

RESOLVED, that shareholders of KeyCorp urge the Board of Directors to oversee an independent racial equity audit analyzing the Company's adverse impacts on nonwhite stakeholders and communities of color and the steps KeyCorp is taking to mitigate such impacts. Input from civil rights organizations, employees, and customers should be considered in determining the specific matters to be analyzed. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on KeyCorp's website.

SUPPORTING STATEMENT

Among the top 50 mortgage lenders in 2021, KeyBank, the principal subsidiary of KeyCorp,¹ ranked last in loans made to Black borrowers.² Out of a total of 46,971 KeyBank loans, just 2.2% of total originations were made to Black borrowers.³ Moreover, KeyBank is tied for second-worst at lending to majority-minority neighborhoods, with just 7% of its total loan originations.

From 2018, a year after entering into a Community Benefits Agreement to increase its lending to Low and Moderate Income borrowers,⁴ through 2021, KeyBank showed a trend of less lending to both Low and Moderate Income and Black borrowers with each passing year.⁵

This trend is visible in nearly all of its top markets. In 19 of the 20 markets where KeyBank reported the most originations in 2021, it trailed the rest of that local market in lending to Black borrowers.⁶

The largest market for KeyBank in 2021 was Seattle, where it made 6,032 loans. Of those loans, just 83 went to a Black applicant. Black residents comprise 6% of the total Seattle population, yet just 1.4% of KeyBank's loans went to a Black borrower in 2021. Roughly one-third of KeyBank's 2021 home mortgage loans in Seattle were loans for the purchase of a home. Just 8 of the 2,184 home purchase loans KeyBank made in Seattle were made to a Black borrower. At 0.4%, this falls far short of other Seattle lenders, who made 4.5% of their home purchase loans to Black borrowers that year. In comparison, other lenders are over 12 times as likely than KeyBank to make a loan to a Black borrower to purchase a home.

Buffalo was KeyBank's second largest market in 2021, with 3,375 loan originations. The Buffalo metro is 11% Black, yet Black borrowers got a mortgage loan from KeyBank just 65 times that year, accounting for just 1.9% of the bank's total. This was less than half the rate at which other lenders served Black borrowers. Only 14 out of 652 KeyBank home purchase loans in the Buffalo area in 2021 were made to a Black borrower. Other lenders made 6.2% of their home purchase loans to Black home buyers that same year, nearly triple the rate of KeyBank. In neighborhoods with higher Black populations, there is almost no evidence of lending by KeyBank.

¹ P. 6, <https://www.sec.gov/ix?doc=/Archives/edgar/data/91576/000009157622000029/key-20211231.htm>

² https://www.datawrapper.de/_/ng7zH/

³ https://www.datawrapper.de/_/yLs06/

⁴ https://ncrc.org/wp-content/uploads/2016/03/keybank_summary_2_web.pdf

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<https://public.tableau.com/app/profile/ncrc.research/viz/KeyBankHomePurchaseLendingScatterplot/KeyBankHomePurchaseLending>

⁶ https://www.datawrapper.de/_/1nkCS/