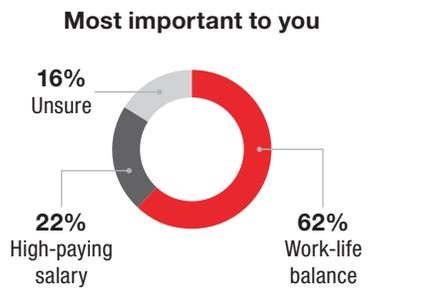


The Fundamentals of Financial Mobility

Findings from the KeyBank 2022 Financial Mobility Survey

Against all odds, 2021 was a year marked by optimism and recovery. After the Covid-19 pandemic and the ensuing lockdowns brought everything to a halt in 2020, this past year has seen society and the economy bounce back, as many Americans reconsidered many core aspects of their lives — including their finances.

The **KeyBank 2022 Financial Mobility Survey** polled Americans about their financial lives and attitudes over the past year, finding that many have reconsidered their work and financial priorities. **Notably, nearly two-thirds of Americans now believe that work-life balance (62%) is more important than a high-paying salary (22%)** — highlighting a shift in how we think about financial mobility, or one’s ability to grow their finances and move up the wealth spectrum.



One in four Americans report experiencing an improvement in standard of living compared to 2020.

“The pandemic has led many Americans to redefine personal and financial priorities and place greater emphasis on activities that will inspire a sense of health and well-being in both mind and wallet. **For many, financial mobility isn’t solely driven by the number on their paycheck.** Instead, Americans are taking a more holistic approach to financial health by honing the skills, forging the relationships and cultivating the mindfulness needed to make financial decisions that align with their values and will empower them to live more fulfilling lives.”

Mitch Kime, Head of Consumer Lending and Payments, KeyBank

Rethinking the Work-Life Balance

After confronting the hardships brought on by the pandemic, many Americans realigned their priorities to allow more time for themselves and loved ones, while still keeping their financial goals in mind.

Spending time with family and friends and growing finances are the two most important priorities for Americans right now. Accordingly, 46% of respondents say the pandemic has altered their financial priorities, and nearly half (49%) say it has made them think more about how to grow their finances — especially those who self-identify as “financial experts” (80%).

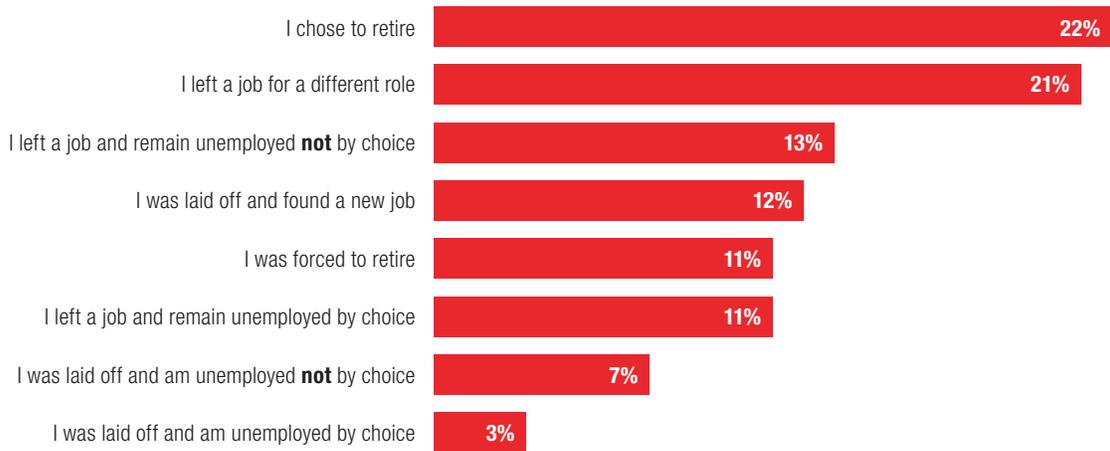
Most important priorities to you right now

1	Spending time with family and friends
2	Growing my finances
3	Pursuing my passions outside of work
4	Spending time in nature
5	Investing time in self-care activities
6	Physical exercise
7	Building my career

In light of this realignment of financial priorities, 2021 saw with it “The Great Resignation,” with many Americans choosing to make career shifts.

Two in 10 Americans have made a career shift since Covid-19 began, most commonly because of choosing to retire or leaving for a different role. Those who shifted roles were predominantly younger, with the average age being 37 years old.

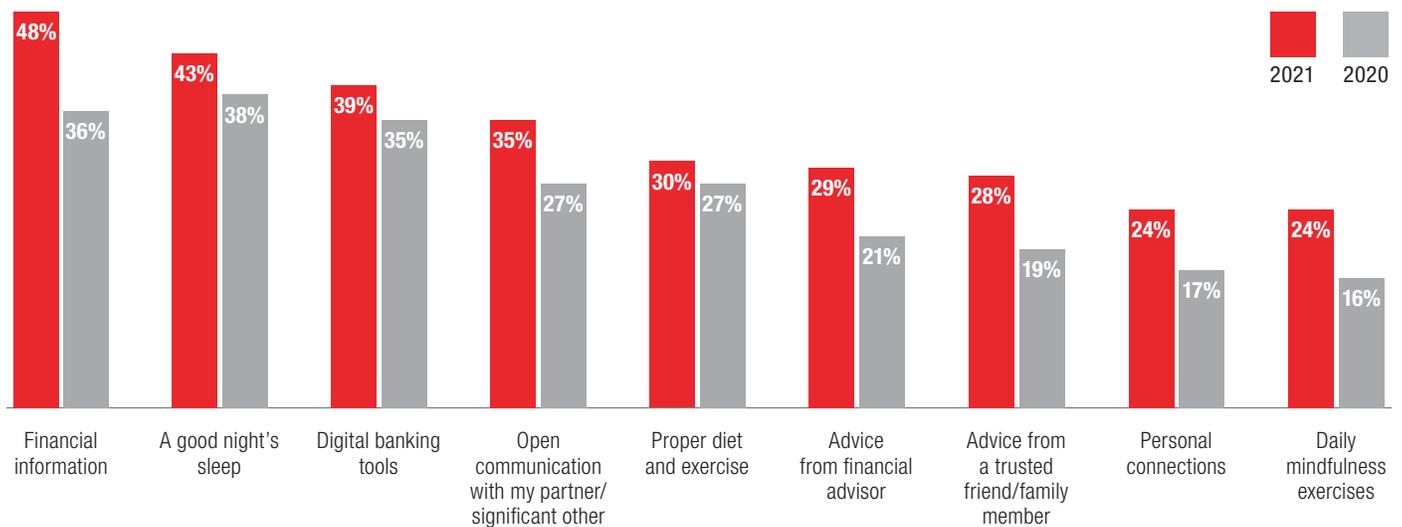
Career shift made



Americans are also placing a greater emphasis on activities that support mental health.

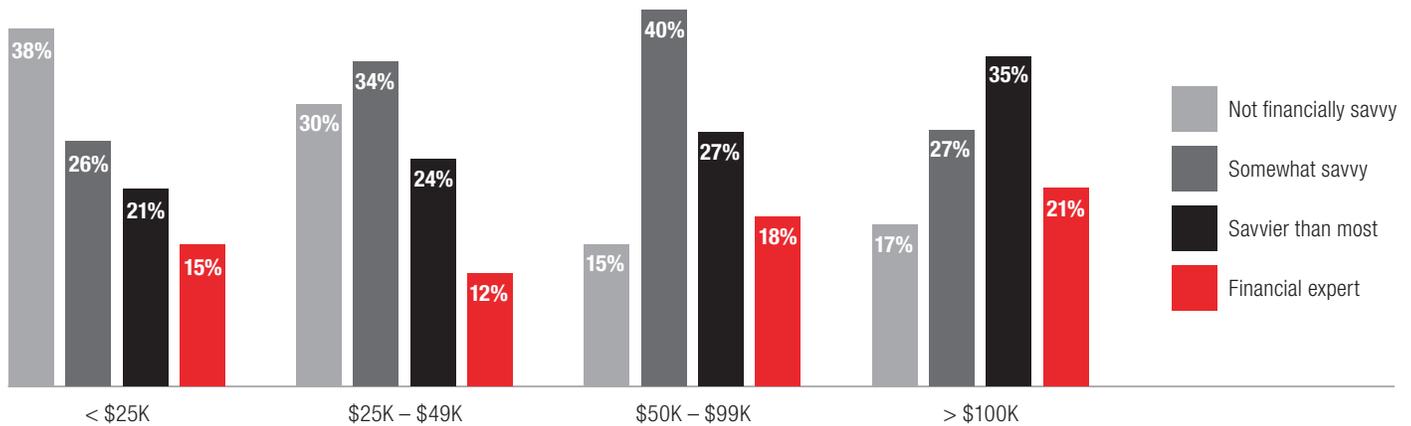
The mind-body connection continues to be an important aspect of financial mobility in 2021, with nearly half of Americans reporting that a good night’s sleep makes them feel more financially resilient.

Things that make(s) me feel more financially resilient during Covid-19



Financial Information Enables Mobility

Financial savviness x household income



In a year marked by a shift toward social justice and equity, it's notable that Americans with lower incomes are reporting less perceived financial savviness and confidence compared to those with higher incomes – likely due to social determinants of financial mobility.

Simultaneously, only 54% of Americans making less than \$25,000 are confident they can grow their finances. That number jumps to 70% for Americans making \$25,000 – \$49,000 annually; 77% for those making \$50,000 – \$99,000 annually; and up again to 86% for Americans making more than \$100,000 annually.

Despite the disparities in perceived financial savviness and financial confidence, Americans across the board report that the number one thing that made them feel financially resilient during the pandemic was financial information.

- Access to financial information has empowered Americans over the past year, with about half (53%) reporting that they have become more financially aware due to challenges faced in 2021.
- To protect from financial faux pas, more Americans are reporting that they identify and prioritize needs vs. wants and determine a monthly budget to revisit on a weekly basis. Access to financial information is crucial to making these spending/budgeting determinations.
- Financial institutions can play a role in enabling financial mobility by offering tools that give Americans greater access to their financial information – for instance, products like Key Secured Credit Card® and KeyBank Hassle-Free Account® that help Americans build credit and learn about their finances.

Protecting yourself from financial faux pas

Identify and prioritize needs versus wants



Determine a monthly budget and revisit on a weekly basis



Financial Experts Make Faux Pas, Too

Survey respondents who identify as “financial experts” are surprisingly more likely to also say they have made a financial faux pas—highlighting a connection between financial experience and confidence. Taking risks may translate into confidence, even with missteps, as individuals are able to learn and grow their financial skills and know-how for the future.

- 79% of financial experts say they have made a financial faux pas and are also more likely to identify with a you only live once (YOLO) financial attitude (34%), than cautiously optimistic (32%) and playing it safe (31%).
- Financial experts’ top three financial faux pas include spending their tax return instead of saving, reacting to market volatility, and relying on nonexperts to make decisions.
- 71% of financial experts are very confident in growing their finances compared to only 6% who say they are not confident.

What does financial mobility mean in a post-pandemic world? For many Americans, it could mean overcoming obstacles to be able to realign financial priorities with their lifestyle goals.

Overcoming Hardship

More than one-third of Americans have faced notable challenges over the past year.

And yet, even among those facing notable challenges, three-quarters (75%) have confidence in their ability to grow their finances.

Faced notable financial challenges over the past year

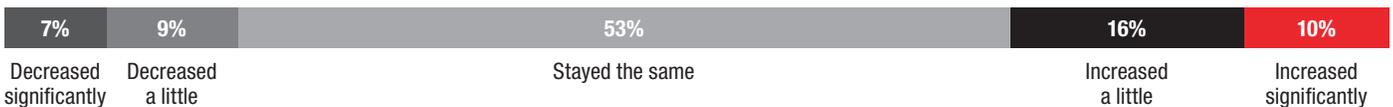


(75% are very/somewhat confident in growing finances)

Tip: Consult a trusted advisor or an expert at your bank who can help you assess your financial situation and combat any faux pas you may have made, for a financially resilient future.

Growing Finances

Income changes in past 12 months



About half (48%) of Americans said living through the pandemic made them think more about how they can grow their finances.

Simultaneously, one-quarter (25%) of respondents reported an improved standard of living last year, and a similar percentage (26%) report an increased income.

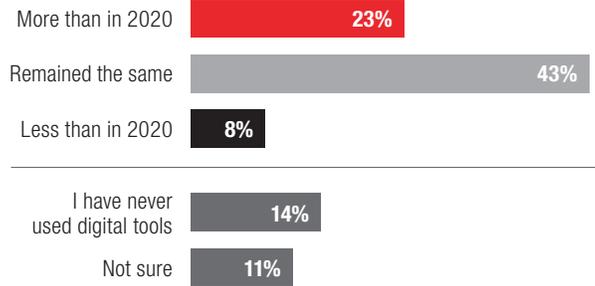
Tip: Build a budget that fits your financial situation. Keep track of your inflows and outflows to determine how much to save, and how much you can afford to spend.

Using Digital Tools

Nearly one in four survey respondents say they have more experience with digital banking in 2021 vs. 2020.

The group of respondents that identify as financial experts is more likely to say they are very confident in growing their finances (71%), compared to others who report being less savvy and have less experience with digital banking tools.

Experience with digital banking tools



Tip: For more complex banking needs, seek the help of a professional powered by technology who can ensure the best plan is reached and help further your understanding of complicated financial topics.

About the KeyBank 2022 Financial Mobility Survey

This survey was conducted online by Schmidt Market Research. 1,081 Americans, ages 18-70, with sole or shared responsibility for household financial decisions and who own a checking or savings account completed the survey between September 30 and October 2, 2021. The survey asked respondents about their financial attitudes, understanding, awareness and actions over the prior year.