



Environmental Sustainability Policy Statement, Goals, and Performance



Environmental Sustainability Policy Statement

At Regions, our mission and business strategy are based on the concept of shared value—what we do as a business should benefit our customers, company, and shareholders, as well as the communities where we operate. We recognize the environmental challenges that face our planet and believe that doing our part in addressing them is an extension of shared value and embodies our value of “Do What is Right.”

We are committed to operating our business responsibly and understand that this will help Regions create long-term and sustainable value for our company by reducing costs, increasing revenue, reducing risks, enhancing our reputation, strengthening our communities, and helping us meet the expectations of our shareholders, customers, associates, communities, and future generations.

To support this commitment, we will endeavor to:

- Take steps to understand the environmental risks and opportunities associated with our business practices.
- Undertake initiatives to promote greater environmental responsibility and continuously evaluate opportunities to enhance our processes.
- Seek opportunities to support the development and dissemination of environmentally beneficial technologies.
- Promote awareness and engage with our associates and customers regarding sustainability and our initiatives.

Energy Efficiency and Greenhouse Gas Emissions

Regions recognizes that there are growing concerns about climate change and the impact that it may have on the environment, businesses, and society. These concerns, along with the potential physical impacts of climate change, may lead to new regulations, financial risks, reputational risks, and alternatively could result in opportunities for Regions and our customers. Accordingly, Regions is committed to adopting practices to help mitigate these risks and to identify opportunities.

To support this commitment, we will endeavor to:

- Measure, monitor, and reduce our energy consumption and associated greenhouse gas emissions.
- Evaluate opportunities to provide financial products and services to assist in the transition to a low-carbon economy.
- Assess the risks that climate change poses to our operations, including regulatory, compliance, economic, and physical risks, and if necessary develop strategies and processes to manage such risks.

Resource Conservation

Regions recognizes the environmental impact associated with our use of natural resources and the importance of resource efficiency, conservation, and the proper disposal and management of waste. Therefore, we strive to operate efficiently, reducing our reliance on natural resources, and wherever possible diverting our waste from landfills through recycling and reuse.

To support this commitment, we will endeavor to:

- Evaluate and identify opportunities on an ongoing basis to reduce the use of natural resources in our operations.
- Seek opportunities to expand access to recycling programs and the types of materials accepted for recycling.
- Seek to construct, retrofit, and maintain branches and offices following design standards that minimize waste and improve efficiency.
- Seek to reduce water consumption through the use of water efficient technology.
- Engage associates and raise awareness about resource conservation and recycling to promote responsible behavior.

Governance, Transparency, and Reporting

The successful implementation of these commitments depends on good corporate governance and transparency about our efforts and progress.

To achieve this, we will endeavor to:

- Establish an environmental working group whose purpose is to further Regions' sustainability efforts.
- Regularly report to the Nominating and Corporate Governance Committee of our Board of Directors on our environmental initiatives and progress.
- Engage with external stakeholders, including our institutional shareholders, to solicit feedback about our performance, disclosures, and opportunities for enhancement.
- Externally report ongoing progress on these commitments annually.

Policy Governance

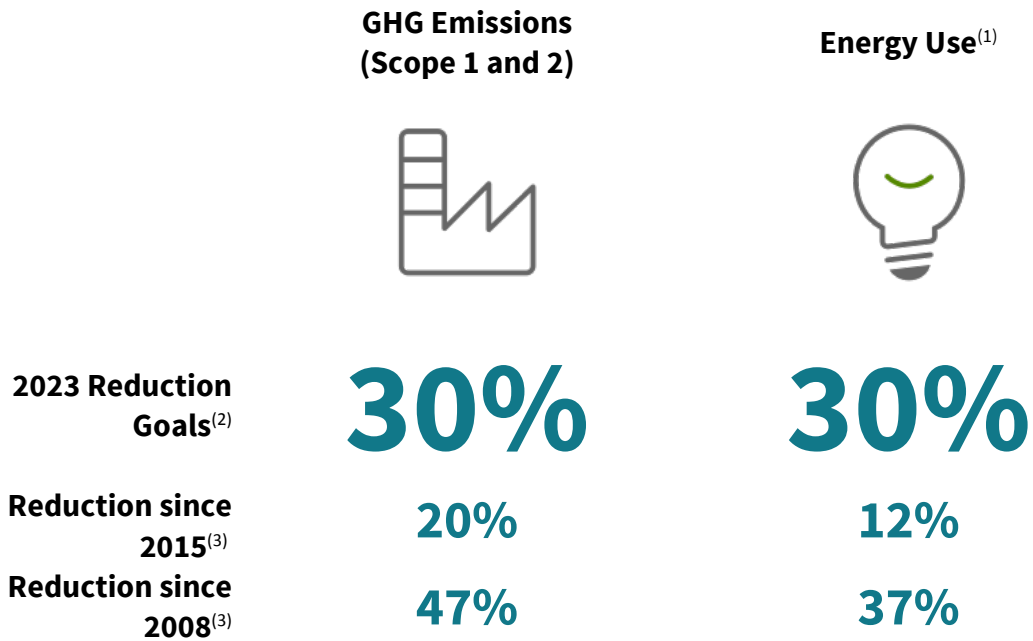
This Environmental Sustainability Policy Statement ("Policy Statement") was approved by the Executive Council on August 3, 2018, is overseen by the Nominating and Corporate Governance Committee of the Board of Directors, and shall be reviewed at least biennially thereafter.

Substantive revisions are approved by the Chief Governance Officer in conjunction with oversight by the Executive Officers and the Nominating and Corporate Governance Committee. This Policy Statement shall be maintained by the Chief Governance Officer, who shall maintain records of any changes to this Policy Statement. Exceptions to this Policy Statement shall be approved by the Chief Governance Officer.

Environmental Sustainability Goals and Performance



Regions is on track to meet its 2023 reduction goals for energy use and greenhouse gas emissions (GHG)



(1) energy use goal applies to electricity and natural gas

(2) compared against a 2015 baseline

(3) percent reductions as of December 31, 2018

How we plan to meet these goals:



- Energy efficient lighting and automation controls
- HVAC and mechanical efficiency upgrades and improvements
- Building intelligence and remote controls
- High-performance building envelope upgrades
- Education and awareness for continuous improvement of control processes
- Real estate portfolio optimization

Environmental Performance

	2008	2015	2016	2017	2018
GENERAL INFORMATION⁽¹⁾					
Associates (full-time equivalent) ⁽²⁾	30,784	23,393	22,166	21,714	19,969
Real Estate (square feet, thousands) ⁽³⁾	13,224	11,943	11,784	11,611	11,102
Annual Revenue (\$MM)	6,916	5,335	5,635	5,735	5,754
INTERNAL PAPER USE AND RECYCLING					
Copy Paper Sheets (thousands)	-	237,783	216,679	192,017	158,316
Copy Paper Sheets (pounds, thousands)	-	9,511	8,667	7,681	6,333
Forest Stewardship Council Certified	-	90%	92%	93%	99.7%
Per Associate	-	10,165	9,775	8,843	7,928
Confidential Waste Recycled (pounds, thousands) ⁽⁴⁾	-	12,828	12,316	11,400	10,096
FACILITIES					
ENERGY STAR-Certified Buildings	0	2	2	2	11
Space Certified (square feet, thousands)	0	605	605	605	647
Portfolio Certified ⁽³⁾	0	5%	5%	5%	6%
EMISSIONS (Metric tons CO₂e) - Scope 1 and 2					
Total Direct Emissions (Scope 1)⁽⁵⁾	8,222	6,224	5,647	5,092	6,164
Natural Gas	5,893	3,918	3,115	2,593	3,860
Other Direct Sources	2,329	2,305	2,532	2,500	2,304
Total Indirect Emissions (Scope 2)	196,264	129,815	115,498	105,978	102,979
Total Emissions (Scope 1 and 2)	204,486	136,039	121,145	111,070	109,143
Per 1,000 Square Feet ⁽³⁾	15.46	11.39	10.28	9.57	9.83
Per Associate	6.64	5.82	5.47	5.12	5.47
Per Revenue	29.57	25.50	21.50	19.37	18.97
BUILDING ENERGY CONSUMPTION (MWh)					
Total Energy Consumption (metered space)⁽⁵⁾	358,397	255,711	245,129	224,724	225,454
Electricity	325,756	234,005	227,875	210,362	204,073
Natural Gas	32,641	21,706	17,254	14,362	21,381
Per 1,000 Square Feet ⁽³⁾	27.10	21.41	20.80	19.35	20.31
Per Associate	11.64	10.93	11.06	10.35	11.29
Per Revenue	51.82	47.93	43.50	39.18	39.18
EMISSIONS (Metric tons CO₂e) - Scope 3					
Total business travel⁽⁶⁾	-	-	-	-	9,095
Air	-	2,908	2,589	2,920	2,898
Car (rental vehicles)	-	-	-	-	2,890
Car (personal vehicles)	-	4,811	4,214	4,032	3,308
Per Associate	-	-	-	-	0.46

(1) The associates, real estate, and annual revenue metrics may not match those reported in Regions' financial statements, as prior years' associate count and annual revenue have not been adjusted in financial statements to reflect divestment of businesses. For the purpose of measuring our environmental footprint, we did not use the adjusted metrics. Real estate square footage is only for areas where Regions is responsible for paying utilities and has operational control over the space. In 2018, this accounted for about 85% of Regions' real estate portfolio.

(2) Regions did not start using full-time equivalent until 2015. The 2008 metric is based on total headcount, which reflects active full-time and part-time associates.

(3) Based on real estate square footage where we are responsible for paying utilities and have operational control over the space.

(4) 2017 is the first year that we included confidential waste that is associated with clean out projects (e.g., stored records that were destroyed due to office closures). The 2017 figure includes an additional 874,000 pounds of waste related to these projects and 2018 includes an additional 711,000 pounds.

(5) Increase in Scope 1 emissions and energy consumption is due to colder temperatures experienced in 2018 that resulted in an increased use of natural gas, which is primarily used for heating.

(6) 2018 is the first year that we calculated emissions associated with business travel. Information prior to 2018 is incomplete as it was not collected by our vendor. For part of the rental vehicle emissions we were only able to collect emissions for 2018 4th quarter. To estimate full-year emissions, we multiplied that quarter's emissions by 4.