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# Summary of Keycorp's Corporate Business Standards

## Introduction

Keycorp recognises that acting with uncompromising integrity and professionalism will protect and enhance Keycorp's reputation, an invaluable asset of the company. Accordingly, it has developed a set of Corporate Business Standards.

Keycorp expects the Corporate Business Standards to be complied with by all of its employees and directors (to the extent that they relate to the conduct of directors). Keycorp also expects non-compliance with the Standards to be reported and the Standards specify to whom such reports are to be made.

Of course, no set of business guidelines can anticipate every possible situation. However, an understanding of the basic issues and concepts as stated in the Corporate Business Standards should alert directors and employees to the potential implications of their business conduct and assist them in determining the right course of action.

Set out below is a summary only of the issues addressed by the Corporate Business Standards.

## Conduct involving Keycorp

### Conflicts of interest

The Corporate Business Standards explain that although Keycorp employees are generally free to engage in personal business and financial transactions and other activities outside Keycorp, this freedom is not unlimited. Employees are required to avoid situations where their loyalties may be divided between Keycorp's interests and their own, and situations where the time demands of the other activity interfere with their Keycorp job. They must promptly disclose any situation that could present a conflict of interest.

The Corporate Business Standards provide guidance in respect of conflicts of interest that might arise by virtue of:

- employment outside Keycorp
- employees' receipt of gifts and entertainment
- employees' personal benefit from Keycorp business other than their Keycorp salary
- business with employee's family and friends
- outside directorships
- employee's investments in other businesses.

Conflicts of interest on the part of directors and the disclosure of such interests are governed by the company's Constitution and the *Corporations Act 2001*.

### Handling company information & information of others

Keycorp business and technical information is company property and must be used only for Keycorp business purposes. Ill-considered disclosure of such information can weaken Keycorp's competitive position, jeopardise research and development activities and squander the company's investment in the processes and resources it has developed for conducting our business.

The Corporate Business Standards state that Keycorp information may be disclosed only by Keycorp employees who are designated as responsible for it, and only when those employees or their managers determine there is a good business reason for sharing it. Sensitive information is required to be labeled in accordance with Keycorp's guidelines which establish different levels of sensitivity and therefore different levels of care to be exercised in handling the information and how widely it can be distributed. Sensitive information should be disclosed or accepted only under the protection of a written Confidentiality Agreement.

The Corporate Business Standards also address the issue of the receipt by Keycorp of confidential information of other parties, including the requirement of a written agreement that identifies the information and defines and limits Keycorp's obligations in dealing with it.

The Standards also address Keycorp's obligation, as a listed Australian public company, to immediately notify the Australian Stock Exchange of any information concerning Keycorp of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Keycorp's shares. Keycorp's policy

to achieve compliance with that obligation is stated in the Corporate Business Standards and is summarised in a separate part of this Corporate Governance section of Keycorp's public web site.

### **Buying or selling of shares by directors or staff**

Keycorp's policy on directors and employees buying or selling shares in the company is stated in the Corporate Business Standards. It is also summarised in a separate part of this Corporate Governance section of Keycorp's public web site and consequently is not reproduced in this summary.

### **Handling company assets**

This section of the Corporate Business Standards:

- requires employees to take care to safeguard Keycorp assets, to protect them from unauthorised use and not to use them for any unlawful or improper purpose
- requires employees to comply with generally accepted accounting principles and to execute all transactions involving Keycorp in accordance with Keycorp policies and procedures
- prohibits the offering of bribes or kickbacks
- states the company's policy on the provision of business gifts and entertainment
- recognises that employees may use the resources of the company, such as telephone and email, for their personal use provided that such use is kept to a minimum and other requirements as to acceptable usage are adhered to
- requires employees to honour the copyright of other parties – for example, in respect of software installed on employees' desktop computers – just as Keycorp expects others to honour its intellectual property rights.

## **Conduct involving competitors, customers & others**

### **Compliance with Trade Practices Act**

It is Keycorp policy to observe all of its obligations under the *Trade Practices Act 1974* and to give the company's employees appropriate resources by way of information, training and support to enable them to comply with the Act in the performance of their work.

This section of the Corporate Business Standards explains that while the *Trade Practices Act* allows each business to compete on its merits, to do so vigorously and to make its own decisions, the Act prohibits business from engaging in unethical conduct and certain types of anti-competitive or restrictive arrangements. It also explains the severe consequences of violation of the Act for both the company and for individuals involved in the violation.

Employees conducting business outside Australia are required to also comply with the laws and regulations governing competitive practices that apply in the country in which they do so.

### **Restrictive trade practices**

The Corporate Business Standards explain various categories of restrictive trade practices prohibited by the *Trade Practices Act*, such as price fixing, resale price maintenance and anti-competitive collusion.

For each category the Standards summarise the key points and provide examples of the relevant conduct (e.g. price fixing) and a list of practical "do's and don'ts" for employees to adhere to.

### **Misleading & deceptive conduct**

The Corporate Business Standards also explain that the *Trade Practices Act* and State-based fair trading legislation prohibit a company or individual from engaging in misleading or deceptive conduct, or conduct that is likely to mislead or deceive, and prohibit a company or individual from making particular false representations in connection with the supply or promotion of products or services.

The Standards state that the prohibitions against misleading and deceptive conduct apply to everyone at Keycorp who deals with someone outside the company and to the company's marketing and advertising activities.

Various types of conduct that may be misleading or deceptive, and examples of such conduct, are described in the Corporate Business Standards. A checklist of practical "do's and don'ts" is also supplied. <END>