

2020 Environmental, Social, and Governance Report



Table of Contents

About our ESG Report	3
2020 ESG Highlights	4
A Message from Chris Gorman	5
2020 Reflections	7
Organizational Changes	9
Stakeholder Engagement	11

Economic	13
Our Purpose	14
Corporate Profile	15
Awards and Recognition	16

Social Responsibility	17
Responsible Banking	18
Investing in Communities	23
Diversity, Equity, and Inclusion	34
Our Pay Equity Commitment	38
Teammate Engagement	43

Environment	49
Financing Renewable Energy	50
Sustainable Operations	52
Environmental Sustainability	53
Supply Chain and Sustainability	54
Environmental Risk Management	55

Governance	56
KeyCorp Board of Directors	57
Risk and Oversight	59
Business Ethics	62
Client Privacy and Data	65
Political Involvement and Activity	67

ESG at Key – Going Forward	69
--------------------------------------	----

On the cover: **Miles apart, closer than ever.** Teammates from Maine to Alaska showcase their KeyBank pride.



For our colleagues

We have implemented a range of measures to support our teammates and their families throughout the pandemic, including flexible work arrangements, additional paid leave, premium pay, childcare reimbursement, and telehealth.

For our clients

Service is central to our culture. Key has helped thousands of clients with payment deferrals, hardship loans, fee waivers, and most notably, our participation in the Paycheck Protection Program.

For our communities

Through investments, lending, philanthropy, and volunteerism, we have worked together to support our neighbors and neighborhoods in the communities we proudly serve.

About Our Environmental, Social, and Governance Report

KeyCorp's annual Environmental, Social, and Governance (ESG) report includes measurements associated with the sustainability and societal impact of our investments. Our report is a companion piece to our Annual Report to shareholders – it provides all stakeholders with an update on the company's priorities and progress as both a responsible bank and citizen.

At Key, we are focused on providing the residents and businesses of our communities access to affordable and accessible financial solutions while reducing our environmental footprint. We are committed to our purpose: to help clients and communities thrive.

The 2020 ESG Report covers the period between January 1 and December 31, 2020, and early 2021. In this document, Key reports on the ESG and corporate responsibility (CR) progress of KeyCorp, including KeyCorp's subsidiary bank, KeyBank National Association; and KeyBank and First Niagara Foundations.

KeyCorp voluntarily discloses our environmental, social, and governance efforts by using the Global Reporting Initiative (GRI) and CDP frameworks, disclosing Key's most significant areas of impact in a manner comparable to peers and industry benchmarks. GRI is an international, independent standards organization that helps businesses understand and communicate their ESG impacts and opportunities.

Our last impacts and opportunities assessment identified the most significant ESG topics essential to the bank. Of those, four priorities were identified as differentiators for Key. The four priorities are diversity, equity, and inclusion; economic inclusion and community vitality; green banking; and thriving employees.

For additional disclosure of KeyCorp's ESG topics, visit the GRI content index and [key.com/community](https://www.key.com/community), and KeyCorp's [Corporate Governance](https://www.key.com/corporate-governance) page. Feedback and questions about our corporate responsibility and ESG efforts are welcomed and can be addressed to Shanelle Smith, KeyCorp's Corporate Responsibility and Community Relations Manager: corporate_responsibility@key.com or 216-471-2221.

View this and previous KeyCorp Corporate Responsibility Reports at [key.com/crreport](https://www.key.com/crreport).

KeyBank's ESG Priorities



**Diversity, equity,
and inclusion**



**Economic inclusion
and community vitality**



Green banking



**Thriving
employees**

2020 ESG Highlights

Financial highlights

- Net income **\$1.3 billion**
- Earnings per share **\$1.26**
- Cash Efficiency Ratio **60.2%**
- Common Equity Tier 1 **9.73%**

Communities

- **\$6.5 billion** invested in communities in 2020 through our National Community Benefits Plan
 - **\$3.7 billion** investments for community development
 - **\$45 million** in transformational philanthropic investments, including **\$7.9 million** in charitable contributions made through KeyBank employee programs
- **50,300 hours** of community service hours by KeyBank teammates in 2020
- Investing more than **\$40 billion** by extending and expanding our National Community Benefits Plan

Diversity, equity, and inclusion

- Board diversity
 - **47%** diverse
 - **33%** women
 - **20%** racially or ethnically diverse
- **25%** of manager and executive level hires were People of Color
- **\$70 million** in diverse supplier spend
- New **Social Justice and Racial Equity Speaker Series**

Teammates

- **\$12.3 million** invested in our teammates' growth and development
- **\$34 million** in pandemic support of teammates
- **540,000 hours** of formal learning programs and courses
- **59%** of our teammates are a member of at least one of our 12 employee resource groups, known as Key Business Impact Networking Groups (KBINGs)

Environment and sustainable operations

- **\$5.2 billion** invested in renewable energy
 - **35.9-gigawatt** cumulative capacity for 2020
- **\$1.3 billion** to support energy efficiency improvements through Key Equipment Finance
- **\$224 million** in residential solar loans
- **22%** reduction in energy consumption (from 2016 baseline)
- **24%** reduction in GHG emissions (from 2016 baseline)
- Named **2020 Supplier Engagement Leader** by CDP

Recognition

- **10th** Consecutive "Outstanding" Community Reinvestment Act Rating
- **12X** Top 50 Companies for Diversity by DiversityInc

A Message from Chris Gorman

Thank you for your interest in KeyCorp's 2020 Environmental, Social, and Governance report. I am pleased to offer this update on both our efforts and our outcomes in order to provide a perspective on our economic and social impact. As a responsible bank and citizen, we continually endeavor to create shared value with every stakeholder we serve. Our purpose is to help our clients, our colleagues, and our communities thrive.

In 2020, our team turned every challenge into an opportunity. Throughout the pandemic, we have taken countless steps to ensure that our teammates, our neighbors, and our neighborhoods are safe and well served. We have been there when our clients needed us most as our branches have remained open throughout the pandemic. Together, we have helped more than 67,000 small businesses and nonprofits access critical capital through the Paycheck Protection Program. We've invested more than \$34 million in COVID-related support of our teammates and we've responded to our communities with more than \$18 million in grants and investments toward pandemic-related resiliency, relief, and recovery.

Our work in the community is central to our culture and a source of great pride for our teammates. Through lending, investing, and volunteerism, we participate in the growth

and sustainability of the communities we proudly serve. In that spirit, I am very pleased to share that we have met the aggregate lending and investing targets of our five-year, \$16.5 billion National Community Benefits Plan, one year early. In four years, we delivered more than \$18 billion in benefits and more than 400,000 hours in volunteerism supporting neighbors and neighborhoods from Maine to Alaska.

Given our momentum, we have extended and expanded our commitment to more than \$40 billion in community benefits. We will continue to focus our investments in affordable housing, home lending, and small business lending. We will also continue our tradition of transformative philanthropy by making investments to improve access to education and workforce development as well as safe, vital neighborhoods.

We will also be expanding our community commitments to include a focus on environmental equity and addressing climate change. Key is the number two provider of renewable energy financing in North America. As part of our long-standing commitment to the environment and sustainability, we are committing an additional \$4 billion in renewable energy financing and accelerating efforts to reduce our own environmental footprint and that of our suppliers.

Continued



A Message from Chris Gorman

We are also making commitments to diversity, equity, and inclusion, inside and outside our company. Earning a spot on the DiversityInc Top 50 list 12 times is a testament to our inclusive culture and strong programs. But against the backdrop of a national reckoning on social justice and racial equity, we are sharpening our focus and our actions to drive even better outcomes. We have both the opportunity and the obligation to be part of the solution and a path forward that addresses systemic racism, injustice, and inequity.

Our diversity, equity, and inclusion strategy is focused on engaging a diverse and talented team and supplier base, cultivating an inclusive culture, characterized by equal access to opportunities, development, and compensation. Key's diversity council and our 12 employee resource groups are long-standing strengths of our company and we are leveraging their experience, networks, and perspectives to shape our strategy and drive our actions.

We have also set performance targets to ensure accountability for accelerating progress with respect to workforce and supplier diversity, equity, and inclusion. I am proud to share our commitment to increase people of color representation in senior leadership and executive roles by 25% in five years and 50% in 10 years. Our supplier diversity target is 8-10% of total spend for tier one and two suppliers.

The recognition we have received for our work is affirming. Perhaps the greatest testament to our commitment to equity and access for all, is the fact that in 2020, we received our 10th straight rating of "Outstanding" for reaching the highest standards of the Community Reinvestment Act. Key is one of the only top 20 US banks to achieve this distinction from the Office of the Comptroller of the Currency. In addition, the Human Rights Campaign has named us for the twelfth time to their list of "Best Companies for LGBT Equality" and the Civic 50 has named us for the seventh time to their list of "America's Most Community Minded Companies."

While proud of the recognition we have received, we know that this is a journey and our work is not done. That is why we remain focused on serving all stakeholders – our clients, colleagues, communities, and shareholders – with unwavering determination. Our talented, engaged, and diverse team is dedicated to creating a healthier, more equitable, and more inclusive workplace and marketplace, creating a brighter future for us all. I remain confident in our ability to deliver on our commitments to every stakeholder we serve.

Sincerely,



Chris Gorman

Chairman and Chief Executive Officer
May 2021

2020 Reflections

Together, we're rising to meet unprecedented opportunities and challenges and delivering results throughout the pandemic. The determination, resilience, and dedication of our teammates, 17,000 strong from Maine to Alaska, brought forward many new and innovative ways to support our stakeholders. Some highlights from 2020 and early 2021 include:

Teammate support

\$34 million total pandemic support in 2020	9,000+ COVID-related tests covered by the Key Medical Plan (as of April 14, 2021)	7,000+ frontline teammates received premium pay totaling nearly \$11 million	~\$1 million in childcare reimbursements to teammates for unplanned childcare expenses through our Dependent Care Reimbursement program	\$8.5 million 2021 Wellness Incentive HSA contribution earned by ~14,000 teammates and spouses	8,600+ colleagues participated in wellness programs including our expanded fitness reimbursement program
---	---	--	---	--	--

Client support

Economic Impact ("Stimulus") Payments (as of March 31, 2021)	2.3 million direct deposit payments – \$4 billion in relief	10,000+ Key Cares credits ¹ provided \$170,000	12,000+ temporary credits ² provided almost \$4 million in relief	17,700+ stimulus payments cashed for non-Key clients free of charge
Paycheck Protection Program (PPP) Rounds 1, 2, and 3 (as of March 31, 2021)	66,000+ loans processed through three rounds of PPP, totaling \$10.7 billion in critical funding for businesses	~24% of loans went to businesses in low- or moderate-income communities		
Support for commercial clients (as of March 31, 2021)	\$3 billion of commercial payment deferrals for ~3,000 borrowers	\$140 million of commercial payment deferrals are still active		

¹Key Cares Credits: Permanent credits given to forgive overdrawn balances for clients receiving stimulus checks into an account with a negative balance of \$50 or less.

²Temporary Credits: 30-day temporary credit provided to clients receiving stimulus checks into an account with a negative balance of greater than \$50 to allow full access to the stimulus payment.

2020 Reflections

Community support

\$45 million

invested in our communities, including \$18 million across our markets to directly support individuals and businesses impacted by COVID-19

~ \$500,000

donated by teammates through our special 2 for 1 match Social Justice and Racial Equity Matching Gift Program supporting organizations who share our commitment to advancing social justice and racial equity

65+

conversations hosted by KeyBank leaders focusing specifically on social justice and racial equity across the company, with nearly 40% led by Executive Leadership Team members

Social Justice and Racial Equity Speaker Series

welcomed nationally recognized trailblazers in DE&I to speak to and with teammates.

Led by our Chief Diversity, Equity, and Inclusion Officer, each conversation also provided thousands of teammates with the opportunities, training, and education to continue to build their diversity acumen.

Dr. Zachary Green – Racial inquiry

Professor Ibram X. Kendi – How to be an antiracist

Bill Proudman – How to be a better ally

Soledad O'Brien – Disrupting and dismantling systemic racism

1,000

teammates donated to more than 1,300 nonprofit organizations totaling nearly \$2 million through our 2:1 employee gift matching program

50,300

hours volunteered by KeyBank teammates supporting nonprofits and organizations in their communities

KeyBank Assists

\$875,000+

provided through donations, meals, and surprise gifts to small businesses, families, essential workers, and first responders across our footprint to ease the stress of the pandemic and support our communities.

100 charities | **150** small businesses | **thousands** of local restaurant gift cards

Organizational Changes



Chris Gorman named Chief Executive Officer and President of KeyCorp.

Chris Gorman assumed the role of Chairman, Chief Executive Officer, and President of KeyCorp on May 1, 2020, bringing more than 30 years of financial services experience to his role.



Beth Mooney retires from KeyCorp.

On May 1, 2020, Beth Mooney retired from her role as Chairman and Chief Executive Officer.



Eric Fiala promoted to Head of Corporate Responsibility and Community Relations.

Eric Fiala was promoted to Head of Corporate Responsibility where he leads Key's community engagement, philanthropy, ESG, and Community Reinvestment Act (CRA) teams. Since joining Key in 2002, Eric has held roles of increasing responsibility, including Consumer Bank Finance Director and Director of Client Insights.



Greg Jones named Chief Diversity, Equity, and Inclusion Officer.

Greg Jones joined Key as Chief Diversity, Equity, and Inclusion Officer to lead the strategy and tactics to improve the acquisition, movement, development, and retention of diverse talent and suppliers.



Ronald V. Johnson Jr. named Chief Ethics Officer.

Ron Johnson was named Chief Ethics Officer and leads Key's Ethics Office, which is responsible for the administration of the KeyCorp Code of Business Conduct and Ethics, Key's Ethics Program, and oversight of conduct investigations. Ron joined Key in 1999 and has served in Operations, the Law Group and Risk Management roles.



Kwanza Humphrey promoted to East Region Corporate Responsibility Manager.

Kwanza Humphrey was promoted to East Region Corporate Responsibility Manager, where she leads a team of Corporate Responsibility Officers to focus on local execution of KeyBank's Community Benefits Plan and CRA obligations. Kwanza is based in Buffalo, New York, and has been with KeyBank since 2001.

Organizational Changes



Gwen Robinson named Director of CRA Data and Compliance.

Gwen Robinson joined Key in 2020 as Director of CRA Data and Compliance. In this role, she leads KeyBank's CRA team and develops strategies to support the companywide commitment to maintaining the bank's "Outstanding" CRA rating. Before joining KeyBank, Gwen led a market research and strategic consulting practice for financial technology companies and impact investment funds.



Rachael Sampson promoted to Director of Key4Women.

Rachael Sampson was promoted to Director of Key4Women, a national program supporting women-owned businesses. In this role, Rachael leads efforts to provide access to women in business and drive superior and inclusive client experiences. Rachael has nearly 15 years of experience at Key and is part of the African Heritage employee resource group national leadership team.



Shanelle Smith named Corporate Responsibility and Community Relations Manager.

Shanelle Smith joined Key as Corporate Responsibility and Community Relations Manager. Shanelle has 16 years of experience building cross-sector partnerships to solve one of the world's most significant issues: climate change. Throughout her career, she has led several successful community-wide initiatives centered on lifting under-resourced communities.



Stacy Thompson promoted to West Region Corporate Responsibility Manager.

Stacy Thompson was promoted to West and Midwest Regional Corporate Responsibility Manager. She leads a team of Corporate Responsibility Officers to focus on local execution of KeyBank's Community Benefits Plan and CRA obligations. Stacy is based in Dayton, Ohio, and has been with KeyBank since 2006.

Stakeholder Engagement

2020 brought many challenges, requiring us to pivot quickly in how we supported our many stakeholders, including our colleagues, clients, and communities. With the health and safety of all our clients, our colleagues, and our communities as our top priority, we utilized CDC and state and local guidelines to inform our decisions. KeyBank moved toward digital engagement strategies for all stakeholders, shifting from in-person events and meetings to conference and video calls and presentations to ensure accessibility for the investor community.

We have taken countless steps to ensure that our clients and colleagues are both safe and well served. Throughout the pandemic, we maintained strong operational effectiveness, which allowed us to proactively provide our teammates and clients with critical support and services.



Clients

- Service is central to our culture. Our branches remained open, with more than 7,000 teammates serving our clients throughout the pandemic.
- When merited, branch-based services moved to drive-thru and appointment only to keep teammates and clients safe.
- Additional safety measures included installing plexiglass protection, cleaning stations, enhanced cleaning, reduced capacity, and mask requirements.
- Robust client experience feedback collection across all businesses and channels inform our strategic priorities and investments in people, process, and technology.



Communities

- In 2020, KeyBank continued to strengthen engagement with our National and Regional Advisory Councils and community partners. Our councils have provided invaluable guidance to help KeyBank serve our most vulnerable populations and underserved communities more effectively.
- KeyBank's National Advisory Council consists of 15 national leaders, along with members of KeyBank's Executive Council and Corporate Responsibility team and is focused on the success and well-being of low- to moderate-income (LMI) communities. The Council met twice in 2020, focusing on strategic philanthropic investments, effective mortgage lending tools for LMI borrowers and communities, and innovative strategies to deploy small business capital. The Council also reviewed our expanded community commitments and progress against our National Community Benefits Plan.
- Our Great Lakes, Buffalo, and Capital Region (Albany) New York Regional Advisory Councils include a diverse group of community leaders, who oversee and work in partnership with Key to drive transformational and meaningful community investment.
- In 2020, our Corporate Responsibility team conducted hundreds of virtual meetings with community partners to share information about our products and services.

Stakeholder Engagement



Teammates

- We listened to teammates through our Voice of the Employee (VoE) Forum and employee surveys.
- We continuously assessed how to support our teammates through the pandemic.
- We remain committed to doing our part to reduce the spread of coronavirus. More than 10,000 of our colleagues continue to work from home.
- We have implemented new benefits and encouraged flexible work hours to support our teammates as new schedules and rhythms were required to meet personal and family needs.
- To demonstrate our support and encouragement in obtaining the vaccine, Key allows up to four hours of paid time off for vaccination appointments.
- Encouraged teammate civic engagement by providing up to three hours of paid time off to vote.



Shareholders

- To ensure accessibility to the investor community, Key quickly pivoted to digital engagement. Our annual meeting and quarterly earnings calls were virtual. We also participated in six small group virtual conferences hosted by investors. Investor relations and Key's leadership teams were in ongoing communication with equity analysts and investors via phone calls, email, one-on-one meetings, and webinars.



Suppliers

- Continued to engage Key's non-diverse suppliers to utilize diverse-owned businesses and report their diverse spend to Key (Tier II reporting).
- Successfully onboarded some of Key's largest suppliers to report Tier II spend quarterly.



Regulators

- KeyBank shared enhancements and updates with regulators regarding our CRA initiatives and our National Community Benefits Plan. Senior management engaged in quarterly meetings with regulators, and the regulatory and government affairs teams participated in compliance reviews.



Economic

Our purpose

We help our clients and 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 promise

For our clients

We Open Doors to help you make better, more confident financial decisions.

For our colleagues

We have a strong sense of community, where each of us has the opportunity for personal growth, to do work that matters, and work in a place where our results are rewarded.

For our communities

Through investments, lending, philanthropy, and volunteerism, we work together to support our neighbors and neighborhoods in the communities we proudly call home.

Our strategy

Build enduring relationships with targeted clients by knowing and delivering what matters most to them.

Strategic priorities

Invest in talent

Engage a high-performing, talented and diverse team

Organic growth

Grow profitability by acquiring and expanding targeted client relationships

Strong risk culture

Effectively manage risk and reward and maintain financial strength

Digital-first mindset

Transform the client and employee experience, operations, and infrastructure

Continuous improvement

Execute on strategic investments and improve operating efficiency

Economic

\$170.3B

Assets

15

States

\$101B

Loans

3.5MM

Clients

\$135B

Deposits

40,000+

KeyBank and
Allpoint ATMs

\$6.7B

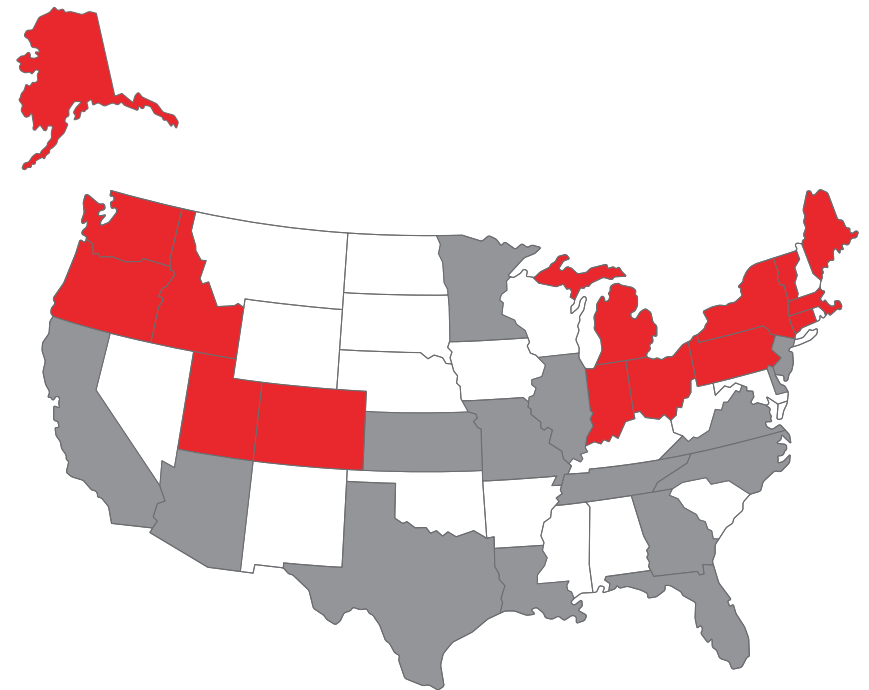
Revenue

1,000+

Branches

~17,000

Teammates



● Key Community Bank

● Key Corporate Bank includes offices in these states in addition to the 15 states where Key Community Bank operates retail branches.

Awards and Recognition



12X Best Companies
for LGBTQ Equality

Human Rights Campaign



12X Top 50
Companies
for Diversity

DiversityInc



10X Consecutive
"Outstanding"
CRA Ratings

Office of the Comptroller
of Currency



7X Community-
Minded
Companies

Civic 50



7X Military Friendly
Employer

G.I. Jobs



5X Military Friendly
Spouse Employer

G.I. Jobs



4X Leading
Disability
Employer

National Organization on Disabilities



2X Most Sustainable
Companies

Barron's



2X Gender Equality
Index

Bloomberg



1X Supplier
Engagement
Leaders

CDP



Social Responsibility

A rendering of a KeyBank Community Development affordable housing property in Austin, Texas.



Responsible banking: deposit and savings products and services

KeyBank's products and services are designed to work together to benefit residents of low- to moderate-income (LMI) communities. These products and services combined can empower clients to save money and pay down debt faster while earning cash back and avoiding unnecessary costs.

KeyBank Hassle-Free Account® (Bank On certified):

This checkless online account¹ features no minimum balance requirement. Clients receive a chip-secure debit card and access to secure mobile banking. The Cities for Financial Empowerment Fund's Bank On platform supports local coalition and financial institution efforts to connect consumers to safe, affordable bank accounts. In 2020 the CFE Fund recertified our Hassle-Free Account as "Bank On" for meeting their national account standards.

Key Active Saver®: A simple account¹ that has no monthly maintenance service charge when paired with a KeyBank consumer checking account.²



Other products and services that may be beneficial include:

EasyUp®: EasyUp® is a service that automatically saves a set amount from every debit card purchase when a client adds it to their checking account to save or help pay down debt. The tool features a new option for users to direct their automatic savings to make an extra monthly payment toward their credit card or auto, student, or home equity loan debt.



KeyBank Smart CheckingSM: KeyBank launched a new simplified consumer checking account¹ featuring KeyBank Smart Checking, a simple checking account that allows clients to do more with their money. KeyBank's ATM network expanded to over 40,000 surcharge-free locations nationwide. See our [KeyBank Transparency Promise](#).

¹A \$10 minimum deposit is required to open a Key Active Saver,® Key Smart Checking,SM or KeyBank Hassle-Free Account.®

²There is no monthly Maintenance Service Charge if you are an owner on a KeyBank consumer checking account (including the KeyBank Hassle-Free Account), otherwise the fee will be \$4.00.

Branch team helps homeless shelter residents with a path forward.

Supporting the community is more than charitable giving and volunteerism; it's about providing the tools and resources to enable clients and communities to improve their circumstances. KeyBank's Branch Manager Marta Hrynyszyn helped residents at a men's homeless shelter located down the street from her branch to open checking accounts.

"Without a checking account, they were using private check-cashing companies that took a percentage of their money and buying prepaid debit cards with high fees to pay bills when cash isn't an option – like for cell phone bills," said Marta. "I knew I could find better solutions for them."

Marta and her team plans to offer onsite financial literacy workshops at the shelter to bring banking services to more of their residents.



Social Responsibility

Responsible banking: credit and mortgage loan products

Key Secured Credit Card^{@1}



Secured credit cards can help clients build a solid credit record. It is secured by a minimum deposit greater than or equal to \$300 in a Key Active Saver[®] account.

Affordable home lending at KeyBank

KeyBank remains a United States Department of Housing and Urban Development (HUD) approved lender and offers a variety of mortgage products for LMI communities and borrowers.

Federal Housing Administration (FHA) Mortgage

For first-time homebuyers, this program allows low down payment options.

Key Community Mortgage^{@2}

This product does not require a minimum loan amount – therefore it can be used for small dollar mortgages and allows clients to take advantage of low down payment options. Private Mortgage Insurance (PMI) is not required.

Fannie Mae HomeReady[®] Mortgage

A low down payment mortgage product designed for creditworthy, low-income borrowers for first-time or repeat homebuyers.



Specialty loan products

Key offers several specialty loan products to assist with home improvements and repairs. Examples include: **Home Heritage Loan** and the **Home Enhancement Loan Program (HELP)** in Cuyahoga County, Ohio, and the **Challenge Loan Fund** in Cleveland Heights, Ohio.

¹Use of the Key Secured Credit Card can help build your credit when the minimum payment is made by the due date, each month.

²Property must be located in a KeyBank Assessment Area. No income limitations if the property is located in low- or moderate-income census tracts. For all other census tracts, income must be less than 80% of the Federal Financial Institutions Examination Council (FFIEC) Estimated MSA/MD Median Family Income. Completion of a Housing and Urban Development (HUD)-approved prepurchase homebuyer education workshop may be required prior to closing. Landlord counseling may be required prior to closing on all two-unit transactions. Borrowers are not permitted to own any other real estate at the time of closing.



Responsible banking: Super Refund Saturday

Each year, hundreds of teammates volunteer to help local nonprofit organizations provide low- to moderate-income wage earners with free tax preparation services and assistance in determining their eligibility for the Earned Income Tax Credit (EITC). The event known as Super Refund Saturday is a cost-effective way for local tax filers to navigate the tax preparation process.

In February 2020, KeyBank's Super Refund Saturday events provided financial and volunteer support to 11 EITC agencies across our footprint. 124 of our volunteers facilitated more than 689 tax returns, generating more than \$1.4 million in tax returns for income-eligible households.

“The partnership with KeyBank and the City of Dayton has been beneficial and impactful for our residents. This partnership over the years has allowed our LMI residents to avoid predatory lending, high-cost tax preparation with free tax preparation which put more money in their pockets.”

– Verletta A. Jackson, Engagement Supervisor, City of Dayton, Ohio



Super Refund Saturday, February 2020 (pre-pandemic).



Responsible banking: financial education

Our Corporate Responsibility Officers, Home Lending Leaders, and Community Development Loan Officers pivoted to hosting virtual financial inclusion and homebuyer education sessions in 2020.

Affordable Home Lending Lunch & Learn

In November 2020, Key hosted a virtual education session featuring KeyBank's unique suite of home lending products and services built for the community. With low rates and specialized products and services designed with everyone in mind, we helped our communities and those we serve work toward and achieve homeownership or refinancing. In addition to KeyBank sharing our capabilities, six housing agencies also provided overviews on education and counseling services to support individuals and families.

Unlocking Possibilities: Small Business Financing

In December 2020, KeyBank hosted a Small Business Financing virtual event in partnership with the Tacoma Urban League. Twenty-seven Black small business owners and entrepreneurs joined this virtual event to learn how to access financing and manage their businesses during a pandemic from a panel of business banking experts from KeyBank, Business Impact NW, and Seattle Credit Union. The Tacoma Urban League's Facebook Live page provided opportunities for business owners to view the event for months after it was held.

Minority Small Business Series

Between June and December 2020, KeyBank sponsored the Minority Small Business Series in partnership with the Indiana Black Expo and the Indiana Small Business Development Center to host a webinar series specifically for minority business owners. Topics included starting a business, business operations, financial health, marketing, developing banking relationships, and succeeding in a post-COVID-19 world.

11
webinars

1,395
attendees



Investing in communities

In 2020, KeyBank surpassed the aggregate financial commitments of our initial five-year, \$16.5 billion National Community Benefits Plan one year early, providing more than \$18 billion in lending and investments. These investments have supported affordable housing and community development projects nationwide, small business and home lending in low- to moderate-income communities, and philanthropic efforts targeted toward education, workforce development, and safe, vital, neighborhoods.

“Creating shared value with the communities we serve means facing head-on the issues we have long been working to address. These systemic issues must be addressed collectively – inside and outside our company – to drive the outcomes we want to create.”

– Chris Gorman, in announcing the expanded Community Benefits Plan

Community Benefits Plan Commitments	Plan To-Date Activity (\$)	2020 Activity (\$)	Year-over-Year Growth (%)
Community development lending & investing	\$12.0B	\$3.7B	+12%
LMI mortgage	\$3.7B	\$1.5B	+57%
LMI small business lending	\$2.6B	\$1.3B	+208%
Transformative philanthropy	\$140MM	\$45MM	+6%
Total	\$18.4B	\$6.5B	+39%



Affordable housing/community development

KeyBank Community Development Lending & Investment (CDLI) provides capital for projects that stabilize and revitalize communities. The pandemic and the resulting economic downturn underscore the nation's affordability crisis and the need for safe and affordable housing. As one of the top affordable housing lenders in the country, Key's CDLI platform brings together balance sheet, equity, and permanent loan offerings. Our team has made substantial investments supporting community development and affordable housing projects nationwide, representing investments of \$3.7 billion in 2020, a 12% increase over 2019 lending and investments.

Despite the pandemic, affordable housing lending remained strong. KeyBank was named the #3 affordable housing lender in 2020.*

\$3.7 B

investments in 2020

\$12B

investments since the inception of
the Community Benefits Plan in 2017

Affordable housing for seniors remains an issue for communities across the country.

In Cleveland, Ohio, KeyBank provided a \$31 million refinancing package to National Church Residences, the nation's largest not-for-profit provider of affordable senior housing and services, to renovate an affordable senior (62+) housing property. Built in 1976, the 171-unit Carnegie Tower at Fairfax is a 12-story, project-based Section 8 apartment building on two acres of land next to the world-renowned Cleveland Clinic. The units are available in one- and two-bedroom configurations. The handicap-accessible property features on-site security, management, and a service coordinator, along with 24/7 emergency maintenance. The project will preserve the building as affordable housing and ensure the long-term viability of the development.

Finding unique and groundbreaking funding solutions to address the affordable housing crisis remains a priority for KeyBank.

In 2020, KeyBank secured the first Freddie Mac tax-exempt loan in Michigan by any lender for CityLine Apartments. The development, by Indianapolis-based Herman & Kittle Properties, Inc., in partnership with the Michigan State Housing and Development Authority, will be a 240-unit complex constructed on 11.5 acres of land in Kentwood, Michigan. The property will be built and operated according to the Section 42 Low Income Housing Tax Credit project program. CityLine Apartments, which is expected to host and serve families that are part of the local workforce, comes at a time when local officials are seeking to add more housing with newer, modern amenities in the city.





Home lending

Homeownership is essential to building healthy and thriving neighborhoods. KeyBank offers a variety of mortgage programs focused on meeting the needs of low- to moderate-income borrowers and communities. Our commitment to supporting homeownership comes alive as part of our National Community Benefits Plan. In 2020, KeyBank provided \$1.5 billion in mortgages to LMI borrowers; growth of 57% year over year.



Teammate training

In 2020, KeyBank hosted lending training sessions for Mortgage Loan Officers and Community Development Loan Officers about the Community Reinvestment Act, KeyBank's National Community Benefits Plan, and our lending products focused on meeting the needs of LMI borrowers and communities.

Our Community Development Loan Officers are responsible for increasing homeownership for low- to moderate-income and minority customers based on standards set by the Department of Urban Housing and Development and the Community Reinvestment Act.

\$1.5B

mortgages to LMI borrowers in 2020

\$3.7 B

mortgages to LMI borrowers since the start of the Community Benefits Plan in 2017



Small business lending

Small businesses are critical accelerators for the economic health of neighborhoods. Building a successful small business is a challenge that is easier with KeyBank – a bank that understands how to build a small business from the ground up. This challenge is particularly acute in neighborhoods where access to capital remains lacking. As part of our Community Benefits Plan, KeyBank has committed to lending \$2.5 billion to small businesses in LMI urban and rural communities.

Small Business Administration (SBA) programs are an integral way to bring opportunities to LMI neighborhoods across the country. KeyBank is an SBA preferred lender and participates in many SBA programs. In 2020, KeyBank provided \$316 million in approved 7(a) loans, many to urban and rural communities. This is funding outside of KeyBank's efforts through the Paycheck Protection Program (PPP). As the 7th ranked SBA lender* in the country, KeyBank's expertise and strength in these programs is long-standing. Since 2015, KeyBank has provided more than \$1.6 billion in SBA-guaranteed financing to thousands of small businesses, providing critical lending and capital to neighborhoods.

\$1.3B

in small business lending
in 2020

\$2.6B

in small business lending since
the inception of the Community
Benefits Plan in 2017





Paycheck Protection Program

KeyBank's participation in the PPP was an important way to support clients and communities when they needed us most. Through a highly focused and coordinated effort during rounds 1, 2, and 3, KeyBank processed more than 66,000 PPP applications and provided nearly \$10.7 billion in loans for small- and mid-sized businesses nationwide. Twenty-four percent of those loans were for businesses in LMI communities.

KeyBank's Small Business Banking Team partnered with Corporate Responsibility Officers across KeyBank's 15-state footprint to engage businesses in LMI neighborhoods to advise them with information about PPP funding.

\$10.7B

in loans for small- and mid-sized businesses nationwide during rounds 1, 2, and 3 of the PPP



Volunteers at the Salt Lake Valley Habitat for Humanity.

Stepped in to help thousands of local nonprofits navigate the PPP process.

Outreach to local nonprofits has been critical to helping communities recover from the impact of COVID-19. For example, one client, the Salt Lake Valley Habitat for Humanity, worked closely with KeyBank's Business Banking group to navigate the PPP process.

"We greatly appreciate all that you and KeyBank have done to assist us with these loans. We have used our building and trucks to collect and distribute food and needed supplies to the many who have been left unsheltered and hungry during this trying year. We were also able to help people get back into their homes after they were damaged by the earthquakes. This would not have been possible without your help. Please know how very much we appreciate all that you have done," expressed Dave Cannon, Salt Lake Valley Habitat for Humanity.



Paycheck Protection Program: Being there for our clients when they needed us most

66,000 loans processed through three rounds of PPP

\$10.7B in critical funding for businesses

~24% of loans supported LMI communities

120+

applications solicited by our Corporate Responsibility Officers from not-for-profit community partners, minority- and women-owned businesses, and businesses in LMI communities

\$959MM

in PPP loans of \$1 million or less in LMI communities

“ We build relationships for life. We had a chance to step up for clients when their ability to get these funds was uncertain and they needed a financial partner more than ever. Key was there for our clients when they needed us most.

– Victor Alexander, Head of Consumer Banking

KeyBank’s clients on the Paycheck Protection Program

“We were able to stay open, keep all of our employees working, and pay all of our bills. On behalf of all of the other businesses and us, thank you from the bottom of our hearts for the hours and sacrifice the Key team made.”

“Your call and information about the Paycheck Protection Program was a godsend at this difficult time for our businesses throughout our town and country.”

“We brought back the 30 colleagues that previously had been furloughed. We wanted you to know that and feel responsible for helping make that happen.”

“I have worked with a number of banks in my career, and while they have done good by me, I’ve never had the level of service and support you’ve provided.”



Facing a pandemic, women business owners found support from Key4Women®

Through advocacy, connections, and empowerment, Key4Women supports the financial progress and empowerment of business women. In 2020, our Key4Women Confidence Survey showed the importance of relationship banking for women business owners when the pandemic began. Key was able to help more than 2,100 women-owned business clients secure the funding they needed to support their business.

The primary bank relationship of these women small business owners mattered, and the numbers show just how much.

53%

reported their primary bank proactively reached out to them

70%

relied on their primary bank to some degree for financial guidance

“Key4Women is an avenue of growth and advice for so many women business owners and leaders. Advice that can make a big difference right now. As a relationship-based bank, we want to be a partner in helping our clients use every tool possible while knowing exactly what best fits their business and goals.

– Rachael Sampson, Director of Key4Women



Supporting small businesses: KeyBank Assists

To help ease stress and bring optimism to our communities, we launched #KeyBankAssists in 2020. The KeyBank Assists program gave donations, meals, and surprise gifts to small businesses and families across our footprint. We teamed up with influential public figures and amazing local chefs, from journalist Soledad O'Brien to renowned chef Robert Irvine, to support small businesses, families, and essential workers.

- More than \$875,000 has gone directly to our communities through #KeyBankAssists
- Supported more than 100 charities and 150 small businesses
- Gave local restaurant gift cards to thousands of families, essential workers, and first responders
- Provided thousands of meals within our communities



KeyBank Assists helping communities with meals and gift cards.



Transformative philanthropy

KeyBank Foundation and First Niagara Foundation are focused on catalytic investments to build stronger communities and improve the quality of life for our neighbors and neighborhoods.

The past year brought significant challenges to our communities, including a global pandemic and a national reckoning on social justice and racial equity. KeyBank swiftly adapted to the urgent and rapidly growing community needs and engaged employees in unprecedented ways in response to the upending crises of 2020.

In response to the impact of COVID-19 on individuals and families, neighborhoods, and communities, the KeyBank Foundation and First Niagara Foundation provided more than \$18 million in support for communities:

Rapid response: \$1 million was immediately provided to collaborative funds to aid response efforts such as food supply and distribution, support for frontline workers, and directed to the most vulnerable individuals and communities.

Partner flexibility: KeyBank worked with partners to re-focus prior year committed funding to allow community partners to pivot to address the most urgent needs during 2020.

\$45MM

philanthropic investments
in 2020

\$140MM

philanthropic investments since
the inception of the Community
Benefits Plan in 2017

Fortifying resiliency: KeyBank worked with nonprofit organizations across the country to make new investments to strengthen community response to the coronavirus.

Employee match program: Special COVID-19 response 2:1 match program raised a total of nearly \$2 million.

During 2020, KeyBank continued our long-standing commitment by investing \$18 million in organizations focused on Social Justice and Racial Equity. This included \$1 million of rapid response to organizations providing critical support to build Black equity. Additional funds were focused on building community dialogue about race relations, building capacity of Black-led organizations supporting historically underserved communities, and projects counteracting systemic racism.



Teammate impact



Westchester Medical Center hospital staff with Key cookies from the Key Young Professional KBING of the Hudson Valley and New York City.

KeyBank employees across our footprint make positive impacts in the communities we call home. In 2020, \$7.9 million in charitable contributions were made through KeyBank employee programs. In addition, thousands of KeyBank teammates volunteered more than 50,000 hours of community service. This includes holding a virtual Neighbors Make the Difference Day – an annual KeyBank event focused on employee volunteerism. Throughout June and July of 2020, the program helped teammates find new ways to volunteer and give back to the community while prioritizing the health and safety of our clients, teammates, and communities. More than 430 teammates participated in the virtual event, with nearly 3,500 total hours volunteered for 300 nonprofits across KeyBank's footprint.

In 2020, KeyBank Foundation and First Niagara Foundation made 660 philanthropic investments totaling more than \$45 million. Consistent with the foundations' strategic pillars of *Education*, *Workforce*, and *Neighbors*, these investments help build meaningful and transformative relationships that will create lasting change in our communities.

\$7.9MM

charitable contributions made through KeyBank employee programs in 2020

50,300

hours of community service volunteered by KeyBank employees in 2020

KeyBank Philanthropic Investments

Education	\$10.6MM
Workforce	\$4.2MM
Neighbors	\$17.5MM
Civic good	\$3.5MM
KeyBank direct contributions & asset donations ¹	\$8K

Total KeyBank Philanthropy

\$45MM

KeyBank Teammate Impact

Community leadership gift ²	\$191K
Employee donations & matching gifts	\$4.6MM
United Way pledge	\$3.2MM

Total Employee Impact

\$7.9MM

¹Goods that KeyBank has donated, such as office furniture, and includes charitable (cash) contributions made by the bank.

²The Community Leadership Gift Program provides up to four \$500 grants to qualifying organizations per year per eligible employee through the KeyBank Foundation.



Expanding our community commitments

For decades, KeyBank has opened doors to new homes and new businesses, and we're not done yet. We're extending and expanding our community investment commitments to more than \$40 billion.

In 2020, Key exceeded the aggregate financial commitments of our \$16.5 billion, five-year National Community Benefits plan a full year ahead of schedule by delivering more than \$18 billion in lending and investments across our footprint since 2017.

Given our momentum and the intensity of the need, we're extending and expanding our commitment to more than \$40 billion in community benefits. We are continuing our focus on investments in affordable housing, mortgage and small business lending, and renewable energy. We are also continuing our tradition of transformative philanthropy by making investments to improve access to education and workforce development as well as safe and vital neighborhoods.

With 10 consecutive "Outstanding" ratings for exceeding the requirements of the Community Reinvestment Act, Key has a long-standing commitment to responsible banking, responsible operations, and responsible citizenship.

“Corporate citizenship matters; it matters for our communities, for our clients, and for our colleagues. Key is doing our part to advance diversity, equity and inclusion and to address increased environmental concerns. We recognize how a pandemic with disproportionate impacts on low- to moderate-income communities is both an opportunity and an obligation. Creating shared value with the communities we proudly serve means sharpening our focus and driving even better outcomes – inside and outside Key.

– Chris Gorman



\$40B
community investment commitment

\$36 Billion - economic equity and inclusion – KeyBank will continue our commitment to providing affordable housing, home and small business lending in LMI communities, and transformative philanthropy throughout the markets where we do business. In addition, KeyBank plans to support homeownership by investing in down payment assistance. From hiring and career development to increasing spend with diverse suppliers, KeyBank will continue our long-standing focus on diversity, equity, and inclusion inside and outside the company. KeyBank will also build partnerships with CDFIs focused on serving minority-owned businesses and will develop and deliver financial education in minority and LMI communities.

\$4 Billion - renewable energy and sustainability – Since 2012, KeyBank has made more than \$15 billion in renewable energy investments and was a top provider of renewable energy financing in North America in 2019 and 2020. Our updated commitment will include this long-standing focus to increase KeyBank's renewable energy financing, as well as accelerating Key's efforts to reduce our environmental footprint.



Diversity, equity, and inclusion

At KeyBank, diversity, equity, and inclusion (DE&I) aren't just cornerstones of our culture – they are business accelerators. Our strategy focuses on three main pillars: our workforce, our workplace, and our marketplace. These areas of focus are brought to life through the leadership and engagement of our teammates, including DE&I Champions, who build specific action plans for their teams that align with Key's overall strategy.

Workforce

Engage and develop a talented and diverse team that matches the communities we serve.

Workplace

Our inclusive culture encourages teammates to engage, live our Key values, and bring their authentic selves to Key.

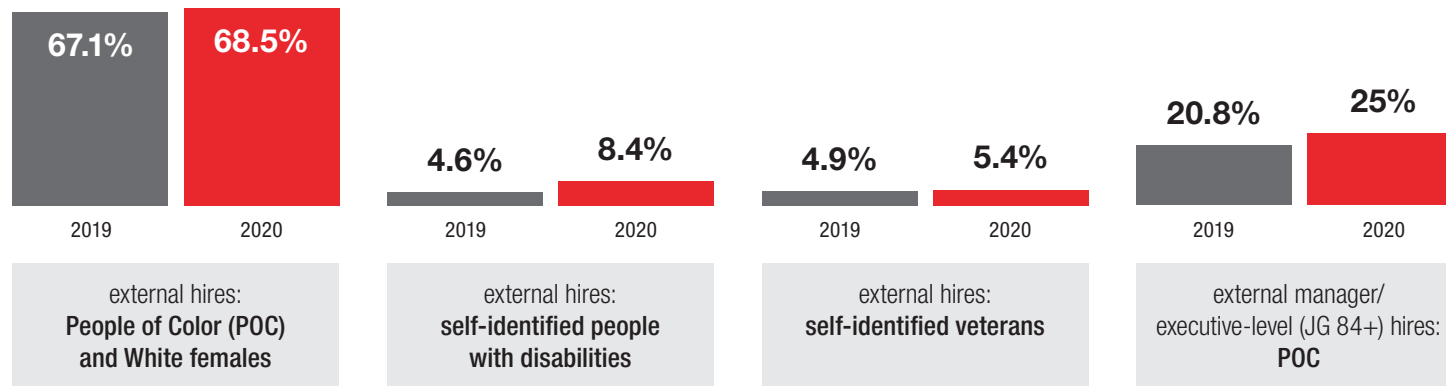
Marketplace

We are committed to creating shared value with diverse suppliers and to strengthening economic development to help our clients and communities thrive.

Workforce

Acquiring new talent

While navigating a predominantly virtual environment in 2020, talent acquisition continued to be an area of focus, including strengthening the capabilities of recruiters, striving for diverse candidate slates, and expanding overall recruiting efforts within diverse populations, including Hispanic-Latinx, African Americans, individuals with disabilities, and veterans.





Workforce

Diversity recruiting

At Key, our recruiting strategy includes a set of deliberate initiatives aimed at actively seeking candidates from diverse backgrounds, ensuring processes are inclusive, and removing barriers that prevent equal opportunity in the hiring process. We are accelerating a range of initiatives, from utilizing a new digital tool to reach diverse students to launching an internal diversity referral program.

Black Leader Forum

In 2020, Key invited Black Leaders across the enterprise to share their thoughts, perspectives, and ideas around DE&I topics at Key, including recruiting, talent development, accountability at all levels, and community support. Forum participants were invited to a series of sessions throughout the year, including with Key's Board of Directors. Their contributions continue to influence Key's DE&I initiatives, strategy, and path forward.

Evolving our Autism at Work Initiative

In 2019, Key partnered with The Precisionists, Inc. (TPI), an organization with a mission to create 10,000 jobs for persons with disabilities by the year 2025. Through Key's partnership with TPI, eight neurodiverse individuals joined Key Technology Operations and Services, bringing their talents, abilities, and passions to our workforce. Since 2019, TPI contractors have continued to thrive in Fraud Detection, Data Entry, and Mailroom functions. All contractors have been renewed for an additional one-year term.

At the onset of the pandemic in March 2020, TPI associates transitioned to working remotely, along with many KeyBank teammates. Through the transition and with the support of their job coach and managers, the team continued to thrive in their roles. In addition to transitioning some contractors to full-time roles and onboarding new TPI associates, our partnership with TPI remains strong, with plans for sustained growth in 2021.



TPI Associate Josh Nolen

Our commitments: leadership representation.

At Key, we believe a thriving workforce and company begins with diversity, equity, and inclusion as the foundation for all we do – and this includes a workforce that reflects the communities we proudly serve. That is why we are committing to increase People of Color (POC) representation at our senior leadership and executive levels:

25%

over the next 5 years

50%

over the next 10 years

These targets are not quotas, but Board-approved continuous improvement measures. We are committed to continuing to raise the bar not only for ourselves, but the industry as a whole.



Workforce

Workforce diversity through recruitment

Attracting, retaining, and developing talent that reflects the diversity of our clients and the communities we serve is important to us.* We participate in and host recruiting opportunities for candidates who self-identify as a minority (by race/ethnicity), female, current military or veteran, individual with a disability, and/or LGBTQ (lesbian, gay, bisexual, transgender, or queer).

MBA/Undergraduate Case Competition

In February 2020, we hosted the 16th Annual Minority MBA Student Case Competition. The annual competition, directed and administered by the Fisher College of Business Office of Diversity and Inclusion Student Services at The Ohio State University, allowed competing teams to hone their business acumen and team-building skills while learning from KeyBank executives. The competition has evolved to represent 25 to 30 teams each year from the nation's leading institutions. J. Mack Robinson College of Business, Georgia State University won first place in the case competition.

13th Annual KeyBank Leadership and Creativity Undergraduate Symposium

The KeyBank Leadership and Creativity Undergraduate Student Symposium, presented by The Ohio State University Fisher College of Business, first kicked off on October 30, 2008. The symposium is the result of innovative thinking and generous funding by the KeyBank Foundation.

Hosted first Student Summit on Diversity, Equity, and Inclusion

During this half-day virtual event, diverse students had the opportunity to hear from and interact with Chief Information Officer Amy Brady and Chief Diversity, Equity, and Inclusion Officer Greg Jones. Students heard from a panel of former interns, learned about our intern programs, and interacted with our recruiters in a small group setting. Key extended 15 offers and welcomed 10 new diverse teammates.



J. Mack Robinson College of Business, Georgia State University – winners of the 16th Annual Minority MBA Student Case Competition – with KeyBank leaders.

*KeyCorp is an Equal Opportunity and Affirmative Action Employer committed to engaging a diverse workforce and sustaining an inclusive culture. This event is intended as a diversity recruiting effort in support of Key's affirmative action and equal employment opportunity efforts. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or veteran status.



Workforce

Key U.S. Employee Diversity*	Female	White	Black/African American	Hispanic/Latino	Asian	All Other
Exec./Sr. level officials and managers	29%	95%	0%	5%	0%	0%
First/Mid-level officials and managers	46%	84%	5%	4%	5%	1%
Professionals	52%	83%	6%	3%	6%	1%
Sales workers, admin support, and service workers	68%	75%	10%	7%	5%	3%
Total KeyCorp Workforce (17,861 employees)	59%	79%	8%	6%	5%	2%

As of 12/31/2020.

Key has been recognized for our commitment as a 12x DiversityInc Top 50 Company for Diversity and 2x Bloomberg Gender-Equality Index recipient.

Reporting period as of 12/31/2020.





Our pay equity commitment

At Key, our commitment to [pay equity](#) is foundational to our culture. We support this commitment through our compensation practices in the following ways:

- We maintain a formal compensation structure to establish pay on the basis of objective factors, including external survey data, required education, and experience. We regularly review this structure in light of market trends and internal equity.
- We have a pay-for-performance philosophy in which pay decisions are based on the assessment of individual performance, business unit performance, and the performance of Key. These decisions also consider performance against risk expectations and whether an employee has exhibited behaviors consistent with our values.
- We conduct robust annual statistical analyses of pay and performance decisions. These analyses compare compensation and performance ratings of employees in similar roles to assess whether males and females and minorities and non-minorities are compensated equitably. A regression analysis is conducted to compare race and gender against variables which should impact pay (e.g., role, performance rating, length of service).

In our most recent review conducted year-end 2020, differences were found for less than 0.2% of employees, and adjustments were made to resolve the disparities.

Results will be shared with the Executive Leadership Team and our Board of Directors.



Workplace



Building Bridges training

In 2020, more than 14,000 – or nearly 80% of – KeyBank teammates completed Key’s 8-module diversity, equity, and inclusion training, “Building Bridges.” This training lays the foundation for an understanding of diversity and culture, and builds awareness and skill on how to identify and mitigate unconscious bias. Beginning January 1, 2021, the course is required for all current teammates and assigned at onboarding for new teammates in support of continuing an award-winning culture of diversity, equity, and inclusion.

Employee resource groups

At Key, 59% of our teammates are a member of at least one of our 12 employee resource groups, known as a Key Business Impact Networking Group (KBING).

KBINGs continued to serve as critical cornerstones for our teammates, offering support, connection, and engagement in an evolving environment. Notably, the Parents Are Key KBING developed resources for parents and caregivers who were newly challenged with school- and work-at-home. Many other KBINGs pivoted their community support to provide virtual engagement, such as tutoring programs and fundraising. Cross-KBING collaborations included roundtable sessions and dialogues to address issues and opportunities around social justice and racial equity.



KeyBank Young Professionals providing pandemic support.

“ The Key Young Professionals team of the Hudson Valley delivered 100 Red Key cookies and 100 meals to our frontline heroes who work across many different departments at Westchester Medical Center. Giving back to the communities we serve and paying it forward to those that inspire us is who we are as an organization.

– Matt Lake, Area Retail Leader in New York, and Key Young Professionals teammate



Workplace

Reaching our teammates, cultivating our culture

Against the backdrop of a national reckoning on social justice and racial equity, supporting, listening to, and learning from our teammates continues to be critical. Key's response focused on reaching every part of our workforce and our communities.

Roundtable discussions on race

KeyBank leaders hosted more than 65 conversations focused specifically on social justice and racial equity across the company, with nearly 40% led by Executive Leadership Team members. These sessions focused on giving employees a platform to share their experiences, increase their empathy and understanding, learn to be an ally – and most importantly, turn ideas into action to move us all forward together.

Social Justice and Racial Equity Speaker Series keynote presenters: Dr. Zachary Green, Professor Ibram X. Kendi, Bill Proudman, and Soledad O'Brien.



Social Justice and Racial Equity (SJRE) Speaker Series

Key introduced the SJRE Speaker Series, welcoming nationally recognized trailblazers in DE&I to speak to and with our employees. Notably, Key welcomed New York Times best-selling author of *How to Be an Antiracist*, Ibram X. Kendi. All teammates are invited to participate in the live events, which are also recorded and available for teammates to view at their convenience. Events are scheduled to continue through 2021 with a focus on introducing new perspectives and resources for teammates.

~\$500,000

in Social Justice and Racial Equity Matching Gift program support

“When one community is targeted, our collective commitment to diversity, equity, and inclusion is challenged. We must rise and stand together – working side by side as friends, colleagues, and allies – speaking up for awareness, education, change, and action.”

– Greg Jones, Chief Diversity, Equity, and Inclusion Officer



Marketplace

Key has a long-standing commitment to building mutually beneficial relationships with businesses that are at least 51% owned, managed, and controlled by U.S. citizens who are minorities, women, veterans, service-disabled veterans, LGBT, or individuals with a disability. In 2020, approximately 8% – \$70 million (Tier I and Tier II) – of our spend was with diverse suppliers. Since 2001, Key has spent more than \$1 billion with diverse suppliers.



Silverio Osorio and Sally Osorio of B and B Maintenance.

Expanding relationships

We remain focused on expanding relationships with diverse-owned businesses and encouraging our vendors to increase their diverse spend. Throughout 2020, Key successfully onboarded several large suppliers to report their Tier II diverse spend quarterly.

Supporting minority-owned businesses

B and B Maintenance, Inc. B and B, a professional building services company, is not only a KeyBank client, but served as a trusted business partner through the COVID-19 pandemic. With their services, KeyBank's branches and corporate buildings were able to remain open and cleaned regularly to the highest standards.

Since 2003, B and B has grown from serving one KeyBank market with approximately 30 locations to approximately 500 locations in the eastern U.S. region. In 2020, B and B is one of KeyBank's top 10 diverse suppliers by spend. As a KeyBank business partner and client, they now also provide their services nationally and in Canada. B and B is a certified Minority Business Enterprise through the National Minority Supplier Development Council.

“ Since 2003, KeyBank has been more than a business partnership. It has been like working with family. From my family to yours at KeyBank, thank you for all the years.

– Silverio Osorio, Owner, B and B Maintenance



Addressing social justice and racial equity through our community commitments

Buffalo Purchasing Initiative: KeyBank is a proud participant and supporter of the Buffalo Purchasing Initiative, led by the Buffalo Racial Equity Leadership Taskforce (BRELT). Gary Quenneville, KeyBank Buffalo Market President, works alongside 11 other local business leaders to advance racial equity by improving local spend with minority- and women-owned businesses.

“By improving the local spend with minority- and women-owned companies, the BRELT aims to drive economic sustainability of minority-owned businesses and improve the economy in the neighborhoods they operate in.

– Gary Quenneville, Buffalo Market President

Our procurement process

At Key, one of our guiding principles is to reflect the diversity of our communities in our supply chain. The Procurement Team partners closely with Key's Diversity, Equity, and Inclusion Team, organizations focused on supplier diversity and economic inclusion, and peer banks to engage with diverse suppliers for both new and existing products and services. Across the company, Key's Supplier Diversity Champions help drive positive outcomes for diverse suppliers for their departments. Key continues to deliver robust reporting and metrics to increase spend visibility, help departments identify opportunities, and drive accountability across the organization.

100+

minority-owned KeyBank suppliers



Social Responsibility

Teammate engagement

Employee benefits and wellness

We recognize the full value of employee benefits and take seriously our responsibility to offer benefits that empower our teammates to take control of their physical, emotional, and financial health.

Our success is a team effort. We're committed to recognizing – and rewarding – our employees' contributions. Along with competitive core benefits, we also offer many lifestyle benefits to meet the needs of our workforce and help our teammates succeed.

New lifestyle benefits

- Offer six weeks of paid parental leave to all new parents (including non-birth parents) to promote bonding
- In 2020, ceased soliciting salary and use of pay history nationally when making employment offers to external candidates
- In 2019, raised minimum wage for all non-commission, hourly employees to a range of \$16-18 an hour

Our nontraditional benefits offerings

KeyBank is proud to offer our teammates exceptional benefits:

- Adoption assistance
- Caregiver support services
- Fitness reimbursement
- Hardship relief
- Donation matching opportunities
- Personal, parental, short-term medical, military, health, and family leave
- Scholarships for children of teammates

“We’re committed to helping our teammates thrive by rewarding them for their contributions and investing in their health, well-being, and financial wellness. As part of that commitment, we offer a full range of benefits designed to encourage wellness in all aspects of their lives.”

– Brian Fishel,
Chief Human Resources
Officer

Employee health: by the numbers

We're committed to helping our teammates thrive. In 2020, we continued to implement programs that provide our employees with the knowledge, tools, and resources they need.

7,802	1,136	25	61	\$3.8 MM	\$1.1 MM
employees claimed reimbursement for eligible fitness costs • \$2.1 million	caregivers received access to counseling and other resources • \$453K	scholarships granted to dependents of employees • \$200K	employees granted up to \$3,000 through KeyBank's Hardship Assistance Program • \$152K in support	70 employees refinanced student loans with a discounted rate through our Laurel Road platform	in tuition reimbursement for 284 teammates

Social Responsibility

Pandemic support for teammates

During these unprecedented times, we stepped up to support our teammates with the same energy we dedicated to our clients and our communities.

- Encouraged flexible work hours to support our teammates as they found new schedules and rhythms to meet their personal and family needs
- Waived COVID-19 testing employee deductibles and coinsurance costs, including copays for virtual doctor visits; extended short-term medical leave to all teammates
- Implemented an additional 15 business days of paid leave to use for their own COVID-related illness or if they needed to care for an ill loved one, or a child during school closures
- Enhanced access and offerings to support mental health
- Expanded fitness reimbursement program to include at-home gym equipment
- Offered temporary premium pay opportunities for roles that could not be performed at home during lockdown periods
- Introduced KeyBank National Emergency Childcare Reimbursement Program, a tax-free stipend for teammates who must work on-site and have unplanned, out-of-pocket childcare expenses
- Offered reimbursement to eligible employees for their children's remote schooling internet and computer expenses



Chairman and CEO Chris Gorman visits frontline branch teammates in Cleveland, Ohio.

\$34MM+

in pandemic support for
teammates across Key in 2020

\$2,000

per colleague in COVID-related
support and relief in 2020

- Extended new Temporary Assistance Loan to employees
- Supplied individual Return to Office kit with face masks and sanitizer to branch teammates and others reporting to worksites
- Worked with University Hospitals Health System's Chief Experience Officer who serves as the Chief Health Officer to Key. In this role, the Chief Health Officer advises our Executive Leadership Team and provides medical and clinical consultation regarding Key's operational practices as our branches re-open and teammates return to our offices over the coming weeks and months.
- Developed a Stay Healthy Playbook to serve as a one-stop virtual guide for what to expect as part of our new normal, including health and safety measures implemented in our worksites and a daily self-screening assessment



Employee banking

At Key, we believe financial wellness begins with our teammates. Our employee product benefits, discounts, and Live Well & Thrive financial guidance programs support our teammates on their financial journey. In 2020, teammates who bank with Key focused on savings growth, protecting their finances with products such as health savings accounts, and furthering their financial health through educational workshops and webinars.

\$38MM

savings balance growth

63%

of employees have a
health savings account –
an all-time high

10,113

teammate attendance
at financial wellness workshops
+376% YoY

Listening to the Voice of the Employee

Key's Voice of the Employee (VoE) Forum is a digital platform that allows teammates to share their ideas and feedback and interact with one another by voting and commenting on suggestions submitted on the Forum.

We know our teammates are our greatest asset. The VoE Forum allows our employees to be change agents. The Forum not only has a positive effect on teammates, it also drives a better client experience and makes us the best company we can be.

Since its launch in 2018, more than 6,200 teammates have submitted an idea, comment, or vote. Twenty-six percent of the ideas submitted have been implemented, resulting in solutions improving our client and employee experience. In 2020, the VoE Forum served as a critical cornerstone to support teammates through the pandemic and served as a direct line of communication between our employees and leadership.

“When you come to work, you want to feel valued, supported, and heard. You want to feel part of something bigger and have the opportunity to make a difference. At Key, we value our teammates' experiences, viewpoints, and ideas.”

– Era Ziroe
Director of Client & Colleague Experience



Investing in our teammates

At KeyBank, we believe in investing in our teammates. Career development is supported through a variety of channels, including direct supervisor feedback, peer feedback, 360 feedback, training, mentoring, and one-on-one coaching.

Key's career development portal

In 2020, we introduced a career development portal, Grow at Key. This portal provides teammates with tools, assessments, learning paths, and more to help them achieve their career goals at Key. It empowers teammates to plan their career path and development while providing managers with insights and knowledge to enhance coaching.

In 2020, we invested over \$12 million in our teammates' growth and development through formal learning opportunities, career development tools, resources, and our tuition reimbursement program.

In addition to on-the-job training and career development opportunities, our teammates participated in over 540,000 hours of formal learning programs and courses throughout 2020. Over 11% of these hours were dedicated to learning new skills to prepare our teammates for the future of work – in areas of emerging technologies, leadership, new processes, and new ways of working.

MentorMe at Key

Last year, virtual mentoring provided an outlet for connection, networking, and engagement when many teammates were working remotely. Despite all the changes and challenges faced, our team members continued to engage in our enterprise MentorMe at Key program for their growth and development.

420+

individuals
matched

1,380+

mentoring hours
logged

36%

intercultural
mentoring pairs

74%

of matches
cross lines of
business

“MentorMe at Key is a powerful way for our employees to connect with people they may never cross paths with otherwise. Behind the numbers are stories of teammates who are building lasting relationships, accelerating both personal and professional growth.”

– Carole Torres, Chief Learning Officer and Head of Enterprise Training

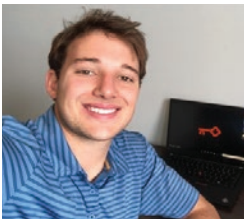
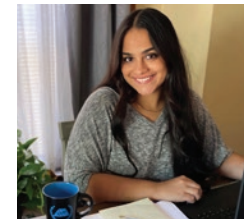
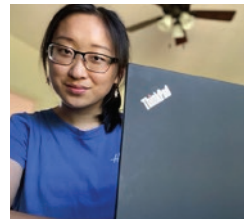


Mentoring across the company

Mentoring isn't limited to the MentorMe at Key program. Across the company, teammates can engage in additional department-specific mentoring programs, talent programs, and development initiatives through our Key Business Impact Networking Groups (KBINGs).

To provide targeted support to our military and veteran employees, the Key Military Network KBING piloted the KeyMN Connections mentoring program in September 2020. The pilot matched five pairs of tenured teammates who are previous veterans, current Reserve or Guard members, or ardent supporters, with new and existing teammates who are transitioning to the corporate financial sector from the military.

Twenty-three high-potential teammates provided reverse mentoring to executives – including Angela Mago, President of Key Commercial Bank, and her team of Regional Sales Executives (5), Market Presidents (12), and Sales Leaders (11). Mentoring topics included analytics, commercial customer relationship management system, and social media and will continue throughout 2021.



Virtual Enterprise Intern Program

In a year when many companies canceled internships, we believed it was more important than ever to support individuals early in their careers. We offered an award-winning program including virtual onboarding, orientation, training, networking with peers and mentors, exposure to our Executive Leadership Team, and meaningful work projects. Of 163 interns in the 2020 Enterprise Program, 52% were diverse:

11%

POC females

15%

POC males

26%

White females

Key's Intern Program was named to WayUp's Top 100 Intern Programs for the first time in 2020.





Social Responsibility

Volunteerism highlights

In 2020, our KeyBank teammates continued to demonstrate our values-focused culture by giving back to their communities. Teammates across the enterprise generously gave their time and talent by serving neighbors and neighborhoods across the community.

34,585

hours volunteered by teammates
to support 750 nonprofit boards

15,500+

hours volunteered by teammates for
other service, including our annual
Neighbors Make the Difference Day

50,300

total teammate volunteer hours
in our communities

Taking Neighbors Make the Difference Day virtual

When the pandemic took hold of the nation, KeyBank recognized the opportunity to transform our celebrated Neighbors Make the Difference Day® into a virtual experience, turning the one-day event into something with even greater and more lasting impact.

2020 represented the 30th anniversary of Key's annual Neighbors Make the Difference Day, a hallmark of Key's commitment to our communities and a leading corporate volunteerism effort in America.

To meet the unique circumstances of 2020, Key adapted the annual event to take place virtually over two months. Throughout June and July 2020, Key helped teammates find new ways to volunteer and give back to the community while prioritizing the health and safety of our clients, teammates, and neighbors.

Key celebrated the 30th anniversary of Neighbors Make the Difference Day in 2020.



KeyBank teammates proudly serving their community.



Environment



Financing renewable energy

How we invest is essential to ensuring strong and resilient communities. We know that our actions help support a bright future. Key supports sustainability through green buildings, energy efficiency, high-efficiency vehicles, and renewable energy. We do this through our investment products in Key Private Bank, equipment financing through Key Equipment Finance,[®] residential solar partnership with Dividend Finance, and capital investments through KeyBanc Capital Markets.[®]

\$5.2B

investments in renewable energy

35.9GW

cumulative capacity for 2020, a 2.9 gigawatt increase

KeyBanc Capital Markets ESG Bonds

KeyBanc Capital Markets actively participated in nine ESG bond offerings in 2020, with proceeds totaling more than \$7 billion to support environmental and social benefits. As an example, in March 2020 Key co-managed the placement of \$1.6 billion in green bonds to fund a utility company in New York State. These bonds are used to make investments in projects and customer programs that improve system efficiency and energy-use management, thus reducing usage and greenhouse gas emissions. As a further example, Key acted as joint bookrunner in September 2020 for the placement of \$400 million in green bonds to fund a national utility cooperative for the purposes of funding sustainable projects in essential services and renewable energy.

Renewable energy investments

KeyBanc Capital Markets[®] (KBCM) continues to invest in renewable power generation in the U.S. and provides services to clean technology firms in the smart grid, energy management, and pollution control sectors. Key is one of the largest U.S. bank lenders to the wind and solar sectors and a national leader in renewable energy investments.

At year-end 2020, we had committed \$5.2 billion to renewable energy projects, representing a cumulative capacity of 35.9 GW, a 2.9 GW increase compared to 2019.

KeyBanc Capital Markets is proud to be included in one of the largest financing deals for a utility-scale standalone battery storage project. In December 2020, KBCM successfully financed AES Corporation's \$154.2 million Luna Storage project, a 400-megawatt hour standalone lithium-ion battery storage project. Luna is expected to be commercially operational by the third quarter of 2021, and once operational, the project will generate revenue under a 15-year full-toll capacity contract with Clean Power Alliance.



Key Equipment Finance

As recognized leaders in renewable energy, Key Equipment Finance (KEF) helps clients achieve energy efficiencies by providing tailored equipment and lease financing solutions.

In 2020, KEF assisted a Fortune 100 technology company in financing \$74 million in energy efficiency upgrades at 56 sites across the United States, saving them \$17 million annually. The project will reduce total electricity use for lighting at these sites by 71%, thereby eliminating 138,530 tons of annual CO₂ emissions—the equivalent of taking 26,911 cars off the road annually.

\$15B

renewable energy investments since 2012

\$224MM

residential solar loans in 2020

Aggregate Results

Asset Type	Amount Financed	MW	Transactions
Energy efficiency	\$127 MM	N/A	27
Fuel cells	\$485 MM	62	90
Solar	\$661 MM	291	304
Total	\$1.2B	353	421

Since 2012, Key has invested more than \$15 billion in renewable energy. In 2020, KeyBank was ranked #2 when measured by deals, and #3 on a volume basis by Dealogic in the Americas for Renewable Energy Project Finance. 2020 was KBCM's sixth consecutive year finishing in the top three. Recognizing the critical need to mitigate the impact of climate change, Key has committed to investing an additional \$4 billion in renewable energy and sustainability.

\$4B

committed to renewable energy and sustainability in our Community Benefits Plan

Residential Solar at Key

Since launching the residential Solar Loan Partnership with Dividend Finance in 2019, KeyBank has financed \$344 million of residential solar loans, \$224 million in 2020. Key was one of the first regulated banks to collaborate with Dividend.



Sustainable operations

Using a 2016 baseline, KeyBank's 2030 and 2050 carbon emissions reduction goals align with the Science-Based Target Initiative to ensure we are doing our part to reduce our environmental impact. Since 2016, we've reduced GHG emissions by 24% and energy consumption by 22%.

2030 Goal:

40% reduction in combined scope 1 & 2 emissions over a 2016 baseline

Progress:

Key has achieved **61%** of our 2030 goal

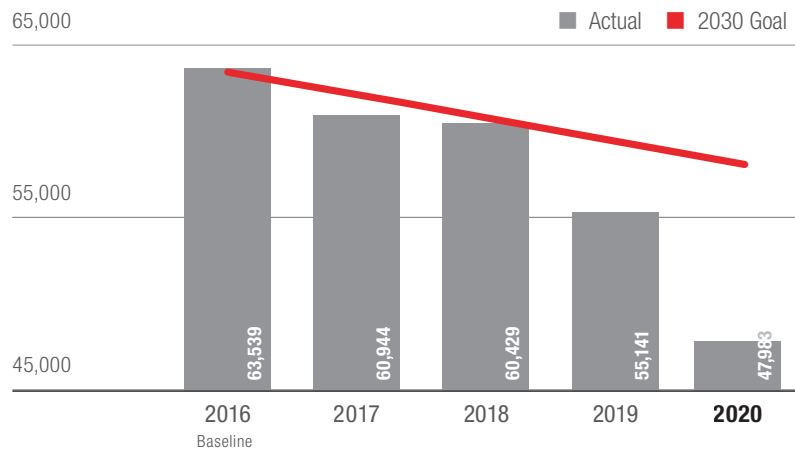
2050 Goal:

80% reduction in combined scope 1 & 2 emissions over a 2016 baseline

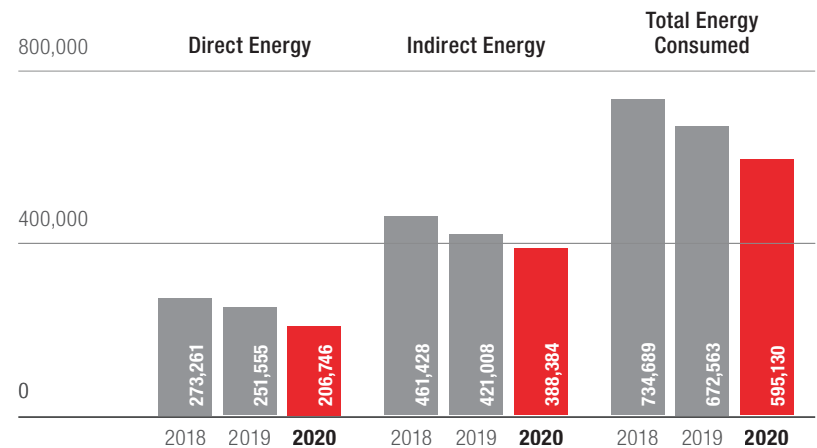
Progress:

Key has achieved **31%** of our 2050 goal

Scope 1 & 2 GHG Emissions



Energy Consumption (GJ)





Environmental sustainability

We continue to see the positive environmental impacts of Key's multiyear effort to optimize our operations. From paper to occupied space, reducing usage is critical to meet our sustainability and efficiency goals.

2020 KeyBank Waste Reduction & Recycling Annual Comparison*

Waste Type	Waste Diverted (Tons)			% change from 2019
	2018	2019	2020	
Bank Equipment	65	64	31	-52%
Compost	49	21	7	-64%
E-Waste	22	171	24	-86%
Furniture	32	54	5	-92%
Metal	155	2	0	-77%
Paper	27	19	8	-56%
Shredded Paper	4,255	1,769	309	-83%
Commingled	279	246	296	20%
Total Recycled	4,884	2,345	681	-71%
Solid Waste	3,304	2,900	2,621	-10%
Diversion	60%	45%	21%	

“ Building thriving communities includes taking care of our environment. At Key, we’re accelerating efforts to reduce our environmental footprint. From evaluating our own operations and the activities we finance to understanding the environmental impacts of our supply chain, we’re committed to creating more resilient neighborhoods for our clients and communities.

– Trina Evans, Chief of Staff
& Director of Corporate Center



Environmental risk management

Our clients are exposed to a myriad of risks related to climate change, natural disasters, and unexpected events. The increase in severe weather events, along with the pandemic, underscore the need for heightened monitoring. Over the past two years, we've made enhancements to our credit risk data mart, including improved geographic mapping of client exposures and ability to identify sub-industry exposure by NAICS Code. This has allowed us to better monitor restricted high-carbon contributors such as the coal industry, to monitor weather-related exposures such as agriculture and to support greater investment in "clean" technologies such as solar and wind. The bank has teams that specialize in underwriting by industry. This allows for a heightened level of due diligence on potential deals that may be most affected by climate change, as well as regulatory and legislative changes expected to be focused on climate change. Further, we have implemented a centralized process to quickly identify and analyze potential losses when natural disasters occur.

At the highest level of Key, management shares responsibility in setting and executing corporate strategies that support environmental sustainability, including the CEO, Executive Leadership Team, and the Board of Directors. While ESG oversight is spearheaded by the Director of Corporate Center, the entire Executive Leadership Team (CEO and direct reports) shares accountability. Managing the company's reputation requires monitoring and addressing ESG topics. Therefore, ESG topics are frequently discussed in leadership meetings, including the Corporate Responsibility Council.

ESG factors are also managed by the Board of Directors, and is a particular area of focus for Key's Nominating and Corporate Governance Committee.

The Director of Corporate Center leads frequent updates and discussions of ESG during weekly meetings with the CEO and his direct reports (Executive Leadership Team). The Head of Corporate Responsibility and Community Relations (direct report to the Director of Corporate Center) provides regular updates and reporting to the Executive Leadership Team and to leaders and teammates throughout the enterprise, considering all perspectives as we pursue our goals of conducting business fairly and responsibly.

Supply chain and sustainability



In 2020, Key was recognized by CDP as a Supplier Engagement Leader for engaging our suppliers on climate change and playing a crucial role in the transition toward the net-zero sustainable economy.

For the first time, KeyCorp is among the top 7% assessed for supplier engagement on climate change, based on our 2020 CDP disclosure.



2020 KeyBank GHG Environmental Data¹

Total Active Sites ²	1,644	1,560	1,354		
Teammate Headcount (full year average)	18,180	17,045	16,826		
CDP Climate Change Survey Score	B	A-	B		
Scope/Source (MT CO2e)	2018	2019	2020	%Δ from 2019	%Δ Baseline³
Scope 1	14,525	13,307	10,806	-18.8%	-21.2%
Natural Gas	11,522	10,795	9,241	-14.4%	-16.8%
Diesel - Stationary	79	70	64	-8.1%	-37.9%
Propane	517	449	341	-24.2%	-5.3%
Number 2 Fuel Oil	1,219	1,128	904	-19.9%	-5.6%
Jet Fuel (Jet A or A-1)	1,188	864	256	-70.3%	-78.5%
Scope 2 - Location Based	45,904	41,834	37,177	-11.1%	-25.4%
Electric Power	45,904	41,834	37,177	-11.1%	-25.4%
Scope 2 - Market Based	46,029	49,532	37,897	-23.5%	-27.1%
Electric Power	46,029	49,532	37,897	-23.5%	-27.1%
Scope 3	52,969	60,077	71,273	18.6%	
Air Travel - Long Haul	2,739	2,494	473	-81.0%	
Air Travel - Medium Haul	9,701	8,430	1,979	-76.5%	
Air Travel - Short Haul	569	407	80	-80.5%	
Business Travel - Rental Car	1,716	1,139	371	-67.4%	
Business Travel - Intercity Rail	19	14	2	-84.3%	
Business Travel - Reimbursed Car	4,116	4,116	27	-99.3%	
Capital Goods	4,091	2,078	2,048	-1.5%	
Electric Power - Upstream Leased Assets	9,696	10,210	8,360	-18.1%	
Electric Power - Upstream T&D Loss	683	2,144	1,890	-11.8%	
Homeworking and Commuting ⁴	17,287	17,174	43,030	150.5%	
Purchased Fuels - Upstream	-	1,731	1,551	-10.4%	
Purchased Goods and Services	-	3,213	3,258	1.4%	
Upstream Transportation	-	4,675	7,052	50.8%	
Waste generated in operations	2,353	2,250	1,153	-48.8%	
Totals					
Total Scope 1 & 2 (Location Based)	60,429	55,141	47,983	-13.0%	-24.5%
Total Scope 1 & 2 (Market Based)	60,554	62,839	48,703	-22.5%	-25.9%
Total All Scopes (Location Based)	113,398	115,218	119,256	3.5%	
Total All Scopes (Market Based)	113,523	122,916	119,976	-2.4%	

¹As of 4/30/2021. ²Includes direct billed ATMs. ³Baseline data from 2016.

⁴Homeworking emissions include energy use from office equipment, home heating, and cooling.



Governance

KeyCorp Board of Directors

Key is committed to meeting high standards of corporate governance, ethical behavior, and business conduct. Our corporate governance practices are long-standing strengths of our company.

As of December 31, 2020, our Board of Directors is 47% diverse (5 women and 3 racially or ethnically diverse individuals), and our Executive Leadership Team is 23% diverse (3 women).

We benefit from our Board's tremendous experience, independent leadership, diverse expertise, and commitment to Key. Independent leadership and oversight responsibilities are driven through our robust independent Lead Director role, independent Board committee chairs, and the full involvement of each of our independent directors. All director nominees for election at the 2021 Annual Meeting of Shareholders, other than Chris Gorman, are independent under the New York Stock Exchange's and KeyCorp's standards of independence. Our standing Board committees (Audit, Compensation and Organization, Nominating and Corporate Governance, Risk, and Technology) consist solely of independent directors.

Our Board is actively involved in the oversight of our strategies and in holding management accountable, both for the current year and long-term performance of our company. They are focused on and dedicated to ensuring we execute in a manner that is aligned with shareholder expectations.

The Nominating and Corporate Governance Committee of the Board oversees KeyCorp's policies and practices on significant issues of corporate social responsibility, including environmental, social, and corporate governance (ESG) and sustainability, community and government relations, charitable and political contributions, community development, Community Reinvestment Act activities, and fair and responsible treatment of clients.

Key also has a strong Executive Leadership Team that brings a wide breadth of knowledge and experience to the organization. The diversity of the team, coupled with extensive industry expertise, has driven growth and momentum in our organization. The team is dedicated to holding one another accountable while delivering on our commitments and maximizing long-term value.

KeyCorp Board of Directors

47%

diverse

33%

women

20%

racially or
ethnically diverse

Governance

A message from the Board of Directors

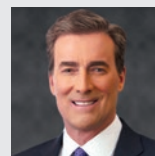
We are pleased to share with you our commitment to advancing Key's environmental, social, and governance work. KeyBank has a long-standing reputation for doing business fairly and responsibly. Building on our strong foundation, we remain committed to advancing environmental, social responsibility, and governance efforts and outcomes.

Our Board's Nominating and Corporate Governance Committee is responsible for overseeing ESG matters and is committed to our progress. The Committee focuses on our ESG practices and reporting with respect to environmental topics, diversity, equity, and inclusion, and other responsible banking initiatives. In addition to our dedicated committee, the chair of the committee, Alexander M. Cutler, is experienced in ESG.

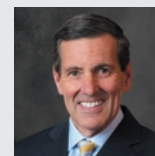
Setting long-term goals for ESG performance, including governance, inclusion, workplace policy, and the environment, will deliver long-term sustainable value for all stakeholders.

We are committed to advancing economic access, and diversity, equity, and inclusion, while remaining a national leader in renewable energy investments. Current initiatives include optimizing operations, governance, and sustainable financing.

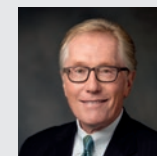
Thank you for your interest in our efforts to support thriving communities and a more sustainable environment. From a robust diversity, equity, and inclusion strategy to responsible and innovative products that support our communities and our environment, we have strong momentum.



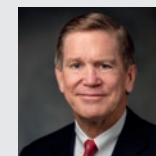
Christopher M. Gorman
Chairman and CEO
KeyCorp



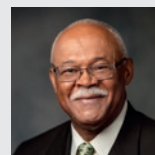
Bruce D. Broussard
President and CEO
Humana, Inc.



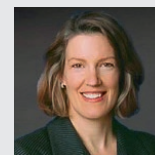
Gary M. Crosby*
President and CEO
(Retired)
First Niagara Financial Group, Inc.



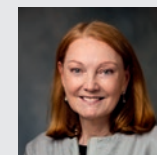
Alexander M. Cutler
Chairman and CEO
(Retired)
Eaton Corporation



H. James Dallas
SVP, Quality and Operations
(Retired)
Medtronic, Inc.



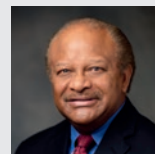
Elizabeth R. Gile
Managing Director
(Retired)
Deutsche Bank AG



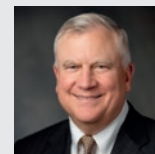
Ruth Ann M. Gillis
EVP and Chief Administrative Officer
(Retired)
Exelon Corporation



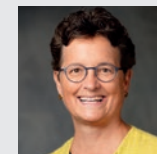
Robin N. Hayes
CEO
JetBlue Airways Corporation



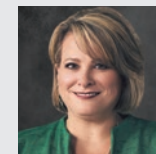
Carlton L. Highsmith
Chairman, President, and CEO
(Retired)
Specialized Packaging Group, Inc.



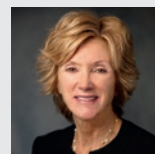
Richard J. Hipple
Executive Chairman
(Retired)
Materion Corporation



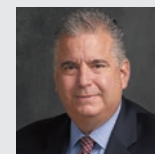
Kristen L. Manos*
Partner
Sanderson Berry



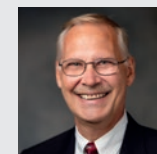
Devina A. Rankin
EVP and CFO
Waste Management, Inc.



Barbara R. Snyder
President
Association of American Universities



Todd J. Vasos
CEO
Dollar General Corporation



David K. Wilson
Examiner-in-Charge
(Retired)
Office of the Comptroller of the Currency

*Retiring as of 5/13/21; not standing for Board reelection.

Risk and oversight

Board responsibility for risk management

Like all financial services companies, we engage in business activities and assume the related risks. The most significant risks we face are credit, compliance, operational, liquidity, market, reputation, strategic, and model risks.

Our Board of Directors approves the Enterprise Risk Management (ERM) Policy and sets the overall level of risk KeyCorp is willing to accept and manage in pursuit of our strategic objectives. The ERM Policy encompasses our risk philosophy, policy framework, and governance structure for the management of risks across the company. The included Risk Appetite Statement describes the industries Key will not do business with, including for socially responsible purposes. The Policy also ensures effective oversight is in place for managing risks, enabling regular review and challenge.

The Risk Committee of the Board oversees KeyCorp's risk management program and is responsible for strategies, policies, procedures, and practices relating to the assessment and management of the Corporation's enterprise-wide risk, including risks related to capital adequacy, capital planning, and capital actions.

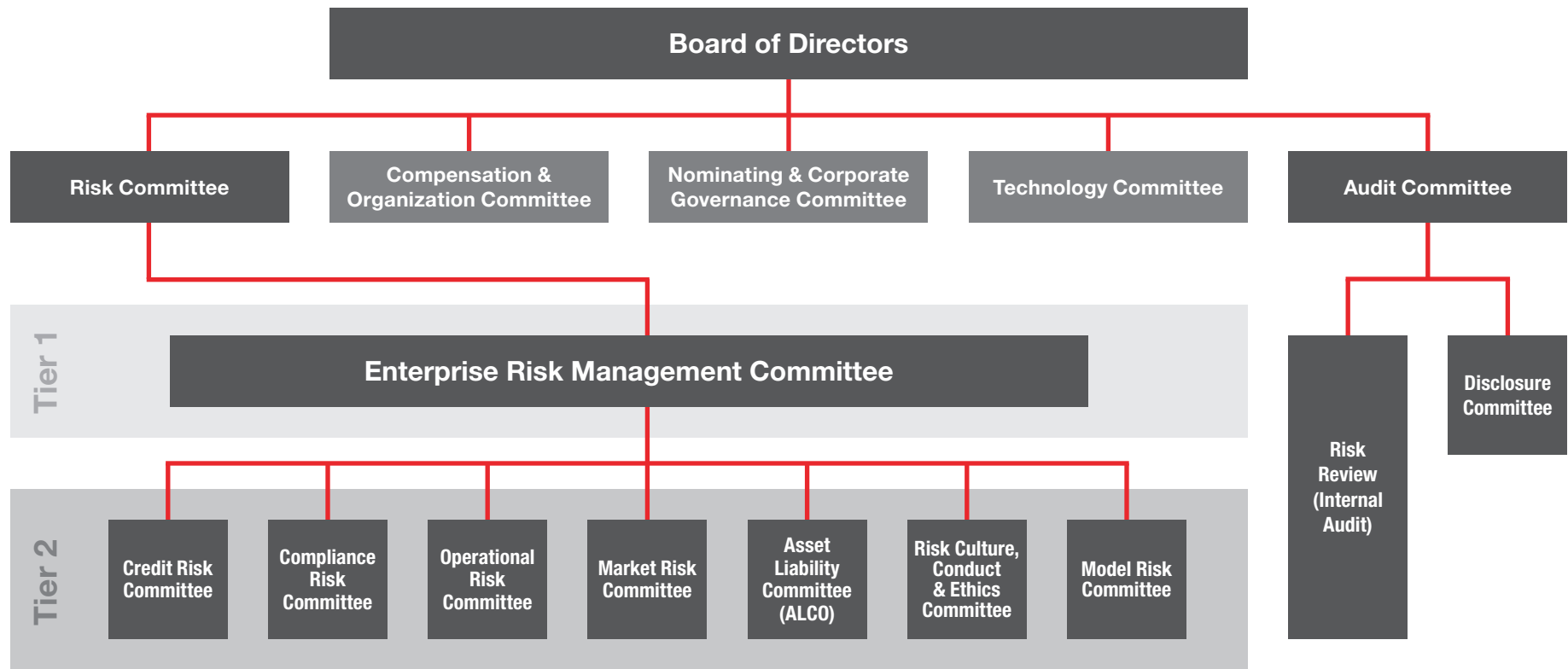
The ERM Committee is chaired by the CEO and is comprised of other executive officers including the Chief Risk Officer. This management committee meets regularly and is central to ensuring that the corporate risk profile is managed in a manner consistent with KeyCorp's risk appetite. The Committee supports the management of all risks by providing governance, direction, oversight, and high-level management of risk.

“ In 2020, our risk management practices included heightened monitoring and risk evaluation activities in light of the impact of the global pandemic. We remain focused on maintaining our moderate risk profile while ensuring we deliver on our mission and commitments. Through the Risk Committee of our Board of Directors, and as outlined in our Enterprise Risk Management Policy and Risk Appetite Statement, we ensure we have sound, effective policies, structure, and governance in place, including for socially responsible purposes.

– Mark Midkiff, Chief Risk Officer

KeyCorp Risk Governance Committee Structure

The table below depicts our risk management hierarchy and associated responsibilities and activities of each group.



Three lines of defense against risk



1. Lines of Business

2. Risk Management

3. Risk Review



Managing risk at Key

Key remains disciplined in managing our risk and capital. We have maintained our moderate risk profile, including strong underwriting standards, and we have taken steps to position the company to perform through any business cycle.

To further align with the moderate risk appetite, Key employs “**Three Lines of Defense**” for risk governance.

- The **Lines of Business** are responsible for acting as the “first line of defense” with primary responsibility to accept, own, and proactively identify, monitor, and manage risk.
- **Risk Management**, which acts as independent centralized oversight, is the “second line of defense,” aggregating, analyzing, and reporting risk information, and driving the establishment of risk policies reflective of Key’s risk appetite.
- The “third line of defense” is **Risk Review**, which provides independent assessment and testing of the effectiveness, appropriateness, and adherence to risk management policies, practices, and controls.

The three lines are balanced in importance and stature, and they must all operate effectively across the enterprise to sustain strong risk management. Risk appetite is considered as strategic alternatives are evaluated, performance objectives are established, and mechanisms are strengthened to manage risks.

Business ethics

Key maintains the highest standards of ethical behavior throughout our operations. At Key, our Code of Business Conduct and Ethics (“the Code”) is critical to how we fulfill our purpose. We have a responsibility to make good choices and to act according to the highest professional and ethical standards in everything we do.

Employee Promise

Our Employee Promise defines who we are as a company. It describes the partnership between Key teammates and how together we create an environment where our teammates, our clients, and our communities thrive. We do this by helping our clients make confident financial decisions by providing smart solutions and great service.

Our Employee Promise:



We have
a strong sense
of community.



We have the
opportunity for
personal growth.



We do work
that matters.



We are
accountable,
and our results
are rewarded.



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.

Governance

Business conduct

The Code is our first resource for guidance when making decisions in the course of our duties. In addition, Key has other policies and standards that set expectations for behavior including Key's Professional Conduct Policy.

Each teammate and member of Key's Board of Directors is responsible for understanding, adopting, and upholding all principles and requirements within the Code and protecting and maintaining Key's reputation. In 2020, approximately 99% of Key employees reviewed and certified their understanding of the Code. In addition, employees are periodically required to successfully complete ethics training; over 99% of employees completed this training in 2020. The Code is reviewed annually and updated to ensure coverage of new ethical issues that arise. Being ethical is part of living our Key values.

Key's employees and Board of Directors are obligated to both comply with the Code and to speak up when they suspect or witness a potential violation of the Code, and can report concerns to a Code of Ethics Officer, contact the Ethics office, call the Key Ethics Helpline, or complete an online form on Key's intranet or from their personal computer.

Code of Ethics Officer

Each line of business and support area has a dedicated Code of Ethics Officer who is specially trained to respond professionally and in as confidential a manner as possible to ethics and other potential violations. The dedicated Code of Ethics Officer is an expert for any Code-related questions (either general or specific), such as those concerning limits on gifts and entertainment, working a second job outside of Key, or other business-related ethical concerns.

Key's Ethics Helpline is available toll-free 24 hours a day, seven days a week. The Ethics Helpline allows teammates to report a possible Code violation without necessarily revealing their identity, if they choose to remain anonymous.

“ At Key, our Code of Business Conduct and Ethics is critical to how we fulfill our purpose to help teammates, clients, and communities thrive. All of our teammates have a responsibility to make good choices and to act according to the highest professional and ethical standards in everything we do. This philosophy underscores how we approach philanthropy, community outreach and engagement, as well as our environmental, sustainability, and governance efforts.

– Ronald V. Johnson Jr., Chief Ethics Officer

Business ethics

Non-retaliation

Key is committed to supporting and sustaining the integrity of our company. Employees are expected to speak up if they suspect any unethical activity or behavior at Key. When they speak up, we do not permit any retaliation against employees for reports of suspicious activity made in good faith. Confidentiality is a cornerstone to all investigations of employee misconduct.

Anti-competitive activities

We are obligated to comply with all applicable country, federal, state, and local laws, rules, and regulations. This includes all applicable competition and antitrust laws and regulations.

Anti-bribery and anti-corruption

Key's Code of Conduct prohibits employees, directors, service providers, and agents acting on Key's behalf from engaging in bribery or corruption of any kind. We are committed to compliance with all applicable anti-bribery and anti-corruption laws, including, but not limited to, the U.S. Bank Bribery Act and the Foreign Corrupt Practices Act. Typically, bribes are offered or given to obtain an illegal benefit or advantage and often take the form of excessive gifts or entertainment. Key's Public Entities Policy strictly prohibits gifts and entertainment for public officials unless prior approval is received. If employees are offered or receive something of value from a client or third-party service provider outside of the allowable limits of the Code of Conduct, it must be disclosed to the Ethics Office in a timely manner.

The Chief Ethics Officer leads Key's Corporate Ethics Office, which is responsible for the administration of the KeyCorp Code of Business Conduct and Ethics, Key's Ethics Program, and oversight of conduct investigations.

Client privacy and data

We safeguard our clients' and Key's assets. Our clients trust us to keep their information safe and secure.

Protecting client data

Key is committed to keeping the personal and financial information of our clients protected and secure. Strong data governance, robust security and privacy controls, and continuous monitoring of the threat landscape helps protect the security and privacy of the information entrusted to Key. We continue to place additional focus on delivering client solutions that reduce complexity and improve the client experience while also providing enhanced security features.

How KeyBank safeguards client data and information

Robust security for online accounts: We leverage advanced data protection, strong encryption, and continuous monitoring to protect our clients' accounts.

Online banking security: Our online banking has strong sign-on requirements to protect clients' sensitive information.

Security alerts: To help protect financial accounts, we regularly share alerts on security and fraud.

Governance

Our Chief Information Security Officer and Enterprise Security Services Director regularly reports to the Board appointed committees on the status of Key's Cybersecurity Program. The Board of Director's appointed Technology Committee is responsible for approval and oversight of the planning and strategy related to cybersecurity investments.

“As the cybersecurity threat landscape continues to rapidly evolve, Key is focused on remaining nimble by adjusting both tactical controls and strategic direction as needed to protect our clients and teammates.

– Amy Brady, Chief Information Officer

Cybersecurity training and community outreach

Key remains focused on providing cybersecurity and privacy education to our employees, clients, and the communities we serve.

Teammate engagement

Key executes on robust cybersecurity, privacy, and fraud education and awareness programs to ensure teammates are aware of how to identify and report cybersecurity and privacy concerns. In 2020, we hosted over forty education and awareness campaigns for teammates that focused on various topics such as reporting a suspected cybersecurity threat, phishing and social engineering threats, pandemic-related scams, identity theft, and remote work security best practices. These campaigns were communicated through emails, company intranet articles, webinars, and “lunch and learn” sessions. All employees participate in mandatory enterprise-wide cybersecurity, privacy, and fraud training on an annual basis.

Client engagement

Client security is top of mind for Key. We provide clients with information and best practices to keep individuals and businesses safe in a digital world. Throughout 2020, we held over forty education and awareness campaigns for clients that focused on topics such as cybersecurity and privacy best practices, identifying and reporting account takeover and fraud, keeping your business safe and secure, best practices for password security, social engineering, public sector and healthcare cybersecurity best practices, identifying phishing wire fraud and other scams, and pandemic-related scams and threats. Campaigns were promoted through emails, social media posts, alerts, and information on Key’s website, newsletters, and webinars.

Community engagement

Key engaged with secondary schools, colleges, and universities to provide cybersecurity education, awareness and promote technology and cybersecurity careers. We participated in numerous career day events at local high schools providing information on the importance of keeping personal information secure and promoting careers in cybersecurity. We hosted nine cybersecurity interns from various colleges and universities, providing them with the opportunity to work and learn about multiple aspects of cybersecurity in a hands-on virtual environment.

Political involvement and activity

Corporate political activity principles statement

In 2020, KeyCorp was rated in the highest tier for our political policies and related disclosures by the CPA-Zicklin Index of Corporate Political Disclosure and Accountability.



An important part of KeyCorp's commitment to our communities includes active participation in public policy advocacy and the political process which ultimately impacts the lives of our customers, communities, shareholders, and business. While corporations and national banks are limited or prohibited by law from making political contributions, we believe it's critically important to take a constructive role in the political process that will shape the future of business, our industry, and our communities. Based on this premise, KeyCorp, through our Government Relations Department, seeks to: 1) conduct political activity in accordance with all laws and regulations, 2) follow approved policies and procedures monitored by our Law Group and Compliance Department, and 3) clear potential conflict provisions within our Code of Business Conduct and Ethics overseen by our Chief Ethics Officer.

Board of Directors oversight

The Nominating and Corporate Governance Committee of KeyCorp's Board of Directors meets annually with a member of KeyCorp's Government Relations team to review KeyCorp's policies and practices regarding political contributions. Policies and practices reviewed by the Committee include Key's policies regarding doing business with public entities; the Government Relations preapproval process for ballot issue support; substantive changes to regulations, if any, affecting KeyCorp's sponsored separate segregated funds; corporate political activity; and confirming that KeyCorp does not contribute corporate funds to candidate campaigns for election.

KeyCorp's Government Relations program utilizes in-house government relations professionals and contract lobbyists to advocate on our behalf. KeyCorp complies with lobbying and disclosure laws. Our reportable federal lobbying expenditures for 2020 totaled \$870,000.

\$870,000

reportable federal lobbying
expenditures for 2020

Trade association membership

KeyCorp is a member of several industry trade associations at the national, state, and local levels. These organizations support initiatives that align with our commitment to our communities, which include initiatives that would make a positive impact on our ability to do business, spur economic growth, and enhance the quality of life in the communities we serve. These associations work to develop industry consensus and advocacy, enabling us to reach government officials more efficiently and in a coordinated manner with peers in the financial services industry.



Corporate political spending

KeyCorp does not contribute corporate funds for election campaigns. This includes prohibiting supporting candidate committees, political parties or committees, or political committees organized for the advancement of political candidates, to Super PACs, or the making of independent political expenditures.

KeyCorp may make contributions in support of certain ballot issues. These issues support the interests of our businesses, our employees, and/or our communities. Ballot issue requests are reviewed by KeyCorp's Law Group and then submitted to the Executive Leader of the KeyCorp Corporate Center for final approval. Contributions to approved ballot issues are reviewed annually by the Nominating and Corporate Governance Committee of the Board of Directors and are disclosed semi-annually.

KeyCorp Advocates Funds

KeyCorp sponsors political action committees, known as the KeyCorp Advocates Funds (Funds) that provide an opportunity for eligible officers, managers, and professional employees to voluntarily participate in the political process. Information regarding political contributions of the KeyCorp Advocates Fund and the KeyCorp Advocates Fund – Federal is publicly disclosed and accessible at [fec.gov](https://www.fec.gov). Information for the KeyCorp Advocates Fund – New York can be found at elections.ny.gov.

We encourage teammates to participate in civic and political activities, and for the 2020 General Election we provided teammates up to three hours of paid time off to vote.

ESG at Key - going forward

The Environmental, Social, and Governance landscape continues to evolve at an incredible and necessary pace, and Key remains committed to building on our legacy as a responsible corporate citizen, engaged community member, and champion for diversity, equity, and inclusion to deliver on our purpose of helping clients and communities thrive.

In a year unlike any other, 2020 highlighted some of the very best in our communities. From frontline workers risking their lives to provide critical care and services to drive-by birthday parades and virtual visits, 2020 gave witness to the power of what happens when people come together to help each other – even though coming together looked so different. But amidst all of this, we also saw firsthand the devastating and widespread effects of systemic racism and climate change and their disproportionate impacts on those most vulnerable in our communities.

In 2020, our annual investments to support communities through our National Community Benefits Plan reached more than \$6.5 billion – growth of nearly 40% over 2019. We also achieved our 10th consecutive Outstanding CRA rating, made significant reductions in our environmental footprint, and accelerated our diversity, equity, and inclusion outcomes.

But our work is far from done.

Over the past several months, we've established plans to enhance our ESG programs and disclosures. In 2021, we expect to issue our first SASB and TCFD disclosures, and we're improving our disclosure through GRI and CDP. We're also evaluating opportunities to accelerate reductions of our carbon footprint and strengthening our quantification and management of climate-related risks. We're adding talent and expanding capabilities. Leveraging our resources to grow our business, support our teammates, serve our clients, build inclusive communities, and improve our environment remains paramount. When we do this, we all do better.

And on a personal note, I couldn't be prouder to have been named Head of Corporate Responsibility at Key. The opportunity and obligation are great; to steward a tradition and culture, significant. I look forward to dreaming together and to doing together – to lifting up neighbors and to creating inclusive, resilient communities where all thrive.

All the best,



Eric M. Fiala

Head of Corporate Responsibility
and Community Relations

May 2021

KeyCorp

127 Public Square
Cleveland, OH 44114

Phone:

216-689-3000

TDD/TTY:

For customers using
a TDD/TTY device, please
call 1-800-539-8336.

Email:

general@keybank.com

Twitter:

[@KeyBank](https://twitter.com/KeyBank)

[@KeyBank_Help](https://twitter.com/KeyBank_Help)

[@Key_B2B](https://twitter.com/Key_B2B)

[@Key4Women](https://twitter.com/Key4Women)

Facebook:

facebook.com/KeyBank

facebook.com/Key4Women



This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements usually can be identified by the use of words such as “goal,” “objective,” “plan,” “expect,” “assume,” “anticipate,” “intend,” “project,” “believe,” “estimate,” or other words of similar meaning. Forward-looking statements provide Key’s current expectations or forecasts of future events, circumstances, results or aspirations. If underlying assumptions prove to be inaccurate or unknown risks or uncertainties arise, actual results could vary materially from these projections or expectations. Factors that could cause Key’s actual results to differ from those described in the statements can be found in KeyCorp’s Form 10-K for the year ended December 31, 2020, as well as in KeyCorp’s subsequent SEC filings, which have been filed with the Securities and Exchange Commission and are available on Key’s website www.key.com/ir and on the Securities and Exchange Commission’s website www.sec.gov. Forward-looking statements speak only as of the date they are made or will be, and Key does not undertake any obligation to update the forward-looking statements to reflect new information or future events.