



Perspective Regions

Consistent Strategy. Refreshed for Today.



Chairman's Letter

*Grayson Hall
Chairman, President and
Chief Executive Officer*



To our shareholders, associates, customers and communities:

Reflecting on Regions' accomplishments in 2015, we have never been more confident that we have the right strategy, the right bankers serving the right markets, and the right organizational culture to build on our strong foundation and elevate our performance going forward.

Historically, services offered by banks have included providing financing, holding investments and deposits and facilitating payments. Customer relationships are paramount in achieving success in each of these services. In our current operating environment, it is crucial that we have a focused strategy and a clear perspective about what products, services and markets are the best ones for Regions and our stakeholders. For that reason, even as we embrace innovation and explore new channels and opportunities to reach customers, we remain committed to certain core beliefs about how to run our business.

Building Sustainable Franchise Value

We believe that, fundamentally, banking remains a people business. When it comes time for customers to make their most important financial decisions – like buying a home, planning for retirement, launching a new business or funding a child’s college education – they want to work with a trusted financial expert who understands their needs and cares about their financial future. Providing that personalized expertise remains as relevant today as ever.

Further, we succeed when we put customer needs at the center of our work every day. Our needs-based approach to relationship banking, which we call Regions360SM, allows us to build trust, expand relationships with existing customers and earn the business of new ones. When we talk to Regions customers – whether it is a young family or a large business customer – we often hear about the many instances where our associates exceed their expectations. However, the evidence is more than anecdotal; there are many empirical measures of Regions’ success on this front. Last year Regions ranked highest for customer satisfaction among all retail banks in the 2015 American Customer Satisfaction Index (ACSI) Report, and was also recognized as a top decile performer in the Temkin Group’s customer experience rankings of U.S. businesses. Moreover, the performance of our bankers earned Regions the designation of *Most Reputable Bank* in a 2015 research study by the Reputation Institute and *American Banker* magazine.

Being selective about the markets we operate in, and understanding those markets thoroughly, is another focal point of our operating philosophy. We believe our geographic footprint is one of our greatest advantages. Spanning the South, Midwest and Texas, we serve some of the highest growth markets in the country. Our service area features many positive trends in categories such as job growth, trade volumes and manufacturing expansion. In fact, nearly 40 percent of U.S. Gross Domestic Product (GDP) is generated within our footprint. And, most important, in each of these

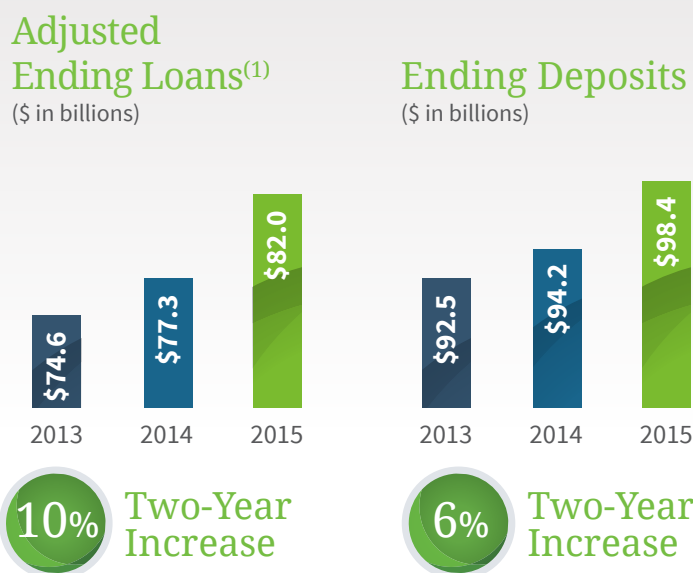
markets our bankers are deeply engaged in community and philanthropic initiatives and closely connected to business and civic leadership.

A strong commitment to diversification is also core to how we operate our business responsibly. Diversification by market, by product, by industry segment and by customer segment helps manage risk and strengthen our performance throughout the economic cycle. Revenue diversification is also an important part of our growth strategy and will be fundamental to our future success. Investing in initiatives that grow revenue sources from a variety of product offerings will provide our company a broader and more stable source of income.

Most important, and at our company’s foundation, is our belief that in order to build a high-performing, sustainable business we must create shared value for all our stakeholders: customers, associates, communities and shareholders. The success of each stakeholder group is essential to achieving our organizational objectives. That is why all of the decisions we make are guided by our commitment to creating shared value, a process which, in turn, helps build a strong, winning culture within our organization.

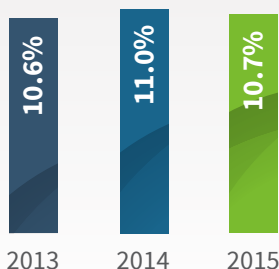
Many Positives in a Challenging Environment

Throughout 2015 we remained focused on executing our strategic initiatives, and Regions performed well despite market conditions that were challenging in several ways – most notably a persistently low interest rate environment. While the U.S. economy is slowly



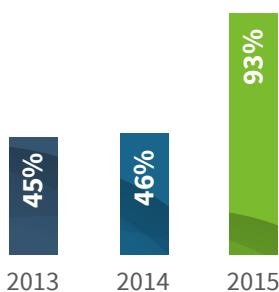
⁽¹⁾ Adjusted for the reclassification of \$834 million of certain leases out of loans into other earning assets at year-end. For further detail see page 19 in the fourth quarter 2015 supplement.

Common Equity Tier 1 ^{(1),(2),(4)}



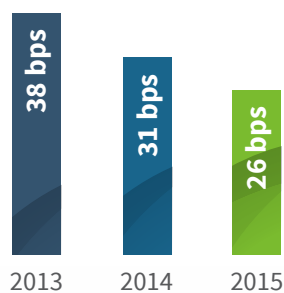
10 Two-Year bps Increase

Payout Ratio



2x+ Two-Year Increase

Lower Total Funding Costs



12 Two-Year bps Improvement

⁽¹⁾ Current year ratio is estimated.

⁽²⁾ Represents fully phased-in pro-forma ratio. Regions' prior year regulatory capital ratios have not been revised to reflect the retrospective application of new accounting guidance related to investments in qualified affordable housing projects.

⁽³⁾ Adjusted for the reclassification of \$834 million of certain leases out of loans into other earning assets at year-end. For further detail see page 19 in the fourth quarter 2015 supplement.

⁽⁴⁾ See table 2 in Form 10-K for GAAP to non-GAAP reconciliations.

improving, there are clearly significant pressures from the global economy.

The fundamentals of our business were positive across the board: We grew loans, checking accounts, deposits, customers, households and credit cards. Growth in these categories enabled us to reach our goal of increasing total revenue. For the year, net income available to common shareholders totaled \$1 billion and diluted earnings per common share from continuing operations were \$0.76.

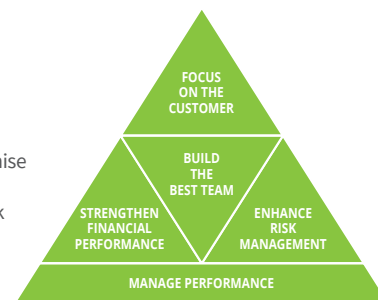
As of year-end, Regions achieved total loan growth of 6 percent⁽³⁾, driven by our needs-based relationship banking approach. Commercial and industrial loans were strong contributors to expanded lending, which comprises 44 percent of our total loan portfolio. Our business model that pairs local bankers with industry specialists contributed to growth throughout our specialized industries group. Within our consumer lending portfolio loan growth was broad-based, with increases recorded in every category. Notable contributors were indirect auto lending, with loan balances totaling \$4 billion at year-end. In 2015 we also realized a healthy 4 percent⁽⁴⁾ growth in adjusted non-interest income, with strong contributions from Wealth Management, card and ATM fees, and capital markets services.

A prudent risk management discipline is one of our foremost responsibilities, and in 2015 our asset quality metrics remained sound. Non-accrual loans as a percentage of overall loans were 0.96 percent at year-end. Additionally, net charge-offs declined 22 percent and represented 0.30 percent of average loans. Overall economic trends across our markets were generally positive in 2015. However, Texas and the Gulf Coast experienced some pressure in a number of commodity-based sectors, particularly the oil and gas industry. Persistently low commodity prices have negatively impacted many of the energy businesses we serve. We are staying close to these customers as they take appropriate actions to lower costs and reduce debt, and will continue to manage through these situations as constructively as possible.

Turning to capital deployment strategy, in addition to funding organic growth and strategic investments, an important priority is returning value to shareholders. In 2015 we returned \$927 million to our owners in the form of quarterly dividends and common share repurchases representing 93 percent of net income available to common shareholders. Going forward we will continue to deploy our capital effectively through organic

Guided by Five Strategic Priorities

Our work to sustainably grow Regions' franchise is guided by a comprehensive strategic plan that encompasses customers, associates, risk management and financial performance.





I am proud that we have some of the best bankers in our industry working every day to provide the advice, guidance and education our customers need to make wise decisions that improve their financial wellbeing.”

growth along with returning an appropriate amount of capital to our shareholders. Additionally, we will use capital to invest strategically in initiatives to increase revenue or reduce on-going expenses.

Increased Efficiency to Drive Growth

In the fourth quarter of 2015 the Federal Reserve implemented its first rate increase in nearly a decade, and while this is a positive for our business, rates remain low by historical standards. We expect the pace of future interest rate increases to be slow and measured. Given that backdrop, we have renewed our focus on an area which is clearly within our control – expense management – and have adopted a plan to eliminate \$300 million in core expenses over the next three years to reinvest in our business. This target translates to approximately 9 percent of our adjusted expense⁽¹⁾ base.

Over the past several years we have taken meaningful steps to reduce expenses, including consolidating more than 20 percent of our branches since the financial crisis. Today we see additional opportunities to operate more efficiently – by leveraging technology to reduce manual processes, rationalizing staffing levels, especially in non-customer-facing areas, implementing additional branch consolidations where appropriate, and reducing third-party and discretionary expenditures.

Our objective goes beyond expense control; it also encompasses growth through innovation. As we operate more efficiently we will reallocate much of those savings to initiatives designed to grow and diversify revenue, with a particular emphasis on areas such as capital markets, treasury management, Wealth Management and insurance services, where we see compelling growth opportunities. We will also continue to explore new innovative initiatives such as point-of-sale lending in collaboration with GreenSky® which offers convenience while meeting consumer needs in

the home improvement space, and online lending solutions for small businesses through Foundation™. Over the long term we seek to realize a compound annual growth rate of earnings per share of 12-15 percent and adjusted return on tangible common equity of 12-14 percent. Our expense control and growth initiatives will play a central role in achieving this objective.

A Strong Cultural Foundation Underpins Our Growth Agenda

We will also continue to build a strong culture, which is fostered by more than 23,000 associates with a passion for serving customers. Our effort to create a more engaged workplace was recognized last year when Regions received Gallup’s Great Workplace Award, one of only 40 companies worldwide to be honored for success in creating an engaged culture. I am proud that we have some of the best bankers in our industry working every day to provide the advice, guidance and education our customers need to make wise decisions that improve their financial wellbeing.

Despite the many changes underway in the financial services industry, we continue to strongly believe that there is a tremendous need in our communities for a bank centered on relationships and people. Because of the expertise and passion of our associates, we are uniquely positioned to be that provider.

I am grateful to each of our associates for their hard work and commitment, and to our Board of Directors, our customers and shareholders for their continued support.

Sincerely,

Grayson Hall
Chairman, President and Chief Executive Officer

⁽¹⁾ See table 2 in Form 10-K for GAAP to non-GAAP reconciliations.



Perspective Regions

Consistent Strategy. Refreshed for Today.

Deepen Customer Relationships

“I always like to be educated and I like to know what the future could bring for me. Regions showed me my finances as they are now, but they also showed me what the possibilities are in the future.”

Ciara Corley, Regions Customer, Centerville, IL



Right Place, Right Time

“Our approach to earning new business is it’s a marathon, not a sprint. It takes a lot of tenacity ... and thinking outside the normal bounds of what a bank offers.”

David Smith, Commercial Banking Executive, Atlanta, GA



Make Culture Matter

“As a leadership team, the first question we asked ourselves was: What would help us grow? The next step is to ask: What would help our associates grow?”

Amanda DeGreen, Loan Operations Manager



Operate Responsibly

“The Board and Management are continually looking for ways to enhance our already strong corporate governance, especially when it comes to relationships with our shareholders.”

Charles McCrary, Lead Independent Director, Regions Board of Directors



Strengthen Communities

“With Regions, it’s a whole lot more than a banking relationship. It’s even more than a philanthropic relationship. There is a connection there that is not only important to Children’s, but also sends a signal that is important to the entire community.”

Mike Warren, Chief Executive Officer, Children’s of Alabama





Deepen Customer Relationships

*Ciara Corley, Regions Customer
Centerville, IL*

Bringing Regions360SM to Life. When you put customer needs at the center of a financial services relationship, good things happen — both for customers and those that serve them.



“I always like to be educated and I like to know what the future could bring for me. Regions showed me my finances as they are now, but they also showed me what the possibilities are in the future.”

Our work to deepen customer relationships in 2015 produced positive results across the categories that are most important to Regions’ continued progress. The needs-based relationship banking approach we call **Regions360SM** was a big contributor to our success. Quite different from a product-centric sales strategy, **Regions360SM** begins each relationship by identifying each customer’s unique needs, then matches those needs to Regions capabilities – which for consumers can encompass loans, savings and checking accounts, credit and debit cards, IRAs, Wealth Management solutions, insurance services and more.

This needs-based approach is resonating with both consumer and commercial customers. Last year we grew both households and checking accounts, recorded a 6 percent ⁽¹⁾ increase in loans, and increased average deposits by \$3 billion, or 4 percent, from the previous year. Those quantitative measures are joined by qualitative metrics that indicate we are fulfilling our commitment to deliver for customers. In 2015 Regions was ranked No. 1 among banks by the American Customer Satisfaction Index and earned designation as the Most Reputable Bank in the U.S. from the Reputation Institute.

Regions customers like **Ciara Corley** know that a great banking experience goes beyond products and rates. Most importantly, it depends on having trusting relationships with bankers who work to understand customer needs and help them reach financial goals.

Ciara, who lives in Centerville, IL near St. Louis, holds a master’s degree in education and plans to one day earn her Ph.D. Today, she works as a program manager in an after-school program. In the future, Ciara hopes to pursue her dream of entrepreneurship and open an educational center in her home town of Centerville.

Ciara knows that reaching her educational and career goals requires saving, smart budgeting and making good financial choices. There are existing college loans to pay down and savings are needed for her Ph.D. “I’m living with my mom now and I’m saving money. Education is a very important factor in my life. As my dad always said, ‘Education is the one thing no one can ever take away from you,’” says Ciara. She regularly visits her local Regions banking center, where she’s benefited from one-on-one financial education and guidance from branch associates. She also uses **My GreenInsights**, Regions’ online, money management tool that provides a comprehensive view of her finances. The interactive tool includes features to categorize income and spending in order to create a personalized budget, set spending targets, track cash flow and identify ways to save more.



⁽¹⁾ Adjusted for the reclassification of \$834 million of certain leases out of loans into other earning assets at year-end. For further detail see page 19 in the fourth quarter 2015 supplement.

Deepen Customer Relationships *(continued)*

The small town of Centreville has faced its own economic challenges and, with Regions to help guide her financial future, Ciara wants to contribute to positive change. When her father passed away she inherited the building that formerly was the site of his contracting business. It is there she hopes to, one day, launch her own business. “My parents stayed in this town because they really want to build this town up, to make it better, and to give back to the community. So my real hope and dream is that I can open up my educational center. I want to reach out and better my community. And I can do that with education.”

Regions reaches its 4.4 million customer households in many ways – through more than 1,600 branches in 16 states, nearly 2,000 ATMs, 1.4 million mobile app users and more than 90 million Contact Center calls a year. Through each of those interactions we work to match our solutions with the unique needs of customers like Ciara, to deepen relationships, and to deliver great service that builds upon our reputation for trust.



Refreshed for Today

*Rachel Link,
Financial Consultant,
Jackson, TN*

Whether the goal is funding a college education, preparing for retirement or ensuring that children and grandchildren get off to a good start in life, more individuals and families are turning to Regions for Wealth Management solutions. In 2015 Regions' Wealth Management income grew by 10 percent over the previous year. Wealth Management professionals like Financial Consultant **Rachel Link** are a big reason why. “I get to do what I love, working with clients, getting to know them, creating a relationship where I can provide the solutions that they need,” says Rachel.

Rachel began her Regions career as a teller, was promoted into branch management and, after extensive training, moved into a financial consultant role. At every stop in her career journey, putting customer needs first has been instrumental in her success. “Whenever I initially meet with a client I ask them a lot of questions, get to know them, find out about what their current financial situation is, what their goals are and where they're headed in life. Whether they are just starting out, starting a new job, starting a family, or whether it's someone that is close to retirement or even in retirement. Then it's about creating the right financial plan that fits their needs. And adjusting it as their goals and needs change.”

Educating customers about investment choices and products and how they align with life goals is an important part of the job, as is leveraging Regions360SM to bring the right solutions and the right bankers to the table to address client needs. But for Rachel, there's nothing more rewarding than assisting a customer when help is most needed. She recalls a memorable example: the daughter of an elderly woman with dementia who was deeply concerned about being able to afford her mother's care. The daughter had power of attorney but had little information about her mother's assets. With Rachel's help and research, several annuities and investment accounts were identified, enough to fund the mother's nursing care, and were consolidated into a single place. Recalls Rachel, “We didn't make any changes to the investments. Our main goal was to make this customer's life better so she could take care of her mother. So that was a huge relief for her and her sister. That's the part of my job that I love, because at the end of the day I know I really helped these people at a difficult time in their lives.”



Right Place,
Right Time

*David Smith,
Executive Vice President and
Commercial Banking Executive
Atlanta, GA*

Regions' franchise spans the South, Midwest and Texas, which serves as an impressive geographic platform for our growth strategies.

Right Time, Right Place *(continued)*

Among our franchise's positive attributes: 41 percent of all new jobs created in the U.S. since 2009 were within our footprint, and the region is a strong performer in automotive and non-durable goods manufacturing and in overseas trade. Many of our metropolitan areas have population growth rates well above the national average. We are committed to providing great customer service and being a strong community partner wherever we operate. But we have also placed special emphasis on select markets with strong, attractive growth profiles, and we are devoting talent and resources to strengthen our presence there.

In Atlanta, GA, Regions executive vice president and commercial banking executive **David Smith** leverages more than 25 years of banking experience on behalf of middle-market clients in, and near, America's ninth-largest metropolitan area. He sees a host of compelling qualities in Atlanta, which Regions has identified as a priority market. Economic growth is underpinned by the world's busiest airport, the port of Savannah which is America's second-busiest U.S. container exporter, and a diverse, entrepreneurial business culture. David sees manufacturing on the upswing, which, he notes, "is a positive for us, since manufacturing companies tend to be asset-intensive and need access to capital."

David and the team in Atlanta meet the needs of clients across an array of sectors, from healthcare, insurance and major restaurant chains to poultry processing and recreation services. He describes the Atlanta team as "a collaborative, high-performing team that executes well year in and year out. We focus on having skilled bankers that bring added value to the table. We are fortunate to have a lot of continuity with the bankers on our team. Our approach to earning new business is it's a marathon, not a sprint. You hardly ever win something quickly, so it takes a lot of tenacity, staying in front of prospects quarterly, bringing ideas to the table, and thinking outside the normal bounds of what a bank offers."



Skyview Ferris Wheel, Atlanta, GA

David is selective when recruiting new bankers and has implemented innovative programs to develop those who join the group. Several have been selected to undergo a management consulting program designed by Vanderbilt University that teaches bankers to think like a CEO, honing skills to develop a keener understanding of the challenges these clients face running their companies.

While he expects Atlanta's overall economic growth to be muted, David sees significant opportunity for Regions associated with Mergers and acquisitions (M&A) activity in the middle-market sector. "There is a lot of money in motion – companies buying other companies – and that is facilitating future growth. With the experienced team we have in place, and our Regions360SM strategy to match solutions with client needs, we're well-positioned for the future."

Some 250 miles Northeast up I-85 in Charlotte, Regions Corporate Banker **Juan Cazorla** has a front-row seat to the dynamic opportunities in that city and across North Carolina. "There is a tremendous pool of human capital here, with a well-educated workforce, excellent colleges and universities, as well as a great quality of life," notes Juan. "What we have seen post-recession is the economy is much more diverse. There have been a significant number of corporate headquarters that have relocated here from the Northeast, and that's been exciting to witness." The market is attracting a growing number of businesses in which intellectual capital is at a premium, including legal and consulting services, biotechnology and healthcare.

Charlotte is also the nation's second-largest banking center outside New York, and that makes the competitive landscape fiercely competitive. For Juan, the key to Regions' success is found in leveraging the advantages of Regions360SM, creating a holistic solution that aligns with unique customer needs. Another differentiator: offering a level of customer responsiveness that is unmatched by competitors. "In Charlotte and the mid-Atlantic we are often not the best known bank, so it's fun to tell the



We bring the same capabilities that a lot of our larger competitors can bring, but we bring it in a manner that's congruent with our culture and it's resonating with customers."

Regions story. We're careful not to try to be all things to all people. We place a particular emphasis on companies in the 2 to 3 billion dollar (revenue) range, and our offerings go beyond traditional business lending to include capital markets and treasury services." M&A activity in the area is increasing and Regions has strengthened its capital markets capabilities, including the 2015 acquisition of BlackArch Partners, a Charlotte-based specialty M&A advisory firm with a strong track record in the middle-market space.

Another Regions advantage is found in the Specialized Industries group, with banking experts in select industries such as technology and defense, healthcare and financial services. From Juan's perspective, "Our associates in those industry verticals can go toe to toe with anyone. That's a big growth engine for us.



Juan Cazorla, Corporate Banker,
Charlotte, NC

We bring the same capabilities that a lot of our larger competitors can bring, but we bring it in a manner congruent with our culture, and it's resonating with customers. In terms of the corporate banking effort we've just begun to scratch the surface of our potential here."



Refreshed for Today

Regions Mobile Deposit

Throughout the markets we serve, providing customers with choices that let them bank how, where and when they want is fundamental to our customer-centric approach. Industry data shows that while customers are depositing fewer checks overall they are increasingly turning to mobile banking to make their deposits. When Regions launched a mobile deposit solution in 2013 we did so with features unique within the industry. Regions was the first bank in the nation to provide customers the option to choose how quickly they can have access to their funds. Three availability options – **Standard** – with availability in two business days, **Available for Processing Tonight** and **Available Immediately**, which guarantees immediate access to deposited funds – are offered, with fees that step up based on the speed of funds access. Our unique offering is resonating with our customers and their financial needs. The percentage of mobile banking users who use Regions Remote Deposit continues to grow at double-digit levels, and for nearly four in 10 transactions, customers choose expedited funds availability.

Make Culture Matter



*Angela Mintun & Gary White,
Loan Operations*

Building the best team – by recruiting, retaining and developing the most capable professionals in the financial services industry – is a core strategic priority at Regions.

We recognize that a strong culture is fundamental to achieving our financial and operational goals, and to creating shared value that benefits all our stakeholders. Today we are finding new ways to make a strong culture even stronger – progress that is evident by the Gallup Organization’s selection of Regions as one of the **Top 40 Places to Work** in 2015.

Strengthening associate engagement is the work of every leader at every level at Regions, and no one is more successful at that responsibility than **Amanda DeGreen**, senior vice president and loan operations manager. Amanda and her five department managers lead a team of nearly 300 associates responsible for closing, processing and servicing of loans – consumer, business banking and commercial – as well as credit card operations and relationship awards. Metrics indicate that associate engagement in the department is exceptionally high. A strong commitment to training and development, and to empowering each associate to fulfill their potential, is a big reason for the team’s success.

Amanda began her Regions career 14 years ago as a data entry clerk in consumer collections and progressed through increasingly responsible positions in bank operations. When she began her current

role she found that the department was operating effectively, but there was more that could be done to elevate engagement. “The first thing I did was to meet with people in every area to talk about what could be better. The common thing I heard over and over again was, ‘I want to do more than I’m doing today but I don’t know how to get there.’ There were a number of people that wanted to stretch and grow and achieve their career goals. It was a good, solid operations department with good quality metrics, but it was clear that a stronger focus on associate development was needed,” Amanda recalls.

Amanda and her department managers mapped out a plan to improve development opportunities at every level. Monthly meetings of managers, and quarterly meetings of managers and supervisors, were initiated to focus on engagement and career development. “As a leadership team, the first question we asked ourselves was: What would help us grow? And once we have a handle on that, the next step is to ask What would help our associates grow?” Development programs for the leadership team began with presentations from internal Regions experts, including the bank’s chief economist and a finance team leader, to gain a more holistic understanding of the entire enterprise and its priorities. Department leaders also



You’re always going to catch our managers doing the right thing. They’re passionate about providing support, guidance and opportunity to the associates they lead.”



Loan Operations

Make Culture Matter *(continued)*

visited area companies and nonprofit organizations to learn how they tackled operations challenges and to gather insights on best practices they could implement in their own department.

Amanda and her leaders next turned their sights on strategies to better develop and engage front-line associates. They placed a major emphasis on enhancing emotional intelligence through training programs that, over the course of nine months, reached every manager, supervisor and associate. The goal? A more collaborative, team-oriented culture.

Regions' enterprise operations division established two new initiatives to create a clear career pathway for associates who seek more responsibility. In the **BOLD** program – Bank Operations Leadership Development, which is administered by two of Amanda's managers – 10 associates from bank operations are selected each year for a comprehensive leadership development program. The second initiative is targeted to loan operations associates who seek advancement. Initiated

in 2015, **ELITE**: Equipping Leaders through Instruction, Teambuilding and Empowerment, includes online and personal training courses in key skills such as written communication. Engagement has also been enhanced through value chain exercises, to provide associates a better understanding of how their work intersects with that of other departments, as well as through an ongoing mentorship program.

Passion is the essential ingredient that elevates performance from good to great, and Amanda credits her managers, who collectively possess decades of bank operations experience, for driving passion in her department. “You're always going to catch them doing the right thing. They create a culture of caring. They have an extreme commitment to quality. They're passionate about their jobs, and they're passionate about providing support, guidance and opportunity to the associates they lead.”



Refreshed for Today

*Edward Lubembe,
Branch Manager,
Bessemer, Alabama*

Some teenage boys dream of becoming professional athletes, airline pilots, doctors or firefighters. As a youngster in Kenya, **Edward Lubembe's** dream was unique: to become a bank teller. The source of his aspiration? A beloved cousin who worked as a teller. “She took great pride in her job and was always smiling when she talked about her coworkers and serving her customers.” Edward was 22 when he and his mother were fortunate enough to immigrate to the U.S., settling in the Birmingham area in 2003. After jobs in the retail and shipping industries, Edward realized his dream when he was hired as a Regions teller at the Eastwood Mall Branch. But, as it turned out, that initial position was only the beginning of a career that continues to grow in responsibility. Today Edward is branch manager of the Bessemer, Alabama, branch, leading a team of 15 associates.

Edward credits his managers and a climate of mutual trust for his career progression. “I thought being a bank teller was adequate for me – it was, after all, my dream job. But my managers saw more, and they uncovered hidden leadership potential I never knew I had.” Ongoing coaching and mentoring prepared Edward for additional responsibilities. “Because of the mutual trust I had with my managers, their feedback enabled me to grow professionally and ultimately earn a promotion to assistant manager and then branch manager.”

Today Edward applies those lessons as the leader of his Bessemer branch team. “Building engagement is more than just keeping associates happy. I have to give them a well-defined role and provide them new assignments and responsibilities to help them grow. We meet every two to three months to review their progress. And, just like the managers who mentored me, I look to uncover their hidden talents that will allow them to advance in their own careers.”

Operate Responsibly



*Charles McCrary
Lead Independent Director,
Regions Board of Directors*

Strong governance principles and processes, a highly experienced and engaged Board of Directors, and a commitment to assuring that the long-term interests of the shareholders are being served – these are the hallmarks of a public company that operates responsibly and creates sustainable franchise value.

Operate Responsibly *(continued)*

At Regions, operating responsibly means compliance with applicable laws and regulations – but also a great deal more. It means conducting our business in accordance with the highest ethical standards as set forth in our Code of Business Conduct and Ethics, adhering to our core values, prudently managing risk, and fostering sound strategic decision-making and accountability.

The Regions Board of Directors performs a key function in guiding and overseeing the actions we take to operate responsibly. Our Lead Independent Director, **Charles McCrary**, plays an important role, fulfilling a range of responsibilities. He also chairs the Nominating and Corporate Governance (NCG) Committee, charged with identifying and evaluating individuals to be recommended for Board service. As such, Mr. McCrary offers a valuable perspective on the composition of the current Board.

“The Board is very talented and experienced and are well-equipped to oversee a large financial institution such as Regions. They represent a diverse set of experience, expertise and attributes. For a board to operate effectively it is critical that those opinions be voiced, and even be challenged by one another. That is done on a regular basis in our Board meetings, but in a way that is very respectful and appropriate,” said Mr. McCrary.



Charles McCrary, Lead Independent Director, Regions Board of Directors

Importantly, one of the Board’s main responsibilities is to ensure that the Company has a sound strategic plan. As such, in late 2015 the Board unanimously approved the 2016-2018 strategic plan and believes that it is a strong blueprint for building sustainable shareholder value. This strategic plan is focused on growing and diversifying revenue, practicing disciplined expense management and effectively deploying capital.

Creating shared value for all Regions stakeholders is central to our approach to running the business, and the Board is closely focused on this objective as well. “The Board and Management are continually looking



The Board and Management are continually looking for ways to enhance our already strong corporate governance, especially when it comes to relationships with our shareholders.”

An important Board responsibility is to exercise oversight over senior management by setting compensation and instituting a “pay-for-performance” culture that fosters long-term value creation. According to Mr. McCrary, who is the retired Chairman and CEO of Alabama Power, “Our compensation objectives and policies support our business goals and strategic plans, including a commitment to a strong risk management culture. The Board also acts as a challenge function for senior management. It is our job to ask the tough questions to make sure that a particular plan or strategy is, in fact, the best course of action for Regions.”

for ways to enhance our already strong corporate governance, especially when it comes to relationships with our shareholders,” said Mr. McCrary.

Describing Board priorities for 2016, Mr. McCrary indicates that one stands above all others. “The priority this year and each and every year is how to increase value for our shareholders. How do you grow the business? That is the ‘what’, and there are many ‘hows’ that are required to get you there. From ensuring that our risk management practices are sound, to strengthening our culture and associate engagement, those are all essential, but they all flow back to our foremost priority, which is to increase shareholder value.”



Strengthen Communities

Patient at Children's of Alabama

It's a simple but powerful equation. When communities grow and prosper, the financial institution closely connected to those communities will grow as well. At Regions, we know that our success is linked with the success of the cities, suburban areas and small towns we reach across our 16 states.

That is why we invest in many different ways to strengthen the communities we serve. Those investments cover a diverse range – from philanthropic support for education and healthcare, to the business capital necessary to provide affordable housing, to volunteer leadership of initiatives that accelerate economic development and create good paying jobs. Trust is the essential prerequisite for our growth agenda, and the work we do to strengthen communities builds upon our reputation for leadership and service.

We know that this connection exists because leaders like **Mike Warren**, Chief Executive Officer of Children’s of Alabama, have told us. The relationship between Regions and Children’s, the nation’s third-largest pediatric medical facility, is multi-faceted. It encompasses an array of financial services and products, philanthropy, service on Children’s Board of Trustees, volunteerism and more. It is a partnership with a remarkable history, notes Mike. “Children’s of Alabama traces its roots back over a hundred years. Regions has been

Regions’ role in the community is drawn from 25 years of local business leadership. “It was over those years that I first came to appreciate how vital the role of Regions was in all things good in this community. If you have a civic or community need, businesses band together to make good things happen. And the leader of that band, consistently, year in and year out, is Regions.”



Mike Warren, Chief Executive Officer of Children's of Alabama



Children's of Alabama CEO, Mike Warren, pictured with Regions Associates. From left to right: Bottom Row: Wendi Boyen, Leroy Abrahams, Joy Parker. Top row: David Germany, Bill Horton, Leslie Doyle



If you have a civic or community need, businesses band together to make good things happen. And the leader of that band, consistently, year in and year out, is Regions.”

our lead financial institution for almost all of that time. So the first thing that comes to mind when I think of Regions and Children’s is the word relationship. That relationship has stood the test of time through good times and not so good times. As a not-for-profit we have fiduciary obligations, and from a financial institution we are looking for competitive pricing, we’re looking for service, and a value added partner. And we have found that in so many different ways with Regions over the years. But really, it’s a much deeper relationship than just a financial partnership.”

Before being named to lead Children’s eight years ago Mike was a senior executive and CEO of another Alabama-based company, and his perspective on

Children’s of Alabama is the state’s only comprehensive pediatric medical center, playing a unique and irreplaceable role for children and their families across the state of Alabama. Each year it serves children from 48 states and all 67 counties within the state of Alabama. And 6 million people depend on Children’s of Alabama to provide pediatric sub-specialty services within the state. It is the state’s only hospital that performs pediatric organ transplants of the heart, kidney or liver and epilepsy surgery, and it is home to all five of Alabama’s pediatric neurosurgeons. Notes Mike, “This is really a jewel for the state of Alabama. The importance of Children’s has been recognized by Regions for a long, long time.”

Strengthen Communities *(continued)*

Bill Horton of Regions Bank serves on Children's Board of Trustees, and was preceded in that role by Regions Chairman and CEO Grayson Hall. The bank's philanthropic support for the medical center's mission goes back decades. Children's is the primary philanthropic beneficiary of the **Regions Tradition** golf tournament, a Senior PGA Champions Tour event. During Regions' tenure as sponsor \$1 million has been raised for Children's by the tournament. Proceeds are directed to the medical center's Impact Fund, which is utilized to finance needs that have significant impact on the care of children but that fall outside the normal budgeting process. Recalls Mike, the head of cardiovascular surgery came to see me and said that he needed

to enhance our heart transplant capabilities by purchasing a Berlin Heart, which is a \$100,000 device that's used as a bridge to keep a child alive until we can find a suitable heart for a transplant. It was not in the budget, but we reached into the Impact Fund to buy a Berlin Heart and an additional one as a spare. A number of children are alive today because of this life-saving device. Another example is we were able to invest about \$100,000 in a software program that allows our neurosurgeons to map the brain of a child having a seizure. Using that technology to identify the place where the seizure is being caused and surgically treat that area. For children that are candidates, about 80 percent are tremendously helped by this surgery, and some even cured. Those are two great examples of why the Impact Fund, and Regions' support for it, are so important."

One of the highlights of the holiday season at Children's is the Sugar Plum Shop, an activity that is sponsored by Regions and staffed by its associates. It was created to bring a little bit of the holidays to kids who have to be in the hospital as well as their siblings and their families. Parents can "shop" for complimentary gifts arranged by age and gender, and associate volunteers spend time with each parent while other associates wrap the gifts. Notes Mike, "It's done in such a thoughtful way, so those parents leave walking a little lighter, feeling a little better about the fact that they have to have a child in the hospital during the holidays. It is a reminder that when you hear Regions talk about the importance of relationships, the proof is not just in words, it is found in the actions that are taken. That's why it is so impressive to see literally hundreds of Regions employees volunteering in any number of ways that benefit Children's during the course of the year. It's a whole lot more than a banking relationship. It's even more than a philanthropic relationship. There is a connection there that is not only important to Children's, but also, it sends a signal that is important to the entire community."

Each year
serving

48

states

67

counties

6

million
people



Children's of Alabama, Main Campus, Birmingham, AL



Children's is the primary philanthropic beneficiary of the Regions Tradition golf tournament, a Senior PGA Champions Tour event. During Regions' tenure as sponsor \$1 million has been raised for Children's by the tournament."

Regions Overview

**\$126
Billion**
in Assets

\$82 Billion
Adjusted Ending Loans⁽¹⁾

\$1 Billion
Net Income Available
to Common Shareholders



Full-service provider of
Consumer & Commercial Banking,
Wealth Management and **Insurance Services**

\$98 Billion Total Deposits
\$0.76⁽²⁾ Diluted EPS
\$927 Million Returned In Capital to shareholders in FY 2015

23,916
Employees

Operating in
16
States

1,627
Locations

6
Awards won for
customer service
in 2015

⁽¹⁾ Adjusted for the reclassification of \$834 million of certain leases out of loans into other earning assets at year-end. For further detail see page 19 in the fourth quarter 2015 supplement.

⁽²⁾ From continuing operations.

Forward-Looking Statements

This 2015 Annual Review, 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 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” mean Regions Financial Corporation, a Delaware corporation and its subsidiaries, when or where appropriate. The words “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “targets,” “projects,” “outlook,” “forecast,” “will,” “may,” “could,” “should,” “can” and similar expressions often signify forward-looking statements. 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, the risks described below:

- Current and future economic and market conditions in the United States generally or in the communities we serve, including the effects of declines in property values, unemployment rates 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, which could have a material adverse effect on our earnings.
- The effects of a possible downgrade in the U.S. government’s sovereign credit rating or outlook, which could result in risks to us and general economic conditions that we are not able to predict.
- Possible changes in market interest rates or capital markets could adversely affect our revenue and expense, the value of assets and obligations, and the availability and cost of capital and liquidity.
- Any impairment of our goodwill or other intangibles, or any adjustment of valuation allowances on our deferred tax assets due to adverse changes in the economic environment, declining operations of the reporting unit, or other factors.
- Possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans.
- Changes in the speed of loan prepayments, loan origination and sale volumes, charge-offs, loan loss provisions or actual loan losses where our allowance for loan losses may not be adequate to cover our eventual losses.
- Possible acceleration of prepayments on mortgage-backed securities due to low interest rates, and the related acceleration of premium amortization on those securities.
- Our ability to effectively compete with other financial services companies, some of whom possess greater financial resources than we do and are subject to different regulatory standards than we are.
- Loss of customer checking and savings account deposits as customers pursue other, higher-yield investments, which could increase our funding costs.
- Our inability to develop and gain acceptance from current and prospective customers for new products and services in a timely manner could have a negative impact on our revenue.
- The effects of any developments, changes or actions relating to any litigation or regulatory proceedings brought against us or any of our subsidiaries.
- Changes in laws and regulations affecting our businesses, such as the Dodd-Frank Act and other legislation and regulations relating to bank products and services, as well as changes in the enforcement and interpretation of such laws and regulations by applicable governmental and self-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 ability to obtain no regulatory objection (as part of the comprehensive capital analysis and review (“CCAR”) process or otherwise) to take certain capital actions, including paying dividends and any plans to increase common stock dividends, repurchase common stock under current or future programs, or redeem preferred stock or other regulatory capital instruments, may impact our ability to return capital to stockholders and market perceptions of us.
- 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 and intensity of such tests and requirements.
- Our ability to comply with applicable capital and liquidity requirements (including, among other things, the Basel III capital standards and the LCR rule), including our ability to generate capital internally or raise capital on favorable terms, and if we fail to meet requirements, our financial condition could be negatively impacted.
- The Basel III framework calls for additional risk-based capital surcharges for globally systemically important banks. Although we are not subject to such surcharges, it is possible that in the future we may become subject to similar surcharges.
- 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.
- 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 business.
- Our ability to execute on our strategic and operational plans, including our ability to fully realize the financial and non-financial benefits relating to our strategic initiatives.
- The success of our marketing efforts in attracting and retaining customers.
- 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.
- 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.
- Fraud or misconduct by our customers, employees or business partners.
- Any inaccurate or incomplete information provided to us by our customers or counterparties.
- The risks and uncertainties related to our acquisition and integration of other companies.
- Inability of our framework to manage risks associated with our business such as credit risk and operational risk, including third-party vendors and other service providers, which could, among other things, result in a breach of operating or security systems as a result of a cyber attack or similar act.

Forward-Looking Statements

- The inability of our internal disclosure controls and procedures to prevent, detect or mitigate any material errors or fraudulent acts.
- The effects of geopolitical instability, including wars, conflicts and terrorist attacks and the potential impact, directly or indirectly on our businesses.
- The effects of man-made and natural disasters, including fires, floods, droughts, tornadoes, hurricanes, and environmental damage, which may negatively affect our operations and/or our loan portfolios and increase our cost of conducting business.
- 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 their ability to service any loans outstanding to them and/or reduce demand for loans in those industries.
- Our inability to keep pace with technological changes could result in losing business to competitors.
- Our ability to identify and address cyber-security risks such as data security breaches, “denial of service” attacks, “hacking” and identity theft, a failure of which could disrupt our business and result in the disclosure of and/or misuse or misappropriation of confidential or proprietary information; increased costs; losses; or adverse effects to our reputation.
- Significant disruption of, or loss of public confidence in, the Internet and services and devices used to access the Internet could affect the ability of our customers to access their accounts and conduct banking transactions.
- Possible downgrades in our credit ratings or outlook could increase the costs of funding from capital markets.
- 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.
- 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.
- Our ability to receive dividends from our subsidiaries could affect our liquidity and ability to pay dividends to stockholders.
- Changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies could materially affect how we report our financial results.
- Other risks identified from time to time in reports that we file with the SEC.
- The effects of any damage to our reputation resulting from developments related to any of the items identified above.

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 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.

Financial Highlights

(In millions, except per share data, branch and ATMs)

	2015	2014	2013
EARNINGS SUMMARY			
Income (loss) from continuing operations available to common shareholders	\$ 1,011	\$ 1,082	\$ 1,072
Net income (loss) available to common shareholders	998	1,095	1,059
Earnings (loss) per common share from continuing operations – diluted	0.76	0.78	0.76
Earnings (loss) per common share – diluted	0.75	0.79	0.75
BALANCE SHEET SUMMARY			
At year-end			
Loans, net of unearned income	\$ 81,162	\$ 77,307	\$ 74,609
Assets	126,050	119,563	117,288
Deposits	98,430	94,200	92,453
Long-term debt	8,349	3,462	4,830
Stockholders' equity	16,844	16,873	15,660
Average balances – continuing operations			
Loans, net of unearned income	\$ 79,634	\$ 76,253	\$ 74,924
Assets	122,265	118,352	117,712
Deposits	96,890	93,481	92,646
Long-term debt	5,046	4,057	5,206
Stockholders' equity	16,922	16,609	15,409
SELECTED RATIOS			
Tangible common stockholders' equity to tangible assets (non-GAAP) ⁽¹⁾	9.13%	9.66%	9.15%
Allowance for loan losses as a percentage of loans, net of unearned income	1.36	1.43	1.80
Allowance for credit losses as a percentage of loans, net of unearned income	1.43	1.51	1.90
Efficiency ratio (non-GAAP) ⁽¹⁾	64.87	64.45	64.46
Basel III common equity Tier 1 ratio - Fully Phased-In Pro-Forma (non-GAAP) ⁽¹⁾⁽²⁾⁽³⁾	10.69	11.00	10.58
Tier 1 Capital ⁽²⁾⁽³⁾⁽⁴⁾	11.65	12.54	11.68
OTHER INFORMATION			
Basic Weighted-average number of common shares outstanding	1,325	1,375	1,395
Diluted Weighted-average number of common shares outstanding	1,334	1,387	1,410
Total Branch Outlets	1,627	1,666	1,705
ATMs	1,962	1,997	2,029

⁽¹⁾ See table 2 in Form 10-K for GAAP to non-GAAP reconciliations.

⁽²⁾ Current year Basel III common equity Tier 1 and Tier 1 capital ratios are estimated.

⁽³⁾ Regions' regulatory capital ratios for years prior to 2015 have not been revised to reflect the retrospective application of new accounting guidance related to investments in qualified affordable housing projects.

⁽⁴⁾ Beginning in 2015, Regions' regulatory capital ratios are calculated pursuant to the phase-in provisions of the Basel III rules. All prior period ratios were calculated pursuant to the Basel I capital rules.

Board of Directors

George W. Bryan

Chief Executive Officer
Old Waverly Properties, LLC

Carolyn H. Byrd

Chairman and Chief Executive Officer
GlobalTech Financial, LLC

David J. Cooper, Sr.

Vice Chairman
Cooper/T. Smith Corporation

Don DeFosset

Former Chairman,
President and Chief Executive Officer
Walter Industries, Inc.

Eric C. Fast

Former Chief Executive Officer
Crane Co.

O. B. Grayson Hall, Jr.

Chairman, President and
Chief Executive Officer
Regions Financial Corporation

John D. Johns

Chairman and
Chief Executive Officer
Protective Life Corporation

Ruth Ann Marshall

Former President
*The Americas, for MasterCard
International, Inc.*

Susan W. Matlock

Former President and
Chief Executive Officer
Innovation Depot

John E. Maupin, Jr.

Former President
Morehouse School of Medicine

Charles D. McCrary

Lead Independent Director, Regions Board
of Directors
Former Chief Executive Officer
Alabama Power Company

Lee J. Styslinger III

Chairman and Chief Executive Officer
Altec, Inc.

Executive Management

O. B. Grayson Hall, Jr.

Chairman, President and
Chief Executive Officer
Executive Council and Operating Committee

David J. Turner, Jr.

Senior Executive Vice President
Chief Financial Officer
Executive Council and Operating Committee

Fournier J. "Boots" Gale, III

Senior Executive Vice President
General Counsel and Corporate Secretary
Executive Council and Operating Committee

C. Matthew Lusco

Senior Executive Vice President
Chief Risk Officer
Executive Council and Operating Committee

John B. Owen

Senior Executive Vice President
Head of Regional Banking Group
Executive Council and Operating Committee

Brett D. Couch

Senior Executive Vice President
Regional President, East Region
Operating Committee

Barb Godin

Senior Executive Vice President
Chief Credit Officer
Operating Committee

C. Keith Herron

Senior Executive Vice President
Head of Strategic Planning and Execution
Operating Committee

William E. Horton

Senior Executive Vice President
Regional President, South Region
Operating Committee

Ellen Jones

Senior Executive Vice President
Head of Strategic Performance
and Alignment
Operating Committee

David R. Keenan

Senior Executive Vice President
Director of Human Resources
Operating Committee

Scott M. Peters

Senior Executive Vice President
Consumer Services Group Head
Operating Committee

William D. Ritter

Senior Executive Vice President
Wealth Management Group Head
Operating Committee

Ronald G. Smith

Senior Executive Vice President
Regional President, Mid-America Region
President
Operating Committee

John M. Turner, Jr.

Senior Executive Vice President
Head of Corporate Banking Group
Executive Council and Operating Committee

Shareholder Information

REGIONS FINANCIAL CORPORATION

1900 Fifth Avenue North
Birmingham, AL 35203
Phone: 1-800-734-4667

STOCK LISTING

Regions common stock is traded on the NYSE under the symbol RF.

CORPORATE WEBSITE

For more information, please visit
www.regions.com

ANNUAL MEETING

The 2016 Annual Meeting of Stockholders of Regions Financial Corporation will be held on Thursday, April 21, 2016, at 9:00 A.M., CDT, in the Upper Lobby Auditorium of Regions Bank, 1901 Sixth Avenue North, Birmingham, AL 35203.

TRANSFER AGENT and REGISTRAR

Computershare
Post Office Box 30170
College Station, TX 77842-3170

Telephone:
1-800-524-2879 for current stockholders

1-800-446-2617 for non-stockholders requesting enrollment materials for dividend reinvestment and stock purchase plan

Hearing Impaired:
1-800-952-9245

Shareholder Website:
<https://www-us.computershare.com/Investor>

Shareholder Online Inquiries:
<https://www-us.computershare.com/investor/contact>

FORM 10-K

Our 2015 Annual Report on Form 10-K ("10-K") also serves as our 2015 Annual Report to Stockholders. Please note that our 2015 Year in Review does not include, and is not intended as a substitute for, the information contained in our 10-K. For complete financial statements, including notes and management's discussion and analysis of financial condition and results of operations, please refer to our 10-K filed with the Securities and Exchange Commission, which can be found at ir.regions.com/financials.cfm.