

Risk Factors Comparison 2025-02-21 to 2024-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

An investment in the Company involves risks, some of which, including market, credit, technology, strategic, operational, reputational, legal, regulatory and compliance, liquidity, talent management, estimate and assumption and other external risks, could be substantial and is inherent in our business. These risks also include the possibility that the value of the investment could decrease considerably, and dividends or other distributions concerning the investment could be reduced or eliminated. Discussed below are risk factors that could adversely affect our financial results and condition, as well as the value of, and return on investment in the Company. Risk Factor Summary Market Risks • Our businesses have been, and may continue to be, adversely affected by conditions in the financial markets and economic conditions generally. • Fluctuations in market interest rates, including the level and shape of the yield curve, may adversely affect our performance. ~~• Transitions away from and the replacement of benchmark rates could adversely impact our business, financial condition and results of operations.~~ Credit Risks • If we experience greater credit losses in our loan portfolios than anticipated, our earnings may be materially adversely affected. • Any future reductions in our credit ratings may increase our funding costs and place limitations on business activities. • Changes in the soundness of other financial institutions could adversely affect us. • We may suffer losses if the value of collateral declines in stressed market conditions. Liquidity Risks • Ineffective liquidity management could adversely affect our financial results and condition. • Loss of deposits or a change in deposit mix could increase our funding costs. • We rely on the mortgage secondary market to manage various risks. Technology Risks • We are at risk of a variety of systems failures or errors and cybersecurity incidents that could adversely affect customer experience and our business and financial performance. • We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations regarding privacy and cybersecurity, which could increase the cost of doing business, compliance risks and potential liability. • We will continually encounter technological change and must effectively anticipate, develop and implement new technology. Strategic Risks • Industry competition may adversely affect our degree of success. • Our operations are concentrated primarily in the South, Midwest and Texas, and adverse changes in the economic conditions in this region can adversely affect our financial results and condition. • Weakness in the residential real estate markets could adversely affect our performance. • Weakness in the commercial real estate markets could adversely affect our performance. • Risks associated with home equity products where we are in a second lien position could materially adversely affect our performance. • Weakness in commodity businesses could adversely affect our performance. • An outbreak or escalation of hostilities between countries or within a country or region could have a material adverse effect on the U. S. economy and on our businesses. Operational Risks • We are subject to a variety of operational risks, including the risk of fraud or theft by internal or external parties, which may adversely affect our business and results of operations. • We rely on other companies to provide key components of our business infrastructure. • We depend on the accuracy and completeness of information about clients and counterparties. • We are exposed to risk of environmental liability when we take title to property. • We can be negatively affected if we fail to identify and address operational risks associated with the introduction of or changes to products, services and delivery platforms. • Enhanced regulatory and other standards for the oversight of vendors and other service providers can result in higher costs and other potential exposures. • **We are, and may in the future be, subject to claims and litigation calling into question our right to use the intellectual property underlying certain technology in our business.** Reputational Risks • We are subject to **ESG environmental, social and governance** risks that could adversely affect our business, reputation and the trading price of our common stock. • Damage to our reputation could significantly harm our businesses. Legal, Regulatory and Compliance Risks • We are, and may in the future be, subject to litigation, investigations and governmental proceedings that may result in liabilities adversely affecting our financial condition, business or results of operations or in reputational harm. • We are subject to extensive governmental regulation, which could have an adverse impact on our operations **and our business model**. • We are subject to a variety of risks in connection with any sale of loans we may conduct. • We may be subject to more stringent capital and liquidity requirements. • Rulemaking changes and regulatory initiatives implemented by the CFPB may result in higher regulatory and compliance costs that may adversely affect our results of operations. • **We are subject to numerous laws designed to protect consumers, including the CRA and fair lending laws, and a failure to comply with these laws could lead to a wide variety of penalties and other sanctions**. • We may not be able to complete future acquisitions, may not be successful in realizing the benefits of any future acquisitions that are completed or may choose not to pursue acquisition opportunities we might find beneficial. • Increases in FDIC insurance assessments may adversely affect our earnings. • Unfavorable results from ongoing stress analyses may adversely affect our ability to retain customers or compete for new business opportunities. • We are a holding company and depend on our subsidiaries for dividends, distributions and other payments. • We may not pay dividends on shares of our capital stock. • Anti- takeover and banking laws and certain agreements and charter provisions may adversely affect share value. • Our amended and restated bylaws designate (i) the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our shareholders and (ii) the federal district courts of the United States as the sole and exclusive forum for any action asserting a cause of action arising under the Securities Act, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with our company or our company's directors, officers or other employees. • We face substantial legal and operational risks in **our** safeguarding **and other processing of** personal information. • Differences in regulation can affect our ability to compete effectively. Talent Management Risks • Our businesses may be adversely affected if we are unable to hire and retain qualified employees. • Our operations rely on ~~its~~ **our** ability, and the ability of key external parties, to maintain

appropriately- staffed workforces, and on the competence, trustworthiness, health and safety of employees. Estimates and Assumptions Risks • Our reported financial results depend on management’s selection of accounting methods and certain assumptions and estimates. • If the models that we use in our business perform poorly or provide inadequate information, our business or results of operations may be adversely affected. • Changes in our accounting policies or in accounting standards could materially affect how we report our financial results and condition. • ~~The value of our goodwill and other intangible assets may decline in the future.~~ Other External Risks • Our business and financial performance could be adversely affected by a U. S. government debt default or the threat of such a default. • Weather- related events, pandemics and other natural or man- made disasters could cause a disruption in our operations or lead to other consequences that could adversely impact our financial results and condition. These impacts could be intensified by climate change. Heightening focus on climate change may also carry transition risks that could negatively impact our results of operations and financial condition. We provide traditional commercial, retail and mortgage banking services, as well as other financial services including asset management, wealth management, securities brokerage, merger- and- acquisition advisory services and other specialty financing. All of our businesses are materially affected by conditions in the financial markets and economic conditions generally or specifically in the South, Midwest and Texas, the principal markets in which we conduct business. A worsening of business and economic conditions generally or specifically in the principal markets in which we conduct business could have adverse effects on our business, including the following: • A decrease in the demand for, or the availability of, loans and other products and services offered by us, including as a result of changing interest rate conditions; • A decrease in the value of our loans held for sale or other assets secured by consumer or commercial real estate; • An impairment of certain intangible assets, such as goodwill; • A decrease in interest income from variable rate loans, due to declines in interest rates; • ~~An increase in the number of clients and counterparties who become delinquent, file for protection under bankruptcy laws or default on their loans or other obligations to us, which could result in a higher level of nonperforming assets, net charge- offs, provisions for credit losses and valuation adjustments on loans held for sale;~~ • A decrease in the supply of deposits or the need to price interest- bearing deposits higher due to competitive forces **or market rate fluctuations**, which could result in substantial increase in cost to retain and service deposits; and • A change in the pricing or spread environment could adversely impact the yields received on newly originated loans or securities. In the event of severely adverse business and economic conditions generally or specifically in the principal markets in which we conduct business, there can be no assurance that the federal government and the Federal Reserve would intervene or make adjustments to **trade, fiscal or monetary policy, including tariffs,** that would cause business and economic conditions to improve. If business and economic conditions worsen or volatility increases, our business, financial condition and results of operations could be materially adversely affected. Volatility and uncertainty related to inflation and the effects of inflation, which has led to increased costs for businesses and consumers and potentially contribute to poor business and economic conditions **generally, has** and may **continue to** enhance or contribute to some of the risks of our business. For example, higher inflation, or volatility and uncertainty related to inflation, ~~could~~ **has and may continue to** reduce demand for our products, adversely affect the creditworthiness of the Company’s borrowers, ~~or result in~~ lower values for our investment securities and other fixed- rate assets. ~~In response to sustained inflationary pressures,~~ **or otherwise adversely** the Federal Reserve has tightened monetary policy, as described below. ~~To the extent these policies do not mitigate the volatility and uncertainty related to inflation and the effects~~ **affect** of inflation, ~~or our~~ **to the extent** ~~businesses, financial~~ conditions otherwise worsen, we could experience adverse effects on our business, financial condition and results of operations. Our profitability depends to a large extent on our net interest income, which is the difference between the interest income received on interest- earning assets (primarily loans, leases, investment securities and cash balances held at the Federal Reserve Bank) and the interest expense incurred in connection with interest- bearing liabilities (primarily deposits and borrowings). The level of net interest income is mostly a function of the average balance of interest- earning assets, the average balance of interest- bearing liabilities and the spread between the yield on such assets and the cost of such liabilities. These factors are influenced by both the pricing and mix of interest- earning assets and interest- bearing liabilities which, in turn, are impacted by external factors such as the local economy, competition **and demand** for loans and deposits, the monetary policy of the FOMC and interest rates markets. The cost of our deposits and short- term wholesale borrowings is heavily impacted by market- based liquidity conditions and interest rates, factors which are influenced directly and indirectly by a mixture of effects including the FOMC’s monetary policy, **and economic and financial** conditions. Moreover, the market’s expectation of the future course of FOMC policy and economic factors interact to influence the path for market interest rates, **relative interest rate relationships** and the shape of the yield curve. Yields generated by our loans and securities and the costs of deposits and wholesale borrowings are driven by both short- term and longer- term interest rates to different degrees, thus impacting net interest income. If the yields on our interest- bearing liabilities increase at a faster pace than the yields on our interest- earning assets, our net interest income may decline. Our net interest income could be similarly affected if the yields on our interest- earning assets decline at a faster pace than the yields on our interest- bearing liabilities. Finally, interest rate volatility and levels directly impact the value of certain fixed- rate assets and liabilities, which may impact unrealized gains or unrealized losses in our portfolios. The monetary policy tightening cycle observed ~~since from~~ **2022 has through mid- 2024** led to increased volatility in fixed income markets. ~~After The Federal Reserve increased the benchmark federal funds interest rate rates reached from near zero in early 2022 to a peak~~ **range between 5. 25 percent and 5. 50 percent in** ~~with the last increase occurring at its July 26, 2023 meeting into 2024, the FOMC reduced the federal funds rate by 50 basis points in September 2024 and by 25 basis points in both November and December 2024, to a range of 4 .~~ **The 25 percent to 4. 50 percent. While the FOMC has initiated a rate easing cycle, the** ~~range of potential rate paths over the coming year is wide and will ultimately be driven by the path of inflation, labor market performance and economic growth. Estimates for net interest income exposure to interest rate changes have been reduced recently. While a persistently elevated, or increasing, rate environment from current levels would continue to support net interest income, elevated rates also increase the cost of funding and~~ **the potential for higher levels of** competition

for deposits. Additionally, elevated interest rates would increase debt service requirements for some of our borrowers and may adversely affect those borrowers' ability to pay as contractually obligated, ultimately resulting in additional delinquencies or charge-offs. Conversely, should interest rates move lower, net interest income is well supported by a mostly neutral interest rate risk position aided by the Company's interest rate hedging program. In this environment, deposit and funding costs will move lower; however, net interest income may be adversely impacted if those costs cannot move lower as fast as expected. **To the extent that the yield curve steepens, net interest income would benefit, primarily from the additional yield provided to fixed rate asset reinvestment and production, without a commensurate offset from increasing funding costs. Conversely, a flatter yield curve would reduce net interest income, all else equal.** Sustained higher interest rates and continued Federal Reserve asset reductions may adversely affect market stability, market liquidity and the Company's financial performance and condition. We cannot predict the nature or timing of future changes in monetary policies or the precise effects such changes may have on our activities and financial results. For a more detailed discussion of these risks and our management strategies for these risks, see the "Executive Overview," "Net Interest Income, Margin and Interest Rate Risk," "Net Interest Income and Margin," "Market Risk- Interest Rate Risk" and "Securities" sections of Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K. ~~Certain securities within the investment portfolio, certain hedging transactions and certain of the products that we offer, such as floating-rate loans and mortgages, determine their applicable interest rate or payment amount by reference to a benchmark rate, an index, or other financial metric. LIBOR and certain other benchmark rates have been or currently are the subject of recent national, international, and other regulatory guidance and proposals for reform. All LIBOR settings ceased to be published as of June 30, 2023. Regions has adopted new products linked to alternative reference rates, such as adjustable-rate mortgages, consistent with guidance provided by U. S. regulators, ARRC and GSEs. Additionally, Regions transitioned LIBOR-based products to alternative rates that are consistent with industry standard conventions. In the fourth quarter of 2023, Bloomberg Index Services Limited announced the permanent cessation of the BSBY index and all tenors effective November 15, 2024. Regions is in the process of evaluating exposure to BSBY and planning for cessation. For a more detailed discussion of our management strategies related to the LIBOR cessation and transition, see the "LIBOR Transition and Reference Rate Reform" section of Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K.~~ As a lender, we are exposed to the risk that our customers will be unable to repay their loans and leases according to their terms and that any collateral securing the payment of their loans and leases may not be sufficient to assure repayment. **Customers or counterparties may become delinquent, file for protection under bankruptcy laws or default on their loans or leases, which could result in a higher level of nonperforming assets, net charge-offs, and provisions for credit losses.** Credit losses are inherent in the business of making loans and could have a material adverse effect on our operating results. We make various assumptions and judgments about the collectability of our loan portfolio and provide an allowance for credit losses based on a number of factors. Our management periodically determines the allowance for credit losses based on available information, including the quality of the loan portfolio, the value of the underlying collateral and the level of non-accrual loans, taking into account relevant information about past events, current conditions and ~~reasonable and supportable~~ **R & S** forecasts of future economic conditions that affect the collectability of our loan portfolio. If, as a result of general economic conditions, there is a decrease in asset quality or growth in the loan portfolio and management determines that additional increases in the allowance for credit losses are necessary, we may incur additional expenses which will reduce our net income, and our business, results of operations or financial condition may be materially adversely affected. Although our management will establish an allowance for credit losses it believes is appropriate to absorb expected credit losses over the life of loans in our loan portfolio, this allowance may not be adequate. For example, ~~if a hurricane or other natural disaster were to occur in one of our principal markets or if~~ economic conditions in those markets were to **significantly** deteriorate unexpectedly, additional credit losses not incorporated in the existing allowance for credit losses may occur. Losses in excess of the existing allowance for credit losses will reduce our net income and could adversely affect our business, results of operations or financial condition, perhaps materially. In addition, bank regulatory agencies will periodically review our allowance for credit losses and the value attributed to non-accrual loans and to real estate acquired through foreclosure. Such regulatory agencies may require us to adjust our determination of the value for these items. These adjustments could materially adversely affect our business, results of operations or financial condition. The major ratings agencies regularly evaluate us, and their ratings are based on a number of factors, including our financial strength and conditions affecting the financial services industry generally. In general, ratings agencies base their ratings on many quantitative and qualitative factors, including capital adequacy, liquidity, asset quality, business mix and level and quality of earnings, and we may not be able to maintain our current credit ratings. The ratings assigned to Regions and Regions Bank remain subject to change at any time, and it is possible that any ratings agency ~~will~~ **could** take action to downgrade Regions, Regions Bank or both in the future. Additionally, ratings agencies may also make substantial changes to their ratings policies and practices, which may affect our credit ratings. In the future, changes to existing ratings guidelines and new ratings guidelines may, among other things, adversely affect the ratings of our securities or other securities in which we have an economic interest. Our credit ratings can have negative consequences that can impact our ability to access the debt and capital markets, as well as reduce our profitability through increased costs on future debt issuances. If we were to be downgraded below investment grade, we may not be able to reliably access the short-term unsecured funding markets, and certain customers could be prohibited from placing deposits with Regions Bank, which could cause us to hold more cash and liquid investments to meet our ongoing liquidity needs. Such actions could reduce our profitability as these liquid investments earn a lower return than other assets, such as loans. See the "Liquidity" section within "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K for our liquidity policy. Additionally, if we were to be downgraded to below investment grade, certain counterparty contracts may be required to be renegotiated or require posting of additional collateral. Refer to Note 20 "Derivative Financial Instruments and Hedging

Activities” to the consolidated financial statements of this Annual Report on Form 10- K for the fair value of contracts subject to contingent credit features and the collateral postings associated with such contracts. Although the exact amount of additional collateral is unknown, it is reasonable to conclude that we may be required to post additional collateral related to existing contracts with contingent credit features. Adverse developments affecting the overall strength and soundness of other financial institutions, the financial services industry as a whole and the general economic climate and the U. S. Treasury market **could have had and may in the future** have a negative impact on perceptions about the strength and soundness of our business even if we are not subject to the same adverse developments. In addition, adverse developments with respect to third parties with whom we have important relationships could also negatively impact perceptions about us. These perceptions about us could cause our business to be negatively affected and exacerbate the other risks that we face. Regions may be impacted by actual or perceived soundness of other financial institutions, including as a result of the financial or operational failure of a major financial institution, or concerns about the creditworthiness of such a financial institution or its ability to fulfill its obligations, which can cause substantial and cascading disruption within the financial markets and increased expenses, including FDIC insurance premiums, and could affect our ability to attract and retain depositors and to borrow or raise capital. For example, during 2023 the FDIC took control and was appointed receiver of Silicon Valley Bank, Signature Bank and First Republic Bank. The failure of other banks and financial institutions and the measures taken by governments, businesses and other organizations in response to these events, **including increased regulatory scrutiny and heightened supervisory expectations**, could adversely impact Regions’ business, financial condition and results of operations. Regions’ ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty and other relationships. Regions has exposure to many different industries and counterparties and routinely executes transactions with counterparties in the financial industry, including brokers and dealers, central counterparties, commercial banks, investment banks, mutual and hedge funds and other institutional investors and clients. As a result, defaults by, or even rumors or questions about, one or more financial services institutions or the financial services industry generally, in the past have led to market- wide liquidity problems and could lead to losses or defaults by Regions or by other institutions. Many of these transactions expose Regions to credit risk in the event of default of Regions’ counterparty or client. In addition, Regions’ credit risk may be exacerbated when the collateral held by Regions cannot be liquidated or is liquidated at prices not sufficient to recover the full amount of Regions’ exposure. Any such losses could materially and adversely affect Regions’ results of operations and financial condition. During periods of market stress or illiquidity, our credit risk may be further increased when we fail to realize the fair value of the collateral we hold; collateral is liquidated at prices that are not sufficient to recover the full amount owed to us; or counterparties are unable to post collateral, whether for operational or other reasons. Furthermore, disputes with counterparties concerning the valuation of collateral may increase in times of significant market stress, volatility or illiquidity, and we could suffer losses during these periods if we are unable to realize the fair value of collateral or to manage declines in the value of collateral. Effective liquidity management is essential for the operation of our business. We require sufficient liquidity to meet customer loan requests, customer deposit maturities / withdrawals, payments on our debt obligations as they come due and other cash commitments under both normal operating conditions and unpredictable circumstances causing industry or general financial market stress. A substantial majority of our assets are loans, which cannot necessarily be called or sold on timeframes short enough to meet these liquidity requirements. In addition, our access to funding sources in amounts adequate to finance our activities on terms that are acceptable to us could be impaired by factors that affect us specifically or the financial services industry or economy generally. Factors that could detrimentally impact our access to liquidity sources include increases in funding costs, a downturn **or disruption in financial** the geographic markets in which our loans and operations are concentrated, difficult credit markets or unforeseen outflows of cash or collateral **(due, including as a result of unusual effects in the market for example, to deposit outflows or draws upon loan commitments)**. Although we have historically been able to meet the liquidity needs of customers as necessary, the ability to do so is not assured, especially if **a there are** large number of our **simultaneous withdrawals from** depositors **deposits or draws upon loan commitments** seek to withdraw their accounts, regardless of the reason. A failure to maintain adequate liquidity could materially and adversely affect our business, results of operations and financial condition. Deposits are a low cost and stable source of funding. Regions competes with banks and other financial institutions for deposits and as a result, Regions could lose deposits in the future, clients may shift their deposits into higher cost products or Regions may need to raise interest rates to avoid deposit attrition. Funding costs may also increase if deposits lost are replaced with wholesale funding. Higher funding costs reduce Regions’ net interest margin, net interest income and net income. Any of a variety of single or combined factors could contribute to adverse movement in deposits or deposit costs, including but not limited to economic uncertainty, rapid movements in market interest rates or the Federal Reserve’s monetary policy, entrance of competitors, disruptive technology, and / or diminishment of confidence in Regions or banks broadly. In **2023 2024**, we sold **35-52.4% 2 percent** of the mortgage loans we originated to the Agencies. We rely on the Agencies to purchase loans that meet their conforming loan requirements in order to reduce our credit risk and provide funding for additional loans we desire to originate. We cannot provide assurance that the Agencies will not materially limit their purchases of conforming loans due to capital constraints, a change in the criteria for conforming loans or other factors. Additionally, various proposals have been made to reform the U. S. residential mortgage finance market, including the role of the Agencies. The exact effects of any such reforms, if implemented, are not yet known, but they may limit our ability to sell conforming loans to the Agencies. If we are unable to continue to sell conforming loans to the Agencies, our ability to fund, and thus originate, additional mortgage loans may be adversely affected, which would adversely affect our results of operations. We are at risk of a variety of systems failures or errors and cyber- attacks or other similar incidents that could adversely affect customer experience and our business and financial performance. Failure or errors in or breach of our systems or networks, or those of our third- party service providers (or providers to such third- party service providers), including as a result of cybersecurity or other similar incidents, could disrupt

our businesses or impact our customers. Examples of incidents include, among other things, denial of service attacks, ransomware, malware, worms, software bugs, hacking, social engineering, phishing attacks, credential stuffing, account takeovers, insider threats, theft, malfeasance or improper access by employees or service providers, human error, fraud or other similar disruptions. These incidents could result in the loss, unauthorized disclosure, misuse or misappropriation of confidential, personal, proprietary or other information, damage to our reputation, increases to our costs and cause customer and financial losses. As a large financial institution, we depend on our ability to process, record and monitor a large number of customer transactions on a continuous basis and otherwise collect, transmit, store and process a significant amount of personal information in connection therewith. As public, regulatory and customers' expectations have increased regarding operational resilience and cybersecurity, our systems, networks and infrastructure must continue to be safeguarded and monitored for potential failures and disruptions, as well as cybersecurity or other similar incidents. Our systems and facilities may stop operating properly or become disabled or damaged as a result of a number of factors, including events that are wholly or partially beyond our control. For example, there could be electrical or telecommunications outages; pandemics; events arising from local or larger scale political or social matters, including terrorist acts and civil unrest; and, as described below, cyber- attacks or other similar incidents. Although we have business continuity plans and other safeguards in place, our business operations may be adversely affected by significant and widespread disruption to our physical infrastructure or operating systems or networks, or those of our third- party service providers, that support our businesses and customers. Cybersecurity risks for large financial institutions, such as us, have increased significantly in recent years in part because of the proliferation of technology- based products and services and the increased sophistication and activities of organized crime, hackers, terrorists, nation- states, nation state-supported actors, activists and other external parties. This increase is expected to continue and further intensify. The techniques used by cyber criminals change frequently, may not be recognized until launched (or may evade detection for considerable time), can be initiated from a variety of sources, including terrorist organizations and hostile foreign governments, and may see their frequency increased, and effectiveness enhanced, by the use of ~~AI artificial intelligence~~. These criminals may attempt to fraudulently induce employees, customers or other users of our systems and networks to disclose sensitive information (including confidential, personal, proprietary and other information) in order to gain access to data or our systems and networks. Third parties with whom we or our customers do business also present operational and cybersecurity risks to us, including cybersecurity or other similar incidents or failures or disruptions of their own systems and networks. While we have successfully defended similar attacks, we could become the subject of a successful similar style attack through a supply chain compromise. As noted above, our operations rely on the secure collection, transmission, storage and other processing of confidential, personal, proprietary and other information in our operating systems and networks. In addition, to access our products and services, our customers may use personal computers, smartphones, tablets and other mobile devices that are beyond our control environment. Additionally, cybersecurity and other similar incidents or terrorist activities could disrupt our or our customers' or other third parties' business operations. Although these past events have not resulted in a breach of our client data or account information, such attacks have adversely affected the performance of Regions Bank' s website, www. regions. com, and, in some instances, prevented customers from accessing Regions Bank' s secure websites for consumer and commercial applications. In all cases, the attacks primarily resulted in inconvenience; however, future cyber- attacks or other similar incidents could be more disruptive and damaging, and we may not be able to anticipate or prevent all such attacks. The ~~United States U. S.~~ government has raised concerns about ~~a potential increase increases~~ in cyber- attacks and other similar incidents generally as a result of ~~the various political and military conflict conflicts around~~ between Russia and Ukraine and the related ~~sanctions imposed by the United States and other~~ ~~the world~~ countries or the ongoing Israel- Hamas conflict. Although we believe that we have appropriate information security procedures and controls designed to prevent or limit the effects of a cybersecurity or other similar incident, our technologies, systems, networks and our customers' devices may be the target of cybersecurity or other similar incidents that could result in the unauthorized release, accessing, gathering, monitoring, loss, destruction, modification, acquisition, transfer, use or other processing of us or our customers' confidential, personal, proprietary and other information. We also have insurance coverage, that is reviewed annually, that may, subject to policy terms and conditions, cover certain losses associated with cybersecurity and other similar incidents, but our insurer may deny coverage as to any future claim or our insurance coverage may be insufficient to cover all losses from any such attack, breach or incident, including any related damage to our reputation. In addition, given the proliferation of cyber- events in our industry, the cost of cyber insurance is expected to continue to increase and may not be available at all or on acceptable terms. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our layers of defense or to investigate and remediate any information security vulnerabilities. We may also be required to incur significant costs in connection with any regulatory investigation or civil litigation, fines, damages or injunctions resulting from a cybersecurity or other similar incident that impacts us. In addition, our third- party service providers may be unable to identify vulnerabilities in their systems and networks or, once identified, be unable to promptly provide required patches or other remedial measures. Further, even if provided, such patches or remedial measures may not fully address any vulnerability or may be difficult for us to implement. While we perform cybersecurity diligence on our key service providers, because we do not control our service providers and our ability to monitor their cybersecurity is limited, we cannot ensure the cybersecurity measures they take will be sufficient to protect any information we share them. Due to applicable laws and regulations or contractual obligations, we may be held responsible for cybersecurity or other similar incidents attributed to our service providers as they relate to the information we share with them. Disruptions or failures in the physical infrastructure or operating systems or networks that support our businesses and customers, or cybersecurity or other similar incidents of the networks, systems or devices that our customers use to access our products and services, could result in customer attrition, violation of applicable privacy and cybersecurity laws and regulations, notifications obligations, regulatory fines, civil litigation, damages, injunctions, penalties or intervention, reputational damage, reimbursement or other compensation costs, remediation costs,

additional cybersecurity protection costs, increased insurance premiums and / or additional compliance costs, any of which could materially adversely affect our business, results of operations or financial condition. We could also be adversely affected if we lose access to information or services from a third- party service provider as a result of a cybersecurity or similar incident or system, network or operational failure or disruption affecting the third- party service provider. For a more detailed discussion of these risks and specific occurrences, see the “ Information Security Risk ” section of Item 7. “ Management ’ s Discussion and Analysis of Financial Condition and Results of Operations ” of this Annual Report on Form 10- K. We are subject to complex and evolving laws, regulations, rules, standards and contractual obligations relating to the privacy and cybersecurity of the personal information of clients, employees or others, and any failure to comply with these laws, regulations, rules, standards and contractual obligations could expose us to liability and / or reputational damage. As new privacy and cybersecurity- related laws, regulations, rules and standards are implemented, the time and resources needed for us to comply with such laws, regulations, rules and standards as well as our potential liability for non- compliance and reporting obligations in the case of cybersecurity or other similar incidents, may significantly increase. In addition, our businesses are increasingly subject to laws, regulations, rules and standards relating to privacy, cybersecurity, surveillance, encryption and data use in the jurisdictions in which we operate. Compliance with these laws, regulations, rules and standards may require us to change our policies, procedures and technology for information security and segregation of data, which could, among other things, make us more vulnerable to operational failures and to monetary penalties for breach of such laws, regulations, rules and standards. At the federal level, we are subject to the GLBA which requires financial institutions to, among other things, periodically disclose their privacy policies and practices relating to sharing personal information and, in some cases, enables retail customers to opt out of the sharing of certain non- public personal information with unaffiliated third parties. We are also subject to the rules and regulations promulgated under the authority of the Federal Trade Commission, which regulates unfair or deceptive acts or practices, including with respect to privacy and cybersecurity. Moreover, the United States Congress has considered, and is currently considering, various proposals for more comprehensive privacy and cybersecurity legislation, to which we may be subject if passed. Additionally, the federal banking regulators, as well as the SEC and related self- regulatory organizations, regularly issue guidance regarding cybersecurity that is intended to enhance cyber risk management among financial institutions. Privacy and cybersecurity are also areas of increasing state legislative focus and we are, or may in the future become, subject to various state laws and regulations regarding privacy and cybersecurity, such as the CCPA. **For example, while we have taken steps to comply with applicable portions of the CCPA, we cannot ensure that such steps completely eliminate the risk of liability under the CCPA.** Other states where we do business, or may in the future do business, or from which we otherwise collect, or may in the future otherwise collect, personal information of residents have implemented, or are considering implementing, comprehensive privacy and cybersecurity laws and regulations sharing similarities with the CCPA. Similar laws already exist in a number of other states, and such legislation continues to expand across the country. In addition, laws in all 50 U. S. states generally require businesses to provide notice under certain circumstances to individuals whose personal information has been disclosed as a result of a data breach. Certain state laws and regulations may be more stringent, broader in scope or offer greater individual rights, with respect to personal information than federal or other state laws and regulations, and such laws and regulations may differ from each other, which may complicate compliance efforts and increase compliance costs. Aspects of the CCPA and other federal and state laws and regulations relating to privacy and cybersecurity, as well as their enforcement, remain unclear, and we may be required to modify our practices in an effort to comply with them. Further, while we strive to publish and prominently display privacy policies that are accurate, comprehensive and compliant with applicable laws, regulations, rules and industry standards, we cannot ensure that our privacy policies and other statements regarding our practices will be sufficient to protect us from claims, proceedings, liability or adverse publicity relating to privacy or cybersecurity. Although we endeavor to comply with our privacy policies, we may at times **or in the future** fail to do so or be alleged to have failed to do so. The publication of our privacy policies and other documentation that provide promises and assurances about privacy and cybersecurity can subject us to potential federal or state action if they are found to be deceptive, unfair, or misrepresents our actual practices. Additional risks could arise in connection with any **failure, or perceived failure, to timely or sufficiently update or expand our privacy notices and policies to be fully compliant with quickly evolving state privacy requirements, and any failure to sufficiently respond to, or respond in a sufficiently timely manner to, consumer rights and other requests exercised under such state privacy laws, in each case to the extent they are applicable to us.** **Additional risks may also arise in connection with a** failure or perceived failure by us, our service providers or other third parties with which we do business to provide adequate disclosure or transparency to our customers about the personal information collected from them and its use, to receive, document or honor the privacy preferences expressed by our customers, to protect personal information from unauthorized disclosure or to maintain proper training on privacy practices for all employees or third parties who have access to personal information in our possession or control. Any failure or perceived failure by us to comply with our privacy policies, or applicable privacy and cybersecurity laws, regulations, rules, standards or contractual obligations, or any compromise of security that results in unauthorized access to, or unauthorized loss, destruction, use, modification, acquisition, disclosure, release or transfer of personal information, may result in requirements to modify or cease certain operations or practices, the expenditure of substantial costs, time and other resources, proceedings or actions against us, legal liability, governmental investigations, enforcement actions, claims, fines, judgments, awards, penalties, sanctions and costly litigation (including class actions). Any of the foregoing could harm our reputation, distract our management and technical personnel, increase our costs of doing business, adversely affect the demand for our products and services and ultimately result in the imposition of liability, any of which could have a material adverse effect on our business, financial condition and results of operations. For further discussion of the privacy and cybersecurity laws, regulations, rules and standards we are, or may in the future become, subject to, see the “ Supervision and Regulation- Privacy and Cybersecurity ” section of Item 1. “ Business ” of this Annual Report on Form 10- K. The financial services industry is undergoing rapid

technological change with frequent introductions of new technology- driven products and services. We have invested in technology to automate functions previously performed manually, to facilitate the ability of clients to engage in financial transactions and otherwise to enhance the client experience with respect to our products and services. We expect to make additional investments in innovation and technology to address technological disruption in the industry and improve client offerings and service. These changes allow us to better serve the our clients and to reduce costs. Our continued success depends, in part, upon our ability to address clients' needs by using technology to provide products and services that satisfy client demands, including demands for faster and more secure payment services, to create efficiencies in our operations and to integrate those offerings with legacy platforms or to update those legacy platforms. A failure to maintain or enhance our competitive position with respect to technology, whether because of a failure to anticipate client expectations, a failure in the performance of technological developments or an untimely roll out of developments, may cause us to lose market share or incur additional expense. Our profitability depends on our ability to compete successfully. We operate in a highly competitive industry that could become even more competitive as a result of legislative, regulatory, market and technological changes, as well as continued industry consolidation. This consolidation may produce larger, better- capitalized and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices. For example, there have been a number of completed mergers of financial institutions within our market areas, and notwithstanding current regulatory approval delays there may in the future be additional consolidation. These and future mergers will, if completed, allow the merged financial institutions to benefit from cost savings and shared resources. In our market areas, we face competition from other commercial banks, savings and loan associations, credit unions, internet banks, fintechs, finance companies, mutual funds, insurance companies, brokerage and investment banking firms, mortgage companies and other financial intermediaries that offer similar services. Many of our non- bank competitors are not subject to the same extensive regulations we are and, therefore, may have greater flexibility in competing for business. In addition, technology has lowered barriers to entry and made it possible for non- banks to offer products and services, such as loans and payment services, that traditionally were banking products, and made it possible for technology companies to compete with financial institutions in providing electronic, internet- based, and mobile phone – based financial solutions. Competition with non- banks, including technology companies, to provide financial products and services is intensifying. In particular, the activity of fintechs has grown significantly over recent years and is expected to continue to grow. Fintechs have and may continue to offer bank or bank- like products. For example, a number of fintechs have applied for, and in some cases been granted, bank or industrial loan charters. In addition, other fintechs have partnered with existing banks to allow them to offer deposit products to their customers. Regulatory changes, such as the revisions to the FDIC' s rules on brokered deposits intended to reflect recent technological changes and innovations, may also make it easier for fintechs to partner with banks and offer deposit products. In addition to fintechs, traditional technology companies have begun to make efforts toward providing financial services directly to their customers and are expected to continue to explore new ways to do so. Many of these companies, including our competitors, have fewer regulatory constraints, and some have lower cost structures, in part due to lack of physical locations. Regions provides an array of digital products and services to our customers and we expect a bank' s digital offerings to be a key competitive differentiator. The move toward digital banking and financial services, and customer expectations regarding digital offerings, will require us to invest greater resources in technological improvements and may put us at a disadvantage to banks and non- banks with greater resources to spend on technology. Our ability to compete successfully depends on a number of additional factors, including customer convenience, quality of service, personal contacts, the quality of the technology that supports the customer experience and pricing and range of products. If we are unable to successfully compete for new customers and to retain our current customers, our business, financial condition or results of operations may be adversely affected, perhaps materially. In particular, if we experience an outflow of deposits as a result of our customers seeking investments with higher yields or greater financial stability, we may be forced to rely more heavily on borrowings and other sources of funding to operate our business and meet withdrawal demands, thereby adversely affecting our net interest margin and financial performance. In addition, we may not be able to effectively implement new technology- driven products and services or be successful in marketing these products and services to our customers. As a result, our ability to effectively compete to retain or acquire new business may be impaired, and our business, financial condition or results of operations, may be adversely affected. Our operations are concentrated primarily in the South, Midwest and Texas. As a result, local economic conditions in these areas significantly affect the demand for the loans and other products we offer to our customers (including real estate, commercial and construction loans), the ability of borrowers to repay these loans and the value of the collateral securing these loans. Any declines in real estate values in these areas may adversely affect borrowers and the value of the collateral securing many of our loans, which could adversely affect our currently performing loans, leading to future delinquencies or defaults and increases in our provision for credit losses. Adverse changes in the economic conditions in these regions could materially adversely affect our business, results of operations or financial condition. As of December 31, 2023-2024, consumer residential real estate loans represented approximately 26. 3% 5 percent of our total loan portfolio. A general decline in home values would adversely affect the value of collateral securing the residential real estate that we hold, as well as the volume of loan originations and the amount we realize on the sale of real estate loans. **Additionally, if insurance obtained by our borrowers is insufficient to cover any losses sustained to the collateral, the decreases in the value of collateral securing our loans as a result of natural disasters or other related events could adversely impact our financial condition and results of operations. If insurance coverage is unavailable to our borrowers due to the reluctance of insurance companies to renew policies covering the collateral or due to other factors, the resulting increase in cost of home ownership could affect the ability of borrowers to repay loans.** These factors could result in higher delinquencies and greater charge- offs in future periods, which could materially adversely affect our business, financial condition or results of operations. As of December 31, 2023-2024, approximately 9. 0 % percent of our loan portfolio consisted of investor real estate loans. **Commercial real estate**

loans generally carry large balances and may involve a greater degree of financial and credit risk than other loans. The properties securing increased financial and credit risk associated with these types of loans are a result of several factors, including the concentration of principal in a limited number of loans and borrowers, the types of business and collateral, the size of loan balances, the effects of nationwide and regional economic conditions on income-producing properties and businesses and the increased difficulty of evaluating and monitoring these types of loans. Declines in real estate markets or sustained economic downturns increase the risk of credit losses or charge-offs related to our loans or foreclosures on certain real estate properties. The investor real estate loans we make are typically not fully leased at the origination secured by income-producing properties such as office buildings, retail centers, mixed-use buildings and multi-tenanted light industrial properties. At December 31, 2024, office properties constituted 1.6 percent of the our total loan portfolio. The borrower's ability to repay the loan is instead dependent upon additional leasing through the life of the loan or the borrower's successful operation of a business. Continued uncertainty in economic conditions may impair a borrower's business operations and slow the execution of new leases. Such economic conditions may also lead to existing lease turnover. As a result of these factors, vacancy rates for retail, office and industrial space may increase, and hotel occupancy rates may decline. High vacancy and lower occupancy rates could also result in rents falling. The combination of these factors could result in deterioration in the fundamentals underlying the commercial real estate market and the deterioration in value of some of our loans. Any such deterioration could adversely affect the ability of our borrowers to repay the amounts due under their loans. As a result, our business, results of operations or financial condition may also be adversely affected. Specifically, the office property segment, which represents 1.5 percent of our total loan portfolio, is undergoing a structural shift given the rise of a remote work environment resulting in heightened vacancies and potentially reduced leasing needs. It is anticipated that this heightened risk environment for the office segment may take several years to resolve. A reduction in the need for office space could result in a reduction in demand for these categories of commercial office and / or in our customers' ability to repay their loans, which, in turn, may have an adverse effect on our business and results of operation. Furthermore, additional softening in the real estate market in our primary market areas (in particular the South, Midwest, and Texas) could result in an increase in the number of borrowers who default on their loans and a reduction in the value of the collateral securing their loans, which in turn could have an adverse effect on our profitability and asset quality. If we are required to liquidate the collateral securing a loan to satisfy the debt during a period of reduced real estate values, our earnings and shareholders' equity could be adversely affected. Unexpected decreases in investor real estate prices coupled with slow economic growth and elevated levels of unemployment could drive losses beyond those which are provided for in our allowance for loan losses. We also may incur losses on investor real estate loans due to declines in occupancy rates and rental rates, which may decrease property values and may decrease the likelihood that a borrower may find permanent financing alternatives. Any of these events could increase our costs, require management's time and attention, and have an adverse effect on our business and results of operations. Additionally, if insurance obtained by our borrowers is insufficient to cover any losses sustained to the collateral, the decreases in the value of collateral securing our loans as a result of natural disasters or other related events could adversely impact our financial condition and results of operations. If insurance coverage is unavailable to our borrowers due to the reluctance of insurance companies to renew policies covering the collateral or due to other factors, the resulting increase in cost of investor real estate ownership could affect the ability of borrowers to repay loans. The combination of these factors could result in deterioration in the fundamentals underlying the commercial real estate market and the deterioration in value of some of our loans, as well as the ability of our borrowers to repay the amounts due under their loans.

Home equity products, particularly those in a second lien position, may carry a higher risk of non-collection than other loans. Home equity lending includes both home equity loans and lines of credit. At December 31, 2023-2024, the Company's home equity portfolio included approximately \$ 3.2 billion of home equity lines of credit and \$ 2.4 billion of closed-end home equity loans (primarily originated as amortizing loans). Real estate market values at the time of origination directly affect the amount of credit extended, and, in addition, past and future changes in these values impact the depth of potential losses. Second lien position lending carries higher credit risk because any decrease in real estate pricing may result in the value of the collateral being insufficient to cover the second lien after the first lien position has been satisfied. As of December 31, 2023-2024, approximately \$ 2.0-2 billion of our home equity lines and loans were in a second lien position. Many of our borrowers operate in industries that are directly or indirectly impacted by changes in commodity prices. This includes agriculture, livestock, metals, timber, textiles and energy businesses (including oil, gas and petrochemical), as well as businesses indirectly impacted by commodities prices such as businesses that transport commodities or manufacture equipment used in production of commodities. Changes in commodity prices depend on local, regional and global events or conditions that affect supply and demand for the relevant commodity. These industries have been, and may in the future be, subject to significant volatility. For example, oil prices have been volatile, both rising and falling, in recent years. Such volatility is expected to continue in the foreseeable future due to an unpredictable geopolitical and economic environment. As a consequence of oil and gas price volatility, our energy-related portfolio may be subject to additional pressure on credit quality metrics including past due, criticized, and non-performing loans, as well as net charge-offs. In addition, legislative changes such as the elimination of certain tax incentives and the transition to a less carbon dependent economy in response to climate change and other factors could have significant impacts on this portfolio. Aggressive actions by hostile governments or groups, including armed conflict or intensified cyber-attacks, could expand in unpredictable ways by drawing in other countries or escalating into full-scale war with potentially catastrophic consequences, particularly if one or more of the combatants possess nuclear weapons. Depending on the scope of the conflict, the hostilities could result in worldwide economic disruption, heightened volatility in financial markets, severe declines in asset values, disruption of global trade and supply chains and diminished consumer, business and investor confidence. Instability in geopolitical matters could have a material adverse effect on our results of operations and financial condition. The macroeconomic environment in the

United States is susceptible to global events and volatility in financial markets. For example, trade negotiations between the United States and other nations remain uncertain and could adversely impact economic and market conditions for our and our clients and counterparties. ~~The wars~~ **Global political and military conflicts, including the ongoing conflicts** in the Ukraine ~~;~~ ~~Israel~~ and the ~~Gaza Strip~~ **Middle East**, ~~presents~~ **present** destabilizing forces, including higher and more volatile commodity and food prices, which may cause international and domestic economic deterioration. Financial markets may be adversely affected by the current or anticipated impact of military ~~conflict~~ **conflicts**, including the ~~wars~~ **conflicts** in the Ukraine ~~;~~ ~~Israel~~ and the ~~Gaza Strip~~ **Middle East**, terrorism or other geopolitical events **(including China-Taiwan and U. This S.- China relations)**, which could **cause** magnify inflationary pressure resulting from the pandemic and other sources and extend any ~~prolonged period of~~ higher inflation. Any of the above consequences could have significant negative effects on the U. S. economy, and, as a result, our operations and earnings. We could also experience more numerous and aggressive cyber- attacks launched by or under the sponsorship of one or more of the adversaries in such a conflict. We are exposed to many types of operational risks, including business resilience, process, third party, information technology, human resource, model and fraud risks, each of which may be amplified by continued remote work. Our fraud risks include fraud committed by external parties against the Company or its customers and fraud committed internally by our associates. Certain fraud risks, including identity theft and account takeover, may increase as a result of customers' account or ~~personally~~ **personal** identifiable information being obtained through breaches of retailers' or other third parties' networks. Examples of external fraud we face include fraudulent checks, stolen checks and other check- related fraud. We have established processes and procedures intended to identify, measure, monitor, mitigate, report and analyze these risks; however, there are inherent limitations to our risk management strategies as there may exist, or develop in the future, risks that we have not appropriately anticipated, monitored or identified. If our risk management framework proves ineffective, we could suffer unexpected losses, we may have to expend resources detecting and correcting the failure in our systems and we may be subject to potential claims from third parties and government agencies. We may also suffer severe reputational damage. Any of these consequences could adversely affect our business, financial condition or results of operations. In particular, the unauthorized disclosure, misappropriation, mishandling or misuse of personal, non- public, confidential or proprietary information of customers could result in significant regulatory consequences, reputational damage and financial loss. Third parties provide key components of our business operations such as data processing, recording and monitoring transactions, online banking interfaces and services, Internet connections and network access. While we have selected these third- party vendors carefully, performing upfront due diligence and ongoing monitoring activities, we do not control their actions. Any issues that arise with respect to these third parties, including those resulting from disruptions in services provided by a vendor (including as a result of a cyber- attack, other information security event or a natural disaster), financial or operational difficulties for the vendor, issues at third- party vendors to the vendors, failure of a vendor to handle current or higher volumes, failure of a vendor to provide services for any reason, poor performance of services, failure to comply with applicable laws and regulations or fraud or misconduct on the part of employees of any of our vendors, could trigger regulatory notification obligations on us, adversely affect our ability to deliver products and services to our customers, our reputation and our ability to conduct our business. In certain situations, replacing these third- party vendors could also create significant delay and expense. Accordingly, use of such third parties creates an unavoidable, inherent risk to our business operations. Many of our vendors have also been impacted by remote work, market volatility and other factors that increase their risks of business disruption or that may otherwise affect their ability to perform under the terms of any agreements with us or provide essential services. In deciding whether to extend credit or enter into other transactions with clients and counterparties, we may rely on information furnished by or on behalf of clients and counterparties, including financial statements and other financial information. We also may rely on representations of clients and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors if made available. If this information is inaccurate, we may be subject to regulatory action, reputational harm or other adverse effects with respect to the operation of our business, our financial condition and our results of operations. In the course of our business, we may foreclose on and take title to real estate. As a result, we could be subject to environmental liabilities with respect to these properties. We may be held liable to a governmental entity or to third parties for property damage, personal injury, investigation and clean- up costs incurred by these parties in connection with environmental contamination or may be required to investigate or clean up hazardous or toxic substances or chemical releases at a property. The costs associated with investigation or remediation activities could be substantial. In addition, if we are the owner or former owner of a contaminated site, we may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. If we become subject to significant environmental liabilities, our business, financial condition or results of operations could be adversely affected. When we launch a new product or service, introduce a new platform for the delivery or distribution of products or services (including mobile connectivity, electronic trading and cloud computing), acquire or invest in a business or make changes to an existing product, service or delivery platform, we may not fully appreciate or identify new operational risks that may arise from those changes, or may fail to implement adequate controls to mitigate the risks associated with those changes. Any significant failure in this regard could diminish our ability to operate one or more of our business or result in potential liability to clients, counterparties and customers, and result in increased operating expenses. We could also experience higher litigation costs, including regulatory fines, penalties and other sanctions, reputational damage, impairment of our liquidity, regulatory intervention or weaker competitive standing. Any of the foregoing consequences could materially and adversely affect our businesses and results of operations. We must comply with enhanced regulatory and other standards associated with doing business with vendors and other service providers, including standards relating to the outsourcing of functions as well as the performance of significant banking and other functions by subsidiaries. We incur significant costs and expenses in connection with our initiatives to address the risks associated with oversight of our external service providers. Our failure to appropriately assess and manage these relationships, especially those involving significant

banking functions, shared services or other critical activities, could materially adversely affect us. Specifically, any such failure could result in: potential harm to clients and customers, and any liability associated with that harm; regulatory fines, penalties or other sanctions; lower revenues, and the opportunity cost from lost revenues; increased operational costs, or harm to our reputation. **Our business is dependent on proprietary technology and other intellectual property that we or our vendors own or license from third parties. If another person or entity were deemed to own intellectual property rights infringed by our activities, we could be responsible for damages and fees to continue to engage in these types of activities and / or could be prevented from using technology important to our business for a period of time or permanently. In such a circumstance, there may be no alternative technology for us to use or an appropriate alternative technology could be expensive to obtain. Protections offered by those from whom we license technology against these risks may be inadequate to cover fully any losses. Over time, there have been instances where technology used by us and other financial institutions has been alleged to have infringed patents held by others. For example, the United Services Automobile Association (USAA) has in the past pursued, and continues to pursue, patent infringement claims against financial institutions, including Regions. On January 28, 2025, USAA filed a lawsuit against Regions in the United States District Court, Eastern District of Texas, alleging that our mobile remote deposit capture process infringes certain patents held by USAA. In some cases, financial institutions have suffered losses in connection with similar allegations. We could incur significant expenses defending these claims and any future claims, even those without merit. The outcome of any legal proceedings that remain unresolved cannot be determined, and adverse rulings in these matters could impact our financial condition.** We are subject to a variety of risks, including reputational risk, associated with environmental, social and governance, or ESG, issues - **including differing perspectives on the meaning of the term “ ESG. ” Regions’ approach to such issues is about operating responsibly and creating shared value to benefit our customers, shareholders vendors and suppliers, communities we may face negative publicity based on the identity, practices and workforce perceptions of certain entities with whom we choose to do business. The These public holds diverse and our potentially conflicting views of those entities, and their other activities stakeholders, including the perceived environmental, social or economic impacts of those entities or of financial institutions’ relationships with those entities. Because we have multiple stakeholders, among them shareholders, customers, employees, federal and state regulatory regulators authorities, policy makers, and agencies political entities, often those stakeholders have differing, and sometimes conflicting, priorities and expectations regarding ESG issues that nevertheless must be considered simultaneously.** For example, certain federal and state laws and regulations, and directives related to ESG these issues may include provisions that **are in conflict, real or perceived, with laws, regulations, and directives in other jurisdictions laws and regulations, which may result in compliance challenges and uncertainty and increase increased our costs to or our limit our ability to conduct business in certain jurisdictions. These Simultaneous, disparate and divergent sentiments on ESG-related matters from multiple stakeholder groups must be considered. For example, there is an increasing number of state-level anti-ESG initiatives in the U. S. that may conflict with other regulatory requirements or our various stakeholders’ expectations. Such divergent, sometimes conflicting views also on ESG-related matters increase the risk that any action or lack thereof by us on such matters will be perceived negatively by some stakeholders. Failing to comply with expectations and standards from investors, customers, regulators, policymakers and other stakeholders regarding ESG-related issues, or taking action in conflict with one or another multiple of those stakeholders’ expectations, could also lead to loss of business, impacts on our talent management strategy,** adverse publicity, an adverse impact on our reputation, customer complaints or public protests. Negative publicity may be driven by adverse news coverage in traditional media and may also be spread more broadly through the use of social media platforms. If our relationships with our customers, vendors and suppliers were to become the subject of such negative publicity, our ability to attract and retain customers and employees, compete effectively and grow our business may be negatively impacted. Additionally, a growing number of investors (in particular institutional investors who hold and manage substantial equity positions, in some cases in nearly all major U. S. listed companies) **consider are integrating ESG-related factors into in** their analysis of the expected risk and return of potential investments. The specific ESG factors considered, as well as the approach to incorporating the factors into a broader investment process, vary by investor and can shift over time. Our failure to align with, or remain aligned with, **these investors’ ESG-related** priorities may negatively impact the trading price of our common stock. Our ability to attract and retain customers and highly- skilled management and employees is impacted by our reputation. A negative public opinion of us and our business can result from any number of activities, including our lending practices, corporate governance and regulatory compliance, acquisitions and actions taken by community organizations in response to these activities. Furthermore, negative publicity regarding us as an employer could have an adverse impact on our reputation, especially with respect to matters of diversity, pay equity and workplace harassment. Significant harm to our reputation, or the reputation of any company, could also arise as a result of regulatory or governmental actions, litigation and the activities of our customers, other participants in the financial services industry or our contractual counterparties, such as our service providers and vendors. In addition, a cybersecurity event affecting us or our customers’ data could have a negative impact on our reputation and customer confidence in us and our cybersecurity practices. Damage to our reputation could also adversely affect our credit ratings and access to the capital markets. Additionally, the widespread use of social media platforms by virtually every segment of society facilitates the rapid dissemination of information or misinformation, which magnifies the potential harm to our reputation. We and our subsidiaries are, and may in the future be, named as defendants in various class actions and other litigation, and may be the subject of subpoenas, reviews, requests for information, investigations, and formal and informal proceedings by government and self- regulatory agencies regarding our and their businesses and activities (including subpoenas, requests for information and investigations related to the activities of our customers). Any such matters may result in material adverse consequences to our results of operations, financial condition or ability to conduct our business, including adverse judgments, settlements, fines, penalties (including civil money penalties under applicable banking laws),

injunctions, restitution, orders, restrictions on our business activities, **restrictions on mergers and acquisitions, limits to the fees we are able to charge**, or other relief. Our involvement in any such matters, even if the matters are ultimately determined in our favor, could also cause significant harm to our reputation and divert management's attention from the operation of our business. Further, any settlement, consent order or adverse judgment in connection with any formal or informal proceeding or investigation by government or self-regulatory agencies may result in additional litigation, investigations or proceedings as other litigants and government or self-regulatory agencies (including the inquiries mentioned above) begin independent reviews of the same businesses or activities. In general, the amounts paid by financial institutions in settlement of proceedings or investigations, including those relating to anti-money laundering matters or sales practices, have increased substantially and are likely to remain elevated. Regulators and other governmental authorities may also be more likely to pursue enforcement actions, or seek admissions of wrongdoing, in connection with the resolution of an inquiry or investigation to the extent a firm has previously been subject to other governmental investigations or enforcement actions. In some cases, governmental authorities have required criminal pleas or other extraordinary terms as part of such settlements, which could have significant collateral consequences for a financial institution, including loss of customers, restrictions on the ability to access the capital markets and the inability to operate certain businesses or offer certain products for a period of time. In addition, enforcement matters could impact our supervisory and CRA ratings, which may in turn restrict or limit our activities. Additional information relating to our litigation, investigations and other proceedings is discussed in Note 23 "Commitments, Contingencies and Guarantees" to the consolidated financial statements of this Annual Report on Form 10-K. We are subject to extensive state and federal regulation, supervision and examination governing almost all aspects of our operations, which limits the businesses in which we may permissibly engage. The laws and regulations governing our business are intended primarily for the protection of our depositors, our customers, the **FDIC's DIF and the banking** financial system ~~and the FDIC insurance fund~~, not our shareholders or other creditors. These laws and regulations govern a variety of matters, including certain debt obligations, changes in control, maintenance of adequate capital, consumer protection and general business operations and financial condition (including permissible types, amounts and terms of loans and investments, the amount of reserves against deposits, restrictions on dividends and repurchases of our capital securities, establishment of branch offices and the maximum interest rate that may be charged by law). Further, we must obtain approval from our regulators before engaging in many activities, and our regulators have the ability to compel us to, or restrict us from, taking certain actions entirely. There can be no assurance that any regulatory approvals we may require or otherwise seek will be obtained in a timely manner or at all. Regulations affecting banks and other financial institutions **face** ~~are undergoing~~ continuous review ~~and~~, frequently change, and the ultimate effect of such changes cannot be predicted. Regulations ~~and~~ laws **and guidance** may be modified or repealed at any time, and new legislation may be enacted that will affect us, including those resulting from any changes to control of branches of the U. S government ~~or~~, **as well as changes in leadership of most federal** administrative agencies ~~resulting from upcoming elections~~. **We expect the new administration will seek to implement a regulatory reform agenda that is different than that of the preceding administration, impacting the rulemaking, supervision, examination and enforcement priorities of the federal banking agencies**. Any changes in any federal and state law, as well as regulations and governmental policies, income tax laws and accounting principles, could affect us in substantial and unpredictable ways, including ways that may adversely affect our business, financial condition or results of operations. Failure to appropriately comply with any such laws, regulations or principles could result in sanctions by regulatory agencies, civil money penalties or damage to our reputation, all of which could adversely affect our business, financial condition or results of operations. Our regulatory capital position is discussed in greater detail in Note 12 "Regulatory Capital Requirements and Restrictions" to the consolidated financial statements of this Annual Report on Form 10-K. In connection with our sale of one or more loan portfolios, we may make certain representations and warranties to the purchaser concerning the loans sold and the procedures under which those loans have been originated and serviced. If any of these representations and warranties are incorrect, we may be required to indemnify the purchaser for any related losses, or we may be required to repurchase part or all of the affected loans. We may also be required to repurchase loans as a result of borrower fraud or in the event of early payment default by the borrower on a loan we have sold. If we are required to make any indemnity payments or repurchases and do not have a remedy available to us against a solvent counterparty, we may not be able to recover our losses resulting from these indemnity payments and repurchases. Consequently, our results of operations may be adversely affected. In addition, we must report as held for sale any loans that we have undertaken to sell, whether or not a purchase agreement for the loans has been executed. We may, therefore, be unable to ultimately complete a sale for part or all of the loans we classify as held for sale. Management must exercise its judgment in determining when loans must be reclassified from held for investment status to held for sale status under applicable accounting guidelines. Any failure to accurately report loans as held for sale could result in regulatory investigations and monetary penalties. Any of these actions could adversely affect our financial condition and results of operations. Reclassifying loans from held for investment to held for sale also requires that the affected loans be marked to the lower of cost or fair value. As a result, any loans classified as held for sale may be adversely affected by changes in interest rates and by changes in the borrower's creditworthiness. We may be required to reduce the value of any loans we mark held for sale, which could adversely affect our results of operations. Regions and Regions Bank are each subject to capital adequacy and liquidity guidelines and other regulatory requirements specifying minimum amounts and types of capital that must be maintained. From time to time, the regulators implement changes to these regulatory capital adequacy and liquidity guidelines. If we fail to meet these minimum capital adequacy and liquidity guidelines and other regulatory requirements, we or our subsidiaries may be restricted in the types of activities we may conduct and may be prohibited from taking certain capital actions, such as paying dividends and repurchasing or redeeming capital securities. Regions and Regions Bank are each required to comply with applicable capital adequacy standards established by the Federal Reserve, which are based on the Basel III framework. Proposed changes to applicable capital ~~and~~ liquidity **and similar** requirements, such as the Basel III **endgame** proposal and the long-term debt proposal, could result in increased expenses or

cost of funding, which could negatively affect our financial results or our ability to pay dividends and engage in share repurchases. For more information concerning our legal and regulatory obligations with respect to Basel III **Rules** and long-term debt requirements, please see the “ Supervision and Regulation- Regulatory Capital Requirements ” discussion within Item 1. “ Business, ” and for more information concerning our compliance with capital ~~and liquidity~~ requirements, see Note 12 “ **Regulatory Capital Requirements and Restrictions** ” to the consolidated financial statements of this Annual Report on Form 10- K. **The** Since its formation, the CFPB has finalized a number of significant rules and introduced new regulatory initiatives, including, without limitation, by way of its enforcement authority and through public statements, that could have a significant impact on our business and the financial services industry more generally. We may also be required to add additional compliance personnel or incur other significant compliance- related expenses. Our business, results of operations or competitive position may be adversely affected as a result. **The former** In addition, the current U. S. presidential administration has called on all regulatory agencies to reduce or eliminate certain fees relating to a number of services, including banking services ~~. At the~~ **and during this** same time, the CFPB launched an initiative to reduce the amounts and types of fees financial institutions may charge, including the issuance of **final a proposed rule rules** that would significantly reduce the permissible amount of credit card late fees **and that would impose certain requirements on overdraft fees unless the IDI limits the overdraft fee**. Such **While the new administration may impact the government' s position on fees, the** changes **proposed by the former administration** could affect the Company’ s ability or willingness to provide certain products or services, necessitate changes to the Company’ s business practices or have an adverse effect on our **results of operations. The CRA, the Equal Credit Opportunity Act, the Fair Housing Act, and other fair lending laws and regulations (collectively, fair lending laws) impose community investment and nondiscriminatory lending requirements on financial institutions. The CFPB, the DOJ and other federal and state agencies are responsible for enforcing these federal laws and regulations and comparable state provisions. Various federal banking agencies have recently completed significant changes to their respective CRA regulations. Federal, state or local consumer lending laws may restrict our ability to originate certain mortgage loans or increase our risk of liability with respect to such loans. A successful regulatory challenge to an institution' s performance under the fair lending laws could result in a wide variety of sanctions, including damages and civil money penalties, injunctive relief, restrictions on mergers and acquisitions, restrictions on expansion, and restrictions on entering new business lines. Private parties may also have the ability to challenge an institution' s performance under fair lending laws in private class action litigation. Such actions could have a material adverse effect on our business, financial condition, and** results of operations. We may, from time to time, evaluate and engage in the acquisition or divestiture of businesses (including their assets or liabilities, such as loans or deposits). We must generally satisfy a number of meaningful conditions prior to completing any such transaction, including in certain cases, federal and state bank regulatory approvals. The process for obtaining required regulatory approvals, particularly for large financial institutions, like Regions, can be difficult, time- consuming and unpredictable. We may fail to pursue, evaluate or complete strategic and competitively significant business opportunities as a result of our inability, or our perceived inability, to obtain required regulatory approvals in a timely manner or at all. Assuming we are able to successfully complete one or more transactions, we may not be able to successfully integrate and realize the expected synergies from any completed transaction in a timely manner or at all. In particular, we may be held responsible by federal and state regulators for regulatory and compliance failures at an acquired business prior to the date of the acquisition, and these failures by the acquired company may have negative consequences for us, including the imposition of formal or informal enforcement actions. Completion and integration of any transaction may also divert management attention from other matters, result in additional costs and expenses or adversely affect our relationships with our customers and employees, any of which may adversely affect our business or results of operations. Future acquisitions may also result in dilution of our current shareholders’ ownership interests or may require we incur additional indebtedness or use a substantial amount of our available cash and other liquid assets. As a result, our financial condition may be affected, and we may become more susceptible to economic conditions and competitive pressures. Our deposits are insured by the FDIC up to legal limits and, accordingly, we are subject to FDIC deposit insurance assessments. We generally cannot control the amount of assessments we will be required to pay for FDIC insurance. In 2022, the FDIC adopted a final rule to increase initial base deposit insurance assessment rate schedules by 2 basis points, which began with the first quarterly assessment period of 2023. The final rule requires the revised rates to remain in effect until the DIF reserve ratio meets or exceeds 1. 35 percent. **To** **In November 2023, the FDIC issued a final rule to implement a special assessment to** recoup losses to the DIF **associated with** resulting from the bank failures **in the first half** of 2023 ~~. Under the FDIC also adopted a rule, the assessment base for the~~ special assessment **is based on an IDI' s estimated uninsured deposits reported as of December 31, 2022, adjusted to exclude the first \$ 5 billion of uninsured deposits. The total amount of the special assessment is to be paid over an initial eight- quarter collection period that will become effective in** began with the invoice for the first quarter of 2024 **(received in June 2024) and includes and** ~~an~~ will be collected over **additional two quarters beyond the initial eight** ~~quarterly~~ **quarter collection period, at a lower rate. The** assessment **periods is subject to change depending on any adjustments to the loss estimate, mergers or failures, or amendments to reported estimated of uninsured deposits**. The FDIC may require us to pay higher FDIC assessments than we currently do or may charge additional special assessments or future prepayments if, for example, there are financial institution failures in the future. Any increase in deposit assessments or special assessments may adversely affect our business, financial condition or results of operations. See the “ Supervision and Regulation- Deposit Insurance ” discussion within Item 1. “ Business ” and the “ Non- Interest Expense ” discussion within Item 7. “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” of this Annual Report on Form 10- K for additional information related to the FDIC’ s deposit insurance assessments applicable to Regions Bank. The Federal Reserve conducts supervisory stress testing of us to evaluate our ability to absorb losses in baseline and severely adverse economic and stressed financial scenarios generated by the Federal Reserve. The Federal Reserve also has

implemented the SCB framework which created a firm specific risk sensitive buffer that is informed by the results of supervisory stress testing, and is applied to regulatory minimum capital levels to help determine effective minimum ratio requirements. Firm specific SCB requirements, as well as a summary of the results of certain aspects of the Federal Reserve's supervisory stress testing and firm specific results are released publicly. Although the theoretical stress tests are not meant to assess our current condition or outlook, our customers may misinterpret and negatively react to the results of these stress tests despite the strength of our financial condition. Any potential misinterpretations and adverse reactions could limit our ability to attract and retain customers or to effectively compete for new business opportunities. The inability to attract and retain customers or effectively compete for new business may have a material and adverse effect on our business, financial condition or results of operations. Our regulators may also require us to raise additional capital or take other actions, or may impose restrictions on capital distributions, based on the results of the supervisory stress tests, such as requiring revisions or resubmission of our annual capital plan, which could adversely affect our ability to pay dividends and repurchase capital securities. In addition, we may not be able to raise additional capital if required to do so, or may not be able to do so on terms that we believe are advantageous to Regions or its current shareholders. Any such capital raises, if required, may also be dilutive to our existing shareholders. As discussed in the "Supervision and Regulation" section of Item 1. of this Annual Report on Form 10- K, the Company ~~was not required to participate in the 2023-2024 stress test from CCAR process.~~ However, the Company did receive its SCB reflecting planned capital changes including plans to increase its common stock dividend. The Federal Reserve communicated reflect that the Company exceeded all minimum capital levels. The under the supervisory stress test and the Company's SCB will remain for the fourth quarter of 2023 through the third quarter of 2024 continues to be floored at 2.5 percent ~~from the fourth quarter of 2024 through the third quarter of 2025~~. Despite exceeding these minimum capital levels, we may experience unfavorable results from stress test analyses in the future. We are a legal entity separate and distinct from our banking and other subsidiaries. Our principal source of cash flow, including cash flow to pay dividends to our shareholders and principal and interest on our outstanding debt, is dividends from Regions Bank. There are statutory and regulatory limitations on the payment of dividends by Regions Bank to us, as well as by us to our shareholders. Regulations of both the Federal Reserve and the State of Alabama affect the ability of Regions Bank to pay dividends and other distributions to us and to make loans to the holding company. If Regions Bank is unable to make dividend payments to us and sufficient cash or liquidity is not otherwise available, we may not be able to make dividend payments to our common and preferred shareholders or principal and interest payments on our outstanding debt. See the "Shareholders' Equity" section of Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10- K. In addition, our right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of creditors of that subsidiary, except to the extent that any of our claims as a creditor of such subsidiary may be recognized. As a result, shares of our capital stock are effectively subordinated to all existing and future liabilities and obligations of our subsidiaries. At December 31, ~~2023~~ 2024, our subsidiaries' total deposits and borrowings were approximately \$ ~~128.130~~ 3.6 billion. Holders of shares of our capital stock are only entitled to receive such dividends as our Board may declare out of funds legally available for such payments. Although we have historically declared cash dividends on our common stock, we are not required to do so and may reduce or eliminate our common stock dividend in the future. This could adversely affect the market price of our common stock. Furthermore, the terms of our outstanding preferred stock prohibit us from declaring or paying any dividends on any junior series of our capital stock, including our common stock, or from repurchasing, redeeming or acquiring such junior stock, unless we have declared and paid full dividends on our outstanding preferred stock for the most recently completed dividend period. We are also subject to statutory and regulatory limitations on our ability to pay dividends on our capital stock. For example, it is the policy of the Federal Reserve that BHCs should generally pay dividends on common stock only out of earnings, and only if prospective earnings retention is consistent with the organization's expected future needs, asset quality and financial condition. Additionally, we are subject to the Federal Reserve's SCB requirement whereby supervisory stress testing informs a buffer above regulatory minimum capital levels that must be maintained to avoid restrictions on capital distributions. Lastly, if we are unable to satisfy the capital requirements applicable to us for any reason, we may be limited in our ability to declare and pay dividends on our capital stock. Certain provisions of state and federal law and our certificate of incorporation may make it more difficult for someone to acquire control of us without our Board's approval. Under federal law, subject to certain exemptions, a person, entity or group must notify the federal banking agencies before acquiring control of a BHC. Acquisition of 10% or more of any class of voting stock of a BHC or state member bank, including shares of our common stock, creates a rebuttable presumption that the acquirer "controls" the BHC or state member bank. Also, as noted under the "Supervision and Regulation" section of Item 1. of this Annual Report on Form 10- K, a BHC must obtain the prior approval of the Federal Reserve before, among other things, acquiring direct or indirect ownership or control of more than 5 percent of the voting shares of any bank, including Regions Bank. One factor the federal banking agencies must consider in certain acquisitions is the systemic impact of the transaction. This may make it more difficult for large institutions to acquire other large institutions and may otherwise delay the regulatory approval process, possibly by requiring public hearings. Similarly, under Alabama state law, a person or group of persons must receive approval from the Superintendent of Banks before acquiring "control" of an Alabama bank or any entity having control of an Alabama bank. For the purposes of determining whether approval is required, "control" is defined as the power, directly or indirectly, to vote the lesser of (i) 25% or more of any class of voting securities of an Alabama bank (or any entity having control of an Alabama bank) or (ii) 10% or more of any class of voting securities of an Alabama bank (or any entity having control of an Alabama bank) if no other person will own, control or hold the power to vote a majority of that class of voting securities following the acquisition of such voting securities. Furthermore, there also are provisions in our certificate of incorporation that may be used to delay or block a takeover attempt. For example, holders of our preferred stock have certain voting rights that could adversely affect share value. If and when dividends on the preferred stock have not been declared and paid for at least six quarterly

dividend periods or their equivalent (whether or not consecutive), the authorized number of directors then constituting our Board will automatically be increased by two, and the preferred shareholders will be entitled to elect the two additional directors. Also, the affirmative vote or consent of the holders of at least two-thirds of all of the then-outstanding shares of the preferred stock is required to consummate a binding share-exchange or reclassification involving the preferred stock, or a merger or consolidation of Regions with or into another entity, unless certain requirements are met. These statutory provisions and provisions in our certificate of incorporation, including the rights of the holders of our preferred stock, could result in Regions being less attractive to a potential acquirer and thus adversely affect our share value. Our amended and restated bylaws (our “bylaws”) contain two forum selection provisions. First, our bylaws provide that, except for claims made under the Securities Act of 1933 (which are the subject of the forum selection provision described in the following sentence), unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (i) derivative actions brought on behalf of the Company, (ii) certain actions asserting a claim of breach of a fiduciary duty, (iii) actions asserting a claim against the Company or a director, officer or other employee of the Company arising pursuant to any provision of Delaware law, our certificate of incorporation, or our bylaws or (iv) any actions asserting a claim against the Company or any director, officer or other employee of the Company governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware or the federal district court for the District of Delaware if the Court of Chancery of the State of Delaware has no jurisdiction. In addition, our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for any action asserting a cause of action arising under the Securities Act of 1933, as amended (the “Securities Act”), or any rule or regulation promulgated thereunder, shall be the federal district courts of the United States. Our bylaws further provide that our shareholders are deemed to have received notice of and consented to both of these forum selection provisions. The forum selection provisions of our bylaws may discourage claims or limit shareholders’ ability to submit claims in a judicial forum that they find favorable, and may result in additional costs for a stockholder seeking to bring a claim. Additionally, with respect to our forum selection provision relating to claims made under the Securities Act, we note that, while Section 27 of the Exchange Act creates exclusive federal jurisdiction over claims brought to enforce a duty or liability created by the Exchange Act, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act. As noted above, our bylaws provide that, unless we consent in writing to the selection of an alternative forum, U. S. federal district courts will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. While we believe the risk of a court declining to enforce our forum selection provisions is low, if a court were to determine either forum selection provision to be illegal, invalid or unenforceable in a particular action, we may incur additional costs in conjunction with our efforts to resolve the dispute in an alternative jurisdiction or multiple jurisdictions, which could have a negative impact on our results of operations and financial condition and result in a diversion of the time and resources of our management and board of directors. Our businesses are subject to complex and evolving laws and regulations governing the privacy and protection of personal information of individuals. Individuals whose personal information may be protected by law can include our customers (and in some cases our customers’ customers), prospective customers, job applicants, employees, and the employees of our vendors, **service providers** and **other** third parties. Complying with the laws, rules and regulations applicable to our disclosure, collection, use, sharing and storage of personal information can increase operating costs, impact the development of new products or services, and reduce operational efficiency. Any mishandling or misuse **or of** personal information by us or **a** third party affiliated with us could expose us to litigation or regulatory fines, penalties or other sanctions. Additional risks could arise from our or third parties’ failure to provide adequate disclosure or transparency to our customers about the personal information collected from them and the use of such information; to receive, document and honor the privacy preferences expressed by our customers; to protect personal information from unauthorized disclosure; or to maintain proper training on privacy practices for all employees or third parties who have access to personal information. Concerns regarding the effectiveness of our measures to safeguard personal information, or even the perception that those measures are inadequate, could cause us to lose existing or potential clients and customers, and thereby reduce our revenues. Furthermore, any failure or perceived failure by us to comply with applicable privacy or data protection laws, rules and regulations may subject **it us** to inquiries, examinations and investigations that could result in requirements to modify or cease certain operations or practices, significant liabilities or regulatory fines, penalties or other sanctions. Any of these could damage our reputation and otherwise adversely affect our businesses. In recent years, well-publicized incidents involving the inappropriate collection, use, sharing **or**, storage **or other processing** of personal information have led to expanded governmental scrutiny of practices relating to the safeguarding **and other processing** of personal information by companies. That scrutiny has in some cases resulted in, and could in the future lead to, the adoption of stricter laws, rules and regulations relating to the collection, use, sharing **and**, storage **and other processing** of personal information. We will likely be subject to new and evolving data privacy laws in the U. S. and abroad, which could result in additional costs of compliance, litigation, regulatory fines and enforcement actions. These types of laws, rules and regulations could prohibit or significantly restrict financial services firms such as us from sharing information among affiliates or with third parties such as vendors **or service providers**, and thereby increase compliance costs, or could restrict our use of personal **data information** when developing or offering products or services to customers. These restrictions could also inhibit our development or marketing of certain products or services, or increase the costs of offering them to customers. **For more information concerning our legal and regulatory obligations with respect to privacy and cybersecurity, please see the “ Privacy and Cybersecurity ” discussion within Item 1. “ Business ” and the “ Technology Risks ” discussion within in Item 1. “ Risk Factors. ”** The content and application of laws and regulations affecting financial services firms sometimes vary according to factors such as the size of the firm, the jurisdiction in which it is organized or operates and other criteria. Financial technology companies and other non-traditional competitors may not be subject to banking regulation, or may be supervised by a national or state regulatory agency that does not have the same regulatory priorities or supervisory requirements as our regulators. These

differences in regulation can impair our ability to compete effectively with competitors that are less regulated that do not have similar compliance costs. Our success depends, in part, on our executive officers and other key personnel. The market for qualified individuals is highly competitive, and we may not be able to attract and retain qualified personnel or candidates to replace or succeed members of our senior management team or other key personnel. As a large financial and banking institution, we may be subject to limitations on compensation practices, which may or may not affect our competitors, by the Federal Reserve, the FDIC or other regulators. These limitations could further affect our ability to attract and retain our executive officers and other key personnel, in particular as we are more often competing for personnel with fintechs, technology companies and other less regulated entities who may not have the same limitations on compensation as we do. The increase in remote work arrangements and opportunities in regional, national and global labor markets has also increased competition to attract and retain skilled personnel. Our current or future approach to in-office and remote-work arrangements may not meet the needs or expectations of our current or prospective employees or may not be perceived as favorable as the arrangements offered by other employers, which could adversely affect our ability to attract and retain employees. Our operations rely on ~~its~~ **our** ability, and the ability of key external parties, to maintain appropriately staffed workforces, and on the competence, trustworthiness, health and safety of employees. Our ability to operate our businesses efficiently and profitably, to offer products and services that meet the expectations of our clients and customers, and to maintain an effective risk management framework is highly dependent on our ability to staff ~~its-our~~ **our** operations appropriately and on the competence, integrity, health and safety of our employees. We are similarly dependent on the workforces of other parties on which our operations rely, including vendors and other service providers. Our businesses could be materially and adversely affected by the ineffective implementation of business decisions; any failure to institute controls that appropriately address risks associated with business activities; or appropriately train employees with respect to those risks and controls; staffing shortages, particularly in tight labor markets. In addition, our business could be adversely impacted by a significant operational breakdown or failure, theft, fraud or other unlawful conduct or other negative outcomes caused by human error or misconduct by an employee of us or of another party on which our operations depend. Our operations could also be impaired if the measures taken by us or by governmental authorities to help ensure the health and safety of our employees are ineffective, or if any external party on which we rely fails to take appropriate and effective actions to protect the health and safety of its employees. Our accounting policies and assumptions are fundamental to our reported financial condition and results of operations. Our management must exercise judgment in selecting and applying many of these accounting policies and methods so they comply with GAAP and reflect management's judgment of the most appropriate manner to report our financial condition and results. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which may be reasonable under the circumstances, yet may result in us reporting materially different results than would have been reported under a different alternative. Certain accounting policies are critical to presenting our reported financial condition and results of operations. They require management to make difficult, subjective or complex judgments about matters that are uncertain. Materially different amounts could be reported under different conditions or using different assumptions or estimates. The Company's critical accounting estimates include: the allowance for credit losses; fair value measurements; intangible assets; ~~residential-MSRs~~ **residential-MSRs mortgage servicing rights**; and income taxes. Because of the uncertainty of estimates involved in these matters, we may be required to do one or more of the following: significantly increase the allowance for credit losses and / or sustain credit losses that are significantly higher than the allowance provided; recognize significant losses on assets carried at fair value; recognize significant impairment on our goodwill, other intangible assets or deferred tax asset balances; significantly increase our accrued income taxes; or significantly decrease the value of our ~~residential-MSRs~~. Any of these actions could adversely affect our reported financial condition and results of operations. We utilize quantitative models ~~and~~ **and** machine learning ~~models and~~ **models and** ~~artificial intelligence~~ models to assist in measuring risks and estimating or predicting certain financial values. Models may be used in processes such as determining the pricing of various products, grading loans and extending credit, measuring interest rate and other market risks, forecasting financial performance, predicting losses, improving customer services, maintaining adherence to laws and regulations, assessing capital adequacy, calculating regulatory capital levels, preventing fraud, strengthening customer authentication processes, generating marketing analytics, prospecting leads and estimating the value of financial instruments and balance sheet items. Poorly designed, implemented or managed models present the risk that our business decisions that consider information based on such models will be adversely affected due to the inadequacy or inaccuracy of that information, which may lead to losses, damage our reputation and adversely affect our reported financial condition and results of operations. Also, information we provide to the public or to our regulators based on poorly designed, implemented or managed models could be inaccurate or misleading. Some of the decisions that our regulators make, including those related to capital distributions to our shareholders, could be affected adversely due to the perception that the quality of the models used to generate the relevant information is insufficient. From time to time, the FASB and SEC change the financial accounting and reporting standards that govern the preparation of our financial statements. These changes can be difficult to predict and can materially impact how we record and report our financial condition and results of operations. **On January 21** ~~As of December 31, 2023, we had \$ 5.7 billion of goodwill and \$ 205~~ **2025**, million of other ~~the U~~ intangible assets. A significant decline in our ~~S. Treasury began taking extraordinary measures to prevent a default on U. S. government debt,~~ **which measures are** expected future cash flows, a significant adverse change in the business climate, slower economic growth or a significant and sustained decline in the price of our common stock, any or all of which could be materially impacted by many of the risk factors discussed herein, may necessitate our taking charges in the future related to ~~the U~~ **continue until such time as** the ~~U~~ impairment of our goodwill. ~~S. Congress~~ Future regulatory actions and increases ~~the debt ceiling~~ **the debt ceiling** in income tax rates could also have a material impact on assessments of goodwill for impairment. **However, it** ~~If we were to conclude that a future~~ write-down of our goodwill is ~~unclear how long such extraordinary measures will forestall~~ **unclear how long such extraordinary measures will forestall** necessary, we would record the appropriate charge, which could have a ~~default in~~ **default in** material adverse effect on our results of operations. Identifiable intangible

assets other than goodwill consist primarily of relationship assets. Adverse events or circumstances could impact the recoverability of extended Congressional negotiations intangible assets, and, to the extent these intangible assets are deemed unrecoverable, a non-cash impairment charge would be recorded, which could have a material adverse effect on our or inaction results of operations. A U. S. government debt default would have material adverse impact on our business and financial performance, including a decrease in the value of Treasury bonds and other government securities held by us, which could negatively impact our capital position and our ability to meet regulatory requirements. Other negative impacts could be volatile capital markets, an adverse impact on the U. S. economy and the U. S. dollar, as well as increased default rates among borrowers in light of increased economic uncertainty. Some of these impacts might occur even in the absence of an actual default but as a consequence of extended political negotiations around the threat of such a default and a government shutdown. Weather-related events, health crises, the occurrence or worsening of disease outbreaks or pandemics such as COVID- 19, or other catastrophic events, other natural or man- made disasters, climate change and the transition to a lower- carbon economy, as well as government actions or other restrictions in connection with such events, pose shorter- and longer- term risks to our business and / or that of our customers, vendors and suppliers and are expected to increase over time. A significant portion of our operations is located in the areas bordering the Gulf region of Mexico and the Atlantic Ocean, regions that are susceptible to hurricanes, or in areas of the Southeastern U. S. that are susceptible to tornadoes and other severe weather events. In particular, in recent years, a number of severe hurricanes impacted areas in our footprint. Many areas in the Southeastern U. S. have also experienced severe droughts and floods in recent years. Any of these, or any other severe weather event, could cause disruption to our operations and could have a material adverse effect on our overall business, results of operations or financial condition. In some cases, we have taken preemptive measures in an effort to mitigate certain of these adverse effects, such as maintaining insurance that includes coverage for resultant losses and expenses where possible, though these measures cannot fully mitigate all future risks. We cannot be sure that such insurance will continue to be available to us on commercially reasonable terms, or at all, or that our insurers will not deny coverage as to any future claim. In addition, such measures cannot predict the nature, timing or level of severe weather events or prevent the disruption that a catastrophic earthquake, fire, hurricane, tornado or other severe weather event could cause to the markets that we serve and any resulting adverse impact on our customers, such as hindering our borrowers' ability to timely repay their loans and diminishing the value of any collateral held by us. Man- made disasters and other events connected with the Gulf region of Mexico or Atlantic Ocean, such as oil spills, could have similar effects. Climate change could intensify the severity of and increase the frequency of adverse effects of weather- related events impacting us and our customers. Namely, climate change may intensify the severity of and increase the frequency of earthquakes, fires, hurricanes, tornadoes, droughts, floods and other weather- related events, which could cause even greater disruption to our business and operations. Longer- term changes, such as increasing average temperatures and rising sea levels, may damage, destroy or otherwise impact the value or productivity of our properties and other assets, reduce the availability of or increase the cost of insurance, and / or lead to prolonged disruptions in our operations. Responding to concerns around climate change provides us with potential new avenues through which we can support our stakeholders but also exposes us to risks associated with the transition to a lower- carbon economy. Such risks may result from changes in policies, laws and regulations, technologies, or market preferences relating to climate change. These changes could materially and negatively impact our business, results of operations, financial condition and our reputation, in addition to having a similar impact on our customers, vendors and suppliers. Federal and state regulatory authorities, investors and other third parties have increasingly scrutinized the business activities of financial institutions and the relationship of those activities to climate change (including such institutions' involvement or their customers' involvement in certain industries or projects associated with climate change, as well as any decisions to conduct or change activities in response to considerations relating to climate change), which may result in financial institutions facing increased pressure regarding the disclosure and management of climate risks and related lending and investment activities. As a result, we may face increased scrutiny related to our ability to demonstrate resilience to potential climate- related risks, including systemic risks posed by operational disruptions and external demands. Ongoing legislative or regulatory uncertainties and changes regarding climate risk management and practices, including inconsistent (and sometimes conflicting) perspectives or requirements, may result in higher regulatory, compliance, credit and reputational risks and costs. **Due to the divergent views of stakeholders, we are at an increased risk that any action, or lack thereof, by us concerning our response to climate change will be perceived negatively by some stakeholders, which could adversely impact our reputation and business.** In addition, the transition to a lower- carbon economy could indirectly subject us to specific risks through our borrowers' exposure to changes in commodity prices. For more information see the “ We are subject to **ESG** environmental, social and governance risks that could adversely affect our business, reputation and the trading price of our common stock ” and “ Weakness in commodity businesses could adversely affect our performance ” risk factors above. 41