Delivering on Our Commitments

Don Kimble
Vice Chairman and
Chief Financial Officer
Record 2021 Performance

Building off a record year of financial results

- **Delivered Positive Operating Leverage**
  Committed to delivering positive operating leverage again in 2022

- **Record Revenue and PPNR**
  Delivered record revenue, PPNR, and fee income with strength across businesses

- **Investments Continue to Accelerate Growth**
  Investing in teammates, digital, and analytics

- **Strong Credit Quality**
  Historic low net charge-offs to average loans reflect moderate risk profile and successful de-risking

- **Delivered on Capital Priorities**
  Returned 75% of net income to shareholders in the form of share repurchases and dividends in 2021
Key Continues to Generate Top Tier Performance

<table>
<thead>
<tr>
<th>Operating Leverage</th>
<th>Revenue Growth</th>
<th>PPNR Growth</th>
<th>ROTCE</th>
<th>NCOs / Avg Loans</th>
</tr>
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<tbody>
<tr>
<td>FY2021</td>
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<td>Peer 1</td>
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<td>Peer 10</td>
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Note: Peers include: CFG, CMA, FITB, HBAN, MTB, PNC, RF, TFC, USB, ZION; results based on earnings documents for the full year 2021
Growing the Business and Driving Returns

Driving positive operating leverage while investing for the future

### Accelerating Growth
- Acquiring and deepening relationships
- Growing Western markets/younger clients
- Leveraging digital and analytics
- Expanding digital bank for healthcare
- Capitalizing on high growth sub-verticals
- Adding bankers across the franchise

#### Key Figures
- **4x** more revenue from relationship households\(^1\)
- **+10%** increase in senior bankers in 2021

### Expense Discipline
- Balancing continuous improvements and investing for growth
- Digitizing the enterprise
- Balancing physical branch presence with digital offerings
- Reducing non-branch real estate over time

#### Key Figures
- **65%** of relationship checking households actively engage in physical and digital channels
- **~25%** reduction in non-branch real estate over time

### Driving Returns

#### Ability to Deliver Positive Operating Leverage\(^2\)
Number of times KEY and peers have delivered positive operating leverage for the year from 2013-2021

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(1) Revenue per household in FY2021; (2) KEY’s results exclude notable items in the years 2013 and 2016; Peers include: CFG, CMA, FITB, HBAN, MTB, PNC, RF, TFC, USB, ZION; data from Thomson Reuters
Positioned to Benefit from Rising Interest Rates

Actively managing interest rate risk; significant upside to higher rates

**Asset Sensitivity**

Asset sensitive position enables KEY to benefit from rising interest rates

<table>
<thead>
<tr>
<th>2022 Asset Sensitivity Position ➔</th>
<th>Assumes a deposit beta of 30%</th>
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</thead>
<tbody>
<tr>
<td>Asset Sensitivity</td>
<td></td>
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<tr>
<td>5.2%</td>
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<tr>
<td>3.0%</td>
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<tr>
<td>1.5%</td>
<td></td>
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<tr>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>-3.0%</td>
<td></td>
</tr>
<tr>
<td>-5.2%</td>
<td></td>
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<tr>
<td>-6.0%</td>
<td></td>
</tr>
<tr>
<td>-6.0%</td>
<td>-200 bps</td>
</tr>
<tr>
<td>-5.2%</td>
<td>+200 bps</td>
</tr>
</tbody>
</table>

**Deposit Repricing**

Opportunities to benefit from lower deposit betas

<table>
<thead>
<tr>
<th>Deposit Repricing ➔</th>
<th>Incremental opportunity with each 5% reduction in interest-bearing deposit beta</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2%</td>
<td>30%</td>
</tr>
<tr>
<td>6.5%</td>
<td>25%</td>
</tr>
<tr>
<td>7.8%</td>
<td>20%</td>
</tr>
<tr>
<td>10.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**Benefit from Redeployment**

Significant upside from redeployment of $20Bn in excess liquidity

<table>
<thead>
<tr>
<th>Benefit to Net Interest Income ➔</th>
<th>The benefit to net interest income if we invested at the current reinvestment rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$400</td>
<td>$350</td>
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<tr>
<td>$200</td>
<td>$20</td>
</tr>
<tr>
<td>$175</td>
<td>$10</td>
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</tbody>
</table>

**Note:** All data as of 12/31/21 unless otherwise noted
Strong Risk Culture and Portfolio Discipline

De-risked portfolio with a strong focus on relationships

### Consumer
- Exited higher risk indirect businesses that did not align with our relationship strategy
  - Past exits included: indirect marine, indirect RV, and home improvement
- Adding high-quality loans from consumer mortgage and Laurel Road
  - ~20% of mortgages are from healthcare professionals

### Commercial
- Focused on middle market clients in our 7 industry verticals
- Reduced exposure and exited areas that did not meet our moderate risk profile
  - Construction
  - Merchant builders/developers
  - Land and condos
  - Equity and mezzanine
  - Homebuilders

### Charts
- **Construction Portfolio**
  - As of 2007: 127.2%
  - As of 2021: 15.7%

- **Homebuilders Portfolio**
  - As of 2007: 33.6%
  - As of 2021: 0%

### Weighted Average FICO at Origination
- **Laurel Road**: 777
- **Consumer Mortgage**: 762
- **Credit Card**: 792

### Notes
- As of 12/31/2021
- ~50% C&I investment grade
- ~80% commercial bank credit exposure from relationship1 clients

(1) Relationship client is defined as having two or more of the following: credit, capital markets, or payments
Peer Leading Stress Test Results

De-risked portfolio positioned to outperform throughout any economic cycle

2012 Stress Test: Capital Consumption

- Peer 1: 0.8%
- Peer 2: 1.6%
- Peer 3: 2.5%
- Peer 4: 2.5%
- Peer 5: 3.8%
- Peer 6: 3.9%
- Peer 7: 5.0%

2020 Stress Test: Capital Consumption

- Peer 1: 1.4%
- Peer 2: 1.4%
- Peer 3: 1.7%
- Peer 4: 1.8%
- Peer 5: 1.8%
- Peer 6: 1.9%
- Peer 7: 2.2%
- Peer 8: 3.3%

2012 Stress Test: Loan Loss Rate

- Peer 1: 5.7%
- Peer 2: 6.8%
- Peer 3: 6.9%
- Peer 4: 7.1%
- Peer 5: 7.4%
- Peer 6: 8.0%
- Peer 7: 8.1%

2020 Stress Test: Loan Loss Rate

- Peer 1: 5.9%
- Peer 2: 6.3%
- Peer 3: 6.5%
- Peer 4: 6.8%
- Peer 5: 6.9%
- Peer 6: 7.0%
- Peer 7: 7.6%
- Peer 8: 8.4%

Note: Peers include: BBT, CFG, FITB, HBAN, MTB, PNC, RF, STI, TFC, and USB; results based on data from the 2012 Comprehensive Capital Analysis and Review and September 2020 Resubmission Comprehensive Capital Analysis and Review.
Disciplined Capital Management

Consistently delivering on our capital priorities through dividend growth and share repurchases

**Capital Priorities**

- **Supporting Organic Growth**
- **Dividends**
- **Share Repurchases**

**Annual Dividend Growth**
- 18% 5-year CAGR

**Share Repurchases**
- ~$6Bn since 2012
- Avg share price of $16.27

**Total Capital Returned**

**Common Equity Tier 1**

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Range</td>
<td>9.0% - 9.5%</td>
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<tr>
<td>2017</td>
<td>10.2%</td>
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<tr>
<td>2018</td>
<td>9.9%</td>
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<tr>
<td>2019</td>
<td>9.4%</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>2020</td>
<td>9.7%</td>
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<tr>
<td>2021</td>
<td>9.5%</td>
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</table>

(1) Total shareholder payout; includes share repurchases, common share dividends, and preferred stock dividends
# Full Year 2022 Outlook

## Full Year 2022 (vs. Full Year 2021)

### Average Balance Sheet
- **Loans:** up low-double digit excluding the impact of PPP and the indirect auto portfolio sale
  - up low-single digit on a reported basis
- **Deposits:** up low-single digit

### Net Interest Income (TE)
- **Net interest income:** up low-single digit

### Noninterest Income
- **Noninterest income:** down low-single digit (reflects lower prepaid card income)

### Noninterest Expense
- **Noninterest expense:** down low-single digit

### Credit Quality
- **Net charge-offs to average loans:** 20 - 30 bps

### Taxes
- **GAAP tax rate:** ~20%

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**Note:** Guidance ranges: relatively stable: +/- 2%; low-single digit: 1% - 3%; mid-single digit: 4% - 6%; high-single digit: 7% - 9%; low-double digit: 10% - 12%

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Revised from NII guidance provided on 1/20/22
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Previous: Relatively stable
New: up low-single digit
<table>
<thead>
<tr>
<th>Positive operating leverage</th>
<th>Cash efficiency ratio: 54% - 56%</th>
<th>Moderate risk profile: Net charge-offs to avg. loans through the cycle targeted range of 40-60 bps</th>
<th>ROTCE: 16% - 19%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drives improved productivity and efficiency while continuing to make investments to grow the business</td>
<td>Generating positive operating leverage in each of our businesses will result in continued improvement in our efficiency ratio</td>
<td>Reflects improved credit risk profile and disciplined underwriting</td>
<td>Continue to drive productivity through sound, profitable growth</td>
</tr>
</tbody>
</table>