts

Service charges on deposit accounts include overdraft fees, treasury management fees and other customer transaction-related service charges. Service charges increased in both the third quarter and nine months ended September 30, 2025, compared to the same periods in 2024, driven primarily by an increase in fees from treasury management services and overdraft fees.

On October 25, 2023, the Federal Reserve issued a proposal for public comment that, if finalized, would lower the maximum interchange fee that a large debit card issuer can receive for a debit card transaction. Under the proposed rule the maximum interchange fee would be subject to adjustments every other year based upon issuer cost data. The Company is continuing to monitor and evaluate the potential impact.

On December 12, 2024, the CFPB adopted a final rule that caps overdraft fees in line with a benchmark fee of $5 or an amount that covers an institution's costs and losses using a standard set forth in the rules. Alternatively, an institution can charge higher overdraft fees by complying with the standard regulatory requirements governing other loans, including credit cards. The final rule is currently scheduled to take effect on October 1, 2025. However, under the presidential memorandum entitled “Regulatory Freeze Pending Review,” rules with future effective dates may be re-evaluated. Therefore, though the Company will continue to monitor and evaluate potential impact, the nature and timing of future developments that may potentially impact this or other CFPB rules and proposals cannot be predicted.

Capital Markets Income

Capital markets income primarily relates to capital raising activities that include real estate placement, securities underwriting and placement, loan syndication, as well as foreign exchange, derivatives, merger and acquisition and other advisory services. Capital markets income increased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024, driven primarily by higher loan syndication revenue and commercial swap income. The third quarter of 2025 also benefited from higher merger and acquisition fees whereas these fees declined for the nine months ended September 30, 2025, compared to the same period in 2024, due to economic uncertainty in the first quarter of 2025 impacting the timing of transactions. The overall increases in both periods were partially offset by declines in real estate transactions.

Mortgage Income

Mortgage income is generated through the origination and servicing of residential mortgage loans for long-term investors and sales of residential mortgage loans in the secondary market. The increase in mortgage income for the nine months ended September 30, 2025 compared to the same period in 2024 was due primarily to favorable mortgage servicing rights valuation adjustments. The increase was partially offset by negative pipeline valuation adjustments.

Investment Services Fee Income

Investment services fee income represents income earned from investment advisory services. Investment services fee income increased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 due primarily to strong advisor production.

Bank-owned Life Insurance

Bank-owned life insurance income primarily represents income earned from the appreciation of the cash surrender value of insurance contracts held and the proceeds of insurance benefits. Bank-owned life insurance income decreased during the nine months ended September 30, 2025 compared to the same period in 2024 driven primarily by decreased insurance claim income.

Market Value Adjustments on Employee Benefit Assets

Market value adjustments on employee benefit assets are the reflection of market value variations related to assets held for certain employee benefits. The adjustments are offset in salaries and benefits and other non-interest expense.

Securities Gains (Losses), Net

Net securities gains (losses) primarily result from the Company's asset/liability and capital management processes. In both 2025 and 2024, the Company executed debt securities repositionings by selling debt securities and reinvesting the proceeds at higher current market yields. See Table 1 "Debt Securities" for more information.

Other Miscellaneous Income

Other miscellaneous income includes net revenue from affordable housing, valuation adjustments to equity investments, fees from safe deposit boxes, check fees and other miscellaneous income. Net revenue from affordable housing includes actual gains and losses resulting from the sale of affordable housing investments, cash distributions from the investments and any related impairment charges. Other miscellaneous income increased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 primarily due to increases in commercial leasing income. Other miscellaneous income for the nine months ended September 30, 2025 also benefitted from improvements in valuation adjustments on certain equity investments.

NON-INTEREST EXPENSE

Table 23—Non-Interest Expense

	Three Months Ended September 30		Quarter-to-Date Change 9/30/2025 vs. 9/30/2024	
	2025	2024	Amount	Percent
	(Dollars in millions)			
Salaries and employee benefits	$ 671	$ 645	$ 26	4.0 %
Equipment and software expense	106	101	5	5.0 %
Net occupancy expense	72	69	3	4.3 %
Outside services	42	41	1	2.4 %
Marketing	28	28	—	— %
Professional, legal and regulatory expenses	30	21	9	42.9 %
Credit/checkcard expenses	15	14	1	7.1 %
FDIC insurance assessments	15	17	(2)	(11.8)%
Visa class B shares expense	8	17	(9)	(52.9)%
Operational losses	18	19	(1)	(5.3)%
Branch consolidation, property and equipment charges	(5)	—	(5)	NM
Other miscellaneous expenses	103	97	6	6.2 %
	$ 1,103	$ 1,069	$ 34	3.2 %

	Nine Months Ended September 30		Year-to-Date Change 9/30/2025 vs. 9/30/2024	
	2025	2024	Amount	Percent
	(Dollars in millions)			
Salaries and employee benefits	$ 1,954	$ 1,912	$ 42	2.2 %
Equipment and software expense	309	302	7	2.3 %
Net occupancy expense	214	211	3	1.4 %
Outside services	121	120	1	0.8 %
Marketing	84	82	2	2.4 %
Professional, legal and regulatory expenses	81	74	7	9.5 %
Credit/checkcard expenses	46	43	3	7.0 %
FDIC insurance assessments	55	89	(34)	(38.2)%
Visa class B shares expense	19	26	(7)	(26.9)%
Operational losses	44	79	(35)	(44.3)%
Branch consolidation, property and equipment charges	(5)	2	(7)	(350.0)%
Other miscellaneous expenses	293	264	29	11.0 %
	$ 3,215	$ 3,204	$ 11	0.3 %

Salaries and Employee Benefits

Salaries and employee benefits consist of salaries, incentive compensation, long-term incentives, payroll taxes, and other employee benefits such as 401(k), pension, and medical, life and disability insurance, as well as, expenses from liabilities held for employee benefit purposes. Salaries and employee benefits increased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 primarily due to higher base salaries from annual merit increases, higher production-based incentives, and increases in other benefits expense which was driven by higher medical expenses due to inflation. Also included in salaries and employee benefits expense are market valuations on employee benefits liabilities (mostly offset in non-interest revenue as shown in Table 22) which contributed to the increase in the third quarter of 2025 compared to 2024. Lastly, both the third quarter and nine months ended September 30, 2024, salaries and employee benefits expense benefitted from a decline in severance expense. Full-time equivalent headcount slightly increased to 19,675 at September 30, 2025 from 19,560 at September 30, 2024.

Professional, legal and regulatory expenses

Professional, legal, and regulatory expenses consist of amounts related to legal, consulting, other professional fees and regulatory charges. Professional, legal, and regulatory expenses increased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 primarily due to an increase in professional fees associated with core systems modernization.

FDIC Insurance Assessments

FDIC insurance assessments decreased in the nine months ended September 30, 2025 compared to the same periods in 2024 primarily resulting from updates to the special assessment which was initially recorded in 2023 due to bank failures. In the nine months ended September 30, 2024, the Company increased the special assessment accrual by $18 million based upon revised loss estimates related to the failures, which compares to a release in the special assessment of $3 million in nine months ended 2025. Contributing to the overall decrease was a reduction of the base assessment primarily due to higher unsecured debt, lower concentration risk, and improved credit metrics.

Visa Class B shares Expense

Visa class B shares expense is associated with previously sold shares. The Visa class B shares have restrictions tied to finalization of certain covered litigation. Visa class B shares expense decreased in the third quarter and nine months ended September 30, 2025 compared to the same periods in 2024 due to a lower escrow funding expense for the Company's proportionate share related to the ongoing covered litigation which totaled $5 million in the third quarter of 2025 compared to $14 million in the third quarter of 2024.

Operational Losses

Operational losses include losses related to fraud, execution, delivery and process management, and damage to physical assets. Operational losses decreased in the nine months ended September 30, 2025 compared to the same period in 2024 primarily due to improvements in check fraud during the first nine months of 2025 as a result of effective countermeasures.

Branch consolidation, property and equipment charges

Branch consolidation, property and equipment charges include valuation adjustments related to owned branches when the decision to close them is made. Accelerated depreciation and lease write-off charges are recorded for leased branches through and at the actual branch close date. Branch consolidation, property and equipment charges also include costs related to occupancy optimization initiatives. Branch consolidation, property and equipment charges in the third quarter and nine months ended September 30, 2025 include a gain recognized on the disposition of a property in the third quarter of 2025.

Other Miscellaneous Expenses

Other miscellaneous expenses include expenses related to communications, postage, supplies, certain credit-related costs, foreclosed property expenses, mortgage repurchase costs, and other costs (benefits) related to employee benefit plans. Other miscellaneous expenses increased the nine months ended September 30, 2025 compared to the same period in 2024 primarily due to a contingent reserve release in the second quarter of 2024 related to a prior acquisition, which did not repeat.

INCOME TAXES

The Company’s income tax expense for the three months ended September 30, 2025 was $139 million compared to $118 million for the three months ended September 30, 2024, resulting in effective tax rates of 19.7 percent and 19.4 percent, respectively. The Company’s income tax expense for the nine months ended September 30, 2025 was $413 million compared to $338 million for the nine months ended September 30, 2024, resulting in effective tax rates of 20.3 percent and 19.9 percent, respectively.

The effective tax rate is affected by many factors including, but not limited to, the level of pre-tax income, the mix of income between various tax jurisdictions with differing tax rates, enacted tax legislation, net tax benefits related to affordable housing investments, bank-owned life insurance income, tax-exempt interest and nondeductible expenses. In addition, the effective tax rate is affected by items that may occur in any given period but are not consistent from period-to-period, such as the termination of certain leveraged leases, share-based payments, valuation allowance changes and changes to UTBs. Accordingly, the comparability of the effective tax rate between periods may be impacted.

At September 30, 2025, the Company reported a net deferred tax asset of $254 million compared to $775 million at December 31, 2024. The decrease in the net deferred tax position primarily reflects the deferred tax effects associated with decreases in unrealized losses on securities available for sale and derivative instruments recognized during the period.

On July 4, 2025, the One Big Beautiful Bill Act passed into law. The Company has assessed the impacts of the statute to the consolidated financial statements and expects that such impacts will be immaterial.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The information presented in the "Market Risk" section of Part 1, Item 2 is incorporated herein by reference.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Regions maintains disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) designed to ensure that information required to be disclosed in the reports that Regions files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. An evaluation was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation of the disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer have concluded that Regions' disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) are effective as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

During the quarter ended September 30, 2025, there were no changes in Regions' internal control over financial reporting that materially affected, or are reasonably likely to materially affect, Regions' internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information presented in the Legal Contingencies section of Note 12 "Commitments, Contingencies and Guarantees" in the Notes to the Consolidated Financial Statements (Unaudited) in Part I. Item 1. of this Quarterly Report on Form 10-Q is incorporated by reference.

Item 1A. Risk Factors

There are no material changes to the risk factors set forth in Regions' Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table presents information regarding issuer purchases of equity securities during the third quarter of 2025. All of these shares were immediately retired upon repurchase and therefore were not included in treasury stock.

Period	Total Number of Shares Purchased	Average Price Paid per Share(1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under Publicly Announced Plans or Programs(2)
July 1-31, 2025	981,653	$ 26.18	981,653	$ 1,480,900,483
August 1-31, 2025	4,172,427	$ 25.76	4,172,427	$ 1,373,337,045
September 1-30, 2025	4,257,352	$ 26.44	4,257,352	$ 1,258,338,164
Total Third Quarter	9,411,432	$ 26.37	9,411,432	$ 1,258,338,164

_____
(1) Average price paid does not reflect the one percent excise tax charged on public company share repurchases.
(2) On April 20, 2022, the Board authorized the repurchase of up to $2.5 billion of the Company's common stock, permitting purchases from the second quarter of 2022 through the fourth quarter of 2024. On December 10, 2024, the Board authorized an extension of the common stock repurchase program through the fourth quarter of 2025.

Item 5. Other Information

Securities Trading Plans of Section 16 Officers and Directors

During the three months ended September 30, 2025, none of our officers or directors adopted or terminated a contract, instruction or written plan for the sale or purchase of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1 or that constituted a “non-Rule 10b5-1 trading arrangement” (as defined in Item 408 of Regulation S-K).

Item 6. Exhibits

The following is a list of exhibits including items incorporated by reference

3.1	Amended and Restated Certificate of Incorporation, incorporated by reference to Exhibit 3.1 to the Form 10-Q filed by registrant on August 6, 2012.
3.2	Certificate of Designations relating to Series C Preferred Stock, incorporated by reference to Exhibit 3.4 to the Form 8-A filed by registrant on April 29, 2019.
3.3	Certificate of Designations relating to Series E Preferred Stock, incorporated by reference to Exhibit 3.6 to the Form 8-A filed by registrant on May 3, 2021.
3.4	Certificate of Designations relating to Series F Preferred Stock, incorporated by reference to Exhibit 3.6 on the Form 8-A filed by registrant on July 26, 2024.
3.5	By-Laws as amended and restated, incorporated by reference to Exhibit 3.2 to the Form 8-K filed by registrant on October 18, 2023.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials are formatted in Inline XBRL: (i) the Consolidated Balance Sheets; (ii) the Consolidated Statements of Income; (iii) the Consolidated Statements of Comprehensive Income; (iv) the Consolidated Statements of Changes in Shareholders' Equity; (v) the Consolidated Statements of Cash Flows; and (vi) the Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File, formatted in Inline XBRL (included within the Exhibit 101 attachments).

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 thereunto duly authorized.

DATE: November 4, 2025

Regions Financial Corporation

/s/ Karin K. Allen

Karin K. Allen

Executive Vice President and Assistant Controller

(Chief Accounting Officer and Authorized Officer)

EXHIBIT 31.1

CERTIFICATIONS

I, John M. Turner, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Regions Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2025

/S/ JOHN M. TURNER, JR.

John M. Turner, Jr.
Chairman, President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, David J. Turner, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Regions Financial Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2025

/S/ DAVID J. TURNER, JR.

David J. Turner, Jr.
Senior Executive Vice President and
Chief Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Regions Financial Corporation (the “Company”) on Form 10-Q for the quarter ended September 30, 2025 (the “Report”), I, John M. Turner, Jr., Chief Executive Officer of the Company, and David J. Turner, Jr., Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ JOHN M. TURNER, JR.	/S/ DAVID J. TURNER, JR.
John M. Turner, Jr. **Chairman, President and Chief Executive Officer**	**David J. Turner, Jr.** **Chief Financial Officer**

Date: November 4, 2025

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to Regions Financial Corporation and will be retained by Regions Financial Corporation and furnished to the Securities and Exchange Commission or its staff upon request.