KeyCorp at a glance

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About Key

Key’s roots trace back nearly 200 years to Albany, New York. Headquartered in Cleveland, Ohio, Key is one of the nation’s largest bank-based financial services companies, with assets of $190 billion as of December 31, 2022.

Key provides deposit, lending, cash management, and investment services to individuals and businesses in 15 states under the name KeyBank National Association through a network of approximately 1,000 branches and over 40,000 KeyBank and Allpoint ATMs. Key also provides a broad range of sophisticated corporate and investment banking products, such as merger and acquisition advice, public and private debt and equity, and syndications and derivatives, to middle market companies in selected industries throughout the United States under the KeyBanc Capital Markets® trade name. For more information, visit key.com. KeyBank is a member of the FDIC.

Our management structure and basis of presentation are divided into two business segments, Consumer Bank and Commercial Bank.

Key’s Consumer Bank serves individuals and small businesses throughout our 15-state branch footprint and through our national Laurel Road® digital lending business targeted toward healthcare professionals by offering a variety of deposit and investment products, personal finance and financial wellness services, lending, student loan refinancing, mortgage and home equity, credit card, treasury services, and business advisory services. In addition, wealth management and investment services are offered to assist nonprofit and high-net-worth clients with their banking, trust, portfolio management, charitable giving, and related needs.

Key’s Commercial Bank includes our Institutional and Commercial business segments. The Commercial business segment is a full-service corporate bank focused principally on serving the needs of middle market clients in seven industry sectors: consumer, energy, healthcare, industrial, public sector, real estate, and technology. The Commercial business segment is also a significant servicer of commercial mortgage loans and an important special servicer of commercial-backed mortgage securities. The Institutional business segment delivers a broad suite of banking and capital markets products to its clients, including syndicated finance, debt and equity capital markets, commercial payments, equipment finance, commercial mortgage banking, derivatives, foreign exchange, financial advisory, and public finance.
$190Bn
Assets
$119Bn
Loans
$143Bn
Deposits
$7.3Bn
Revenue

40,000+
KeyBank and Allpoint ATMs

15
States

~1,000
Branches

3.5MM
Clients

~18,000
Teammates (Full Year Count)

As of December 31, 2022

Where You’ll Find Us
- Key Consumer Bank branches & Key Commercial Bank offices
- Additional KeyCorp offices
Our purpose

Key’s purpose is to help our clients, our colleagues, and our communities thrive.

Our values

Teamwork
We work together to achieve shared objectives.

Respect
We value the unique talents, skills, and experience that diversity provides.

Accountability
We deliver on what we promise.

Integrity
We are open and honest in everything we do.

Leadership
We anticipate the need to act and inspire others to follow.

Our strategy

Our strategy is to build enduring relationships with targeted clients by knowing and delivering what matters most to them.
A message from Chris Gorman

Thank you for your interest in KeyCorp’s 2022 Environmental, Social, and Governance (ESG) Report.

Responsible corporate citizenship is foundational to who we are, how we do business, and how we deliver value to all of our stakeholders: our clients, our teammates, our communities, and our shareholders.

We are committed to advancing Key’s ESG strategy and to making sustained progress against each of our four priorities:

- climate stewardship
- financial inclusion
- diversity, equity, and inclusion
- data privacy and security

Climate stewardship

We are taking measurable actions to create a more sustainable economy through products and services that support green buildings, energy efficiency, and renewable energy – while helping our clients to do the same. We are proud to be the number two renewable energy financier in North America.

In 2022, we achieved the following milestones:

- Committed to raising more than $38 billion to address climate change and support green initiatives by the end of 2026.
- Pledged to achieve carbon neutral operations across our scope 1 direct emissions and scope 2 indirect emissions by the end of 2030.
- Joined the Partnership for Carbon Accounting Financials (PCAF) to complete the measurement and evaluation of scope 3 financed emissions.
- Achieved a 39% reduction in our absolute emissions (from 2016 baseline).
- Achieved significant progress against our climate risk framework, including expanding climate scenario analysis capabilities and enhancing the identification of both physical and transition risks.
- Enhanced our transparency and disclosures, as demonstrated by our second annual Task Force on Climate-Related Financial Disclosures (TCFD) and Sustainability Accounting Standards Board (SASB), now International Sustainability Standards Board (ISSB) reports.

Financial inclusion

Since 2017, we have delivered nearly $33 billion in capital in support of affordable housing, home lending, and small business lending in low- and moderate-income communities.

In 2022, Key joined the White House Administration’s Economic Opportunity Coalition. As a founding member, we are working alongside leading companies and community organizations to invest in community development financial institutions and minority depository institutions. Additionally, we are supporting entrepreneurship and minority-owned businesses.

Our processes, products, and services continue to drive financial inclusion in our communities and support our clients’ financial wellness. Changes introduced in 2022 included enhancements to our suite of overdraft protection products and services. This included the launch of the Key Coverage Zone, where client accounts overdrawn by $20 or less at the end of the day are not charged overdraft.
fees. Additionally, we eliminated fees for non-sufficient funds for consumer and small businesses and made other enhancements focused on creating greater flexibility for our clients and helping them take control of their financial journey.

Diversity, equity, and inclusion

In 2021, we committed to increasing representation of people of color in our senior leadership roles by 25% over the next five years and 50% over the next 10 years. In our initial 18 months, we successfully increased representation by 36%. We remain committed to achieving our 10-year goal.

In 2022, Key ranked 18th on DiversityInc’s “Top 50 Companies for Diversity” global ranking. Our 13th time on the list and our highest ranking ever are testament to our long-term commitment to DE&I as well as the effectiveness of our strategies and practices. While we celebrate this milestone, DE&I is an ongoing priority that requires continuous reflection, evolution, and improvement.

Our commitment to DE&I extends beyond our workplace to the communities we serve. In 2022, 12% of our spend was associated with diverse suppliers / partners, exceeding our annual goal of 8%. We have supported supplier diversity initiatives for decades, driving economic inclusion by working with businesses that are owned, operated, and controlled by those who identify as minority, women, veterans, service-disabled veterans, LGBTQ+, or individuals with a disability.

Our teammates are equally dedicated to creating more equitable and inclusive communities. In 2022, our team volunteered more than 90,000 hours and participated in more than 500 events during our 31st annual Neighbors Make the Difference Day. Our teammates also contributed more than $4.5 million to nonprofits around the world, including matching gifts from Key.

Data privacy and security

Keeping the personal and financial information of our clients and employees protected and secure is one of Key’s highest priorities and is foundational to the trust our clients place in us.

We are continually strengthening our data safeguards and controls. Critical information security and fraud initiatives implemented in 2022 included:

• Strengthening endpoint protections, event monitoring and analytics, and modernizing identity and access management processes and controls.

• Enhancing fraud detection capabilities and improving customer service in case management and dispute resolution.

• Evolving client access and authentication as the demand for a digital-first client experience continues to increase.

In conclusion

I am proud of the notable progress and advancements we made in support of our ESG priorities in 2022. This progress was made possible by the dedication of our more than 18,000 teammates and the guidance of our diverse and experienced Board of Directors.

We remain focused on continually raising the bar – for ourselves and for our industry. Conversations with stakeholders and community partners continue to inform our path forward and help us deliver on our purpose: to help our clients, colleagues, and communities thrive. We look forward to continuing this important work in 2023 and beyond.

Sincerely,

Chris Gorman | Chairman and Chief Executive Officer

April 2023
Stakeholder engagement

Building enduring, trusted relationships with our stakeholders is critical to Key’s success. Our listening and communications strategies are constantly evolving to help us build stronger relationships. The input we gather from stakeholders helps us shape our plans for a better future.

We engaged with stakeholders in a variety of ways.

Communities

- Organized and participated in donation drives, financial education sessions, and volunteer activities via our branches, lines of business, and employee resource groups.
- Engaged with community partners regularly about their needs via our Corporate Responsibility Officers and market leaders.
- Engaged with our National Advisory Council in 2022 to share Key’s responsiveness to feedback gathered through listening sessions conducted with more than 200 community organizations throughout 2021.
- Held Regional Advisory Council meetings to inform our philanthropic investment plans and gather input on how to continue to improve our lending and investment efforts within the communities we serve.

Clients

- Conducted in-person meetings, check-in calls, and financial wellness reviews with clients via our bank relationship managers.
- Identified ongoing improvements to the client experience. In 2022, this included implementing a new framework of behaviors and standards for our Consumer Bank teammates and automating parts of the home lending process.
- Evolved experience management capabilities, including expansion of Consumer and Commercial client experience feedback collection, intelligent analytics, and established recurring business briefings.
- Real-time client feedback and business and channel specific actionable insights are shaping strategic priorities and investments in people, process, and technology through a client lens.
- Established new processes to reach out and help clients one-on-one, following receipt of feedback, and to support teammates with expedited problem resolution.
- Monitored our social media presence via a dedicated team and escalate concerns and complaints for timely resolution.
- Hosted cybersecurity and privacy education campaigns and encourage clients to report suspected fraudulent activity and suspicious emails via our dedicated phone line and email address.
Teammates

- Held regular town hall meetings, during which teammates have an opportunity to hear directly from executives and ask questions.
- Modernized our Voice of Employee (VoE) Forum platform by providing a more intuitive, engaging experience for our employees to innovate, co-create, and crowdsourced solutions for areas of opportunity.
- Conducted regular employee pulse surveys to identify areas where we can improve engagement and the employee experience.
- Promoted inclusion through our employee benefits program by offering highly valued benefits to targeted demographics to support employees on every level.
- Encouraged teammates to utilize their benefits and enroll in specialty offerings through weekly emails, webinars, and our intranet site.
- Enhanced personalized teammate recognition and appreciation by increasing the number and quality of employee recognition tied to everyday wins, work milestones, life events, and strong performance.

Suppliers

- Built strategic relationships with Tier I suppliers that are certified as diverse.
- Encouraged Key’s non-diverse suppliers to utilize diverse-owned businesses and report their diverse spend to us (Tier II reporting).
- Participated in regional and national procurement forums to learn and share best practices related to supplier diversity.

Shareholders

- Hosted Investor Day in March 2022, during which we reviewed our business strategy and outlook, and reaffirmed our commitment to deliver value for all stakeholders.
- Engaged members of the Executive Leadership Team in presenting at four industry conferences.
- Held meetings with the majority of equity analysts covering Key, as well as over 200 institutional investors.
- Conducted ESG-focused discussions with our largest shareholders, with representation from our Board of Directors.
- Communicated regularly with the investment community, including analysts, shareholders, and rating agencies.

Regulators and public officials

- Engaged on relevant state and federal policy issues such as enhanced access to affordable housing, the role of regional banks in serving communities and meeting needs of diverse clients, and the financing of student loans.
- Shared updates with regulators, public officials, and agencies on a variety of issues including ESG topics, the Community Reinvestment Act, and climate change.
- Participated in targeted exams and compliance reviews.
- Board and C-level executive participation in the 2022 Annual Federal Reserve Bank Cyber Conference for Large and Foreign Banking Organizations, focused on the latest cyber threats to the banking industry, cyber risk management practices, and information security strategic considerations.
ESG strategy and management

ESG strategy

Key is committed to addressing the ESG topics that are most relevant to our business and our stakeholders. We periodically adjust our ESG approach to remain current with stakeholder expectations, ESG trends, and our business strategy.

Our ESG priorities in 2022 were consistent with those identified through the ESG focus assessment completed in 2021.

Key’s ESG priorities

- Diversity, equity, and inclusion
- Financial inclusion
- Climate stewardship
- Data privacy and security

We remain steadfast in managing the resulting risks and opportunities associated with each priority and will continue to evaluate the adequacy of our governance, policies, commitments, goals, projects, and programs throughout the course of 2023.

ESG management and oversight

Management shares responsibility in setting and executing corporate strategies that support ESG. While ESG oversight is spearheaded by the Director of Corporate Center, the entire Executive Leadership team (ELT) (which includes the CEO) shares accountability. Managing the company’s reputation requires monitoring and addressing ESG topics. Therefore, ESG topics are frequently discussed in leadership meetings. ESG factors are monitored by the Board of Directors with defined oversight and accountability distributed through the committee structure.

Two groups in particular are deeply involved in ESG management:

- Our Corporate Responsibility (CR) Council monitors emerging ESG trends, identifies strategic ESG opportunities for the company, reviews ESG disclosures, and shares knowledge. The cross-functional council is comprised of senior leaders from across the enterprise including Corporate Responsibility, Risk, Legal, Finance, KeyBanc Capital Markets, Key Equipment Finance, and Consumer Bank, among others. As appropriate, representatives from the CR Council escalate ESG matters to the ELT, the Enterprise Risk Management Committee, and other risk committees.

- Our ESG Working Group regularly reviews progress against the company’s short- and long-term ESG goals, including our public commitments. The group makes investment decisions to accelerate our ESG outcomes and reviews Key’s ESG disclosures. Among the group’s areas of focus is the prioritization of climate risks and mitigation strategy development, further embedding climate risk management into line of business policies and procedures, and accelerating outcomes across Key’s ESG priorities.

The ESG Working Group is chaired by the Head of Corporate Responsibility and Community Relations. Members of the working group include the following executives:

- Chief Financial Officer
- General Counsel and Corporate Secretary
- Chief of Staff and Director of Corporate Center
- Chief Risk Officer
- Chief Qualitative Risk Officer

For additional details see the Governance section.
2022 ESG highlights

### Financial highlights

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<td>return on average tangible common equity</td>
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### Climate Stewardship

- **$5Bn** of new capital deployed in 2022 to support a low carbon economy\(^3\)
  - \(~$1\) billion raised through green, social, and sustainable bond offerings in 2022
  - **$500 million** in consumer residential solar loans in 2022
  - Launched a new ESG Money Market Deposit Account (MMDA) for commercial clients
  - Reduced internal and external printing by 4 million pages

### Communities

- **$6.3Bn** invested in our communities in 2022
  - **$4.7Bn** investments in affordable housing
  - **$1.2Bn** in mortgage lending to low- and moderate-income (LMI) individuals or in LMI communities
  - **$366.5MM** in small business lending in LMI communities
  - **$45.2MM** in transformational philanthropic investments, including **$6MM** in charitable contributions made through Key employee programs
  - **~90,000 hours** of community service hours by teammates

### Diversity, equity, and inclusion

- **12%** of qualified spend with diverse suppliers
- Achieved early our 5-year public commitment to increase People of Color (POC) representation by 25% at our senior leadership ranks by 2025 in 18 months, increasing representation by **36%**
- Board diversity
  - 46% diverse
  - 31% women
  - 23% racially or ethnically diverse
- Hosted seven speaker sessions on social justice and racial equity for teammates

### Teammates

- **$10.9MM** invested in our teammates’ development
- **735,125 hours** of formal learning programs and courses
- **20% of our teammates** belong to at least one of our 12 employee resource groups

### Recognition

- **13X** Top 50 Companies for Diversity by DiversityInc
- **9X** Community Minded Companies by Civic 50

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\(^1\) As of December 31, 2022.
\(^2\) Net income and earnings per share from continuing operations attributable to Key Common Shareholders.
\(^3\) KeyBanc Capital Markets as lead financier.