

Key Overview

Beth Mooney
Chairman &
Chief Executive Officer



KEY Investor Day: Why?

Highlight Key's **significant transformation**: strategy, execution, and performance

Demonstrate the **breadth, quality, and distinctiveness** of our business model

Introduce the depth of our **talented, energized** senior leadership team

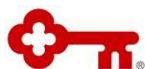
Show that the company is **positioned to grow and perform** through business cycles

Underscore our commitment to creating shareholder value: **aligning valuation with performance**



Agenda

Time	Topic	Presenter(s)
7:45 am	Breakfast and Registration	
8:30 am	Key Overview	Beth Mooney
	Differentiated Business Model	Chris Gorman
	Consumer & Business Banking: Building on Momentum	Dennis Devine & Jamie Warder
	Q&A	
10:00 am	Break	
	Commercial Payments & Strategic Partnerships	Ken Gavrity & Clark Khayat
	Technology Strategy: Enabling Growth & Innovation	Amy Brady
	Q&A	
	Commercial Real Estate: Building & Managing Scale	Angela Mago
	Maintaining a Moderate Risk Profile: Positioned to Outperform	Mark Midkiff
	Delivering on Targets & Commitments	Don Kimble
	Concluding Remarks	Beth Mooney
	Q&A	
1:00 pm	Lunch	



Significant Transformation

Transformation from 2011: Focused Execution

- ✓ Built **targeted scale** by executing on a distinctive **relationship-based strategy**
- ✓ Developed discipline for **focused execution** to deliver on commitments
- ✓ Strengthened core franchise through investment: market **presence, products, and capabilities**
- ✓ Completed **transformative FNFG acquisition**: drove step change in performance
- ✓ Focused management of business on **Moderate Risk Profile**
- ✓ Added **talent**, including senior leadership team: **diverse backgrounds and experience**
- ✓ Strengthened community commitment **with groundbreaking National Community Benefits Plan**
- ✓ Materially improved **operating and financial performance**
- ✓ Disciplined **capital management**: retain, invest, and return

Stock Performance Since 2011

KEY: +125%

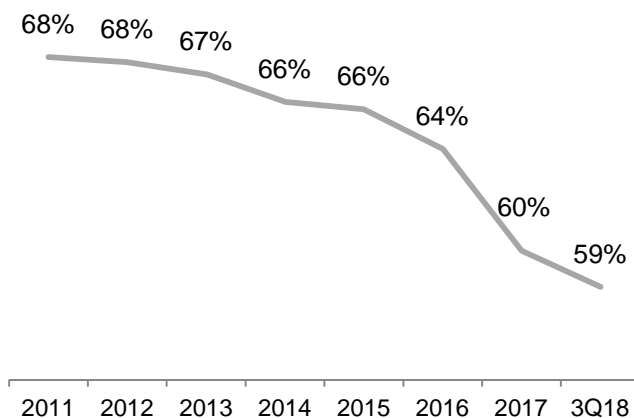
outperforming peer group median (+110%)



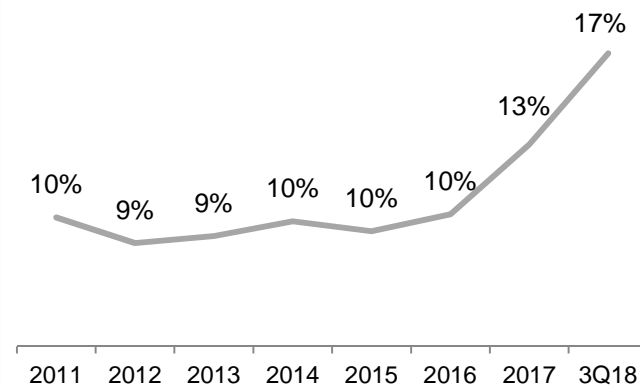
Step Change in Performance

Five consecutive years of positive operating leverage

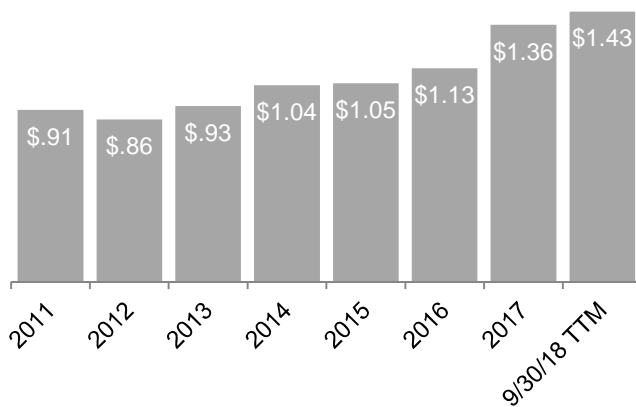
Cash Efficiency Ratio^{1,2}



ROTCE^{1,2}



Earnings per Common Share¹



Focused Forward

- Distinctive platform and model driving organic growth
- Focused execution on revenue growth opportunities accelerates our performance
- Expense discipline and cost savings initiatives drive further improvement in efficiency and returns



Why Key? Positioned to Outperform

Distinctive Model

- **Leading commercial and investment banking platform aimed at middle market companies**
- Attractive market presence
- **Financial Wellness focus**

Targeted Scale

- **Proven model** → focused on building targeted scale against defined businesses and client sets
- Businesses aligned against **points of differentiation**

Focused Execution

- **Targeted investments** are driving growth
- Delivering positive operating leverage with **revenue momentum and expense discipline**

Disciplined Capital & Risk Management

- Enhanced and transformed risk management approach
- Model **built to perform through business cycles**
- **Clear capital priorities**

Delivering Results

- **Improving financial performance** → balancing investment and efficiency
- **Sound, profitable growth driving shareholder returns**



Winning with Targeted Scale

Focused on building targeted scale by providing clients a differentiated service offering

Types of Scale

Traditional Scale

Largest players in a given market as defined by resources within the franchise: most investment, broadest distribution, biggest balance sheet

Targeted Scale: Where We Invest to Drive Growth

Scale in a Business

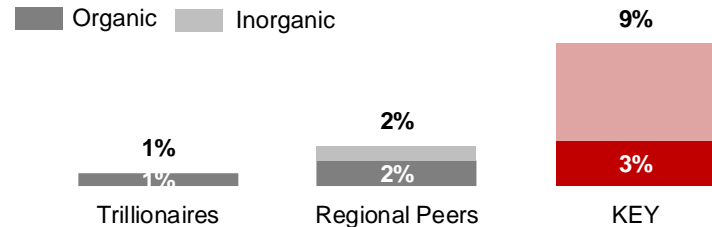
Institutions with significant market share in a product capability delivered to a broad set of clients

Scale in a Client Segment

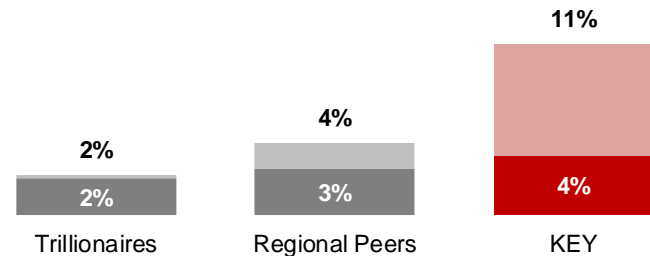
Credible, top-tier providers to narrowly targeted client sets

Growth Metrics (2012 – 2017)

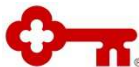
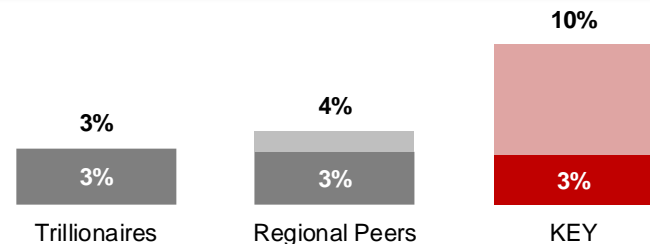
Revenue Growth



Loan Growth



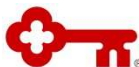
Deposit Growth



Investing for Growth

Targeted investments have delivered results and accelerated growth and scale in strategic areas

	Examples	Impact	
Organic Investment	<ul style="list-style-type: none"> ▪ Focused investment in talent (senior bankers, product specialists, and other focused areas, e.g., analytics) ▪ Strengthening products and capabilities ▪ Simplification of systems and processes to drive client experience and efficiency ▪ Digitization of the enterprise 	<p>+48% <i>Total Clients</i></p>	<p>+50% <i>Deposits per Branch</i></p>
Third Party Partnerships	<ul style="list-style-type: none"> ▪ Accelerating capabilities and improving speed to market with commercial partnerships <ul style="list-style-type: none"> – InstaMed, AvidXchange, Billtrust, Snapsheet ▪ Strong infrastructure partners for core capabilities <ul style="list-style-type: none"> – Oracle, Black Knight 	<p>+31% <i>TTM Revenue per FTE</i></p>	<p>+94% <i>C&I Loans</i></p>
Acquisitions	<ul style="list-style-type: none"> ▪ Transformed franchise with First Niagara acquisition ▪ Enhanced industry expertise and scale with Cain Brothers and Pacific Crest acquisitions ▪ Accelerated Financial Wellness with acquisition of HelloWallet ▪ Leveraged platform with acquisition of commercial servicing assets ▪ Improved client experience and economics with merchant services acquisition 	<p>+156% <i>Servicing Assets</i></p> <p>+103% <i>TTM IB&D Fees</i></p>	<p>+107% <i>TTM Cards & Payments Income</i></p> <p>+156% <i>TTM Commercial Mortgage Capital Raised</i></p>



® Note: Figures represent total change from 12/31/12 - 9/30/18

Focused Execution: First Niagara

Delivered on commitments and created shareholder value

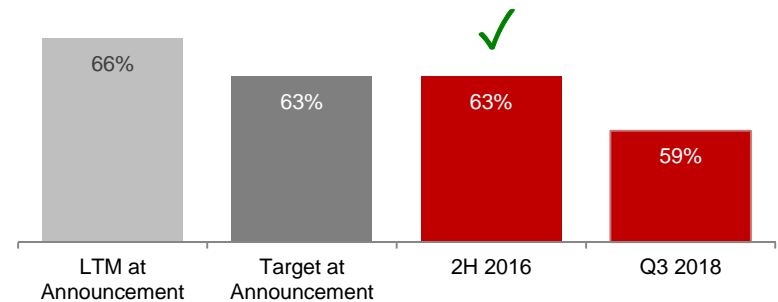
Compelling Strategic Opportunity

- Good use of capital with strong returns
- Execution and integration exceeded expectations
- Strengthened Key's brand and presence in shared markets while adding complementary new markets
 - Created leading market share in Upstate NY
 - Over 1 million new clients and ~\$27 billion in deposits
- Augmented and diversified Key's business mix
 - Delivered a broader suite of products to new and existing clients
- Created a more balanced franchise (consumer and commercial)
- Realized significant cost savings: ~46% of FNFG's cost base
- Meaningful additional opportunity from revenue synergies

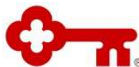
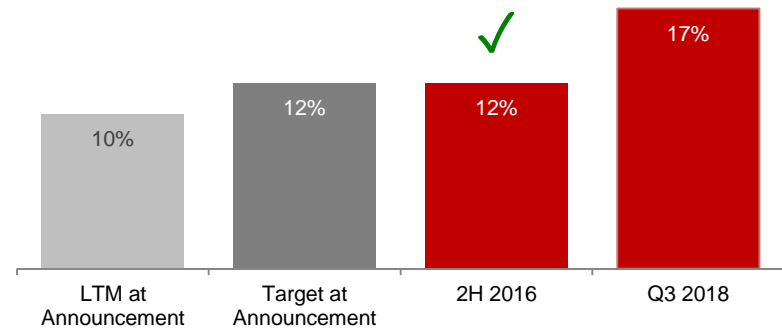
Enhanced operating performance: improved profitability and returns

Delivered on Financial Targets

Cash Efficiency Ratio^{1,2}



ROTCE²



Digitizing the Enterprise

Driving digital capabilities across Key, both client-facing and internal, to improve client and employee experiences and simplify processes

Client-empowering DIGITAL Experiences

Connecting to client preferences; enabling Ease, Value, & Expertise

End-to-end DIGITAL Process Redesign

Faster, leaner, and smarter

Analytics-driven Products and Decisions

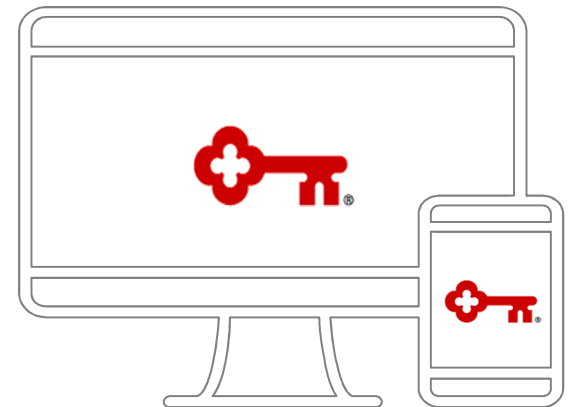
Real-time data supply chain leveraging cognitive & artificial intelligence

Operational Efficiency and Effectiveness

Zero touch, straight through, robotics, and machine learning

Always On, Secure, On the Go, 24x7

Modern, simplified infrastructure



Disciplined Risk and Capital Management

Enhanced Risk Management

Different company with transformed balance sheet and credit risk profile

- ✓ Focused on sound, profitable growth
- ✓ Implemented strategic exits and asset class reductions
- ✓ Targeted approach to specific markets, segments and asset classes
- ✓ Improved funding mix (loans & deposits)
- ✓ Enterprise-wide management of risks and concentrations
- ✓ Strengthened underwriting standards
- ✓ Improved loss absorption capacity

Positioned to outperform through the cycle

Clear Capital Priorities

1. Organic Growth

2. Dividends

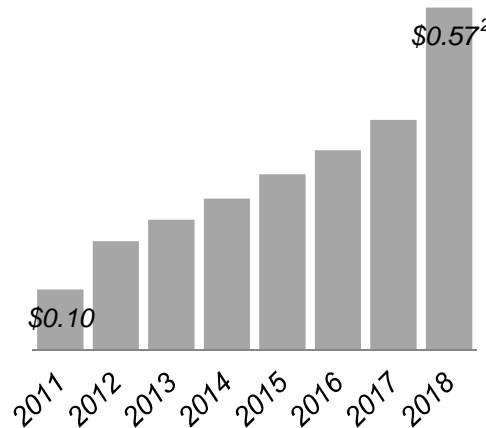
3. Share Repurchases

Common share dividend:

↑ 42% in 3Q18

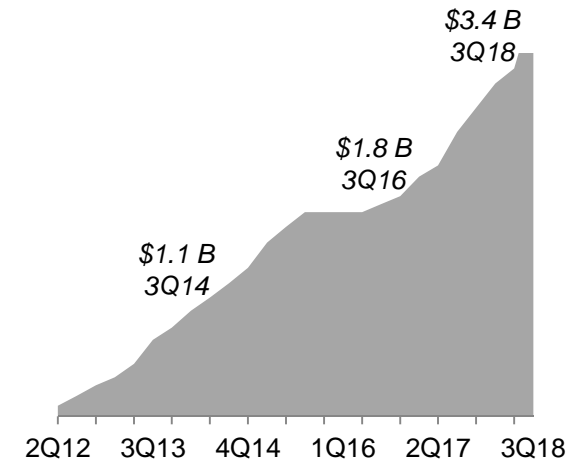
>3% yield¹

28% CAGR since 2011



Common share repurchases:

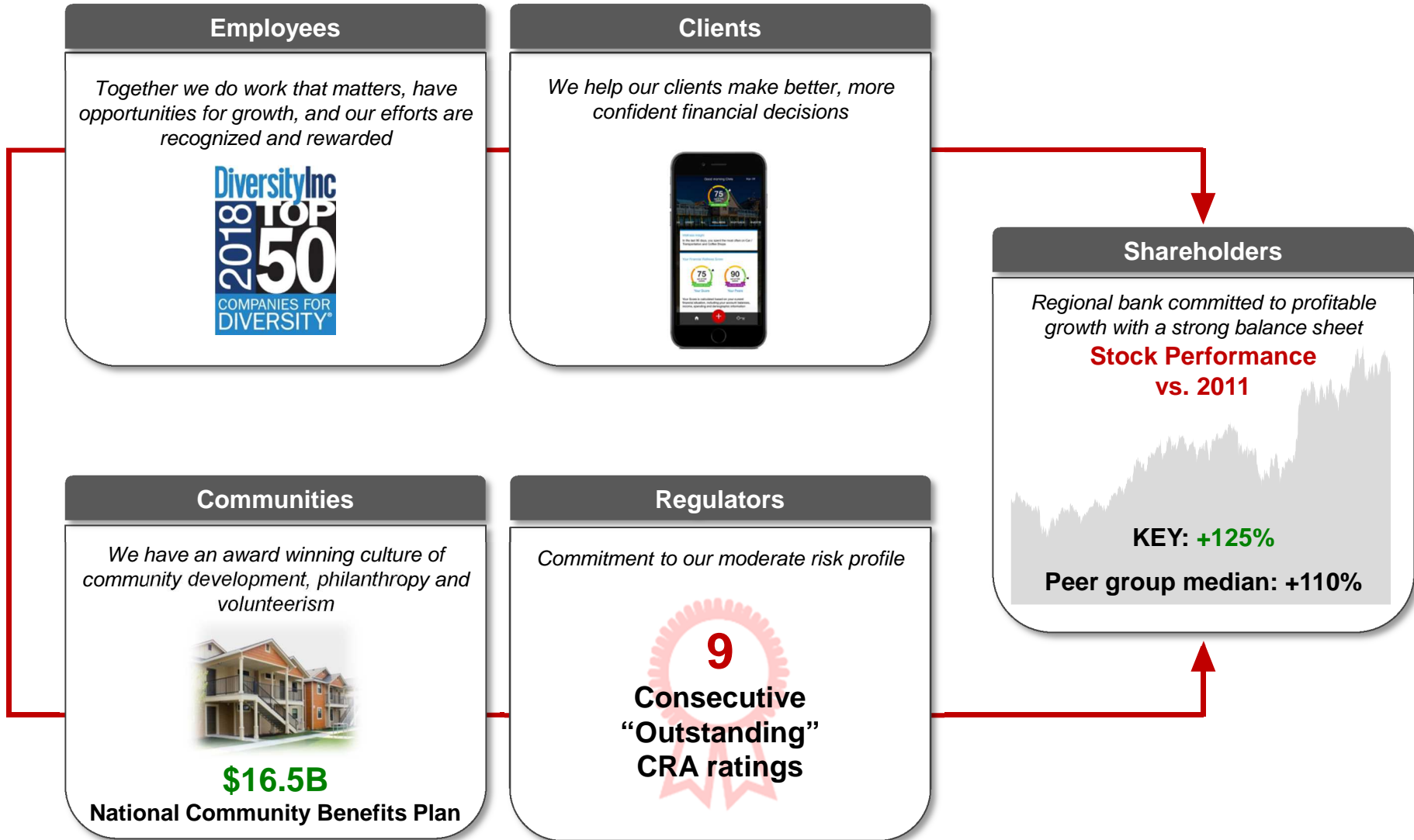
\$3.4 billion since 2012³



(1) Dividend yield based on quarterly common share dividend of \$0.17 and 9/30/18 closing stock price; (2) Assumes 4Q18 common share dividend of \$0.17, subject to Board approval; (3) Common share repurchase amount is cumulative and includes repurchases to offset issuances of common shares under our employee compensation plans

Delivering Results for Stakeholders

Values-based culture embedded across the organization



Why KEY? Positioned to Outperform

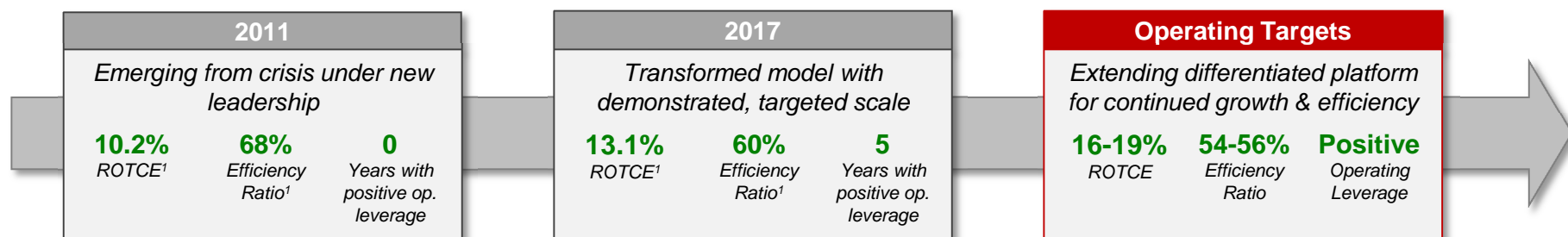
- We have a distinctive, relationship-based business model

- We are winning with targeted scale

- We are focused on executing on revenue and expense opportunities

- We are remaining disciplined with capital and risk management

- We are delivering results to our stakeholders



(1) Excludes notable items; Non-GAAP measures; see Appendix for reconciliation. Additional disclosure regarding non-GAAP measures is available in our reports filed with the SEC, available at investor.key.com/documents