



**REGIONS FINANCIAL CORPORATION
REGIONS BANK
COMPENSATION COMMITTEE CHARTER**

Purpose

The Compensation Committee (the “Committee”) is appointed by the Boards of Directors (the “Board”) of Regions Financial Corporation and Regions Bank (collectively, the “Company”). The Committee’s purpose is to assist the Board in (a) fulfilling its responsibilities relating to the compensation of executive officers of the Company, including ensuring that all executive compensation matters are decided in the context of what is fair, appropriate, reasonable, and in compliance with all relevant regulations; (b) producing the Compensation Committee Report for inclusion in the Company’s proxy statement for the annual meeting of stockholders, in accordance with applicable rules and regulations; and (c) performing such other duties and responsibilities enumerated in and consistent with this Charter.

Committee Membership

1. The Committee shall consist of a minimum of three (3) members of the Board. Each Committee member shall (a) meet the independence requirements of the New York Stock Exchange (“NYSE”) and other applicable laws, rules and regulations governing independence, as well as the additional independence requirement specific to compensation committee membership set forth by the NYSE as determined by the Board in its business judgment; (b) qualify as a “non-employee director” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended; (c) qualify as an “outside director” for purposes of Section 162(m) of the Internal Revenue Code; and (d) otherwise satisfy requirements as the Board determines appropriate. Determinations of independence shall be made by the Board as the Board interprets such qualifications in its business judgment and in accordance with applicable laws and regulations, as well as Securities and Exchange Commission (“SEC”), NYSE and any other applicable rules, guidance, and standards (collectively, “Applicable Law”).
2. Members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall serve at the discretion of the Board and for such term or terms as the Board may determine.
3. The Board shall designate a Chair for the Committee. In the absence of the Chair at any meeting of the Committee, the members of the Committee may designate an acting chair by majority vote.

Committee Meetings and Structure

1. The Committee shall meet as frequently as the Committee deems necessary, but no less than three times per year, at a time and place determined by the Chair, and the Committee may take action at meetings or by unanimous written consent as it or its Chair deems appropriate. Members of the Committee may participate in a meeting of the Committee by means of conference call or similar communications equipment that enables all meeting participants to hear each other.
2. To the extent permitted under applicable laws and regulations, the Committee may form and delegate to one or more subcommittees all or a portion of the Committee's authority, duties and responsibilities. The Committee also may establish such rules as it determines necessary or appropriate for its business.
3. In its discretion, the Committee may meet in executive session at any meeting of the Committee. In executive session, the Committee may meet with or without representatives of management present or with such representatives of management as the Committee may deem appropriate. The Committee may request any officer or employee of the Company to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee consistent with the maintenance of the confidentiality of compensation discussions. The Chief Executive Officer should not attend any meeting, or portion of a meeting, where the Chief Executive Officer's performance or compensation is discussed, unless specifically invited by the Committee.
4. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of the Committee's members present at any meeting at which there is a quorum shall be the act of the Committee. In the event of a tie vote on any other issue, the Chair's vote shall decide the issue. In the absence or disqualification of any member of the Committee from voting at any meeting of the Committee, the remaining member or members thereof present at such meeting and not disqualified from voting, whether or not the remaining member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at such meeting in the place of any such absent or disqualified member.

Committee Authority and Responsibilities

In furtherance of its purpose set forth above, the Committee will have the following authority and responsibilities relating to the Company and its subsidiaries, as applicable:

1. Compensation Matters
 - a. In consultation with management, approve the Company's compensation philosophy and oversee and monitor the Company's compensation plans and programs to determine whether they are properly aligned with the Company's strategic and financial objectives.

- b. Review and approve all Company goals and objectives relevant to the Chief Executive Officer's compensation; evaluate the Chief Executive Officer's performance in light of those goals and objectives; determine and approve the Chief Executive Officer's compensation (including base salary, incentive compensation, long-term compensation, executive benefits, and perquisites) based on this evaluation; and review the Committee's decisions with the Board.
- c. Approve the compensation (including base salary, incentive compensation, long-term compensation, executive benefits and perquisites) of other executive officers and such senior officers as the Committee determines appropriate.
- d. In determining the long-term incentive award component of compensation for the Chief Executive Officer and other executive officers, the Committee shall consider the Company's performance for the year. In addition, the Committee may consider other items such as relative stockholder return, the award practices of the relevant peer group of financial institutions, the awards granted in past years, the Committee's assessment of the current and expected contribution of those individuals to the Company's success, and such other factors as the Committee considers appropriate.
- e. Review the Company's policies regarding the tax deductibility of compensation paid to executive officers for purposes of Section 162(m) of the Internal Revenue Code and, as and when appropriate, establish performance goals and certify that performance goals have been attained.
- f. In consultation with management, oversee regulatory compliance with respect to compensation matters, including the requirements of the SEC, the Department of the Treasury, the Internal Revenue Service, the Federal Reserve and the Federal Deposit Insurance Corporation, including any required certification or reporting requirements under Applicable Law.
- g. Review and approve any employment agreement, new hire award or new hire payment proposed to be made to any proposed or current member of the Operating Committee and any officers of the Company or its subsidiaries who are considered "officers" for purposes of Section 16 of the Securities Exchange Act of 1934, as amended ("Section 16 Officers").
- h. Establish stock ownership guidelines for certain Section 16 Officers.
- i. Review and approve any severance, change-in-control or similar termination agreement proposed to be made, or any award or payment proposed to be made to a current or former member of the Operating Committee, or its equivalent, or any other Section 16 Officer.
- j. In coordination with the Nominating and Corporate Governance Committee, review and oversee compensation matters related to the management succession program.

2. Compensation Risk Management Oversight

- a. In consultation with the senior risk officers of the Company and to the extent required under Applicable Law, (i) oversee and monitor the Company's employee compensation plans and programs on a regular basis to ensure that such employee compensation plans and programs are supportive of the Company's risk appetite and tolerances as established by the Board, and (ii) establish and maintain appropriate processes and procedures and engage sufficient personnel to manage compensation-related risks.
- b. In consultation with the Risk Committee, ensure that (i) the compensation and other incentives granted to the Chief Risk Officer are consistent with providing an objective assessment of the risks taken by the Company and (ii) the compensation and other incentives granted to the Chief Credit Officer are consistent with providing an objective assessment of the credit risks taken by the Company.
- c. Identify compensation arrangements and incentive compensation plans that either apply to executive and senior officers or involve other employees who, either individually or as part of a group, may expose the Company to material amounts of risk and ensure that the structure of such compensation arrangements and incentive compensation plans does not encourage excessive risk-taking and that the risks associated with such compensation arrangements and incentive compensation plans are appropriately mitigated by effective controls and risk management processes.
- d. Discuss, evaluate, and review at least annually the terms of all employee compensation plans and identify and eliminate features that encourage manipulation of reported earnings to enhance the compensation of the employee.
- e. At least annually, review a risk assessment prepared by management of the effectiveness of the Company's overall compensation system, and especially its effectiveness in providing incentive compensation that is consistent with safety and soundness. The risk assessment should also be reviewed by the Risk Committee.
- f. Oversee management's program of ongoing monitoring and independent validation to assess the effectiveness of incentive compensation policies, and document the review and any modifications made.

3. Executive Compensation Plans; Benefit Plans

- a. Administer the Company's executive compensation plans, "top-hat" plans and other arrangements providing for benefits to officers of the Company ("executive compensation plans") in accordance with their terms and any rules, regulations, and guidance applicable thereto, and in the discretion of the Committee, delegate, to the fullest extent permitted by Applicable Law and the relevant executive compensation plans, all or a portion of its powers and responsibilities with respect to such plans to the Chief Executive Officer or another body or committee;

provided, however, that the Committee shall retain all power and responsibility with respect to awards granted to Section 16 Officers.

- b. Designate the associates eligible to be granted awards under the Company's executive compensation plans, and the type, amount, and timing of such awards; provided, however, that the Committee may delegate, to the fullest extent permitted by Applicable Law and the relevant executive compensation plans, to the Chief Executive Officer or another body or committee its responsibilities to approve awards to associates of the Company other than Section 16 Officers.
- c. Review and approve the creation, amendment, and termination of executive compensation plans, and to the extent the delegation of such powers and responsibilities is consistent with such executive compensation plans, may delegate, to the fullest extent permitted by Applicable Law, to the Chief Executive Officer of the Company or another body or committee the power to take any of the foregoing actions.
- d. Approve any new equity compensation plan or any material change to an existing plan where stockholder approval has not been obtained.
- e. Administer the Company's pension, profit-sharing and welfare employee benefit plans, other than executive compensation plans ("Plans"), including:
 - i. Selection and appointment of Plan administrators, trustees, "named fiduciaries," actuaries, investment consultants, and investment managers (and allocate assets of the Plans among investment managers, if any);
 - ii. Review and annually approve the actuarial assumptions and reports for the Plans;
 - iii. Establish and, as appropriate, review the investment and funding policies and objectives of the Plans; and
 - iv. Review and approve the creation, amendment, and termination of the Plans.

To the extent that delegation of such powers and responsibilities is consistent with the Plans, the Committee may delegate, to the fullest extent permitted by Applicable Law, to the Chief Executive Officer or another body or committee the power to take any of the foregoing actions.

4. Director Compensation; Proxy Statement Report; Other Required Disclosure
 - a. In coordination with the Nominating and Corporate Governance Committee, periodically review and make recommendations as to the form and amount of Director compensation and the stock ownership guidelines for Directors.
 - b. Produce the Compensation Committee Report for inclusion in the Company's annual proxy statement and review the Compensation Discussion and Analysis report filed by the Company for accuracy and recommend it for inclusion in the annual proxy statement.

- c. Review for accuracy the narrative description of the risk analysis of the compensation programs of the Company and the description of services provided to the Company by any compensation consultant engaged by the Committee (including, but not limited to, any benchmarking or compensation comparison services), in each case, to the extent required in the Company's annual proxy statement.
- d. Prepare or carry out any other disclosure, review (including review of the design and function of incentive compensation arrangements) and certification with respect to executive or other compensation and benefit plans and arrangements as may be required to be performed by the Committee under Applicable Law, as in effect from time to time.
- e. Review compensation-related stockholder proposals and recommend any response.
- f. Prepare and issue the annual Committee self-evaluation required at 6.b below.

5. Outside Advisors

- a. The Committee shall have the authority, in its sole discretion, to select, retain and obtain the advice of any compensation consultant, outside legal counsel, accountants or such other advisors (collectively, "Advisors") as it deems necessary or desirable without seeking approval of management or the Board to assist with the execution of its duties and responsibilities as set forth in this Charter, including, but not limited to, assisting the Committee in the evaluation of the Chief Executive Officer and other executive officer compensation and other determinations with respect to compensation matters within the authority of the Committee.
- b. The Committee shall be directly responsible for the appointment and termination of any and all Advisors retained by the Committee.
- c. The Committee shall set the compensation for, and manage and oversee the work of, the Advisors.
- d. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its Advisors and any related expenses incurred.
- e. The Committee shall not be required to implement or act consistently with the advice or recommendations of any Advisor, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its judgment in fulfilling its duties under this Charter.
- f. In retaining or seeking advice from Advisors (other than the Company's in-house counsel), the Committee must take into consideration the factors specified in any NYSE rule or regulation relating to the engagement of such Advisors. The Committee may select an Advisor only after taking into consideration all factors

relevant to that Advisor's and any of that Advisor's affiliates' independence from management, including the following:

- i. The provision of other services to the Company by the entity that employs the Advisor;
 - ii. The amount of fees received from the Company by the entity that employs the Advisor, as a percentage of the total revenue of the entity that employs the Advisor;
 - iii. The policies and procedures of the entity that employs the Advisor that are designed to prevent possible or actual conflicts of interest;
 - iv. Any business or personal relationship of the Advisor with a member of the Committee;
 - v. Any stock of the Company owned by the Advisor; and
 - vi. Any business or personal relationship of the Advisor or the entity employing the Advisor with an executive officer of the Company.
- g. The Committee may retain, or receive advice from, any Advisor it prefers, including Advisors who are not independent, after considering the specified factors listed above; however, the Committee is not required to assess the independence of any Advisor that (i) acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried associates or (ii) provides information that is not customized for a particular company or that is customized based on parameters that are not developed by the Advisor, and about which the Advisor does not provide advice.
- h. The Committee shall evaluate, at least on an annual basis, whether or not any compensation consultant retained (or to be retained by the Committee) has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K, and make a report of such review in the Company's annual proxy statement as required.
6. Regarding procedural matters, the Committee shall perform the following:
- a. The Committee shall make periodic reports to the Board summarizing the matters reviewed and actions taken at each Committee meeting.
 - b. The Committee shall perform an annual self-evaluation.
 - c. The Committee shall review and assess the adequacy of this Charter on an annual basis and recommend any proposed changes to the Nominating and Corporate Governance Committee for approval.

- d. The Committee may perform any other activities consistent with this Charter, the Company's Certificate of Incorporation and By-laws, and Applicable Law as the Committee or the Board deems appropriate.
- e. The Committee shall have direct access to, and complete and open communication with, management and may obtain advice and assistance from internal legal, accounting or other advisors to assist it in fulfilling its duties and responsibilities. Additionally, in the course of performing its duties and responsibilities, the Committee is authorized to select, retain, terminate, and approve the fees and other retention terms of independent legal, accounting or other advisors as it deems appropriate, without seeking approval of management or the Board. The Company shall be responsible for all related costs or expenses so incurred.