



REGIONS CORPORATE
SUSTAINABILITY REPORT
2016



SUSTAINABILITY REPORTING GUIDELINES AND PERFORMANCE AREAS

	Page
SRG 1.1	
Letter from the Chairman, President and Chief Executive Officer	1
SRG 2.1-5, 2.7-8, 2.10 Company Profile	
Regions Financial Corporation — Company Profile	2
SRG 3.1-4 Report Profile	3
PERFORMANCE AREAS	
EC9 — Indirect Economic Impacts	4
ENVIRONMENTAL PERFORMANCE INDICATORS	
EN1 — Materials Used by Weight or Volume	7
EN2 — Percentage of Materials Used That Are Recycled Input Materials	7
EN4 — Indirect Energy Consumption by Primary Source	9
EN5 — Energy Saved Due to Conservation and Efficiency Improvements	10
EN6 — Initiatives to Provide Energy-Efficient or Renewable Energy-Based Products and Services	10
EN7 — Initiatives to Reduce Indirect Energy Consumption	12
EN9 — Water Sources Significantly Affected by Withdrawal	12
EN22 — Total Weight of Waste by Type and Disposal Method	13
EN26 — Mitigate Environmental Impacts	13
EN30 — Total Environmental Protection Expenditures and Investments by Type	14
LA10 — Training and Education	15
LA11 — Programs for Skills Management and Life-long Learning	15
LA13 — Diversity and Equal Opportunity	15
SO3 — Anti-Corruption Training	19

SRG 1.1

LETTER FROM THE CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Regions' focus on our customers and communities goes far beyond meeting their needs for financial services. While we proudly offer great products and advice with outstanding customer service, we've made a broader commitment to creating shared value for the people, institutions and businesses we serve. We believe it is vital to maintain high standards as a good neighbor, because it is good for business and because it is the right thing to do.

This sustainability report highlights some of the ways our business touches our customers, shareholders and the communities where we work and live — and helps them secure a brighter future.

Regions is committed to preserving our environment, whether through reduced energy use, recycling or encouraging paperless interaction. For example, in 2016:

- Regions reduced overall solid waste generation by 4 percent over 2015 figures, a difference of over 500 tons, and we kept 47 percent of facility-related solid waste from landfills through a combination of building recycling programs and confidential waste recycling. This is a 4 percent increase from 2015 figures.
- Our Confidential Trash Program collected more than 12.3 million pounds of paper, which saved 104,000 trees, 2.3 million gallons of oil, 18,400 cubic yards of landfill space, more than 24.5 million kilowatts of energy and more than 43 million gallons of water.
- Through our Energy Management Program, Regions used 3.7 percent (8 million kWh) less electricity in 2016 than in 2015 when comparing the same buildings. This is enough electricity to power over 722 average homes for a year.
- Regions increased our use of solid-state (LED) lighting technology in 2016, to include more interior and exterior applications. Virtually every exterior lighting project in 2016 included this high-efficiency technology. Overall, the systems installed in 2016 use at least 40 percent less energy than the previous systems, while increasing light levels for our customers.
- Regions' energy consumption program has been comparing the same buildings since 2008 and for the 11.5 million square feet being tracked, even with rate increases, the cost of electricity for this same group of buildings was \$800,000 less in 2016 than in 2008.
- Vehicles used to service bank facilities in 2016 used 1,607,710 gallons of gasoline, a 30 percent decrease in sheer consumption as the bank's facilities fleet dropped from 131 vehicles to 84, and facilities teams adjusted to even more efficient routing and service frequencies.
- Regions has a program to reduce water consumption at facilities nationwide and we have targeted irrigation water use for reduction. Approximately 10 percent of facilities have received either soil moisture sensors or smart, monitored irrigation controls systems. Through November 2016, 11 million fewer gallons were used in 2016 than the same period in 2015.

All these efforts help us provide an exceptional experience for our customers and communities. They make a lasting, positive impact and are an essential part of being a high-performing financial institution.



GRAYSON HALL

Chairman, President and Chief Executive Officer
Regions Financial Corporation

SRG 2.1-5, 2.7-8, 2.10 Company Profile

REGIONS FINANCIAL CORPORATION (NYSE:RF)

As a company that has been around since 1856, we know that banking relationships are founded on trust. Our customers have the added assurance that our financial strength and stability give them a safe place to keep their money. In addition they have the peace of mind knowing deposits at Regions are FDIC insured.

REGIONS IS HEADQUARTERED IN BIRMINGHAM, ALA., WITH \$126 BILLION IN ASSETS, IS A MEMBER OF THE S&P 500 INDEX, AND IS ONE OF THE NATION'S LARGEST FULL-SERVICE PROVIDERS OF CONSUMER AND COMMERCIAL BANKING, WEALTH MANAGEMENT, MORTGAGE AND INSURANCE PRODUCTS AND SERVICES. REGIONS SERVES CUSTOMERS ACROSS THE SOUTH, MIDWEST AND TEXAS, AND THROUGH ITS SUBSIDIARY, REGIONS BANK, OPERATES APPROXIMATELY 1,500 BANKING OFFICES AND 1,900 ATMS. ADDITIONAL INFORMATION ABOUT REGIONS AND ITS FULL LINE OF PRODUCTS AND SERVICES CAN BE FOUND AT WWW.REGIONS.COM.



For the full year 2016, Regions reported net income available to common shareholders of \$1.1 billion and ended the year with total shareholder return of over 50 percent. We grew net interest income 3 percent versus 2015, and we also grew adjusted non-interest income 7 percent. Our adjusted non-interest expenses increased just under 2 percent.

Regions received recognition across the financial services industry and for service quality:

- Regions was the highest scoring bank in the prestigious 2015 American Customer Satisfaction Index.
- Regions won 12 Greenwich Excellence awards in the Commercial Banking Group.
- Regions won two (of three) inaugural Greenwich Excellence awards for Wealth Management.



- For the third year in a row, Regions was recognized by Temkin Group as a top decile performer in the annual Temkin Retail Banking Experience Rankings. Regions placed 12th out of 294 companies across 20 industries.
- Regions scored an 806 (on a 1000-point scale) in the 2016 J.D. Power Retail Banking Satisfaction Study, placing Regions 3rd out of 23 peer banks. Regions has improved from a score of 694 in 2008 to 806 in 2016.
- Regions Bank ranked the Most Reputable Bank in the United States in the 2016 Reputation Institute Rankings.
- Regions was named a winner of the 2016 Gallup Consulting Great Workplace Award.



SRG 3.1-4 Report Profile

The 2016 Sustainability Report includes data from January 1, 2016 – December 31, 2016. Sustainability Reports are issued annually and reports were issued for 2009, 2010, 2011, 2012, 2013, 2014 and 2015. Any questions about this report should be directed to Linda Germany Kramer, Corporate Social Responsibility, linda.kramer@regions.com.

PERFORMANCE AREAS

GRI INDICATORS

EC9

INDIRECT ECONOMIC IMPACTS

Regions participated in several economic development initiatives during 2016. In August, Regions served as lead sponsor to an Inner City Capital Connections conference held in St. Louis, MO., which serves to educate companies in or near city centers on how to

access capital to expand their businesses. Regions also co-chaired the Southeast U.S.-Japan Association meeting in Tokyo, Japan, a meeting of business and political leaders from Japan and seven Southeastern states aimed at building sustainable relationships that lead to economic development.

In addition, Regions associates made a positive difference in the communities we served over the past year:

- Provided more than 82,450 hours of volunteer work, including 16,667 volunteer hours on financial education.
- Delivered financial education in classrooms and parent workshops with more than 110 trained facilitators, and the Regions at Work® team presented more than 87,000 financial education seminars during the year throughout the footprint.
- Reached 16,465 high school students and 17,151 college students through the Regions Financial Scholars Program, powered by EverFi. In addition, the Regions Collegiate Financial Education Program provided financial education to 2,163 student athletes.
- Completed more than 10,000 volunteer hours with Junior Achievement, earning the President's Silver Award.
- Provided more than 4,800 hours of technical assistance to non-profit organizations across our footprint.



GRI INDICATORS

EC9, continued

- Contributed \$10.4 million in charitable giving.
- Donated \$25,000 to American Red Cross Disaster Relief Fund to assist in Louisiana Flood Recovery Efforts.
- Continued the annual “Share the Good” program, which encourages local Regions offices to identify volunteer service opportunities to make a positive difference.
- Launched “Doing More Today” website to share stories about the communities Regions serves and the nonprofit organizations Regions helps.
- Sponsored the 2016 Riding Forward Scholarship Essay Contest, where students submitted essays about an inspirational African-American of the student’s choosing.



Low Income Housing Tax Credits

Regions is one of the nation’s leading direct investors in Low Income Housing Tax Credit developments. These investments provide cash equity vital to the construction and rehabilitation of affordable housing units for low- and moderate-income renters. In 2016, Regions invested more than \$283.9 million in such tax-credit partnerships, supporting 50 developments that provide 4,393 units of affordable housing for low- and moderate-income individuals and families in states where Regions conducts business.



THIS ACTIVITY IN 2016 BRINGS TO 25,164 THE TOTAL NUMBER OF AFFORDABLE HOUSING UNITS REGIONS IS SUPPORTING THROUGH ITS INVESTMENTS DATING BACK 15 YEARS (THE LIFESPAN OF THESE TAX CREDITS). REGIONS’ AFFORDABLE HOUSING INVESTMENTS HELP MAKE A DIFFERENCE IN THE COMMUNITIES THE BANK SERVES BY IMPROVING THE LIVES OF LOW- AND MODERATE-INCOME INDIVIDUALS AND FAMILIES.

GRI INDICATORS

EC9, continued

Volunteer Hours

In 2016, Regions associates volunteered at more than 8,000 different agencies in the communities where they live and work and provided more than 16,500 volunteer hours teaching financial education. To make it easy to volunteer, associates receive one day off per year with pay to volunteer through What A Difference A Day Makes, Regions' volunteer program. They may serve a 501(c)(3) non-profit organization that supports one of the following categories:



- Arts/Culture
- Economic Development
- Education
- Community Development
- Health/Human Services
- Regions-sponsored Charitable Events

The Regions Matching Gifts Program allows associates to make an even greater difference to education institutions and arts and culture charities by doubling their tax-deductible contribution of at least \$25 and up to \$1,000 per calendar year. In 2016, Regions matched \$244,000 in associate contributions.

Supplier Diversity

It's clear to Regions that many minority- and women-owned enterprises offer the quality, innovation, reliability and value we seek. We regard these strategic relationships as good for society, good for business and good for strengthening our competitive advantage. Our business relationships with diverse suppliers make a positive impact on the communities we serve by creating jobs and wealth. Expense reduction initiatives across the company in 2016 resulted in reduced diversity spend and 14 percent fewer vendors. However, the overall supplier diversity spend remained at 7.3 percent of total spend, the same as in 2015.



ENVIRONMENTAL PERFORMANCE INDICATORS

GRI INDICATORS

EN1 MATERIALS USED BY WEIGHT OR VOLUME

Regions Financial Corporation does not calculate the total weight or volume of materials used in daily operations, in construction, in maintenance, or in service to customers. Regions utilizes a decentralized purchasing system. While many materials are purchased through channels that can be used to track weight or volume, some materials are not. Regions is not set up to measure the weight or volume of the enormous variety of materials used in daily operations (from construction materials and furniture, to printer cartridges, marketing materials and pencils). Any attempt to record this information for 2016 would be incomplete and potentially misleading.

EN2 PERCENTAGE OF MATERIALS USED THAT ARE RECYCLED INPUT MATERIALS

Regions Corporate Real Estate uses recycled-content carpets, ceiling tiles and drywall in ongoing projects whenever feasible. However, calculating a percentage of the total requires understanding the total volume or weight of materials purchased (as per G4-EN1, above), which is not available for 2016.

Regions has been purchasing remanufactured toner cartridges for standard office printers for several years. In 2016, Regions purchased 25,000 remanufactured toner cartridges for office use. Each remanufactured toner cartridge is made from the plastic shell of a previously used cartridge, reducing the environmental impact of the manufacturing process. Cartridges are made of virgin plastic — a petroleum product — and when buried in a landfill without access to UV rays, these cartridges do not decompose. Thus, the remanufactured cartridges:



- Saved approximately 7,200 gallons of fuel
- Reduced 234 cubic yards of waste in landfills – when toner cartridges are buried in a landfill without access to UV rays, these cartridges either do not decompose, or if they do, the time this would take is thousands of years.

GRI INDICATORS

EN2, continued

Regions Confidential Waste Program is the most widespread recycling program at the bank. In 2016, the program collected 12,316,076 pounds of paper and other confidential material. According to our vendor contract, this paper was shredded to protect the confidentiality of the information.

The shredded paper was then used by mills located in the U.S. in the manufacturing of new paper, thereby, providing the following benefits to the environment:



- Saved 104,487 trees
- Saved 2,335,581 gallons of oil
- Reduced 18,439 cubic yards of landfill space
- Saved 24,585,061 kilowatts of energy
- Saved 43,023,857 gallons of water
- Saved 368,776 pounds of air pollution



To drive down the use of paper, Regions continues to move more work to digital documents and increase the use of duplex (double-sided) printing. Associates are also trained in paperwork reduction. These programs are ongoing.

In 2016, Regions reduced overall solid waste generation by 4 percent over 2015 figures, a difference of over 500 tons. This is approximately the amount of trash generated by 685 people in a year. (“Advancing Sustainable Materials Management: 2014 Fact Sheet”; U.S. Environmental Protection Agency, November 2016.) In addition to the reduction in total waste, Regions increased our diversion percentage. This year, we kept 47 percent of facility-related solid waste from landfills through a combination of building recycling programs and confidential waste recycling. This a 4 percent increase from last year’s figure. Regions continues to encourage the use of electronic account statements.

For those customers receiving paper statements, Regions uses soy-based inks and eco-friendly material for window film for statement envelopes (approximately 40 million annually). The use of these two items allows these envelopes to be recycled. Recycled paper is used in various marketing materials including direct marketing, collateral brochures and in-branch advertising.

Regions redeployed 3,135 pieces of information technology (IT) hardware internally in 2016, eliminating the need to purchase new hardware. Regions disposed/recycled some 2,132 pieces of IT hardware, and 7,782 pieces of IT hardware were re-sold.

GRI INDICATORS

EN4

INDIRECT ENERGY CONSUMPTION BY PRIMARY SOURCE

With few exceptions, Regions does not burn primary energy sources such as coal or natural gas to generate electricity, steam, or other energy for consumption. Exceptions are the use of petroleum products to run vehicles and emergency generators, and the use of natural gas in boilers and furnaces. For boiler operations, Regions purchased 47,000 gallons of diesel fuel to test and operate emergency generators and other equipment in Birmingham and Nashville. This is higher than 2015 but still 27 percent less than in 2013.

Vehicles used to service bank facilities in 2016 used 1,607,710 gallons of gasoline, a 30 percent decrease in sheer consumption as the bank's facilities fleet dropped from 131 vehicles to 84, and facilities teams adjusted to even more efficient routing and service frequencies. Most of the vehicles remaining in the fleet are vans for maintenance technicians and, for a few months, several technicians were covering extended territories. Vans are the necessary but least-efficient vehicles in the fleet, meaning the average fuel economy declined slightly, to 12 miles per gallon versus 13 mpg last year. The changes from 2015 to 2016 required fewer overall gallons purchased but negatively impacted overall fleet fuel economy.

To operate the employee shuttle service at a Birmingham office complex, Regions procured 6,300 gallons of propane between October 2015 and October 2016. This shuttle has been operating as a propane-fueled vehicle since mid-2013. The use of propane instead of gasoline has reduced local emissions significantly. Propane burns cleaner and produces less carbon monoxide (by 60 percent), carbon dioxide (by 12 percent) and carcinogenic emissions (by more than 90 percent), generally creating better air quality for associates riding the vehicle or walking nearby.

Regions operates properties that consume energy (primarily electricity) generated from sources that vary from location to location, and region to region. In most states where Regions operates, electricity primarily is generated from fossil fuels (coal and natural gas). However, Regions owns and operates buildings in areas fueled by hydro-power and nuclear energy.



REGIONS CONTINUES TO PURCHASE 5,000 KWH PER MONTH OF RENEWABLE ENERGY THROUGH DUKE ENERGY'S GOGREEN INDIANA INITIATIVE. THE ENERGY FOR THIS PARTICULAR PROGRAM IS GENERATED FROM REGIONAL WIND SOURCES.

GRI INDICATORS

EN4, continued

During 2016, Regions associates' participation in CommuteSmart reduced vehicle miles traveled by 554,410, which reduced pollution by approximately 277 tons and carbon dioxide emissions by 306,588,730 grams and saved approximately 22,000 gallons of fuel.



EN5

ENERGY SAVED DUE TO CONSERVATION AND EFFICIENCY IMPROVEMENTS

Regions has focused on energy conservation and efficiency since 2008 and continues to focus on reducing energy consumption across the country. Through our Energy Management Program, Regions used 3.7 percent (8 million kWh) less electricity in 2016 than in 2015 when comparing the same buildings. This is enough electricity to power over 722 average homes for a year (per U.S. Department of Energy Residential Energy Consumption Survey, 2014). To measure progress, Regions' energy consumption program has been charting the same buildings since 2008. For the 11.5 million square feet being tracked, even with rate increases, the cost of electricity for this same group of buildings was \$800,000 less in 2016 than in 2008.

EN6

INITIATIVE TO PROVIDE ENERGY-EFFICIENT OR RENEWABLE ENERGY-BASED PRODUCTS AND SERVICES

Regions does not provide energy-based products or services for bank customers. However, the energy required to operate the buildings that serve our customers is steadily decreasing. Furthermore, customers are provided with the option of banking electronically, which avoids the need for paper to be fabricated and shipped, avoids the printing and mailing of statements, and reduces the number of vehicle trips to a branch for transactions. Regions encourages the use of electronic account statements. For those customers receiving paper statements, Regions uses soy-based inks and material for window film for statement envelopes (approximately 40 million annually).

Recycled paper is used in various marketing materials including direct marketing, collateral brochures and in-branch advertising, and materials have been redesigned to increase efficiency and use less ink in the printing process. Examples of Regions' efforts to provide energy efficiency to customers include financial products offering environmentally responsible services (e.g., paperless statements, direct deposit, electronic receipts), as well as building improvements.

GRI INDICATORS

EN6, continued

Additional information about these efforts includes:

LifeGreen Checking

Regions LifeGreen Checking and Savings accounts provide the bank's most requested and most environmentally friendly products and e-services including:



- Recycled checks
- Regions Online Banking with Bill Pay
- Regions Mobile Banking
- Direct deposit
- Online Statements
- Regions CheckCard

In addition, Regions offers the **LifeGreen eAccess Account** designed for customers who prefer to bank or make purchases online rather than by check with electronic features like Online Banking with Bill Pay, Mobile Banking, debit or credit cards.

In 2016, Corporate Marketing continues to focus on the importance of recycled materials for use in printed pieces. Recycled paper is used in various programs including direct marketing, collateral brochures and in-branch advertising. For merchandising programs, hundreds of mature trees were saved through the use of recycled paper. The paper was purchased exclusively from domestic sources which participate in the planned replanting of trees. For each tree harvested, at least two were planted and in many cases the ratio is 3:1.

Mobile Banking

Regions Mobile Banking encourages efficient money management and paperless transactions by offering customers:

- Convenient and secure access to their Regions accounts from their mobile device
- Bill payment capability
- Funds transfer capability
- Mobile Deposit – allows consumer and business customers to take a picture of a check and send to the bank for deposit electronically allowing them to avoid a trip to the branch



GRI INDICATORS

EN6, continued

Remote Item Capture

Regions Quick Deposit provides business customers a scanner they can use to make deposits remotely from their offices, whenever they want. This saves time and provides an energy efficient means of depositing checks.

Regions Online Payroll

Regions Online Payroll helps small business owners manage their payroll efficiently and on time. Environmentally friendly features include direct deposit and the ability to pay taxes and file forms electronically.

E-Receipts

Regions customers have the option to receive transaction receipts electronically.

ATM Receipts

ATM receipts are printed on paper that is BPA-free.

EN7

INITIATIVES TO REDUCE INDIRECT ENERGY CONSUMPTION

Regions has made extensive use of motion-sensing equipment to turn lights off, or partially off, when areas are unoccupied. This technology is being used successfully in both interior and exterior applications. Regions increased our use of solid-state (LED) lighting technology in 2016, to include more interior and exterior applications. Virtually every exterior lighting project in 2016 included this high-efficiency technology in at least one aspect. Additionally, LED lighting technology was increasingly used in interior applications. Overall, the systems installed in 2016 use at least 40 percent less energy than the previous systems, while increasing light levels for our customers.



EN9

WATER SOURCES SIGNIFICANTLY AFFECTED BY WITHDRAWAL

Although Regions has an extensive footprint in 15 states, banking is not a water-intensive industry and Regions does not withdraw a significant percentage of water from any single

GRI INDICATORS

EN9, continued

watershed. However, Regions recognizes water is a critical issue, and has dedicated resources to reduce domestic use and irrigation demands. A large percentage of our water use goes to irrigation, and we have targeted irrigation water use for reduction. Approximately 10 percent of facilities have received either soil moisture sensors or smart, monitored irrigation controls systems. Through November 2016 (latest figures available), we can report 11,000,000 fewer gallons were used in 2016 than the same period in 2015.

Janitorial vendor services cleaning Regions Bank Facilities do so with environmentally-preferable cleaning practices that include less need for water, further reducing the need for water during normal operations.

EN22

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD

In 2016, approximately 7 percent of non-confidential waste from Regions' facilities was diverted from the landfill, a percentage point improvement from last year. The bank captures most paper through a confidential shredding program, and in 2016 more than 12.3 million pounds of confidential material (mostly paper) were collected and recycled.

In addition to the confidential paper shredding program, we estimate at least the following quantities were diverted from landfills and recycled in 2016 through workplace recycling programs:



- Plastic: 39,000 pounds
- Aluminum: 18,000 pounds
- Corrugated Cardboard and Paper: 199,000 pounds

EN26

MITIGATE ENVIRONMENTAL IMPACTS

In 2016, Regions Bank expanded the use of environmentally sound cleaning practices to virtually every facility in the country. These practices include waterless cleaning using special mops, more organically-based cleaners and reusable cleaning materials. Since 2010, Regions has employed a portfolio-wide program to manage fluorescent lamps responsibly.

GRI INDICATORS

EN26, continued



In 2016, Regions continued providing associates with a convenient and environmentally appropriate method of disposing personal electronics. The company held Electronics Recycling Events at three large campuses. Over 100 associates recycled more than 1,500 pounds of personal devices at these events. The crews collected old computers, game systems, cell phones, televisions, and even a rotary-dial phone. All this material was diverted from landfills and safely recycled. The vendor utilized for this service is certified to the Responsible Recycling (R2) Standard by Sustainable Electronics Recycling International, meaning they have passed rigorous reporting and oversight requirements to prove their disposal practices are environmentally and ethically sound.

EN30

TOTAL ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS BY TYPE

Regions has developed and currently implements a thorough and protective environmental compliance program, developed to protect the safety of associates and customers. As part of the Asbestos Management Program, all Regions' facilities management and project management personnel received training on how to identify and manage asbestos properly.



Vendors are alerted to the presence of asbestos before entering such a facility, and Regions utilized certified asbestos abatement contractors to remove asbestos as part of projects in over 100 locations in 2016. Regions Corporate Real Estate also manages all facilities with an aggressive and protective environmental program that assures indoor environmental quality.

GRI INDICATORS

LA10 TRAINING AND EDUCATION

Regions associates completed 295,297 hours of mandatory annual Compliance Training in 2016. This includes seven Core Compliance Training courses every associate is required to complete each year. Core curriculum course topics include Bank Secrecy Act/Anti-Money Laundering, Consumer Privacy, Business Ethics and Fair and Consistent Treatment, Information Security, Fair and Responsible Banking, Fundamentals of Risk Management, and business unit procedures for Bank Secrecy Act/Anti-Money Laundering. Regions associates also completed 5,250 hours of continuing education training relating to money laundering and fraud prevention, including elder financial exploitation.

LA11 PROGRAMS FOR SKILLS MANAGEMENT AND LIFE-LONG LEARNING

All associates are eligible for the Regions undergraduate tuition reimbursement program, which provides up to \$5,000 each year in reimbursement for business-related undergraduate degree programs. During 2016, 176 associates participated in Regions' Tuition Reimbursement Program and were reimbursed \$427,246.



LA13 DIVERSITY AND EQUAL OPPORTUNITY

At Regions, diversity goes beyond race and gender to encompass age, ethnicity, veteran status, disability, sexual orientation, gender identity, religious beliefs, marital status, and many other dimensions that make each of us unique as individuals. Our strategic approach to diversity supports overall business priorities and fosters an environment that values all individuals for the skills and talents they bring to the company. Diversity efforts are supported by senior leaders and associates, and the effectiveness of the company's diversity efforts is measured through the Corporate Diversity Index (CDI). The CDI is an internal management tool used to measure, analyze and assess diversity performance at Regions. It is produced semi-annually. Examples of Regions' diversity initiatives and activities include:

GRI INDICATORS

LA13, continued

Regions Diversity Advisory Council

The Regions external Diversity Advisory Council is composed of various academic, community and business leaders and provides an objective outside perspective and offers guidance on diversity-related matters. Specifically, the Diversity Advisory Council supports the company by:



- Offering advice, counsel and feedback regarding the strategic direction of the bank's existing diversity and inclusion initiatives and programs
- Providing executive recruitment input as the organization continues to develop a diverse talent pipeline and associate base
- Enhancing Regions' brand by participating in targeted marketing efforts and diversity-focused business development

Regions Diversity Network

The Regions Diversity Network is an association of leaders who work together to advance the company's comprehensive diversity and inclusion strategy. The network — composed of associates who work in areas and on matters that have a substantial impact on the company's diversity-related activities — provides a formal avenue to gather and distribute diversity-related intelligence and improves the company's ability to identify diversity-related opportunities and risks. Through the network, the organization's diversity practitioners meet monthly to share information and collaborate on diversity strategies.

To advance Regions' comprehensive diversity strategy, the Corporate Diversity Network has been expanded with the formation of four pilot Diversity Network chapters in the Midwest, Texas, and South Florida areas, and within the Consumer Lending group. Through the chapters, leaders have an opportunity to gain new insight regarding diversity and inclusion matters on a local or business level and to provide feedback to the Corporate Diversity Network. This will improve Regions' ability to identify diversity-related risks as well as opportunities. The network's strategy focuses on five broad categories:



- Diversity and inclusion leadership and strategy
- Marketplace diversity
- Supplier diversity
- Community outreach
- Employment

GRI INDICATORS

LA13, continued

Minority Capital Markets

Regions Financial Corporation recognizes the important role minority-owned investment banking firms play in their communities and throughout the national and international financial services market. For this reason, Regions has for years engaged these firms in its capital markets transactions, recognizing these important relationships.

Regions Mortgage

Mortgage is committed to making the dream of homeownership available to every customer. Our goal is to develop strategic initiatives that increase lending outreach in the areas of affordable housing, diversity lending and professional recruitment.



In 2016, the Emerging Markets Department:

- Provided Multicultural Sales Training to mortgage associates in Birmingham and Atlanta. Multicultural Sales Training is designed to create marketing and outreach tactics that appeal to multicultural and millennial home buyers.
- Continued to grow the Mortgage Loan Originator Sales Development program to 24 current participants and 10 who have completed the program which was designed to increase opportunities for recruiting mortgage sales candidates with no previous mortgage sales experience.
- Provided training of a new mapping software that allows mortgage sales associates to better identify properties and referral sources in low- and moderate-income and minority census tracts.
- Helped increase community outreach volunteer hours in every market.
- The Regions Mortgage Raising Hands Community Outreach Initiative continues to thrive. There was an increase in the participation percentage.

GRI INDICATORS

LA13, continued

In 2016, Regions Mortgage associates participated in more than 13,800 hours of community service throughout the company's footprint.



In 2016, Residential Mortgage lent:

- \$912 million to minority borrowers
 - \$571 million in minority census tracts
 - \$573 million to low- or moderate-income borrowers
 - \$390 million to low- or moderate-income census tracts
- Became a National Association of Hispanic Real Estate Professionals (NAHREP) member
 - Conducted a meeting with housing nonprofits in Jacksonville, Fla. area to assess community needs to provide support and assistance
 - Formed an Affordable Lending Committee, headed by Secondary Marketing, to ensure we continually meet the unique needs of all communities through consumer products

The following initiatives were put in place to assist with our lending and community outreach efforts:

- Mortgage Production Managers are required to submit annual Emerging Market Business Plans detailing their planned strategies for increasing production to minority borrowers and to borrowers with a low or moderate income (LMI). Plans must include tactics for community outreach activities and recruiting for sales force diversity
- Goals established by market on peer performance for LMI applicant income, minority applicants, LMI and minority tract lending
- Mortgage loan originators assigned to all LMI and minority bank branch locations
- Print and digital campaign for affordable lending products was launched mid-year in LMI communities
- Fair and Responsible Lending training developed and required for all newly hired underwriters, processors and MLOs

GRI INDICATORS

S03 ANTI-CORRUPTION TRAINING

One hundred percent of Regions associates receive annual training on the company's anti-corruption policies and procedures.



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(Rev. 3/17)

