



KEYCORP AT A GLANCE

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ABOUT KEY

Key's roots trace back nearly 200 years to Albany, New York. Headquartered in Cleveland, Ohio, Key is one of the nation's largest bank-based financial services companies, with assets of approximately \$186.3 billion as of December 31, 2021.

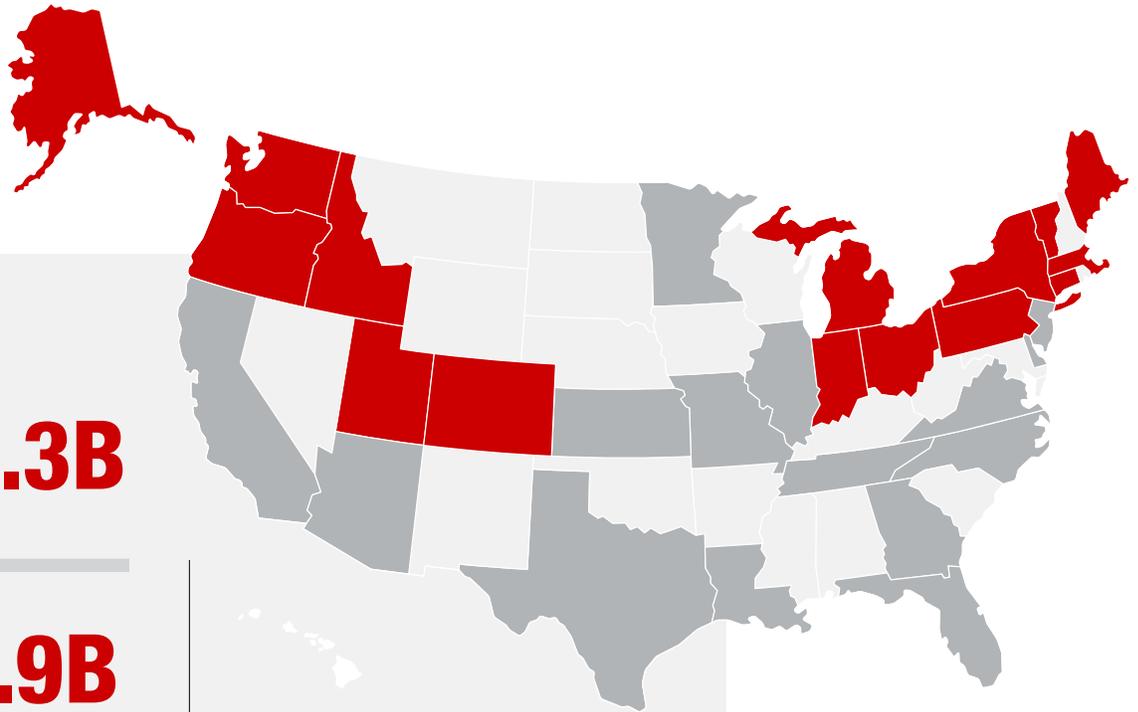
Key provides deposit, lending, cash management, and investment services to individuals and businesses in 15 states under the name KeyBank National Association through a network of approximately 1,000 branches and over 40,000 KeyBank and Allpoint ATMs. Key also provides a broad range of sophisticated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

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



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

The Commercial Bank includes our Institutional and Commercial operating segments. The Commercial operating segment is a full-service corporate bank focused principally on serving the needs of middle market clients in seven industry sectors: consumer, energy, healthcare, industrial, public sector, real estate, and technology. The Commercial operating segment is also a significant servicer of commercial mortgage loans and a significant special servicer of commercial-backed mortgage security. The Institutional operating segment delivers a broad suite of banking and capital markets products to its clients, including syndicated finance, debt and equity capital markets, commercial payments, equipment finance, commercial mortgage banking, derivatives, foreign exchange, financial advisory, and public finance.



\$186.3B

ASSETS

\$101.9B

LOANS

\$152.6B

DEPOSITS

\$7.3B

REVENUE

15

STATES

3.5MM

CLIENTS

Where You'll Find Us

- Key Consumer Bank branches & Key Commercial Bank offices
- Additional Key Commercial Bank offices

40,000+

KEYBANK AND ALLPOINT ATMS

~1,000

BRANCHES

~17,000

TEAMMATES

As of December 31, 2021



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.

Our 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



A MESSAGE FROM CHRIS GORMAN

Thank you for your interest
in Key's 2021 Environmental, Social,
and Governance (ESG) Report.

At Key, being a responsible corporate citizen is central to who we are and how we do business. We are committed to delivering value for all of our stakeholders – our clients, colleagues, communities, and shareholders.

We are proud of our strong results and track record in ESG. As such, we are pleased to share this update on the progress we have made, and importantly, the commitments we are making for the path ahead.

In 2021, we delivered strong financial results while also maintaining our deep commitment to affecting positive change in the communities we so proudly serve.

Additionally, we refined our focus on environmental opportunities, integrated ESG programs across the organization, and hired Jennifer Eastes, a highly experienced industry veteran, to lead our ESG efforts. We also expanded disclosures, including issuing our first Sustainability Accounting Standards Board (SASB) Index and Task Force on Climate-Related Financial Disclosures (TCFD) Report.

In 2021, we refreshed our ESG strategy with input from internal and external stakeholders, identifying four major priorities – climate stewardship; financial inclusion; diversity, equity, and inclusion; and data privacy and security.



Climate stewardship

We are deeply committed to doing our part to address climate change. We are taking deliberate actions to build a sustainable business model that manages risks, capitalizes on opportunities, and drives the transition to a low-carbon economy. As a leader in renewable energy financing in North America, Key has world-class proficiency in financing the development of renewable energy at scale, which is essential to the decarbonization of power production and electrification of transportation. Climate change is becoming further integrated in our enterprise risk management program and policies, product development, and corporate strategy. We are also advancing efforts across Key to reduce our own impact on the environment.

Financial inclusion

In 2021, we announced the extension and expansion of the Plan to more than \$40 billion, with commitments to affordable housing, home lending, and philanthropy in low- to moderate-income (LMI) communities as well as renewable energy financing and specific commitments to advance economic, social, and racial equity.

Financial inclusion remains a priority for Key. In 2021, we partnered with the Financial Health Network to help us identify more opportunities to support equitable financial health outcomes. We also introduced a new, senior role focused on increasing banking access for LMI communities.



We received our 10th consecutive “Outstanding” rating from the Office of the Comptroller of the Currency for meeting or exceeding the terms of the Community Reinvestment Act – one of the few banks to reach this milestone. It is a testament to our track record of fairness, access, and equity for every client we serve.

Diversity, equity, and inclusion

We are proud of our award-winning culture that champions diversity, equity, and inclusion – inside and outside our company. Our diversity, equity, and inclusion strategy is focused on three pillars: a diverse workforce; an inclusive workplace; and equity, fairness, and access in our marketplaces for the clients, the suppliers, and the communities we serve.

In 2021, we publicly committed to increasing people of color (POC) representation in our senior leadership ranks by 25% by 2025, and 50% by 2030. I am pleased to report that as of year-end 2021, we are ahead of pace to achieve our goal.

In addition to our representation goal, we launched new training and programs focused on inclusion and allyship. We continue to improve programs that cultivate career paths, leadership skills, and mentoring, as well as increasing spend with diverse suppliers and investing in our relationships with diverse communities.

In 2022, we welcomed a new Chief Diversity, Equity, and Inclusion (DE&I) Officer, Helena Haynes-Carter. Her passion and expertise will help us further advance our long-standing commitment to DE&I.

While we recognize we have more to do, earning our 12th “Top 50” recognition from DiversityInc – and the 23rd spot in their global ranking – is a confirmation of all we have accomplished together.

Data privacy and security

As a digitally progressive bank, we are able to work more efficiently while delivering great experiences for our clients and teammates. Our investments in digital have also helped us to reduce our environmental impact and continuously enhance our information security and privacy programs, policies, and processes.

Keeping the personal and financial information of our clients and teammates protected and secure is a critical priority for our team. Strong data safeguards and controls, in conjunction with continuous monitoring of the threat landscape, helps protect the security and privacy of the information entrusted to Key. As the information security threat landscape continues to evolve, we will remain focused on our ability to align with industry standards to protect information and manage any threats or incidents as they arise.

In conclusion

Our 2021 ESG Report provides details about our governance policies and practices, the steps we are taking to become even more environmentally and socially responsible, and the significant impacts of our efforts.

Our substantive progress is made possible by the expertise, dedication, and commitment of our teammates – 17,000 strong. Additionally, we have a diverse and experienced Board of Directors who have guided both our performance and our path forward. Together, we are focused on our collective purpose: to help our clients, colleagues, and communities thrive while delivering sound, profitable growth for our shareholders.

We look forward to continuing an open and transparent dialogue with you and all of our stakeholders as we work to address needs in – and to create shared value with – our communities, our country, and our world.

Sincerely,

Chris Gorman

Chairman and Chief Executive Officer

April 2022



STAKEHOLDER ENGAGEMENT



To build enduring, trusted relationships with our stakeholders, we are constantly refining our listening and communication strategies. Engaging with all stakeholders is an ongoing priority, and in 2021, we dedicated extra attention to our community listening efforts. Key's National Advisory Council, Regional Advisory Councils, and community leaders from across our footprint were instrumental in providing feedback to inform our decisions about future community investments via our expanded National Community Benefits Plan. Several major themes emerged from this work, including the desire to intensify our local impact, provide even more community leadership, and develop deeper, more active partnerships with community organizations.

Ways we engaged



Clients

- Kept most branches open throughout the pandemic
- Deepened our commitment to client centricity by investing in a new, world-class, client experience measurement platform, empowering our front line with real-time client feedback, improving our ability to identify themes in client feedback, and enabling us to launch a comprehensive process to follow up with clients who have responded to a survey
- Redesigned all client surveys to gather more meaningful feedback and advanced our analytic capabilities to garner deeper, more actionable insights
- Launched a personalized outreach program for clients who expressed dissatisfaction with a recent experience
- Introduced a new software to better collect and understand digital user experience data



Communities

- Held listening sessions with members of our National Advisory and Regional Advisory Councils, in addition to partnering with the National Community Reinvestment Coalition (NCRC), to host seven listening sessions throughout our footprint, reaching more than 200 community organizations. The listening sessions covered a range of topics including Key's products, services, and how we engage with communities
- Conducted formal community needs assessments in select markets to inform our commitments related to the Community Reinvestment Act (CRA)



Teammates

- Prioritized employee health and safety by instituting daily health screenings, providing up to four hours of paid time off for COVID-19 vaccination appointments, and expanding mental health programs
- Launched a new workspace reservation system to enable social distancing as teammates returned to the office after pandemic-related closures
- Promoted inclusion through our employee benefits program by offering highly valued benefits to targeted demographics to help employees feel supported on every level
- Our Black Leader Forum provided an opportunity for Black leaders to share their experiences, perspectives, and feedback with the CEO and other executives.
- Modernized our Voice of the Employee (VoE) Forum platform by providing a more intuitive, engaging experience for our employees to innovate, co-create, and crowd-source solutions for areas of opportunity
- Enhanced our reward and recognition program to provide more personalized rewards and improved our peer-to-peer recognition tool, Key Appreciation
- Held regular town hall meetings, during which teammates had an opportunity to hear directly from executives and ask questions



Suppliers

- Continued to build strategic relationships with Tier 1 suppliers that are certified as diverse
- Encouraged Key's nondiverse suppliers to utilize diverse-owned businesses and report their diverse spend to us (Tier II reporting)
- Participated in regional and national procurement forums to learn and share best practices related to supplier diversity
- Enhanced supplier RFP questions and Key's Supplier Code of Conduct in support of Key's ESG strategy



Shareholders

- Members of the Executive leadership team presented at eight industry conferences. The team held meetings with the majority of equity analysts covering Key, as well as over 200 institutional investors.
- Conducted ESG-focused discussions with our largest shareholders, with representation from our Board of Directors
- Hosted Investor Day in March 2022, during which we reviewed our business strategy and outlook, and reaffirmed our commitment to deliver value for all stakeholders
- Regularly communicated with the investment community, including analysts, shareholders, and rating agencies



Regulators and public officials

- Engaged on relevant state and federal policy issues such as enhanced access to affordable housing, continued assistance for individuals and small businesses during COVID recovery, and the financing of student loans
- Shared updates with regulators, public officials, and agencies on ESG topics, such as CRA and climate change
- Participated in the Office of the Comptroller of the Currency's (OCC) Project REACH (Roundtable for Economic Access and Change) with the objective of removing structural barriers to financial inclusion
- Participated in targeted exams and compliance reviews



ESG STRATEGY AND MANAGEMENT

ESG strategy and focus assessment

Key is committed to addressing the ESG topics that are most relevant to our business and our stakeholders. We periodically adjust our ESG approach to remain current with stakeholder expectations, ESG trends, and our business strategy. In 2021, we conducted an ESG focus assessment to identify and align on our ESG priorities, refresh our strategy, and drive action. The process considered inputs from internal and external stakeholders to ensure a variety of perspectives were reflected in our focus areas.

Working with a leading global consultant, we identified an initial set of 30 topics based on sustainability reporting frameworks and ESG rating and ranking criteria. That list was then refined to 11 topics for review and validation across the enterprise. Our leadership team was engaged through a series of internal interviews to prioritize the topics based on their importance to our external stakeholders and their influence on our business success. From the list of 11, four priorities were identified as differentiators for Key.

Key's ESG priorities



Diversity, equity, and inclusion



Financial inclusion



Climate stewardship



Data privacy and security

We remain steadfast in managing the resulting risks and opportunities associated with each of these focus areas and will further evaluate the adequacy of our governance, policies, commitments, goals, projects, and programs associated with each throughout the course of 2022.

ESG management and oversight

Management shares responsibility in setting and executing corporate strategies that support ESG. While ESG oversight is spearheaded by the Director of Corporate Center, the entire Executive Leadership team (ELT) (which includes the CEO) shares accountability. Managing the company's reputation requires monitoring and addressing ESG topics. Therefore, ESG topics are frequently discussed in leadership meetings. ESG factors are also managed by the Board of Directors and are a particular area of focus for Key's Nominating and Corporate Governance Committee.

In 2021, Key established the Corporate Responsibility (CR) Council to monitor emerging ESG trends, identify strategic ESG opportunities for the company, oversee ESG disclosures, and share knowledge. The cross-functional council is comprised of senior leaders from across the enterprise including Corporate Responsibility, Risk, Legal, Finance, KeyBanc Capital Markets, Key Equipment Finance®, and Consumer Bank, among others. As appropriate, representatives from the CR Council escalate ESG matters to the ELT, and the Enterprise Risk Management Committee.



2021 ESG HIGHLIGHTS

Financial highlights¹

\$2.6B

NET INCOME

\$2.62

DILUTED EARNINGS
per share

19.4%

RETURN
on average tangible
common equity

9.5%

COMMON
EQUITY TIER 1

As of December 31, 2021

¹Net income and earnings per share from continuing operations attributable to Key Common Shareholders

²KeyBanc Capital Markets as lead arranger

Communities

- **\$6.9 billion** invested in communities through our National Community Benefits Plan
- **\$4.1 billion** investments in affordable housing
- **\$2.0 billion** in mortgage lending to LMI individuals or in LMI communities
- **\$832.9 million** in small business lending in LMI communities
- **\$33.8 million** in transformational philanthropic investments, including **\$2.1 million** in charitable contributions made through Key employee programs
- **26,860+ hours** of community service hours by Key teammates in 2021

Diversity, equity, and inclusion

- **Board diversity**
 - **46% diverse**
 - **31% women**
 - **23% racially or ethnically diverse**
- On track to deliver **25%** increase in POC representation by 2025 and **50%** increase by 2030
- **8%** of qualified spend with diverse suppliers
- Hosted nine speaker sessions on social justice and racial equity for teammates
- **97%** of employees completed our Building Bridges Diversity, Equity, and Inclusion training

Teammates

- **\$12.5 million** invested in our teammates' development
- **580,000 hours** of formal learning programs and courses
- **58%** of our teammates belong to at least one of our 12 employee resource groups

Sustainable operations

- **\$13.5 billion** committed to renewable energy projects since 2007.² Since inception, facilitated **\$52.5 billion** of financings in the bank debt market.
- **~\$2.4 billion** raised through green, social, and sustainable bond offerings in 2021
- **\$403.6 million** in residential solar loans in 2021
- Reduced internal and external printing by **50 million pages**
- **30.8%** reduction in scope 1 and 2 GHG emissions compared to our 2016 baseline
- For the second year in a row, named a **'2021 Supplier Engagement Leader'** by CDP

Recognition

- **12X** Top 50 Companies for Diversity by DiversityInc
- **8X** Community Minded Companies by Civic 50