To: **Eligible Employees and Participants in the Regions Financial Corporation 401(k) Plan**

From: **Christopher Glaub, Corporate Benefits**

Re: **Automatic Enrollment Notice**

Date: **November 16, 2020**

For the 2021 plan year, Regions Financial Corporation ("Regions") is offering again the automatic enrollment feature under the Regions Financial Corporation 401(k) Plan (the "Plan").

The automatic enrollment feature will change your contribution level if you have elected to contribute 1% of your compensation to the Plan, or elected to not contribute at all. Note that if you previously elected to not be automatically enrolled at a 2% contribution level in 2020, your election will not carry over to 2021. **If you do not want to be automatically enrolled in 2021, you must log on to 401k.regions.com or call the 401(k) Service Center at 1-800-701-8892 before 3:00 p.m., Central Time, December 18, 2020.**

You will be automatically enrolled in the Plan at a 2% contribution level starting with your first paycheck in 2021 unless you opt out.

If you have elected to contribute less than 2% of your compensation to the Plan or have not made an election at all, you will be automatically enrolled in the Plan starting with your first paycheck in 2021. This means that amounts will be taken from your compensation on a pre-tax basis (or Roth after-tax basis if you have elected to contribute 1% of your compensation on a Roth after-tax basis) and contributed to your Plan account. For pay during 2021, these automatic contributions will be 2% of your eligible compensation each pay period. However, you can choose a different amount. You can choose to contribute more than 2% or less than 2% or nothing at all.

Keep in mind that once you have completed one year of service, Regions will match $1 for each $1 you contribute, up to 5% of your eligible compensation. So to get the most from these matching contributions, you must contribute at least 5% of your eligible compensation to the Plan. This is more than the 2% automatic contribution rate.

This notice provides you with important information about certain Plan rules, including the Plan's automatic enrollment feature and employer matching contributions including:

- Whether the Plan's automatic enrollment feature applies to you;
- What amounts will be automatically taken from your eligible compensation and contributed to the Plan;
- What other amounts Regions will contribute to your Plan account;
- How your Plan account will be invested;
- When your Plan account will be vested (that is, not forfeited when you terminate employment);
- When you can get a distribution of your Plan account; and
- How you can change your contributions.

You can learn more about the Plan in the Summary Plan Description ("SPD").

1. Does the Plan's automatic enrollment feature apply to me?

The Plan's automatic enrollment feature will not apply to you if you already elected to contribute at least 2% of your compensation to the Plan. If you made such an election, your contribution level will not automatically change. However, you can always change your contribution level by making a new deferral election.

If you are contributing less than 2% of your compensation to the Plan or you have not made an election, you will be enrolled in the Plan starting with your first paycheck in 2021. This means money automatically will be deducted from your pay and contributed to your Plan account. If you have not made an election, money will be deducted from your pay on a pre-tax basis, and if you have made an election to contribute 1%, the additional 1% will be deducted from your pay in the same manner in which your 1% is being withheld (if you have elected to contribute 1% of your compensation on a pre-tax basis, the additional

1% will be withheld on a pre-tax basis, and if you have elected to contribute 1% of your compensation on a Roth after-tax basis, the additional 1% will be withheld on a Roth after-tax basis).

If you do not want to be enrolled, you must log on to 401k.regions.com or call the 401(k) Service Center at 1-800-701-8892 to elect to not contribute any compensation to the Plan. You must do this before 3:00 p.m., Central Time, December 18, 2020, if you do not want 2% to be withheld from your pay starting in 2021.

2. If I "opted-out" of the automatic enrollment for 2020 (that is, I elected to contribute 1% or nothing at all), do I have to elect to not contribute to the Plan again for 2021?

Yes, even if you elected in 2020 to contribute 1% of your compensation to the Plan or to not contribute anything at all, you must again affirmatively "opt-out" of the Plan's automatic enrollment feature by logging on to 401k.regions.com or calling the 401(k) Service Center at 1-800-701-8892.

3. If I do nothing, how much will be deducted from my pay and contributed to the Plan?

If you currently contribute less than 2% of your eligible compensation to the Plan, and you do not make any election between now and December 18, 2020, then 2% of your eligible compensation for each pay period will be withheld and contributed to the Plan. This will start with your first paycheck in 2021. Eligible compensation means compensation for the year (or the portion of the year during which you are a participant) including, without limitation, base pay, overtime pay, shift differential, commissions, cash bonuses, amounts by which pay is reduced in exchange for increased vacation time, and cash incentives, but excluding special pay such as moving allowances, expense reimbursements, finder's fees, prizes, income from the lapsing of a restriction on a stock award (or the exercise of stock options), amounts paid or accrued under the Plan, and any other deferred compensation.

You are in charge of the amount you contribute. You can change your contributions at any time by logging on to 401k.regions.com or calling the 401(k) Service Center at 1-800-701-8892.

4. In addition to my contributions, what amounts will Regions contribute to my Plan account?

Once you have a year of service, Regions will make other contributions to your Plan account. Regions will match, on a dollar-for-dollar basis, up to 5% of the eligible compensation you contribute to the Plan. These matching contributions will be made regardless of whether you are automatically enrolled or you choose your own contribution level. Employer matching contributions depend on the amount you contribute each pay period. For example:

> If you earn $1,500 in eligible compensation during a pay period and you elect to contribute 6% of your pay, Regions will deduct $90 from your compensation each pay period (6% x $1,500). The $90 will be put in your Plan account. Regions also will make matching contributions to your Plan account of $75 for the pay period. In other words, Regions will make a dollar-for-dollar matching contribution on your contributions up to 5% of eligible compensation (100% of 5% x $1,500, or $75). If instead you elect to contribute 3% of your compensation for the pay period, Regions will deduct $45 from your compensation and put it in your Plan account and will also make $45 in matching contributions for each pay period. If you choose not to contribute to the Plan for a pay period, you will receive no matching contributions for the pay period.

Remember, you can always change the amount you contribute to the Plan at any time by logging on to 401k.regions.com or calling the 401(k) Service Center at 1-800-701-8892.

5. How will my Plan account be invested?

The Plan lets you invest your account in a number of different investment funds. Unless you choose a different strategy, your Plan account will be invested in the T. Rowe Price Target Date Retirement Fund based on the year you will reach age 65. You have the right to move any portion of your account that is invested in the T. Rowe Price Target Date Retirement Fund into other investment options available under the Plan at any time, subject to frequent trading restrictions and, if the funds are to be invested in employer stock, Regions' *General Policy on Insider Trading* (available at life@regions). For more information about the T. Rowe Price Target Date Retirement Fund and the other investment options available under the Plan, including

fees, expenses, investment objectives, and risk and return characteristics, or to request copies of any investment options' prospectuses, log on to 401k.regions.com or call the 401(k) Service Center at 1-800-701-8892.

You can change how your Plan account is invested among the Plan's investment options (subject to frequent trading restrictions and Regions' General Policy on Insider Trading) by logging on to 401k.regions.com or calling the 401(k) Service Center at 1-800-701-8892.

To learn more about the Plan's investment funds and procedures for changing how your Plan account is invested, review the "Investing Your Account" section of the Plan's SPD.

6. When will my Plan account be vested and available to me?

You will always be fully vested in your contributions to the Plan. You also will be fully vested in employer matching contributions. To be fully vested in Plan contributions means that the contributions (together with any investment gains or losses) will belong to you, and you will not forfeit them when you terminate employment.

Even if you are vested in your Plan account, there are limits on when you may withdraw your funds. These limits may be important to you in deciding how much to contribute to the Plan. Generally, you may only withdraw vested money after you terminate employment, reach age 59½, or become disabled. Also, there generally is an extra 10% tax on distributions before age 59½. Your beneficiary can get any vested amount remaining in your account when you die.

You also can borrow certain amounts from your vested Plan account in the form of a loan and may be able to take out certain vested amounts if you have a hardship. Hardship distributions must be for a specified reason – for qualifying medical expenses, costs of purchasing your principal residence (or preventing eviction from or foreclosure on your principal residence, or qualifying expenses to repair damages to your principal residence), qualifying post-secondary education expenses, qualifying burial or funeral expenses, or certain expenses incurred as a result of a federally declared disaster.

You can learn more about the Plan's loan and hardship withdrawal rules in the Plan's SPD. You can also learn more about the extra 10% tax that applies to distributions before reaching age 59½ in IRS Publication 575, Pension and Annuity Income.

7. Can I change the amount of my contributions?

You always can change the amount you contribute to the Plan. If you know now that you do not want to contribute to the Plan, you must log on to 401k.regions.com or call the 401(k) Service Center at 1-800-701-8892 to elect zero contributions before 3:00 p.m., Central Time, December 18, 2020. That way, you avoid any automatic contributions. However, if you do not make an affirmative election to prevent automatic contributions, you may be able to withdraw any automatic contributions for a short time, despite the general limits on Plan withdrawals. During the 90 days after automatic contributions are first withheld from your pay, if eligible, you can withdraw the automatic contributions by making an affirmative deferral election through 401k.regions.com and requesting a refund by calling the 401(k) Service Center at 1-800-701-8892. Any amount you are refunded will be adjusted for any gains or losses. If you withdraw your automatic contributions, you lose any Regions' contributions that matched the automatic contributions. Also, your withdrawal will be subject to federal income tax (but not the extra 10% tax that normally applies to early distributions). If you take out automatic contributions, Regions will treat you as having chosen to make no further contributions. However, you can always choose to continue or restart your contributions by logging on to 401k.regions.com or calling the 401(k) Service Center at 1-800-701-8892.

8. What if I have additional questions?

You should consult the SPD for further details regarding the automatic enrollment feature. If you need a copy of the SPD or have additional questions, visit 401k.regions.com or call the 401(k) Service Center at 1-800-701-8892. You also may contact the HR Connect Team by clicking Message Us on the HR Connect Portal page, by phone at 1-877-562-8383, by mail at Human Resources, 250 Riverchase Parkway East, 5th Floor, Hoover, AL 35244, or by email at HRConnect@regions.com.