Enterprise Payments and Commercial Primacy

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Head of Enterprise Payments

Robust and Differentiated Platform

A broad platform of traditional and emerging payments capabilities leveraged across the franchise to drive client outcomes

Expertise and Service Focused

Serving Clients of all Sizes

- **Consumers**
- **Small Businesses**
- **Corporations**

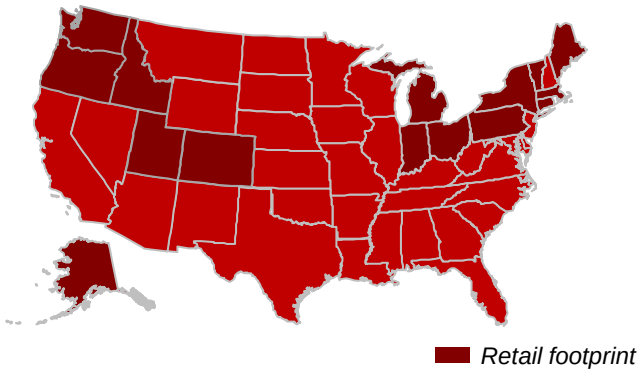
Across Targeted Verticals

- Real Estate
- Technology
- Healthcare
- Industrial
- Energy
- Consumer
- Public Sector

Meaningful Scale and Reach

$5T

Payments Processed Annually



Customers in all 50 States

Powerful Set of Capabilities

Traditional

- Consumer Card
- Commercial Card
- Merchant Services
- Liquidity & Core Treasury

Differentiated

- Automation
- Vertical Solutions
- Embedded Banking

Creating Significant Value for Key

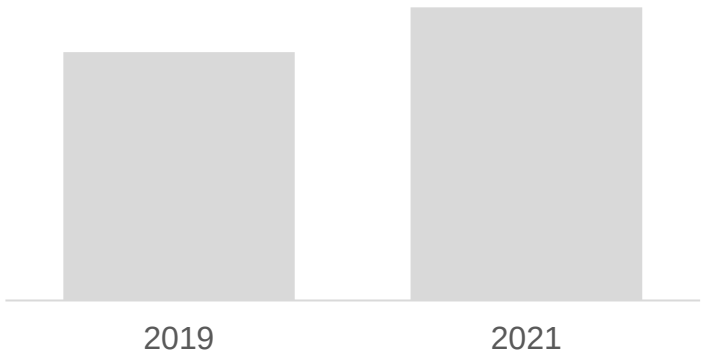
Our strategy remains consistent ➔ Primacy drives engagement, attractive returns, and the data assets that power our growth

High Engagement

Highly engaged clients

73%

Business clients transact >10 times per month



High Value Recurring Revenue

Revenue per Client

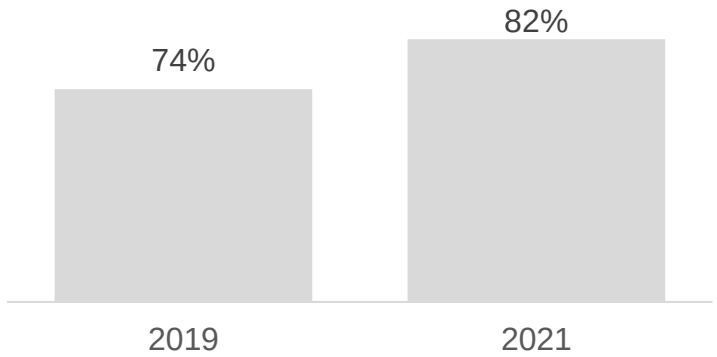
2.5x

Revenue per Client[1]

Low-Cost Deposit Base

Operating Deposits as % of Commercial Deposits

Above Peer Median



(1) Payments Client means over $5K in annual Payments Revenue, Commercial Clients (>$5K in T12 Revenue) Only

Delivering on our Strategy

We've delivered on the roadmap laid out in 2018 and built a durable, hard to replicate, foundation for growth

Market Leading Partnership Strategy

Expanded the portfolio and drove growth across the platform

XUP
avidxchange
Rectangle HEALTH
Boomtown
billtrust
IN GO
bill.com

Intelligence Driven Strategies

Build-out of the Analytics organization to drive focus on the opportunities that matter

100%

New leadership team[1]

AQN STRATEGIES

Acquired 1Q21

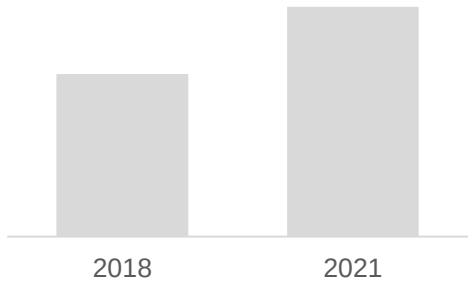
Integrating strategy and analytics to build a data driven culture

NextGen Business Development Team

Completely rebuilt team with industry focus and software and consulting competencies

Growth in Sales Production

+41%



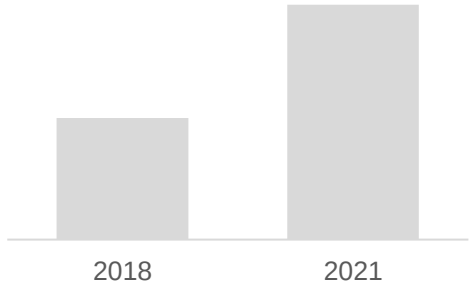
Entrepreneurial and expertise focused leadership team

Elevated Client Experience

Assembled the talent and the capabilities to connect across platforms for great client experiences

Improvement in Commercial Payments NPS

+93%



Commercial Payments NPS improvement

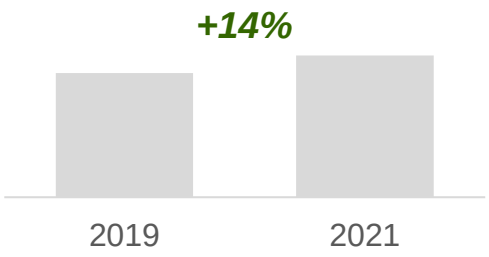
(1) Measurement period from 2018 to 2021

Driving Results Across the Platform

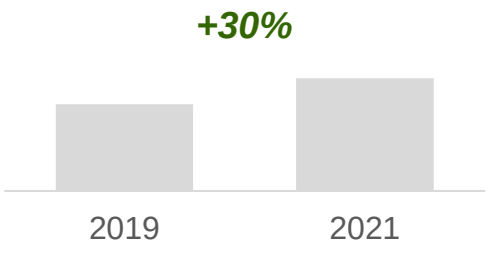
We have delivered on the opportunity identified in 2018 and meaningfully outperformed industry benchmarks, and we expect to continue double-digit growth in payments fee income through 2025

Generating ~$1.5Bn in NII and Fee Income

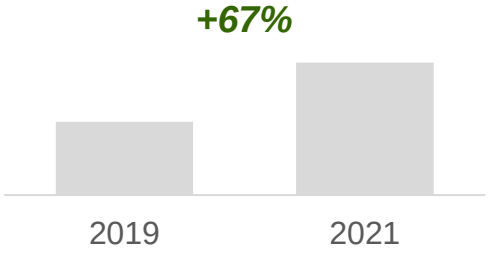
Consumer Payments Fee Revenue



Commercial Payments Fee Revenue[1]



Operating Deposit Balances



Growth Outpacing the Industry

Growth in volume from 2019-2021

	Industry Benchmarks[2]	
Consumer Credit Card	*+13%*	***+23%***
Commercial Card	*+3%*	***+30%***
Merchant Services	*+16%*	***+38%***
Treasury Services	*+10%*	***+17%***

(1) Excludes Prepaid Revenue which was $18MM in 2019 and $106MM in 2021; (2) Sources: Mastercard (Consumer Credit Card, Commercial Card), Fiserv (Merchant Services), Novantas (Treasury Services)

Well Positioned for the Future

Significant runway for growth by continuing to penetrate our existing client base and amplified by industry tailwinds from changing customer behaviors

Significant Opportunity Remains

Consumer

2x
Volume opportunity by capturing **off-us consumer credit cards**

65K+
Clients with **off-us small business credit cards**

50%+
Current YoY **growth rate of Zelle volume**

Commercial

<20%
Penetrated in **Commercial Card**

<20%
Penetrated in **Merchant Services**

<5%
Penetrated in **Automation**

Industry Tailwinds

Growth of the Digital Economy

45%
Growth in ecommerce from 2019 to 2021[1]

Embedded Banking

54%
Expected CAGR of Revenue from Embedded Banking through 2025[2]

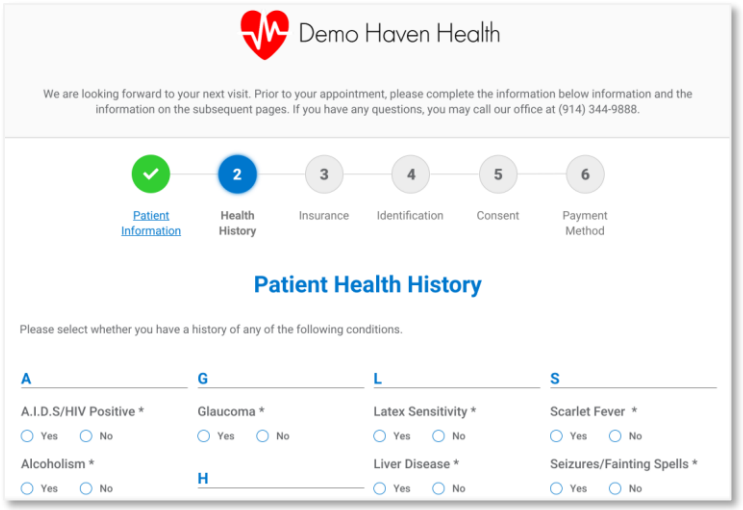
(1) Q3 2021 compared to Q3 2019, Digital Commerce 360, November 2021; (2) Lightyear Capital; Embedded Finance Forecast

Embedded Banking Opportunity

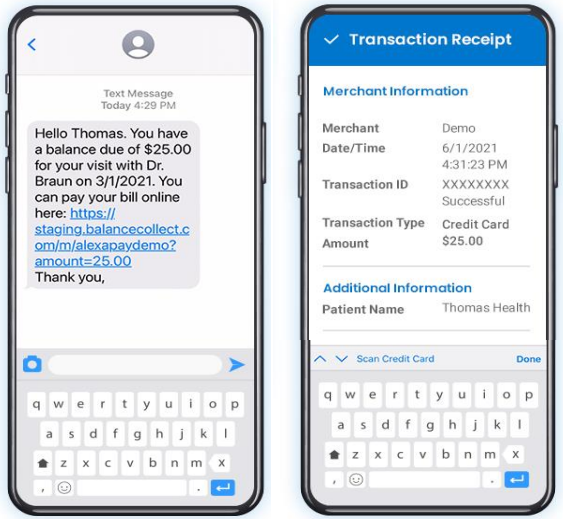
Vertical-specialization is driving explosive growth of payments-enabled software companies, causing a shift in consumer behavior creating a massive opportunity for financial services companies

Client Example: Dental Office Patient Engagement

Digital Registration

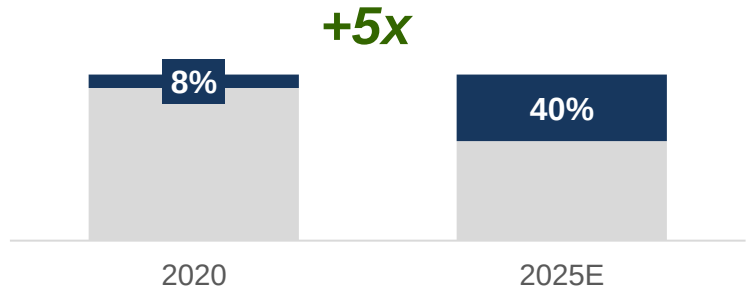


Appointment Co-Pay & Payment Plans



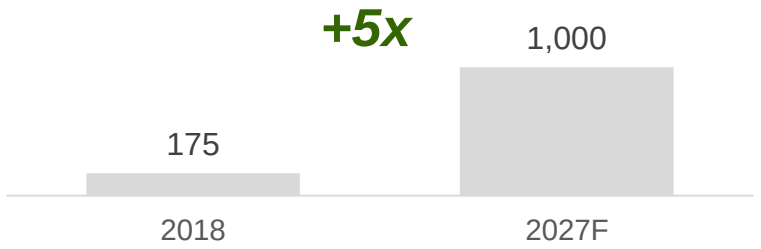
Shift in Consumer Behavior

% of Total US Payment Card Volume processed on Software[1] platforms



Growth of Software Vendors

Projected Growth of Payments Enabled Software Vendors[2]
(in thousands)

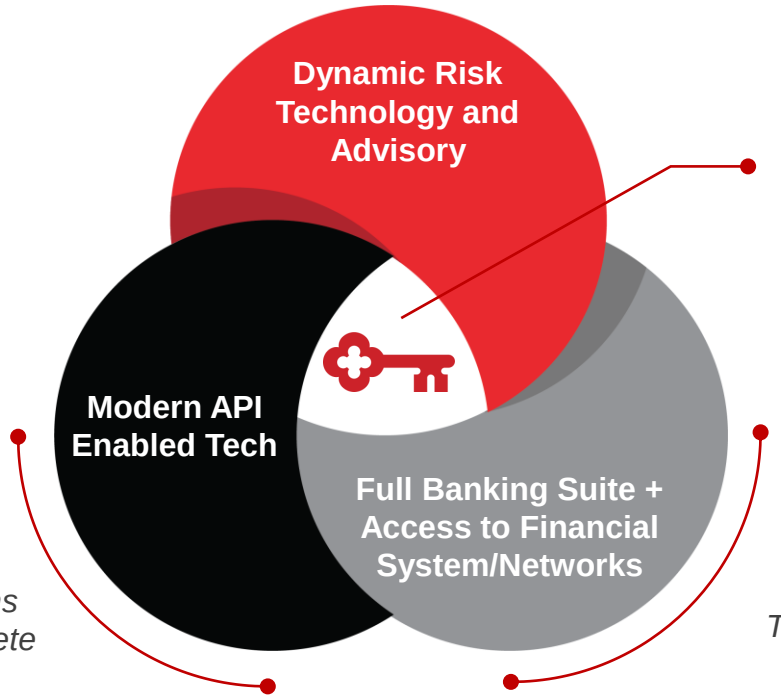


(1) Bain Capital Ventures, Legend: Payments Enabled Software Vendors All Other; (2) Forrester

Capturing the Opportunity

Uniquely positioned to capture the explosive growth in Embedded Banking given our scale in the Technology vertical, credibility across the fintech ecosystem, and ability to integrate products and deliver across our platform

Focused Strategy in a Validated Market



Significant Market Demand to Deliver a Bundled Solution

Where Fintechs Typically Compete

Where Banks Typically Compete

Our Positioning

- *Proven track record of delivering value in the fintech community*
- *Existing client base and assembled talent (Pacific Crest, AQN, XUP)*
- *Proven incubation model from Laurel Road*
- *Differentiated, relationship driven approach providing unique access*

Takeaways

Poised for Growth

1. We have built a robust and differentiated platform, powered by expertise, that drives value for customers
2. We're creating significant value for Key as we drive customer engagement, create sticky recurring revenue streams, and capture valuable data assets
3. We've delivered on our strategy and our differentiators are hard to replicate – Next generation Business Development, scaled enabling capabilities, and fintech partnership approach
4. Metrics across the platform show significant and above industry growth, with compelling go-forward trajectory
5. We're well positioned to capture growth from the fair-share opportunity with our existing customer base, the strong macro tailwinds in our industry, and the massive opportunity in Embedded Banking