

STATEMENT OF POLITICAL ACTIVITY

For year ended December 31, 2015

An important part of KeyCorp's commitment to our community includes active participation in the political and public policy process that impacts the lives of our customers, shareholders and business. As a large financial institution, our business is highly regulated at the federal, state and local levels. We believe it's critically important to take a constructive role in the political process that will shape the future of business, our industry and our community.

Board of Directors Oversight

The Nominating and Corporate Governance Committee of KeyCorp's Board of Directors meets annually with a member of KeyCorp's Government Relations team to review KeyCorp's policies and practices regarding political contributions. Policies and practices reviewed by the Committee include Key's policies regarding doing business with public entities, the Government Relations pre-approval process for ballot issue support and the KeyCorp Advocates Funds (political action committees) annual report.

Lobbying

KeyCorp's Government Relations program utilizes in-house government relations professionals and contract lobbyists to advocate on our behalf. KeyCorp complies with lobbying and disclosure laws and our reportable 2015 federal lobbying expenditures totaled \$400,000.

KeyCorp is also a member of several industry trade associations at the national, state and local levels. These associations work to develop industry consensus and advocacy, enabling us to reach government officials more efficiently and in a coordinated manner with peers in the financial services industry. In 2015, KeyCorp paid dues in excess of \$50,000 to the following

trade associations, a portion of which was attributable to the association's lobbying activity.**

TRADE ASSOCIATION	PORTION OF PAYMENTS ATTRIBUTABLE TO LOBBYING ACTIVITY
American Bankers Association	\$31,648
Equipment Leasing and Finance Association	\$15,237
Financial Services Roundtable	\$67,750
New York Bankers Association	\$64,800
Ohio Bankers League	\$7,800
Securities Industry and Financial Markets Association	\$11,659
The Clearing House	\$43,890
Consumer Bankers Association	\$55,378
Bond Dealers of America	\$9,000
Mortgage Bankers Association	\$11,295
National Multi Housing Council	\$13,520

{00340284 v1 CONFIDENT }

Page 2

International Swaps and Derivatives Association	\$1,688
---	---------

In addition, KeyCorp pays membership dues to local chambers of commerce throughout our footprint. Dues in excess of \$50,000 were paid to the following chambers of commerce.

CHAMBER OF COMMERCE	PORTION OF PAYMENTS ATTRIBUTABLE TO LOBBYING ACTIVITY
Buffalo Niagara Partnership	\$4,599
Greater Cleveland Partnership	\$15,813

Corporate Political Spending

KeyCorp does not contribute corporate funds for election campaigns. This prohibition includes support to candidate campaign committees, political parties or committees, or political committees organized for the advancement of political candidates, independent expenditures, or Super PACs. Furthermore, KeyCorp does not make contributions to other political entities organized under Section 527 of the Internal Revenue code or to special interest lobbying groups organized under Section 501(c)(4) of the Internal Revenue Code for political purposes. KeyCorp does support 501(c)(4) organizations that support initiatives that align with our commitment to our communities, which include initiatives that would make a positive impact on our ability to do business, spur economic growth and enhance the quality of life in the communities we serve. In 2015, KeyCorp supported one ballot initiative with a contribution in excess of \$10,000 to the following: Citizens for Lakeland Community College.

Other Contribution

KeyCorp, in furtherance of its commitment to help its communities thrive, supported the City of Cleveland's bid to host the Republican National Convention with a contribution to the Cleveland

2016 Host Committee, a tax-exempt organization, in the amount of \$333,333.33.

KeyCorp Advocates Funds

KeyCorp sponsors political action committees, known as the KeyCorp Advocates Funds, that provide an opportunity for eligible employees to participate in the political process. A political action committee is a separate segregated fund that solicits contributions from individuals associated with the sponsoring organization. Only certain officers, managers and professional employees are eligible to contribute to the KeyCorp Advocates Funds. The Funds make campaign contributions, on a nonpartisan basis, to individual candidates, parties or committees whose views on specific issues are consistent with KeyCorp's concerns and long-term goals and/or represent communities we serve. Funds are managed in compliance with all federal, state and local election laws, including the Federal Election Campaign Act, Municipal Securities Rulemaking Board Rules, and Investment Advisor Rules.

Employee Participation

KeyCorp encourages employees to participate in civic and political activities. Activities must be on an employee's own time and utilize an employee's own resources.

For additional information regarding KeyCorp's political activities and related policies and procedures, please contact KeyCorp's Government Relations Department at 518-257-8785.

{00340284 v1 CONFIDENT }

** Payments for dues in excess of \$50,000, a portion of which may be attributable to association lobbying expenses, paid in advance for 2016 will be reported in 2016.

* * * * *

{00340284 v1 CONFIDENT }