

KEYCORP
RISK COMMITTEE
CHARTER
AS OF MAY 23, 2019

Committee Mission

The Risk Committee (the "Committee") is appointed by the Board of Directors (the "Board") of KeyCorp (the "Corporation"). Its sole and exclusive function is responsibility for the risk management policies of the Corporation and oversight of the operation of the Corporation's risk management framework. The Risk Committee is responsible for strategies, policies, procedures and practices relating to the assessment and management of the Corporation's enterprise-wide risk, including risks related to capital adequacy, capital planning, and capital actions.

Meetings and Structure

Members of the Committee are appointed by the Board based on the recommendation of the Nominating and Corporate Governance Committee and will serve at the pleasure of the Board. The Board will also appoint the Committee Chair. The membership requirements of the Committee are as set forth in the Regulations of the Corporation.

The Committee will have an independent chair and at least one member having experience in identifying, assessing, and managing risk exposures of large, complex financial firms.

The Committee will meet as often as necessary, but not less frequently than once per quarter. A quorum shall consist of such number of its members as is required in the Regulations of the Corporation. The Committee will keep minutes of its meetings and present them to the Committee for review and approval.

In its discretion, the Committee may meet in executive session, with or without representatives of management. The Committee will regularly meet in executive session with the Chief Risk Officer and/or the Corporate Treasurer.

Authority and Responsibility

The Committee has the authority to retain legal, accounting, or other consultants to advise the Committee. The Committee may request any officer or employee of the Corporation to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee may delegate to a subcommittee of its members (including alternates) any of its functions, duties and authorities, on such terms and conditions and with such limitations (if any) as the Committee deems appropriate.

The Committee's responsibility is to provide oversight, on behalf of the Board, of matters within the scope of the Committee's functions. The Corporation and its officers maintain responsibility for designing, implementing and managing programs and policies with respect to risk management. Committee members are entitled to rely in good faith on information, opinions, reports or statements made or presented by one or more officers of the Corporation believed to be reliable and competent with respect to the matters presented, or by counsel or by other experts or consultants with respect to matters believed to be within the scope of their expertise. The Committee will make regular reports of its meetings to the Board, including reports of any significant risk issues. The Committee will also report to the Board the substance of any significant concern reported to the Committee by the Chief Risk Officer or the Corporate Treasurer.

The Chief Risk Officer will report directly to both the Risk Committee and the Chief Executive Officer of the Corporation. With respect to the Chief Risk Officer, the Committee will: (i) review and approve performance goals; (ii) assess performance against performance goals; (iii) approve annual compensation and salary adjustment; and (v) oversee the succession planning process.

The Committee will review, at least annually, and assess the adequacy of this Charter and recommend any proposed changes to the Board. The Committee will also conduct and review, at least annually, with the Board a self-evaluation of the Committee's performance with respect to the requirements of the Charter.

Functions, Duties and Other Authorities of the Committee

The Committee will review and provide oversight of management's activities related to the Corporation's enterprise-wide risk management framework, including:

- a. Review, at least annually, the Corporation's Enterprise Risk Management ("ERM") Policy, which includes the Corporation's Risk Appetite Statement, and recommend the ERM Policy to the Board for its approval;
- b. Periodically review with management the strategies, policies, procedures and practices that govern the process for assessing and managing risks identified in the ERM Policy in the context of the Corporation's structure, risk profile, complexity, activities and size;
- c. Receive and review periodic reports from the Corporation's Chief Risk Officer regarding the monitoring and control of risk exposure including emerging risks;
- d. Review and approve, or recommend for approval to the Board as applicable, significant policies relating to risk management;
- e. Review and monitor significant regulatory examination or supervisory findings and the status of the Corporation's efforts to remediate or remedy any deficiencies;
- f. Review reports on selected other risk topics as the Committee deems appropriate from time to time.

The Committee will review and provide oversight of management's activities relating to credit, market, liquidity, model, operational, compliance, reputation, strategic and other risks, including, with respect to such risks:

- a. Receive and review periodic reports to monitor such risks in relation to the Corporation's risk appetite and risk tolerances, including the overall liquidity position of the Corporation and liquidity management and funding strategies to assure consistency with the Corporation's strategic plans; and
- b. In consultation with the Audit Committee, (i) review management's methodology for setting the allowance for loan and lease losses, and evaluating changes to the methodology to ensure that it appropriately reflects risk in the portfolio, (ii) review trends relating to non-performing assets and charge-offs, and determinations made by management about the appropriate level and adequacy of the allowance for loan and lease losses, (iii) ensure appropriate documentation is maintained by management to provide transparency into model precision adjustments, and (iv) oversee and monitor operational risk, with the Risk Committee retaining final responsibility for operational risk, including review and approval of significant operational risk policies.

The Committee will review and provide oversight of management's activities relating to capital management and related risk matters, including, with respect to such risks:

- a. Receive and review periodic reports to monitor such risks in relation to the Corporation's risk appetite and risk tolerances;
- b. Pursuant to authority delegated by the Board, review and approve the Corporation's stress testing program and its annual capital plan; and
- c. Pursuant to authority delegated by the Board, approve the issuance of debt or other capital securities of the Corporation.