

## *Standards for Determining Independence of Directors*

In order to assist it in making determinations of “independence,” the Board of Directors has established the following categorical standards:

Directly Compensated Individuals. No individual who has received or whose immediate family member is or was during the last three years an executive officer of KeyCorp and has received during any twelve-month period within the last three years more than \$120,000 in direct compensation from KeyCorp, other than director and committee fees (including deferred director fees or other compensation for prior service as a director which is not contingent in any way for continuing service), may be an independent director.

Former Employees. No employee or former employee of KeyCorp or any of its subsidiaries (collectively the “Corporation”) may be an “independent” director if the employment ended or any member of his or her immediate family was an executive officer of KeyCorp within the last three years.

Former Auditors. No individual may be an “independent” director if (A) he or she or an immediate family member is a current partner of a firm that is the Corporation’s internal or external auditor; (B) he or she is a current employee of such a firm; (C) he or she has an immediate family member who is a current employee of such a firm and who participates in the firm’s audit, assurance or tax compliance practice; or (D) he or she or an immediate family member was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Corporation’s audit within that time.

Interlocking Directorates. No individual may be an “independent” director if he or she is, or in the past three years has been, part of an interlocking directorate in which an executive officer of KeyCorp serves on (i) the Board of Directors of another company that concurrently employs the director or (ii) the compensation committee of another company that concurrently employs the director or an immediate family member of the director as an executive officer.

Significant Customer or Supplier. No individual who is employed by, or whose immediate family member is an executive officer of, a customer or supplier of the Corporation may be an “independent” director if the customer or supplier is significant. An entity will not be deemed a significant customer of the Corporation unless the customer made payments for property or services to the Corporation in an amount which, in any of the last three fiscal years, exceeded the greater of \$1 million or 2% of the customer’s consolidated gross revenues. Likewise, an entity will not be deemed to be a significant supplier of the Corporation unless the supplier received payments for property or services from the Corporation in an amount which, in any of the last three fiscal years, exceeded the greater of \$1 million or 2% of the supplier’s consolidated gross revenues. In accordance with NYSE guidance, loans from the Corporation are not considered payments for purposes of this standard. Interest payments or other fees paid in association with such loans, however, are considered payments.

Significant Charitable Contribution Recipient. No individual who is employed as an executive officer of a not-for-profit entity that receives significant contributions from the Corporation may be an “independent” director until three years after the not-for-profit ceases to receive significant contributions from the Corporation. A not-for-profit entity will not be deemed to have received a significant contribution unless the Corporation’s annual contribution to such not-for-profit entity exceeds the greater of \$1 million or 2% of the total annual revenues of the not-for-profit entity on a consolidated basis.

Non-independent Borrower. No individual who is or is affiliated with a business entity that is a non-independent borrower of the Corporation may be an “independent” director. A “non-independent borrower” is a borrower who has any loan or extension of credit from the Corporation which fails to meet any of the following criteria:

- (i) the loan or extension of credit was made in the ordinary course of business by a bank subsidiary of the Corporation (or by any other subsidiary of the Corporation that makes loans or extensions of credit of the type in question as a part of its regular business activities with other persons),
- (ii) the loan or extension of credit was made on substantially the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with other persons,
- (iii) the loan or extension of credit when made did not involve more than the normal risk of collectability or present other unfavorable features, and
- (iv) the loan or extension of credit is not criticized or classified (under the Corporation’s loan grading system), non-accrual, past due, restructured or a potential problem (as provided in Instruction 4 to paragraph (a) of Item 404 of Regulation S-K).

As used in these Standards, the term “affiliate” or “affiliated” means to control, be controlled by or under common control with. In the case of loans or extensions of credit, the rules from time to time prescribed by Regulation O of the Federal Reserve Board to determine “related interests” will be used as guidance. In other cases, the definition of the term “control” contained in Rule 12b-2 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, will be used as guidance. When the term “affiliate” or “affiliated” is used in connection with auditors, attorneys, investment bankers, consultants, or similar advisors of the Corporation, the term includes a person employed at such firm in a professional capacity whether as a partner, principal, officer, director, member, or employee of such firm. An “executive officer” of KeyCorp includes only those officers of KeyCorp required at the time to file reports of transactions in KeyCorp equity securities under Section 16(a) of the Securities Exchange Act of 1934, as amended. “Immediate family members” means a spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone who shares the director’s home.