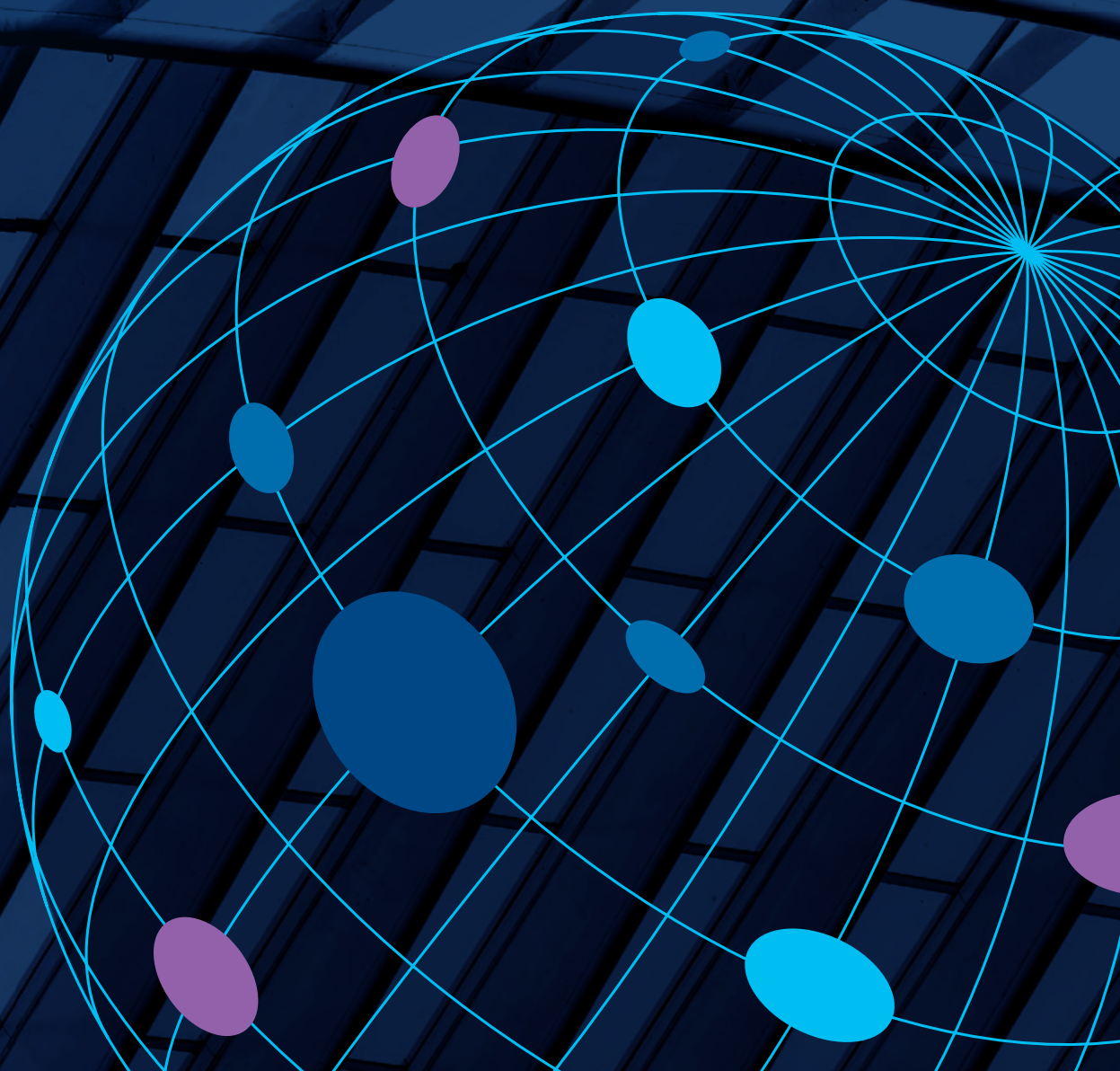


Environmental, Social and Governance Report

2019



What's Inside



“ I have every confidence that, as a company and a society, we will emerge stronger and more committed to the collective good than ever before.

— Michael L. Corbat, CEO



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About This Report

This report illustrates how we bring our mission to life through our business; it covers our environmental, social and governance (ESG) activities, performance and approach for calendar year 2019, focusing on the issues we have determined to be of greatest importance.

This report has been prepared in accordance with the GRI Standards: Core option. We also used the United Nations (UN) Global Compact and the UN Guiding Principles on Business and Human Rights frameworks to guide our reporting. (See related [indexes](#).)

We have embedded the UN Sustainable Development Goals into relevant sections of the report where Citi plays a direct role in making progress toward specific goals. Additionally, we include an [index](#) that indicates where report content is specifically aligned to the recommendations of the G20 Financial Stability Board's Task Force on Climate-related Financial Disclosures. Finally, this report supplements information published in our [2019 Annual Report](#).

All reporting and performance data are limited to information for the owned and operated facilities of Citigroup Inc. and its subsidiaries, unless stated otherwise. Additional information about Citi can be found on our [website](#). For more information on Citi's ESG initiatives, please visit [citi.com/citizenship](#) or contact:

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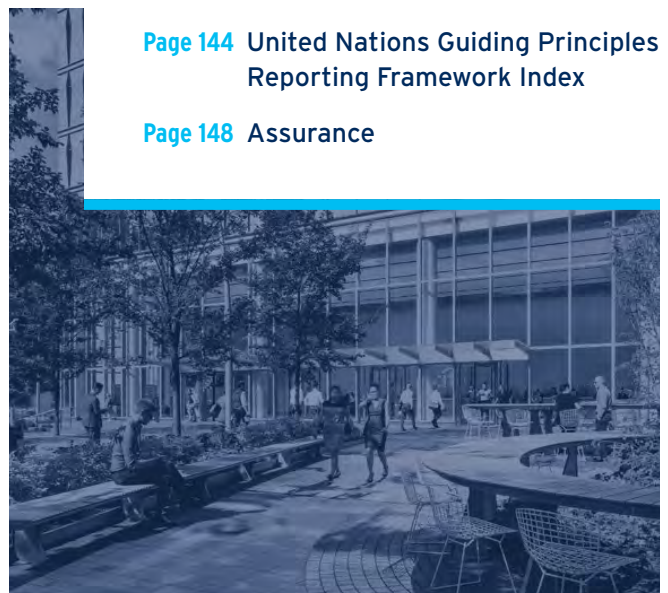
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OUR APPROACH TO ESG



Letter from Our CEO

That businesses will ultimately be more successful and profitable when they take into account the broader needs of society is not a new idea. But that principle gained new traction in the latter half of 2019, when the Business Roundtable gave fresh voice to it. The new statement of corporate purpose said simply that companies should take the interests of all stakeholders – including shareholders, colleagues, clients, suppliers and communities – into account when making decisions. Who could have imagined just how urgent responsible companies' commitment to serve the greater good would be, less than a year later?

As I write this letter, we are in the midst of the COVID-19 pandemic, which will have a wide-ranging and long-lasting impact on every part of the world. Our global society and economy are being tested to an unprecedented degree. Managing through this crisis will require the best of what we, as a company and as a society, have to offer. I know that the progress we have made in the past has meaningfully contributed to our ability to weather the present storm and, ultimately, to recover from it.

We know that this crisis is having a disproportionate impact on our most vulnerable communities. To help mitigate widespread economic distress, our society needs to find better ways to address wealth inequality and provide more people with affordable access to financial products and services. Programs like Cobro Digital (CoDi), launched in Mexico last year, have become increasingly relevant as a

Letter from Our CEO (continued)

means of bridging the gap between the digital haves and have-nots. Today, CoDi is enabling more than 5.5 million digital clients to send invoices and payments using QR codes on their phones at no cost. Citibanamex is one of the leading banks behind this innovative initiative and has had a leadership role since its inception.

We're also continuing to support entrepreneurs through efforts like Scaling Enterprise, a \$100 million loan guarantee facility and joint effort with the U.S. International Development Finance Corporation (the former OPIC) and the Ford Foundation. Scaling Enterprise provides early-stage financing in local currency to companies that expand access to products and services for low-income communities in emerging markets. To complement our lending activities, our new \$150 million Citi Impact Fund will make equity investments in socially oriented startups and companies.

And we continue to champion philanthropic causes to increase economic opportunity. An urgent need is to help narrow the gap between the skills and knowledge many young people have and what they will need in order to succeed in this century. That's why one of our largest philanthropic focus areas is workforce development. Last year, the Citi Foundation completed its three-year, \$100 million Pathways to Progress initiative to invest in preparing youth for 21st century jobs, and we'll soon expand that program with an additional new commitment. Last year, Citi and the Citi Foundation gave \$147 million in grants and charitable contributions.

I know that these efforts will continue and will even accelerate as will the time and dedication that my Citi colleagues pledge to supporting their communities. We have committed to build on the nearly 1 million hours of service contributed by Citi volunteers in 2019, virtually and once we can safely re-engage with our communities.

We also strongly believe that our most important impact comes from our core business activities, including the financing of critical infrastructure, affordable housing, environmental finance and small business lending. The economic recovery will be further strengthened by institutions' commitments to addressing an increasingly acute shortage of affordable housing. Last year, Citi provided more than \$6 billion in loans for affordable housing projects in the U.S., making our firm the largest U.S. affordable housing lender for the 10th consecutive year.

It's also my hope that one outcome of our present predicament will be an even deeper respect for science and a recognition of the investments in technology we will need to make to help our world thrive in the years ahead. Innovation will be essential as we look to confront the many other challenges that critically impact us all – chief among them, climate change.

Our health, our economic success and our environment are all inextricably linked, which is why, despite the current challenges, we must sustain our efforts to fight climate change. In 2019, Citi exceeded our \$100 billion goal to help reduce the impacts of climate change through environmental finance activities around the world more than four years ahead of schedule. Still, we know much

remains to be done, quickly, and so we are as committed as ever to bringing our resources and capacity for innovation to bear as we seize the opportunity to even more effectively and creatively tackle this urgent challenge.

Banks have a central role to play, both in helping people and communities through the current pandemic and in the ultimate recovery. At Citi, we will continue working with all of our clients and customers – individuals, small businesses, companies and governments around the world – to manage the business and economic fallout of this pandemic. We will provide the necessary support, credit and assistance programs that people, institutions and communities will need to rebuild.

I write this letter with the utmost humility, as I know the work ahead will require even more focus, more dedication, more partnership and more commitment than at any time in recent memory. But we will use the lessons of the past and the depth of our partnerships to guide us. I have every confidence that, as a company and a society, we will emerge stronger and more committed to the collective good than ever before. I know our citizens, our companies and our governments are resolved to do nothing less. My colleagues at Citi and I are more than ready to help lead the way.



Michael L. Corbat
Chief Executive Officer

Citi at a Glance

Responsibly
provide
financial
services

Serve as
a trusted
partner

Create
economic
value



Supporting clients
in more than 160
countries and
jurisdictions



Digital and mobile
at the core of a
simpler, better
client experience



Diverse workforce of
close to 200,000 to
serve our clients and
customers



More than
200 years of
experience



Institutional Clients Group

Largest proprietary global network, with a client base
of **13,000** and a presence in more than **90 countries**

Facilitates **~\$4 trillion** of transaction flows daily

Serves more than **90%** of global Fortune 500
companies



Global Consumer Banking

Serves more than **110 million** customers

Digital leader in credit cards, retail banking and
wealth management across **19 markets**

Strategic focus on the U.S., Mexico and Asia

Our Approach to Creating Positive Impact



Executing a business model that adds
value to society



Reporting transparently and learning
through dialogue



Taking a stand on issues that matter
and driving solutions



Maintaining a focus on ethical decision-
making and responsible business practices



Catalyzing innovation through strategic
philanthropy and employee engagement

Citi's Value Proposition

A Mission of Enabling Growth and Progress:

What You Can Expect from Us & What We Expect from Ourselves

Citi's mission is to serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress. Our core activities are safeguarding assets, lending money, making payments and accessing the capital markets on behalf of our clients. We have 200 years of experience helping our clients meet the world's toughest challenges and embrace its greatest opportunities. We are Citi, the global bank – an institution connecting millions of people across hundreds of countries and cities.

We protect people's savings and help them make the purchases – from everyday transactions to buying a home – that improve the quality of their lives. We advise people on how to invest for future needs, such as their children's education and their own retirement, and help them buy securities such as stocks and bonds.

We work with companies to optimize their daily operations, whether they need working capital, to make payroll or to export their goods overseas. By lending to companies large and small, we help them

grow, creating jobs and real economic value at home and in communities around the world. We provide financing and support to governments at all levels, so they can build sustainable infrastructure, such as housing, transportation, schools and other vital public works.

These capabilities create an obligation to act responsibly, do everything possible to create the best outcomes, and prudently manage risk. If we fall short, we will take decisive action and learn from our experience.

We strive to earn and maintain the public's trust by constantly adhering to the highest ethical standards. We ask our colleagues to ensure that their decisions pass three tests: they are in our clients' interests, create economic value, and are always systemically responsible. When we do these things well, we make a positive financial and social impact in the communities we serve and show what a global bank can do.



➤ Sustainable design is present throughout the renovation of our global headquarters in New York City, which will be completed in 2020. The building was recently awarded LEED Platinum certification.



Our Approach to Creating Positive Impact

Through our business, we address some of society's greatest challenges – an imperative stated in our mission and an idea that shapes our decisions every day. In this report, we share many individual stories of progress – how as a bank, employer and philanthropist, Citi catalyzes sustainable growth, helping to drive broader systemic improvements. We also outline the ideas and frameworks, both internal and external, that guide us in this work, ensuring that we tackle challenges and engage with our communities in a way that is consistent with our mission and values and in alignment with global and industry efforts, including the UN Sustainable Development Goals, the Principles for Responsible Banking and the Paris Climate Agreement.

While our commitment to engagement, innovation and market-based solutions is unwavering, we recognize that many of the biggest societal challenges are part of a significant economic and social transition that will take years – in some cases generations – to come to fruition. We continue to learn from our experience and to bring diverse stakeholders to the table to help us understand what leadership looks like on these evolving issues. Throughout the following pages, we outline how we put our guiding principles into action.

Our Guiding Principles

We are guided by a commitment to drive positive social and environmental impact through our products and services and our work with clients. Success – for us and for the financial services sector as a whole – requires that we operate responsibly, building ethical decision-making into everything we do. When we do this well, we have the latitude to drive solutions through other avenues as well, using our corporate voice to engage in dialogue around the most pressing issues and reporting transparently about our

own progress. We also use philanthropy and the time and talent of our employees to catalyze innovations for customers and communities in a way that can be brought to scale.



Executing a Business Model that Adds Value to Society

The scale and global reach of our business means we are able to have significant impact through the products and services we bring to market. Our

business activities demand financial innovations that meet the needs of our clients and tackle some of society's greatest challenges – a concept that is fundamental to our mission to enable growth and progress. Aligning with this mission requires that we not only pursue the opportunities presented but also that we understand the risks inherent in our financing decisions and our own operations. This dichotomy is best evidenced in our efforts to finance a sustainable economy while understanding and mitigating our environmental and social risk. We know we have a great deal more work to do in these and other efforts, as noted throughout this report in discussions of the management of our material ESG issues.



Maintaining a Focus on Ethical Decision-Making & Responsible Business Practices

Ethical business practices are central to the success of the entire financial services sector and are the foundation of all our activities at Citi. We place significant emphasis on understanding, improving and fully integrating ethical and responsible practices into everything we do.

The Ethics and Culture section provides more detail on how we do

this – both our successes and where we see need for continued attention and improvement.



Taking a Stand on Issues that Matter and Driving Solutions

Companies are increasingly expected to leverage their corporate voices to benefit society. Like many of our corporate peers, we have chosen to take a stand on a wide range of issues, including climate change, pay equity, immigration, racial equity and gun violence in the U.S. We have made statements in response to issues that matter to our employees, clients, investors and communities. Speaking out, however, is often just the first step. Where we can, we work to be part of the solutions to these very complex and pressing issues.



Reporting Transparently and Learning Through Dialogue

To successfully meet the expectations of our stakeholders, especially as the scope and pace of disclosure evolves, we need to both communicate what we are doing and engage in dialogue to understand what more can be done. We are committed to improving our reporting efforts and the way in which

we engage stakeholders. For example, we have deepened our reporting on climate-related risks and opportunities as part of our responses to the Task Force on Climate-related Financial Disclosures, including more information in this report as well as additional, stand-alone climate-related reporting.



Catalyzing Innovation Through Strategic Philanthropy and Employee Engagement

Citi and the Citi Foundation support a variety of philanthropic causes and, wherever possible, develop partnerships with community organizations that allow us to catalyze change through innovative and efficient solutions. In 2019, the Citi Foundation provided \$76 million in grants that increase financial capability, promote job opportunities for youth and reimagine approaches to building economically vibrant communities. In addition, through Citi businesses around the world, Citi provided \$70 million in charitable giving to causes that align with our mission of enabling growth and progress.

We increase our positive impact in the community by encouraging our colleagues to lend their time and talent toward volunteer activities that complement our philanthropic giving. Our signature effort, Global Community Day, engaged more than 120,000 volunteers in 2019, including Citi colleagues, alumni, clients, friends and families in more than 400 cities across 90 countries.

We highlight examples of Citi and Citi Foundation philanthropy in the Inclusive and Resilient Communities section and provide more detail on how we engage our employees in volunteer activities in the Talent and Diversity section.

Recognition of Our Efforts

In 2020, Citi placed seventh overall out of 300 firms – and first in the financial category – in *Newsweek's* inaugural index of America's Most Responsible Companies, a ranking of the country's top-performing companies in the context of corporate social responsibility. The rankings were based on an independent survey of 6,500 U.S. citizens and an analysis of performance indicators included in external reporting.

Reporting on Climate Change

The risks and opportunities connected to climate change affect many parts of our business. As such, there are multiple points of reference – on our approach, results and challenges – throughout this report. For example:

....

Climate opportunities, and the role Citi plays in financing a low-carbon, climate-resilient future, are explored in more detail in the [Environmental Finance section](#).

....

Climate risk in transactions and clients – a critical topic as it relates to our core business – is considered through our ESRM Policy and broader climate risk analysis, as detailed in the [ESRM section](#).

....

Our operational impacts on the climate, from our direct operations to our supply chain, are explored in the [Operations and Supply Chain section](#).

The [TCFD index](#) highlights where climate-related content in response to the TCFD's recommendations can be found in this report.

Citi's Support for Climate Action

Over the last few years, numerous climate reports, including those from the Intergovernmental Panel on Climate Change (IPCC), as well as the Fourth National Climate Assessment from the U.S. Global Change Research Program, make clear that the world is rapidly warming, leading to changes in weather patterns, sea levels and terrestrial and ocean ecosystems. The impacts and costs of climate change are already affecting many industries and regions globally and are expected to further increase as the world continues to warm.

The science on climate is clear, and the expectations of corporate and government action are only increasing. From youth-led climate marches and school strikes to investor proposals for climate-related disclosures, the pressure is mounting for companies like Citi to contribute to solutions.

Tackling climate change requires a global energy transition, as well as sustainable urban and regional development. As a global bank, we have a meaningful role

to play and are responding in several ways: through increased climate-related measurement and disclosure, enhanced Environmental and Social Risk Management (ESRM) policies and reductions in our own environmental footprint. We also are stress-testing our business and innovating our products and services accordingly.

We demonstrate leadership by collaborating with other companies and organizations to drive change. In 2019, for example, we worked with other banks and organizations within the shipping industry to develop and cosign the Poseidon Principles, a framework for lenders, lessors and financial guarantors to integrate climate considerations into lending decisions with international shipping clients. Learn more in the [ESRM section](#).

We also publish thought leadership content to stimulate dialogue and action. For example, the Citi Global Perspectives & Solutions (Citi GPS) report [Energy Darwinism III: The Electrifying Path to Net Zero Carbon](#) offers data and narrative regarding the transition toward renewable energy and away from fossil-based energy sources and technologies such as coal and combustion engines. The report

highlights some of the opportunities that arise from this transition and the risks of continued investment in the incumbent energy infrastructure.

2° Investing Initiative Scenario Analysis Pilot

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Citi is one of 17 international banks piloting the Paris Agreement Capital Transition Assessment (PACTA) methodology for climate scenario analysis of corporate lending portfolios, developed by the [2° Investing Initiative](#). This methodology allows banks to study the alignment of their corporate lending portfolios with different 2°C and below benchmarks based on the assets, technologies, and capital expenditure and production plans of companies in their portfolios.

Citi and the Task Force on Climate-related Financial Disclosures

Citi has long recognized the global challenge of climate change; we released our first Climate Change Position Statement in 2007. In 2017, our CEO signed a statement of support for the recommendations of the [Task Force on Climate-related Financial Disclosures](#), with the understanding that Citi needed to continue to build on its strong foundation of climate-related activity and disclosure. Our objective is to understand the potential financial risks to Citi, our clients and communities from climate change, how Citi and our clients may be contributing to climate change, and how we can help our clients transition to a low-carbon economy.

We conducted a TCFD gap analysis and identified the climate scenario analysis recommendation as a key area of development for Citi and our sector. We collaborated with the UN Environment Programme Finance Initiative (UNEP FI) – a global, UN-private sector collaboration with more than 240 finance institutions as members – and 15 other banks to

design a banking-sector climate scenario analysis pilot project. As part of this pilot, we looked at transition risk under 1.5°C and 2°C scenarios for our North American oil and gas exploration and production portfolio and our U.S. power portfolio, as well as physical risk under a 4°C scenario for our U.S. power portfolio. In late 2018, we published our first TCFD report, *Finance for a Climate-Resilient Future*, in which we disclosed our TCFD implementation across the four pillars of Governance, Strategy, Risk Management and Metrics and Targets, including the results of our scenario analysis pilot project.

Following the release of that report, we convened a half-day investor dialogue in February 2019 with Ceres, a climate-focused nonprofit organization, during which a group of institutional and ESG investors provided feedback on our TCFD implementation and disclosures to date. We learned that investors valued the level of transparency, effort and detail provided in our reporting, appreciated the standalone report and were interested in seeing TCFD references in financial reporting and our Proxy Statement. We elicited these investors' feedback on a number of potential actions Citi could take on our TCFD journey, including:

- Continuing to enhance our climate risk governance
- Supplementing our scenario analysis pilot work with a shorter-term climate stress test, given the lack of alignment between the shorter time horizon of loans and the longer time horizon of climate change scenarios
- Looking into third-party methodologies, including the 2° Investing Initiative's PACTA tool and the Partnership for Carbon Accounting Financials, to analyze the alignment of our portfolio with the Paris Agreement goal to limit warming to well below 2°C, and/or to measure the carbon associated with our loan portfolio

- Enhancing our approach to analyzing the climate risk of our clients in carbon-intensive sectors
- Providing more metrics and setting targets related to the carbon intensity of our credit portfolios
- Conducting an assessment of physical climate risk and risks to Citi's own facilities, as a complement to our business continuity planning
- Collaborating with others to normalize climate disclosure, further developing and standardizing climate scenario analysis and reporting, and disclosing our learnings as we go

With feedback from our investors on how we might prioritize these numerous potential next steps, along with ongoing conversations with regulators and our lessons learned from our first phase of implementation, in 2019 we embarked on phase two of our TCFD efforts.

Our 2020 TCFD implementation plan includes activities across the following three integrated pillars and builds in opportunities for investor feedback, peer collaboration and quick learning so that we can course correct as needed:

- 1. Risk Policies** – Integrating climate risk further into Citi's risk management approach; reviewing and updating our ESRM Policy, including Sector Standards, to ensure that our engagements with client sectors are guided by specific requirements for higher-risk sectors, such as coal mining and coal-fired power generation
- 2. Climate Scenario Analysis** – Utilizing climate scenario analysis to help understand differentiated client impacts (or resilience) to stresses from physical or transition climate risk
- 3. Carbon Measurement** – Assessing and testing different emerging methodologies to evaluate portfolio carbon and portfolio decarbonization pathways

International Climate Reporting Awards

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Citi was one of six global financial institutions awarded an [International Climate Reporting Award](#) for innovation and best practices. Citi was recognized for reporting related to climate risk assessment and risk management in our [2018 TCFD report](#). The awards were jointly organized by the French Environment and Energy Management Agency and the French Ministry for Ecological and Inclusive Transition.



Climate Scenario Analysis

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Climate scenario analysis is still nascent within the financial sector. We began piloting long-term climate scenario analysis in 2017–2018, building on a number of different types of climate risk analyses that Citi had conducted over the previous few years. We undertook our first climate-related stress test, a drought stress test, back in 2016, in collaboration with the Natural Capital Finance Alliance and UNEP FI. We followed this up in 2017 with a stranded asset analysis to understand the likelihood that upstream oil and gas assets in our energy portfolio would lose value because of a carbon price and how that would impact clients' credit quality. More information about these analyses is available in our [2017 Global Citizenship Report](#).

We continue to collaborate with our peers to refine the methodologies and tools developed during the UNEP FI pilot and to implement them more broadly. For example, through Citibanamex's participation in phase two of the UNEP FI pilot project we are expanding our scenario analysis to cover additional sectors and geographies. In addition, we are continuing to partner with climate scenario modelers from the Potsdam Institute for Climate Impact Research and the International Institute for Applied Systems Analysis to develop disorderly transition scenarios suitable for financial analysis and plan to test these additional scenarios. We are also piloting and exploring other methodologies and tools, such as the 2° Investing Initiative's PACTA tool.

In addition to these three pillars of activities, we are also actively participating in industry and multi-stakeholder workstreams to help build best practice in climate risk assessment for banks; engaging our clients on their own TCFD implementation and low-carbon transition; and engaging with regulators on emerging climate risk supervisory guidelines. We also plan to increase training on climate risk internally to build awareness and capacity.

We are still in a relatively early stage of extensive climate scenario analysis but consider deepening our analysis of climate-related risks and opportunities fundamental to our sustainability goals and overall corporate strategy. Transparency and disclosure are critical to our efforts, and we continue to highlight relevant climate disclosures in this report. The [TCFD Index](#) indicates where related content can be found throughout the report. We plan to publish an update on our TCFD efforts in late 2020.

Citi and the Principles for Responsible Banking

In 2019, Citi became the first major U.S. bank to endorse and become a signatory to the [Principles for Responsible Banking](#), joining more than 100 banks around the world supporting this important effort. The Principles were developed by the banking industry itself, facilitated by UNEP FI.

These Principles, which define what it means to be a responsible bank, are designed to enable all banks to implement them, no matter their specific context. The Principles also provide the framework for a sustainable banking system, to guide the industry in demonstrating how it contributes to society, with an aim to accelerate its contribution to achieving the UN Sustainable Development Goals and the Paris Agreement.

TCFD Implementation Highlights

Phase 1 (2017–2018)

Risk Policies

- Updated our ESRM Policy with new restrictions on financing for the construction or expansion of coal-fired power plants

Climate Scenario Analysis

- Co-developed methodologies with UNEP FI and 15 other banks, and conducted a pilot climate scenario analysis looking at transition risk (1.5°C and 2°C) associated with our North America oil & gas exploration and production and U.S. power portfolios, and physical risk (4°C) associated with our U.S. power portfolio

TCFD Disclosure

- Published our first TCFD report, *Finance for a Climate-Resilient Future*

Learnings

- A cross-functional team is required, including Environmental and Social Risk Management; Credit Risk; Quantitative Risk and Stress Testing; Sustainability & ESG; and Banking.
- Sectors are heterogeneous, and some clients are more resilient than others to climate stresses due to factors such as cost structure.

Challenges

- Long-term orderly transition scenarios are not reflective of how climate risks are likely to evolve and are insufficient for understanding impacts on shorter-term credit portfolios.
- There are continued data challenges and limitations with existing methodologies and tools available for climate risk assessment.

Phase 2 (2019–2020)

Risk Policies

- Updating our ESRM sector standards for coal mining and coal-fired power and expanding the climate risk section of our ESRM Policy
- Established a global, cross-functional Climate Risk Working Group
- Incorporated climate risk into our material risk inventory and risk taxonomy

Climate Scenario Analysis

- Stress testing the resilience of our global oil and gas exploration and production portfolio to understand the impacts of a rapidly instituted carbon price (e.g., \$50/ton of carbon dioxide from 2019 to 2021)
- Conducting a physical risk assessment of Citi's own facilities to understand our exposure to various climate hazards and the resilience of our operations

Carbon Measurement

- Road testing the PACTA methodology to analyze the alignment of our credit portfolios with 2°C scenarios
- Assess the PCAF, the Science Based Targets initiative and other initiatives

TCFD Disclosure

- Convened an investor roundtable to obtain feedback and input on our TCFD strategy, implementation and disclosure
- Publish our second TCFD report in late 2020, describing learnings from our current efforts

Challenges Ahead

- Data challenges remain, including incomplete data for some client segments, which will need to be overcome.
- Determining which methodologies are optimal is essential, as road testing different approaches is time and resource intensive.
- Methodologies for assessing the carbon intensity and emissions of loan portfolios are still in "beta testing" mode and remain controversial.

Citi and the Sustainable Development Goals

Given our global footprint and our role in financing economies around the world, Citi has an important role to play in achieving the UN Sustainable Development Goals (SDGs). Throughout this report, we have made an effort to indicate where information is relevant to action on the SDGs. While our work and the content of this report cover many SDGs, we have identified seven goals on which we can have the greatest impact.

In 2019, Citi joined with the UN and other business leaders to create the Global Investors for Sustainable Development (GISD) Alliance, which promises to do more to address the multitrillion-dollar shortfall in funding for the UN's goals. The 30 members have committed to scale up our collective efforts to align our businesses with the goals and to remove barriers to finance. The GISD Alliance will operate on a two-year timeline, from October 2019 through October 2021, focusing on solutions related to long-term SDG investment, particularly in developing countries.

Citi GPS, our premiere thought leadership product designed to help navigate the economy's most demanding challenges, uses the SDGs among other global reference points to inform strategic insight on topics such as single-use plastics and the transition to more responsible production and consumption of plastics and other packaging materials. Citi GPS released a [report](#) in 2018 that aimed to simplify the SDGs and identify the incremental financial costs and opportunities of achieving the individual goals and the human benefit that might be gained by solving them.

These 17 interrelated Sustainable Development Goals represent an ambitious agenda to achieve a sustainable future by 2030. Citi has a role to play in all 17, yet our business most directly impacts the seven highlighted here.

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- 8 Decent Work and Economic Growth**
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ESG Governance at Citi

Good governance is a fundamental principle at Citi, and we work to ensure that we are at the leading edge of best practices. We strive to maintain the highest standards of ethical conduct – reporting results with accuracy and transparency and maintaining full compliance with the laws, rules and regulations that govern Citi's businesses.

Corporate Governance

Our governance structures, policies and processes serve employee, client and community needs; promote a culture of accountability and ethical conduct across our firm; and support our commitment

to address global challenges through our core business.

All of our Board committees play a role in providing oversight of our efforts to ensure responsible business practices. For example, the Personnel and Compensation Committee reviews all compensation programs, including incentive compensation, so that they do not, among other things, encourage imprudent risk taking. The Nomination, Governance and Public Affairs Committee oversees Citi's global ESG activities and performance. Our Ethics, Conduct and Culture Committee reflects our commitment to promote a strong culture of ethical conduct.

Our Board of Directors aims to have at least two-thirds of its members as independent directors. Currently,

88 percent of the Board is independent. Additionally, the Chair of the Board is a nonexecutive independent director.

The full list of standing committees of our Board of Directors is as follows:

- Audit
- Ethics, Conduct and Culture
- Executive
- Nomination, Governance and Public Affairs
- Operations and Technology
- Personnel and Compensation
- Risk Management

See our [website](#) for more information about Citi's corporate governance, including our Board committee charters.



⏏ Citi's CEO and Chief Country Officer for Canada hosting a town hall for employees in Toronto.

ESG Governance

The Nomination, Governance and Public Affairs Committee of the Board of Directors oversees our ESG activities. This committee's responsibilities include reviewing our policies and programs for sustainability, climate change, human rights, diversity and other material ESG issues, as well as advising on engagement with external stakeholders. For more information on the roles and responsibilities of this committee, download the [Nomination, Governance and Public Affairs Committee charter](#).

Sustainability

Citi's Sustainability & ESG team, led by our Chief Sustainability Officer (CSO), works in partnership with our businesses to lead and implement our ambitious sustainability efforts globally, as well as our work to ensure that the human rights of our employees, suppliers and those affected by the projects we finance are respected. Our Global Sustainability Steering Committee provides guidance on environmental and social issues related to global business activities. The committee is chaired by the CSO and a senior executive in our Institutional Clients Group and includes executives from Banking, Risk, Public Affairs, Operations and Technology, and ESRM. Committee meetings are held approximately three times annually.

Citi's ESRM Policy is managed by the ESRM team, which works closely with ESRM specialists in the business and with regional ESRM Champions. Within Operations and Technology, our Corporate Realty Services and Enterprise Supply Chain teams each have specialized sustainability groups that manage our environmental footprint and green building goals and oversee supply chain sustainability. These specialized teams sit within their respective business units, ensuring ownership of sustainability goals throughout the company.



➤ Citi's Board Chair participating in a fireside chat in Singapore discussing a range of topics, including building an ethical culture.

For many years, climate risk has been addressed under our ESRM Policy in relation to project-related finance, and Citi is actively working to develop more comprehensive approaches to evaluate climate risk across our business, including reporting climate risk activities to the Risk Management Committee of the Board. To further our efforts, we formed a global, senior-level Climate Risk Working Group in March 2019. This cross-functional group is tasked with evaluating further integration of climate risk considerations into Citi's risk management process, climate scenario analysis and stress testing, climate data and engagement with regulators on climate risk management.

Community Investing

Our Head of Community Investing and Development leads the team that tackles challenges within our communities through business investments as well as philanthropy. In late 2019, we announced the \$150 million Citi Impact Fund, the largest standalone fund of its kind in the financial sector. The Citi Foundation, which provides grants to community

organizations in support of its economic progress mission, is a separate legal entity that is governed by a Board of Directors made up of senior executives from across Citi. Learn more about this team's efforts in the [Communities section](#).

Talent and Diversity

Citi's Global Head of Talent and Diversity oversees our efforts to promote talent, diversity and inclusion in the workplace. Reporting to the head of Human Resources, she works in partnership with senior management, particularly members of the executive management team who co-chair our Affinity groups. Our talent and diversity efforts are governed by the Citi Board of Directors.

Ethics and Business Practices

Ethics and responsible business practices are among the most material ESG issues for Citi and our stakeholders. The Ethics, Conduct and Culture Committee of the Board oversees management's efforts to foster a culture of ethics within the company and receives regular reports from senior management on the progress

of those efforts. To learn more about the responsibilities of the committee, download the [Ethics, Conduct and Culture Committee charter](#). The [Ethics and Culture section](#) of this report also provides more information about efforts to encourage a culture of ethics at Citi.

Among its responsibilities, the Board's Risk Management Committee reviews Citi's risk appetite framework, including reputational risk appetite, and reviews and approves key risk policies, including those focused on environmental and social risk. To learn more about the responsibilities of this committee, download the [Risk Management Committee charter](#).

Our Material ESG Issues: Citi in a Global Context

We conduct periodic and comprehensive materiality assessments to identify our most relevant (or "material") reporting topics from an ESG perspective – which is a broader standard than that used in our financial disclosures. These ESG topics, which we refer to as "material ESG issues" throughout this report, help inform which issues we communicate here, which issues we consider raising to our Board and how we establish our ESG priorities.

Our most recent materiality assessment, which was completed in late 2017, included feedback through an online quantitative survey of more than 200 global external stakeholders and over 500 Citi managing directors. It also included a review of the ESG attributes used by rating and ranking agencies and a focus on how these issues will play out between now and 2030.

We complement our formal materiality assessment process with regular engagement with stakeholders on how these issues are advancing. For example, we have engaged with investors on TCFD and with industry stakeholders on our approach to addressing climate change

Citi's Material ESG Issues



and are able to use these insights to ensure that we have a thoughtful and timely approach to sustainability and climate issues.

A key insight underscored by our materiality process is the interconnectedness among material issues, such as acting in our clients’ best interests, systemic risk, climate change and talent attraction and development. Our core business must address these issues holistically, and our ESG approach must enable the business to address the risks and opportunities presented by the material issues.

In 2019 our CEO signed the Business Roundtable’s Statement on the Purpose of a Corporation, which reinforces the idea that companies should operate in the interest of all their stakeholders.

Stakeholder Engagement at Citi

One of the most important ways we fulfill our mission to be a trusted partner to our clients is by engaging with a wide array of stakeholders to gain their input and insights and share our expertise and perspectives. As part of our engagement,

we regularly review our stakeholder partnerships across a range of functions, including Sustainability, Public Affairs, Government Affairs, Investor Relations, Human Resources, Corporate Governance, the Citi Foundation and other teams.

The table below includes examples of our recent stakeholder engagement efforts.

Stakeholder Group	How We Engage	Examples from 2019
Investors	<ul style="list-style-type: none">Group calls and meetings (quarterly earning calls, investor conferences and Citi-hosted group meetings)One-on-one meetings to discuss financial performance and ESG issuesCommunications through our Investor Relations and Corporate Governance teams	<ul style="list-style-type: none">Completed dialogue session focused on climate risk next stepsCiti senior executives presented at a number of industry conferences for investors and peersMembers of the Board and senior management conducted meetings and calls with investors for input on a variety of governance, compensation and sustainability matters
Government and Regulators	<ul style="list-style-type: none">In-person meetings, conference calls, lobbying activities, industry associations, public policy forums, press conferences, conferences and conveningsMembership on government councils and committees	<ul style="list-style-type: none">Hosted forums with mayors around the world to discuss development, inclusion and climate change issuesParticipated in the Federal Reserve Bank of New York’s annual workshop on culture and behavior, discussing the impact of new technologies on culture in the workplace

Stakeholder Group	How We Engage	Examples from 2019
Suppliers	<ul style="list-style-type: none"> • In-person meetings, calls, conferences and workshops • Corporate Responsibility Questionnaire to help assess management of ESG issues 	<ul style="list-style-type: none"> • Co-hosted events with NGOs and industry organizations and participated on panels to provide educational content to diverse suppliers • Hosted multiple events to create opportunities to engage with diverse suppliers and help to build their capacity, including in the area of sustainability
Community Leaders and Nongovernmental Organizations (NGOs)	<ul style="list-style-type: none"> • In-person meetings, calls, conference calls, emails, social media and events • Specialized websites, including for the Citi Foundation and Citi Community Development • Collaboration with NGOs on issues relevant to their organizations and our business 	<ul style="list-style-type: none"> • Our Chief Sustainability Officer served on the Board of the UN Global Compact's U.S. Network • Engaged community leaders and NGOs at Citi Foundation events, including gatherings for Pathways to Progress, the Community Progress Makers Fund and the Financing Sustainable Cities Initiative
Employees	<ul style="list-style-type: none"> • Company intranet, email, mail and in-person meetings • Voice of the Employee survey • Employee Networks, volunteer councils and Green Teams • Community events • In-person and online training • Performance reviews • Citi Blog 	<ul style="list-style-type: none"> • 120,000 employees, friends and families volunteered as part of Citi's annual day of service, Global Community Day • More than 21,800 employees participated in more than 180 Employee Network chapters, and more than 1,800 employees participated in 18 Green Teams globally • More than 188,000 employees completed compliance training, including on anti-money laundering, sanctions and anti-bribery topics • Featured stories on Citi's intranet and in blogs from Citi senior executives, employees and partners highlighting how we enable growth and progress • Established the Global Sustainability Network in 2018, consisting of employees from across Citi whose work directly relates to sustainability and ESG to promote knowledge sharing and alignment on related activities

Stakeholder Group	How We Engage	Examples from 2019
Clients and Customers	<ul style="list-style-type: none"> • Meetings to share Citi's environmental and social performance and to understand our clients' approaches to managing environmental and social risks • Social media, including our Customer Service Twitter handle (@AskCiti) • Customer satisfaction surveys • Citi Blog 	<ul style="list-style-type: none"> • Engaged Citi mobile customers in a co-creation effort to identify digital banking challenges that our mobile app could potentially help solve • Engaged clients around specific, project-related financial transactions and their associated environmental and social risks and mitigation efforts • Shared red flags for illegal wildlife trafficking (IWT) with relevant clients to help them identify IWT
Other Financial Institutions	<ul style="list-style-type: none"> • Working groups • Joint projects • In-person meetings, conference calls • Industry groups, roundtables, workshops and events 	<ul style="list-style-type: none"> • Member of the Equator Principles Association since 2004 • Founding member of the Diversity Project North America, a National Investment Company Service Association initiative to promote diversity in the asset management industry • One of 30 core group banks that worked with UNEP FI to develop the Principles for Responsible Banking • Member of the Banking Standards Board in the UK, supporting its independent role to help rebuild trust and confidence across the UK banking industry • Citi and Citibanamex worked on implementing the TCFD recommendations with UNEP FI and nearly 40 banks

Page 23 **Inclusive and Resilient
Communities**

Page 43 **Environmental Finance**

SOLUTIONS FOR IMPACT



Inclusive and Resilient Communities

>> HIGHLIGHTS

#1 affordable housing lender

Provided \$6 billion in loans, making Citi the top lender for the 10th consecutive year

[Page 30](#)

Supporting mission-driven enterprises

Launched a \$150 million impact investing fund to support companies addressing societal challenges

[Page 33](#)

Investing in youth

More than \$194 million invested by the Citi Foundation in youth employment efforts since 2014

[Page 41](#)

From infrastructure to affordable housing, from jobs to financial inclusion, we are helping to build more inclusive, resilient and sustainable communities. As a leading global bank, we have the scale and capabilities to finance and support the institutions – governments, corporations, nonprofits and aid organizations – that can contribute to the future our communities deserve.

Catalyzing Inclusive and Resilient Communities

Citi and the Citi Foundation focus our efforts on six primary areas, with the following overarching impacts and results in 2019.

The Future of Work

\$194M

invested globally by the Citi Foundation through its Pathways to Progress program to prepare youth for 21st century jobs (2014-2019)

Innovative Local Government & Community Change Agents

\$12.6M

invested by Citi and the Citi Foundation in programs implemented with municipalities

Financial Inclusion

\$1B

in lending toward financial inclusion around the globe over the last decade

Infrastructure

\$13B

in green building and sustainable transportation projects financed globally (2014-2019)

Thriving Small Businesses

\$10.6B

in lending provided to small businesses in the U.S.

Affordable Housing & Homeownership

\$6B

in loans provided for affordable housing projects in the U.S., the #1 lender for the 10th year

Some of the contributors to positive outcomes in communities include:

- Public Sector Group
- Municipal Securities Division
- Export and Agency Finance
 - Community Capital
 - Inclusive Finance
 - Sustainability & ESG
- Community Development
 - Citi Foundation

This section of the report is not intended to be a comprehensive inventory of our efforts but rather a sample of highlights to demonstrate how we deploy our products, people and financial resources to solve problems in our communities, promote economic mobility and create an economy in which households at all income levels have the opportunity to succeed. Multiple Citi businesses and units contribute to the efforts highlighted throughout this section, including the following:

- **Citi Public Sector Group** globally and **Municipal Securities Division** in the U.S. provide products and services to national and local governments, central banks and other public-sector institutions that enable countries and communities to operate.
- **Citi Export and Agency Finance** collaborates with export credit agencies, multilateral agencies and development finance institutions to help expand their reach in both developed and emerging markets.
- **Citi Community Capital**, our community development lending and investing group, provides financial products to help affordable housing developers construct, rehabilitate, refinance and acquire affordable multifamily housing across the U.S.
- **Citi Inclusive Finance** works across Citi businesses globally to develop solutions that enable us, our clients and our partners to expand access to financial services and advance economic progress in underserved market segments.

- **Citi Sustainability & ESG** partners with colleagues across Citi businesses to encourage and enable solutions that contribute to sustainable growth around the world.
- **Citi Community Development** forges innovative partnerships with leading nonprofits and public agencies across the U.S. to expand financial inclusion and economic opportunity for lower-income and underserved households in the communities we serve.

In addition, the **Citi Foundation**, a private foundation funded by Citi, provides philanthropic grants to community organizations around the world for efforts that increase financial inclusion, catalyze job opportunities for youth and reimagine approaches to building economically vibrant communities.

Underlying our approach is the notion that no single institution can address system challenges by working in a silo. We rely on a variety of partnerships – with clients, governments, nongovernmental organizations (NGOs), academic institutions, and companies ranging from startups to large, multinational corporations – to succeed. These partnerships highlight how our work contributes directly to **SDG 17**, which seeks to **strengthen the means of implementation and revitalize the global partnership for sustainable development**. In particular, Citi's efforts contribute to target **17.3**, which seeks to **mobilize additional financial resources for developing countries from multiple sources**, including the private sector, to ensure sufficient financing is available to achieve the SDGs.



SDG Goal 17: Partnerships for the Goals

Innovative Local Government and Community Change Agents

Increasingly, local governments and community organizations are playing a central role as change agents, leading on a wide array of issues, including infrastructure, employment, housing and financial health. Moreover, these entities often do so while facing significant budget and resource constraints. A core pillar of our efforts to invest in local communities is to collaborate with – and provide financial solutions to – local governments and community organizations.

Public-Sector and Institutional Financing

We provide a broad range of banking and financial products and services, advice and support to public-sector clients, such as government agencies, central banks, development organizations, NGOs and academic institutions, to enable them to more effectively provide critical services to local communities.

Citi is uniquely positioned to support large, global organizations that are in need of rapid solutions to solve complex problems. For example, in Costa Rica in 2019, we supported the payment needs of the International Federation of Red Cross and Red Crescent Societies. The Red Cross is responsible for operating a large fleet of emergency response ambulances, with fuel costs funded by Costa Rica's Ministry of Finance. Historically, ambulance drivers were given paper vouchers reflecting an approved monthly fuel allowance. The vouchers were accepted at most (but not all) fuel stations and were occasionally lost or damaged, rendering them invalid, leaving ambulances without fuel and putting lives at risk. The Red Cross collected used

vouchers monthly, reconciling and consolidating the fuel expenses, which were then reported to the Ministry of Finance for validation. This manual process was labor-intensive and time-consuming.

At the request of the Red Cross, Citi developed and implemented a tailored purchase card program to replace the paper voucher model. The now-automated system not only ensures that ambulance drivers have access to fuel, it has also improved efficiency and reduced costs for the Red Cross.

Many institutional investors are looking for returns beyond profit, and Citi offers products to meet this intent. Thematic bonds – such as social, green and sustainability bonds – provide a way for investors to see yields while also contributing to positive environmental and social solutions. Thematic bonds continue to evolve to address changing needs and issues, and Citi works closely with clients and partners on new products. To learn more about Citi's efforts to promote the growth of thematic bonds, including green and sustainability bonds, visit the [Environmental Finance section](#).

Philanthropic Efforts

Around the world, NGOs make valuable contributions to addressing difficult social problems. But they need funding and other resources to amplify the impact of their work or to pursue as-yet-unproven solutions that can be tested and later brought to scale. This is often where Citi and the Citi Foundation can play an effective role. Moreover, by helping city leaders develop technology-driven solutions to urban challenges, our initiatives help support **SDG 9**, which promotes **inclusive and sustainable industrialization and fosters innovation**.



SDG Goal 9: Industry, Innovation and Infrastructure

Economic Transformation Through Digital Technologies

Digital technologies (especially relating to connectivity, big data and artificial intelligence) are transforming every facet of the economy – globally and locally. With public-sector expenditure in most countries accounting for anywhere from one-third to two-thirds of gross domestic product, it has become imperative for governments to drive digitization efforts. A strong digital economy requires a robust digital infrastructure, with digital money, payments and identity all required for the transformation of any industry or society. Citi's [Digital Money Index](#), published annually since 2014, helps governments understand their respective countries' readiness for usage of digital money. Each step taken toward digital money readiness can enhance a nation's ability to transform its economy. According to the Digital Money Index, even a 10 percent increase in digital money readiness could help up to 220 million individuals enter the formal financial sector. A recent [Citi Global Perspectives & Solutions \(Citi GPS\) report](#) highlights the digitization of government, offering examples and case studies of how countries are progressing on their digital journeys.

Cities for Citizenship

In 2014, Citi became the founding corporate partner of [Cities for Citizenship](#) (C4C), a nonpartisan national initiative aimed at promoting and expanding American citizenship and financial capability among lawful permanent residents in the U.S. What began with just three cities (New York City, Chicago and Los Angeles) has since grown to a network of 92 American cities and counties.

C4C celebrated its fifth anniversary in September 2019 with 45 local citizenship events across the country. Since the program's launch, the network has reached nearly 1.8 million people who attended citizenship-related programming, helped more than 48,000 people initiate the citizenship process and/or apply for citizenship and connected 30,000 individuals with financial empowerment services. C4C, which is also supported by the Center for Popular Democracy and the National Partnership for New Americans, plans to expand to 100 cities and counties in 2020. In September, Citi was recognized by the United Nations Association, Southern California Division, for our role in catalyzing and scaling immigrant integration efforts.

Financing Sustainable Cities Initiative

The [Financing Sustainable Cities Initiative](#) (FSCI), a partnership funded by the Citi Foundation, aims to help educate cities about how to accelerate and scale up their investments in sustainable urban solutions. In 2015, the Foundation teamed up with the [WRI Ross Center for Sustainable Cities](#) and the [C40 Cities Climate Leadership Group](#) to help reduce global greenhouse gas emissions and improve quality of life for urban residents around the world. Areas of focus include bike sharing systems, low- and zero-emission buses, rapid transit, transit-oriented development and affordable housing.

The FSCI consists of two primary components:

- Peer-to-peer learning communities through which cities can share their experiences developing sustainable projects
- Direct technical assistance to cities developing sustainable finance strategies and projects

In 2019, C40 Cities released a [report](#) showcasing early results of the initiative.

Community Progress Makers Fund

The Community Progress Makers Fund supports high-impact community organizations that are driving economic progress in their communities. Since Community Progress Makers launched in 2016, the Citi Foundation has provided two-year, general operating support grants of \$500,000 plus access to skills-based, pro bono Citi volunteer teams and a network of technical experts to nonprofits in six cities. Unrestricted funding, which is often in short supply, allows these organizations to go beyond business as usual to test innovative approaches in the way they work to better fulfill their missions and serve their communities.

In 2019, we completed the second round of Community Progress Makers funding, with grantees producing meaningful impacts in their communities:

\$7M

in household energy costs saved for 32,000 low-income families

33,800

people trained for employment and 9,900 hired for new jobs

\$46M

saved through tax preparation service programs

affordable housing units retained for

62,000

people

8,900

small businesses expanded

Thanks to the Community Progress Makers Fund...

■ ■ We had the flexibility to innovate quickly and foster new partnerships with employers, resulting in hundreds of low-income job seekers securing jobs at average wages of \$27+ per hour."

– Abby Snay, CEO, Jewish Vocational Service

■ ■ Our work went from a couple of insightful ideas in a report to landmark legislation that has the potential to redefine how the Bay Area delivers housing affordability and opportunity."

– Heather Hood, Vice President & Market Leader, Enterprise Community Partners Northern California

■ ■ We're building community solar projects that preserve affordability and create economic opportunity for hundreds of District of Columbia residents."

– Michelle Moore, CEO, Groundswell

■ ■ Graduates are participating in the digital economy for the first time in their lives. Together, we're putting tech within reach."

– Elizabeth Lindsey, Executive Director, Byte Back

Service Design for and with Low-Income New Yorkers

Two years ago, the New York City (NYC) Mayor's Office for Economic Opportunity – with funding and support from Citi – hired a team of designers and gave them one mission: make public services more effective and accessible for all New Yorkers. Since then, [NYC's Service Design Studio](#) has taken on dozens of projects, including the following:

- **Pathways to Prevention:** Studio designers partnered with the Administration for Children's Services (ACS) to improve how families enroll in and engage with ACS Prevention services. The project ultimately resulted in new, user-informed communication materials about Prevention services currently being field tested.
- **Women in Rikers: Reentry:** Studio designers were tasked with improving how women released from Rikers Island, home to many of the city's inmate facilities, access reentry services, so they return home in a strong and stable way. The redesigned referral management service and support infrastructure will be piloted in 2020.

The service design studio model is spreading. The NYC Studio was influential in the formation of the Philadelphia Service Design Studio announced in Fall 2019.

Infrastructure

According to the [Global Infrastructure Hub](#), the world faces a \$15 trillion gap between the amount of money invested and the amount actually needed to provide adequate infrastructure globally by 2040. In the U.S., the American Society of Civil Engineers estimates there will be a \$1.5 trillion shortfall between the amount of infrastructure needed and the amount actually funded by 2025.

Public- and private-sector stakeholders need to work together to find ways to overcome investment barriers to much-needed infrastructure projects. Citi finances billions in infrastructure projects around the world. Between 2014 and 2019, we provided more than \$13 billion in green building and sustainable transportation projects. These activities, which

were counted toward our [\\$100 Billion Environmental Finance Goal](#), are helping cities meet the needs of rapid urbanization and work toward **SDG 9**, which commits to **build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**, as well as **SDG 11**, which aims to **make cities and human settlements inclusive, safe, resilient and sustainable**. Our work contributes to target **9.1**, which includes **developing quality, reliable, sustainable and resilient infrastructure**, and also supports target **11.2**, which includes an aim of providing **access to safe, affordable, accessible and sustainable transport systems for all**.

As one example of our significant support for infrastructure, in 2019, we served as global coordinator and joint bookrunner in a \$400 million debut bond issuance to finance the Mariscal Sucre International

Airport in Quito, the sole airport serving Ecuador's capital and the largest airport in the country. Execution of the bond issuance leveraged Citi's unique combination of insights and experiences with both global airport credits and Ecuadorian sovereign bond issuances. This transaction was the first private sector bond issuance in over 20 years from Ecuador and demonstrates how financing of essential infrastructure assets can open doors to new pools of international capital for emerging markets.



SDG Goal 9: Industry, Innovation and Infrastructure



SDG Goal 11: Sustainable Cities and Communities



⏏ Citi led the first private-sector bond issuance in over 20 years in Ecuador in support of the Mariscal Sucre International Airport in Quito.

Citi Bike® Program Expansion

The Citi Bike program has been one of the most visible demonstrations of our bank's commitment to making a positive contribution to society. In 2019, the New York City mayor's office announced plans to double the Citi Bike Program's service area by 35 square miles and triple the number of bikes to 40,000. The five-year expansion will bring the nation's largest bike share system to a broader and more economically diverse range of communities.



New York City

Launched: May 2013
Trips since launch: 92.2M
Miles traveled: 159.3M
Annual members: 145K



Miami

Launched: Dec. 2014
Trips since launch: 8.2M
Miles traveled: 24.7M
Annual members: 6K



Jersey City

Launched: Sept. 2015
Trips since launch: 1.4M
Miles traveled: 1.6M
Annual members: 2.1K

861,682
unique riders
in 2019



Affordable Housing and Homeownership

While homeownership in the U.S. has been rebounding, a lack of housing inventory continues to erode affordability, particularly for low- and moderate-income households.¹ Citi is working to help address the affordable housing crisis by financing projects in low-income urban areas and developing new models to strengthen affordable housing markets overall. This work aligns with SDG target **11.1**, which includes providing **access for all to adequate, safe and affordable housing and basic services**.



SDG Goal 11: Sustainable Cities and Communities

Financing Affordable Housing

We offer a range of housing financing solutions – including construction and permanent lending, tax credit equity, and Fannie Mae and Freddie Mac mortgage banking – to affordable housing developers. We focus on projects that serve low-income and special needs populations, including seniors, individuals with disabilities and people who are homeless. Our work goes beyond just housing; we also finance projects critical to strong and vibrant communities such as schools, healthcare facilities and businesses that contribute to revitalization. Our long experience as a leading provider of capital to the affordable housing development community in the U.S. gives us the expertise to solve complex development problems that often confront our affordable housing developer clients, including creative adaptive reuse project and public housing projects employing HUD's Rental Assistance Demonstration (RAD) program. In 2019, we financed

* All figures are through December 31, 2019.

¹ Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing 2019*, (2019).

Affordable Housing Impacts

In 2019, we provided more than \$6 billion in loans for affordable housing projects in the U.S., covering nearly 38,000 apartments in 200 cities, making us the leading financier of affordable housing in the U.S. for the 10th consecutive year.

1.6k

buildings financed

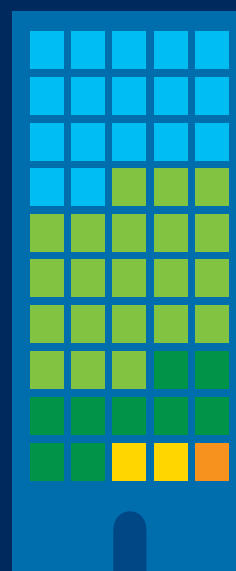
- 1,259 buildings
- 341 green buildings



27M
square feet

194

projects closed



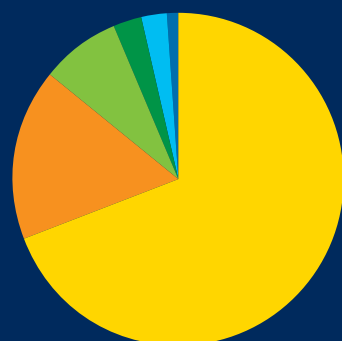
- 65 rehab construction
- 80 new construction
- 36 permanent financing
- 8 acquisition
- 5 adaptive reuse



30
states



200
cities



- 26.1K affordable and mixed income
- 6.3K senior
- 3k RAD
- 1k special needs
- 984 formerly homeless
- 350 veteran

38k

apartments financed

117

clients served



more than 3,000 apartments under the RAD program.

In 2019, we also financed multiple modular – or offsite – construction projects, which can allow for more efficient and sustainable construction of multifamily homes while creating permanent jobs.

For example, Citi invested \$5 million for construction of a new plant for Factory_ OS, which builds thoughtfully designed multifamily units at a San Francisco Bay area location faster and at a lower cost than conventionally built housing.

Inclusive and Supportive Housing

Citi works to increase and preserve affordability while strengthening affordable housing options for vulnerable populations, many of which are often overlooked.

For example, Citi recently provided a \$23.6 million construction letter of credit to finance a new, 107-unit apartment complex in New York that will reserve 65 units for chronically homeless individuals and families living with mental illness and special needs. The property will include access to a full range of supportive services for adults and children. The entire building is reserved for residents with income from 30 to 60 percent of the area median income.

Older members of the LGBT+ community face high rates of discrimination, including when seeking affordable housing. Citi partners with SAGE, one of the oldest nonprofit organizations dedicated to the needs of the elder LGBT+ constituency in the U.S., to help ensure that communities are equipped to support aging LGBT+ residents through capacity building, consumer education, advocacy, training and the construction of more LGBT+-welcoming housing. In October 2019, with support from Citi, SAGE brought together housing developers, nonprofit practitioners and policy experts from across the nation for an inaugural LGBT Elder Housing Symposium in Washington, D.C. SAGE's National LGBT Elder Housing Initiative aims to make the housing sector more welcoming of older LGBT+ people. These efforts aim to contribute to meeting the need for affordable housing among the 3 million to 7 million LGBT+ people age 50 and above expected over the next decade.

Innovative Approaches to Creating and Preserving Affordable Housing

A half century after the Fair Housing Act was passed to boost access to housing opportunities for all U.S. residents, the entry point for homeownership is only getting more challenging to attain as housing prices continue to rise.

Citi has identified and is investing in a proven tool for creating and preserving affordable housing: community land



Female veterans are the fastest-growing segment of the homeless veteran population in the U.S. In Dallas, 175 Citi employees volunteered more than 2,400 hours to help build a Green Extreme Home for female veterans – the first group home in the U.S. built under the U.S. Department of Energy's Zero Energy Ready guidelines. Citi also supported the home project with funding as part of Bring Them HOMES.



Housing for U.S. Veterans

On any given night in America, an estimated 38,000 veterans are homeless.² Many of them struggle with lingering trauma or suffer from various physical or mental disabilities. Since 2012, Citi has supported [LISC](#) and the National Equity Fund's Bring Them HOMES initiative, which finances, facilitates, advocates for and implements affordable housing options for veterans. To date, a total of 5,000 affordable housing units, including 3,100 specifically for veterans, have been completed or are in development.

For example, thanks to support from Citi, Skid Row Housing Trust built an affordable housing project in Los Angeles called The Six, which now provides housing and services to veterans. The housing complex's name is derived from "Got your six," a military phrase that roughly translates to "I've got your back." In Sacramento, California, a complex with 39 units – most of them earmarked for veterans – opened in 2019, thanks to funding from Citi and money from the

U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs.

Bring Them HOMES earned Citi a 2019 Community Commitment Award from the American Bankers Association – the first such award given for supporting military families. We were one of eight banks recognized for outstanding commitment to our communities.

² U.S. Department of Housing and Urban Development, [2018 Annual Homeless Assessment Report to Congress \(Part 1: Point-in-Time Estimates of Homelessness\)](#).

trusts (CLTs). A CLT is a nonprofit, community-based organization, typically run by a board, staff and community members, that buys land to build permanently affordable housing for low-income households. Dating back to the civil rights era, CLTs separate ownership of housing from ownership of the land on which the housing sits. The CLT retains

New Tool Aims to Aggregate Vacant Land for Affordable Development

....

According to federal statistics, nearly two-thirds of lower-income renters in Miami spend at least half of their income on housing – more than any other city in the nation. Local officials and real estate developers, however, have long said that there isn't enough land available to build more affordable housing.

A new online tool developed by the University of Miami with support from Citi has revealed approximately 500 million square feet – roughly the size of Manhattan – of underutilized, publicly owned land in the greater Miami area that is potentially suitable for affordable housing development. Called Land Access for Neighborhood Development (LAND), the tool provides a real-time snapshot of the location, size and ownership of thousands of parcels of publicly or institutionally owned vacant or underutilized land across Miami-Dade County and its 34 municipalities. In order to build, developers would need to get access to land from the city and/or county or from institutions such as universities and NGOs.

ownership of the land while enabling low- and moderate-income households to purchase homes at affordable prices. The homeowners agree to cap the resale prices of the residences to ensure that future owners benefit from affordable prices as well.

Today, there are some 225 CLTs, comprising more than 25,000 rental and 12,000 ownership units, across the country. As a leading supporter of CLTs in the U.S., Citi has invested approximately \$7 million in seeding new CLTs in places like Miami, New York City and Washington, D.C. On Long Island, which suffered significant damage from Hurricane Sandy in 2012, the Long Island Partnership Community Land Trust has committed to building over three dozen affordable homes – several of which have been completed and now house residents – thanks in part to a \$1.2 million investment from Citi. In New York City, the mayor recently committed to CLT units for 3,000 families, building on Citi's \$1.5 million investment in the Interboro Community Land Trust.

In San Francisco, it is nearly impossible for affordable housing developers to compete with private developers in one of the most expensive, cash-driven real estate marketplaces in the country. That's why Citi worked with the City of San Francisco to create the San Francisco Housing Accelerator Fund (SFHAF) – an innovative nonprofit vehicle that enables mission-driven housing developers to more nimbly and sustainably build and preserve affordable housing. Since its launch in 2017, SFHAF has funded the preservation and construction of 433 units, including a historic Mission Street building that will provide eight apartments for low- and moderate-income households. The acquisition is also helping to preserve El Rio, a popular bar and cultural landmark that has served the local Latino and LGBT+ communities for more than 40 years.

In New York, Citi has invested \$1.2 million in the Joint Ownership Entity NYC (JOE NYC), which is enabling neighborhood-based nonprofit housing organizations to aggregate their affordable units to achieve economies of scale. Together, these organizations are creating one of the city's largest nonprofit housing portfolios. JOE NYC is on track to own 3,500 affordable apartments by 2020.

Beyond homeownership, in cities such as San Francisco and Washington, D.C., Citi has financed nonprofits that are trying to boost affordable rentals through accessory dwelling units (ADUs) – secondary dwellings on a housing parcel, such as basements, garage apartments or separate freestanding structures. ADUs benefit homeowners by creating income streams while adding more affordable housing in residential neighborhoods. In Washington, D.C., for example, the nonprofit United Planning Organization is teaching residents how to take advantage of zoning regulations that allow for the building of ADUs. By educating qualified homeowners on how to design, permit and build ADUs on their properties, homeowners can increase property values, age in place, build intergenerational wealth and grow new skill sets in development and property management.

Thriving Small Businesses

According to the U.S. Small Business Administration, small businesses are at the forefront of economic growth. Yet they often face difficulties accessing the capital and development resources needed to thrive and grow. Through direct financing and partnerships with community organizations and local governments, we support the growth of small businesses and their contributions to the broader economic ecosystem in countries around the world. In 2019, Citi invested more than \$10.6 billion in small business lending in the U.S.



d.light, a social enterprise, received \$5 million in financing to expand access to off-grid solar energy in Kenya through Scaling Enterprise.



Empowering Mission-Driven Enterprises

Citi supports mission-driven enterprises that are working to build more equitable communities. In early 2020, we launched a \$150 million venture capital fund that will allow us to make investments in U.S. companies that are addressing societal challenges. The [Citi Impact Fund](#) will prioritize companies that are led or owned by women or minorities and that are using technology and innovation to help address four key societal challenges.

Citi's Impact Fund focuses on four key areas:



Workforce Development

Solutions that train and connect people to careers

Financial Capability

Solutions that increase access to the financial system

Physical & Social Infrastructure

Solutions that improve an individual's way of life through housing, healthcare and transportation

Sustainability

Solutions that address issues related to energy, water and sustainable production

The fund, which is one of the largest stand-alone impact investing funds in the financial sector, will highlight the ability to achieve both healthy financial returns and positive social impact. It builds on and complements our other efforts to expand access to early-stage financing by companies that are addressing community challenges.

One example of these other efforts is Scaling Enterprise, a \$100 million loan guarantee facility launched in 2019 by Citi, the U.S. International Development Finance

Corporation (formerly OPIC) and the Ford Foundation. Through this facility, we are able to provide earlier-stage financing in local currency to companies that expand access to products and services for low-income communities in emerging markets. Loans and working capital in local currency and at affordable rates can enable innovative social impact companies to achieve scale, greater efficiencies and lower costs. Scaling Enterprise will facilitate vital growth financing to companies that are expanding access to finance, agriculture, energy,

affordable housing, water and sanitation to low-income households in emerging markets. In the first two transactions under Scaling Enterprise, the partners have committed \$5 million in financing to Inl Farms to help smallholder banana and pomegranate farmers in India access export markets and increase incomes by up to 20 percent, as well as \$5 million in financing to d.light to expand access to off-grid solar energy in Kenya.

Supporting Women- and Minority-Owned Small Businesses

The gender and race gaps in the world of small businesses are very real, with reports showing that less than 3 percent of venture capital funding is allocated to women- and minority-owned startups. In New York City, for example, there are almost 360,000 female entrepreneurs who contribute approximately \$50 billion annually in revenue to the city's economy. Yet research by Citi found that men own 1.5 times the number of businesses, have 3.5 times the number of employees and generate 4.5 times the amount of revenue.

Citi aims to change the statistics for women- and minority-owned businesses by

investing in programs that emphasize entrepreneurship, employee ownership and local contracting. We support these efforts through a number of partnerships, including the following:

- Women Entrepreneurs NYC (WE NYC) was launched by the NYC Department of Small Business Services in 2015 to connect aspiring and established female entrepreneurs to the resources, education and community services needed to build thriving businesses. Citi supported the initial research study that defined the program design as well as WE Master Money: Credit, connecting women with credit-building workshops and one-on-one counseling to help them manage credit and access more loans, thereby building credit and financial resilience. Since its launch,
- WE NYC has surpassed its initial goal of serving 5,000 women by helping more than 6,000 female entrepreneurs develop their ideas and expand their enterprises.
- The National Coalition for Asian Pacific American Community Development issued a report supported by Citi called *Small Business, Big Dreams*, which highlights how entrepreneurship is a critical asset-building pathway for many members of the Asian American and Pacific Islander (AAPI) community. AAPI immigrants start businesses at a higher rate than the general U.S. population, yet they face significant obstacles to business growth, including language barriers and limited access to capital.



➤ Shinar Little (far right), owner of FogHill, Inc., stands with some of his employees outside of Georgetown University. Little benefited from the DC Community Anchor Partnership, a program that connects local, minority-owned firms with leading university and health system organizations in the nation's capital. Citi provided seed funding for the program.

- The Democracy at Work Institute and the National League of Cities are part of a national movement aimed at encouraging business owners of color to convert their businesses to employee ownership models to preserve wealth and stabilize communities. In the U.S., more than 1 million business owners of color are nearing retirement. Collectively, they employ more than 8.2 million people and generate more than \$1.2 trillion in annual revenue. Yet fewer than 20 percent of these business owners have post-retirement succession plans. In Washington, D.C., where nearly 40 percent of Black business owners are nearing retirement age, Citi supports the D.C. Employee Ownership Initiative to preserve legacy businesses and create new pathways to entrepreneurship. We also support Project Equity, a non-profit that helps retiring business owners transfer company ownership to employees to preserve small businesses in Southern California and South Florida.
- In Los Angeles, Citi was the founding corporate sponsor of a regional collaborative launched to make it easier for small businesses to bid for local contracts worth more than \$1 billion. Small business owners have for years battled with a fragmented, antiquated and complex contract procurement system in the Los Angeles area. The newly launched OneLA Regional Collaborative establishes a partnership between some of the largest public agencies in the region seeking to connect diverse businesses to technical assistance, business resources and public and private contracting opportunities. The new system will streamline and speed up the procurement process and give small businesses a fairer shot as they compete for contracts.

Learn how we are supporting women- and minority-owned small businesses in our own supply chain in the [Operations and Supply Chain section](#).

Microfinance as a Path to Women's Economic Empowerment

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Citi has partnered with the U.S. International Development Finance Corporation (DFC, formerly known as OPIC) to expand microfinance loans to women in emerging markets around the world. In 2019, we committed to work with the DFC, the U.S. Agency for International Development and private-sector partners to mobilize an additional \$500 million for women in Latin America. In Tunisia, we recently announced the launch of a \$10 million loan guarantee facility, which will provide growth financing to more than 17,000 microentrepreneurs, approximately 65 percent of them women. And in Jordan, Citi provided \$5 million to Microfund for Women, which will now be able to give loans to an additional 10,000 underserved Jordanian women.

Citi also has partnered with CreditAccess Grameen, which was born out of the need to provide timely and affordable credit to low-income households in India. Women in India make up 60 percent of the country's unbanked population of 190 million people. In 2019, Citi provided \$29.5 million to CreditAccess Grameen to help reach an additional 75,000 women with an average loan size of \$390.

Microfinance loan programs are typically associated with emerging markets, while the need for such programs in industrialized countries such as the U.S. is often underappreciated. A decade ago, Citi collaborated with Grameen America to help establish the organization's first office in Queens, New York. Grameen America members – who are all minority and immigrant women living on lower wages – are provided with microloans, fee-waived Citi savings accounts, peer support and financial education to help them expand their businesses and generate income for themselves and their families. Grameen America [released early results](#) of the most rigorous, independent, third-party evaluation of group microfinance in the U.S. to date, which was produced with funding from Citi. This important preliminary research on Grameen America's lending program demonstrates that helping women build positive credit histories and raise credit scores is a powerful approach to expanding economic opportunity for fledgling entrepreneurs. Since launching in 2008, more than 129,000 women have received over \$1.4 billion in microloans through this program to start and grow their businesses – with 99 percent repayment.

Most microfinance beneficiaries globally are women, making Citi's work on microfinance a direct contributor to **SDG 5**, in support of **gender equality and empowerment for all women and girls**, and in particular target **5.a**, which strives for a range of gender-related objectives, including **giving women equal rights to economic resources**.



SDG Goal 5: Gender Equality

Preserving Local Jobs

Citi works with public and private partners to help remove the individual and systemic barriers to success for current and aspiring small business owners, such as access to capital and affordable space, as well as roadblocks to entrepreneurship. Because the specific challenges facing entrepreneurs often vary by city and region, we engage with local entities to implement thoughtful solutions.

In New York City, Citi partners with LISC NYC and the NYC Department of Small Business Services to help revitalize commercial corridors and small businesses across the city. Community organizations apply for funding and access to expertise to implement initiatives that are most valuable to their corridors. The organizations focus on storefront improvements, such as new signage and lighting, as well as broader efforts aimed at boosting foot traffic, increasing sales and contributing to a greater sense of safety.

Urban manufacturing also holds great promise as a path to higher-wage employment and greater economic security. New York City has made development of the industrial and manufacturing sector a key component of its strategy to create more living-wage employment. Together, Citi and the Association for Neighborhood and Housing Development launched the Urban Manufacturing Accelerator Fund to create and preserve quality manufacturing jobs in New York City. The Fund provides frontline resources that enable nonprofit developers to more effectively acquire and renovate manufacturing space by leveraging financing from the NYC Economic Development Corporation.

In Brooklyn, a \$6.85 million warehouse renovation project will create 10,000 square feet of industrial space to be leased at affordable rates for local industrial businesses and manufacturers. The project is one example of progress in the City of New York's 10-point Industrial Action Plan, which is aimed at growing

21st century industrial and manufacturing jobs in New York City. In the Bronx, a mixed-use, 50,000-square-foot industrial space that will create industrial and commercial space, as well as 740 housing units and open workspaces, will open in three phases by 2024. The Urban Manufacturing Accelerator Fund helped to catalyze both projects.

Financial Inclusion

Most people can easily comprehend the economic and social case for ensuring that all households have access to the financial products and services they need. But to develop solutions that meet the needs of underserved households, we need to understand the financial behaviors of customers who are at risk of being

excluded. Without that, even the most innovative and thoughtfully developed products will fail.

Citi works to develop solutions that are safe, transparent and accessible – ones that provide real economic value, including for those whose financial needs are currently unmet. We seek out innovative partnerships with financial institutions, telecommunications and fintech providers, government agencies, consumer goods companies and others that have close relationships with the unbanked and the underserved segments of society. Our partners are trusted leaders in their sectors who understand the needs of their local markets.

Success also requires setting public policy priorities and building the industry.

Financial Inclusion and the SDGs

An estimated 1.7 billion adults around the world, in both developing and developed markets, remain outside the formal banking sector. To improve access for these people, banks need to understand and address the mistrust of financial institutions among many traditionally underbanked communities and also invest in innovative products that meet their unique needs. We offer a variety of products, tools and services that help improve financial resiliency and inclusion in these communities and partner with organizations that are increasing access to financial services and providing educational resources to residents.

Our extensive work on financial inclusion contributes to progress on **SDG 8**, which aims, among other things, to **provide full and productive employment and decent work for all**. For example, Citi's work on financial inclusion around the world contributes to target **8.10**, which aims to **strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all**.

Inclusive finance is also a key success factor for progress on **SDG 9**, which aims to **build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation**, specifically enabling progress on target **9.3**, which seeks to **increase the access of small-scale enterprises, particularly in developing countries, to financial services to facilitate integration into value chains and markets**.



SDG Goal 8: Decent Work and Economic Growth



SDG Goal 9: Industry, Innovation and Infrastructure

For example, the Citi Foundation has supported the Better Than Cash Alliance at the United Nations; the Alliance works with governments and businesses around the world to introduce public policy, regulations and best practices that accelerate digital platforms and financial access. But to empower significantly more people and businesses, we need even more collective action. No single company, industry or government agency can tackle these issues alone.

Making Financial Products and Services More Inclusive

Citi is working to expand access to safe and affordable products and services within low-income communities and communities of color, where a lack of access to financial products and services can leave families financially vulnerable. We harness our global infrastructure and the deep expertise of our colleagues and collaborate with other institutions to understand the challenges of our clients and create scalable, responsible and commercially viable solutions that expand access and deliver greater inclusive economic growth.

In Mexico, where 63 percent of adults are unbanked and 80 percent of payments are made in cash, we're focused on bringing more residents into the formal banking system. Through the launch of the Cobro Digital market-wide initiative (or CoDi Payment, for short), Mexico is enabling more than 5.5 million digital clients to send collection requests and payments of up to 8,000 pesos (\$400 USD) by using QR codes and near-field communication (NFC) on their phones at no cost. Citibanamex is one of the leading banks in the initiative and has had a leadership role since inception. CoDi will redefine the way charges and payments are made in Mexico, allowing monetary transactions to be made more efficiently and securely. The new platform



works with all smartphones, banks and telephone carriers.

In the U.S., we have established relationships with 28 minority-owned depository institutions, community banks and credit unions as part of our Citi ATM Community Network, a pilot program we started in July 2016. Today, more than 440,000 customers of these institutions are able to use any of Citibank's 2,300 ATMs without paying out-of-network fees. By removing surcharge fees on cash withdrawals from Citibank branch ATMs, we

are helping to reduce transaction costs, improve convenience and choice for customers, and expand access for people in the communities we serve.

Fostering Financial Education and Empowerment

Building financial knowledge and skills and encouraging positive financial behaviors are important components of a more inclusive financial system. Consumers

need access to financial products and services, as well as the ability to use these products responsibly while protecting their own best interests.

Citi offers a range of free, publicly available financial education resources online, including tools that help consumers plan for retirement, prepare for life changes and protect their wealth. In some instances, when customers may need special assistance, we provide support to address their needs. For example, during the U.S. federal government shutdown that ended in early 2019, Citi offered a range of assistance measures for customers experiencing financial hardship as a result of the shutdown, including fee and interest adjustments, minimum payment

deferrals and forbearance programs. Late in 2019, we provided a suite of disaster relief packages to customers impacted by Australia's bushfires, including a payment moratorium with a suspension of repayment and no interest or fee charges.

We also partner with community organizations to build financial capability for individuals and communities. In the U.S. in 2019, Citi collaborated with more than 20 municipalities and counties, as well as leading nonprofit organizations, to support free tax preparation services and address the billions of dollars in unclaimed Earned Income Tax Credits (EITCs) left on the table by millions of lower-income working households annually. The EITC, a refundable tax credit for

lower-income workers, is often the largest lump-sum payment these households receive all year. Yet according to the Internal Revenue Service, one out of every five eligible households does not claim the EITC and, of those who do file, many pay hundreds of dollars to file their taxes when there are free, professional filing services available to them.

Citi provided approximately \$4.5 million toward 2018 and 2019 tax time initiatives. In 2019, Citi's investments had widespread positive impact, especially across the state of California, where Citi-supported tax preparation campaigns and services helped 29,500 eligible filers complete their EITC forms, which yielded over \$58.5 million in tax credits claimed. These free tax preparation services helped filers save an estimated \$6.8 million in tax preparation fees.

Also in 2019, Citi announced the expansion of Empowered Cities, a landmark initiative designed to advance financial inclusion and economic opportunity for people with disabilities, many of whom live on lower incomes. Citi's \$2 million commitment will expand the initiative to Boston, Chicago, Los Angeles and San Francisco, building on the existing partnership with the City of New York and the National Disability Institute. Empowered Cities is also expanding the initiative's areas of focus to include housing and employment for financially vulnerable households in the disability community. Individuals with disabilities and their families are among the most underserved and financially vulnerable groups in the country. There are 61 million people with a disability in the U.S., and more than a quarter of them are living below the poverty line. The national expansion builds on the first municipal model, EmpoweredNYC, which launched in early 2018 with an initial \$2 million seed investment from Citi. Led by the NYC Department of Consumer and Worker Protection's Office of Financial Empowerment, EmpoweredNYC has delivered more than 1,100 specialized financial counseling sessions to nearly 700 New

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Yorkers with disabilities and their families. In 2019, we participated in a convening of commissioners from 10 mayoral offices and disabilities-focused leaders to explore how we can address the most pressing financial security issues facing the disability community.

In addition, we work with several municipal and community partners to provide immigrants with knowledge and resources to strengthen their financial capabilities. Many Mexican immigrants in the U.S., for example, are not familiar with the country's complex financial and tax environment and face real or perceived obstacles rooted in language, culture and barriers to trust. The Ventanilla de Asesoría Financiera (VAF) program operates on-site at Mexican consulates and offers in-language guidance on opening a bank account, budgeting, paying off debt, gaining access to free tax preparation, establishing credit and building a secure financial future. Citi provided seed funding to create and scale this model and has collaborated with the Foreign Ministry of Mexico to expand it to 48 consulates across the country. Of the 48 VAFs operating in the consular offices of Mexico in the U.S., Citi directly finances eight. In 2019, the VAF program was featured at the first-ever summit for financial inclusion of Mexicans abroad, which was attended by key Mexican government officials across finance, education and foreign affairs.

Empowered Through Education

Education is one of the best means for improving one's financial situation. But high costs and other socioeconomic barriers can put higher education out of reach for many, especially those who are unbanked or living on lower incomes.

In the U.S., where the rising cost of a college degree can prevent many from pursuing higher education and leave many others saddled with significant debt, Citi Start SavingSM aims to help. The program launched in San Francisco,

where one in three children are born into families with little to no savings. For many of these children, a college savings account could be their family's first exposure to mainstream financial services as well as a pathway to opportunity.

In 2009, when then-Mayor Gavin Newsom put forward his vision for a universal children's savings program, Citi stepped up to the challenge. We worked with the city, teachers and parents to understand the needs and challenges of establishing a savings program in which every child, even those whose parents may be unbanked and those

who are foster children, is included. The result was Kindergarten to College (K2C), the nation's first universal youth savings account program, built on the first-of-its-kind Citi Start Saving platform. A K2C account contains an initial \$50 incentive for every child who enters the city's public school system. Additional incentives are awarded over time for making deposits or for positive behaviors in school.

A new update to Citi Start Saving that was deployed in 2019 provides five different automated channels for taking deposits and automatically processes



≡ *Brave Girl Rising* is a short film presented by the nonprofit behind the global campaign for girls' education and empowerment Girl Rising. The film follows a young refugee woman named Nasro who sees education as her lifeline, yet who every day faces formidable challenges in accessing this fundamental human right. In telling her story, the film seeks to illuminate the plight facing millions of refugee girls around the world and inspire action for girls' education and empowerment. Citi, which supported the film with the International Rescue Committee and others, hosted over 160 screenings of the film when it premiered on March 8, 2019, on International Women's Day.

“E for Education”

In 2013, we created our “e for education” campaign to raise awareness and funds for education-focused nonprofits that tackle childhood illiteracy and improve access to quality education. During the annual campaign, Citi’s Foreign Exchange business donates \$1 for every \$1 million traded on our platforms. The initiative, which also included local market bonds, expanded across Futures and Cash Equities for the first time in 2019. We raised \$8.15 million in 2019, reaching over \$37 million since the campaign’s inception.

and reconciles transactions and posts daily. These updates help families have greater control over their financial resources and immediately see how daily activity impacts their overall position. Participants and their families can access information on their program and accounts 24/7 from a desktop, smartphone or tablet. In September, Citi Start Saving enabled about 11,000 San Francisco public school students, including 5,000 kindergarteners, to kick off the new school year with this powerful new tool for achieving future success and saving for their education.

We have made this platform available to any municipality that wants to start a child savings account (CSA) program. Research has shown that even a small amount of college savings can help build aspirations and encourage young people to view a college education as attainable. We recognize, however, that creating aspiration is not enough. We know that steps need to be taken to address the systemic roadblocks to higher education, especially for low-income families. Universal access to youth savings accounts is but one tool that can help advance that goal.

The Future of Work

The youth unemployment rate is three times higher than that of adults. Allowing economically disadvantaged young people to turn into economically disadvantaged adults contributes to a destructive cycle that hinders the growth of communities, cities and economies. Citi and the private sector as a whole have a role to play in helping to make the next generation the most employable yet. And public-private partnerships are among the most effective ways to reach low-income communities at scale and drive positive social and economic gains.

Through the Pathways to Progress initiative, Citi and the Citi Foundation help to deliver on **SDG target 8.6**, which aims to **substantially reduce, by 2020, the proportion of youth not in employment, education or training**.



SDG Goal 8: Decent Work and Economic Growth

Pathways to Progress

The Citi Foundation’s Pathways to Progress initiative is designed to help close the job-skills mismatch by providing young people with the tools they need through training, work experience and entrepreneurial opportunities.

Since 2014, the Citi Foundation has invested more than \$194 million to impact

the lives of youth globally. As we look ahead, we remain committed to tackling the youth unemployment challenge. The Citi Foundation will reaffirm its philanthropic commitment, and we will complement these investments with youth-focused efforts happening across Citi, including programs that are helping us build a more diverse talent pipeline while also preparing the next generation for today’s workforce.

It is important for us to share the valuable lessons that have informed the Foundation’s programming and shaped the evolution of this commitment. We believed then and continue to believe now that empowering young people, providing early work experience and financial knowledge, incubating an entrepreneurial mindset, creating networks and access to role models, and driving systemic and structural changes to the field of work are each integral to helping the next generation build stronger futures for themselves, their families and their communities. We recently published a report, entitled *Pathways to Progress: Insights from Six Years of Programming* that reflects on these learnings. Learn more about Pathways to Progress on the next page.

» What’s Ahead

We will continue to collaborate both internally across our business units and with external stakeholders to maximize our impact and ensure an intersectional approach to the interrelated challenges facing our communities, such as wealth inequality and race, access to capital and gender, and financial capability and citizenship status. We will prioritize a business-led approach to building inclusive and resilient communities that allows us to bring all our resources to bear, leveraging initiatives such as the Citi Impact Fund, which makes investments in companies that are addressing societal challenges, with an emphasis on women- and minority-owned enterprises.

Pathways to Progress

Pathways to Progress has had a big impact over its six years, and we have learned some important lessons along the way.



After fleeing Boko Haram in northeast Nigeria, Laraba settled 300 kilometers south in Yola with her younger brother. Laraba started growing beans to care for herself and her brother. With coaching and a small grant from the International Rescue Committee's Rescuing Futures program, Laraba has expanded her business beyond beans to include grains and is working to be the most successful grain-seller in her community.

» Impact

Since 2014, the Citi Foundation has invested more than \$194 million in Pathways to Progress, with the following results:



32k

Youth-led
businesses created
or expanded



370k

Young
people mentored



12k

Citi
volunteers engaged
as mentors



80

Countries and
territories across
the globe



850k

Youth served

* Learn more about Pathways to Progress in this [wrap-up report](#).

Pathways to Progress (continued)

» Lessons Learned

1.

Young people
need to be part of
the solution

2.

Financial capability
is key to economic
inclusion

3.

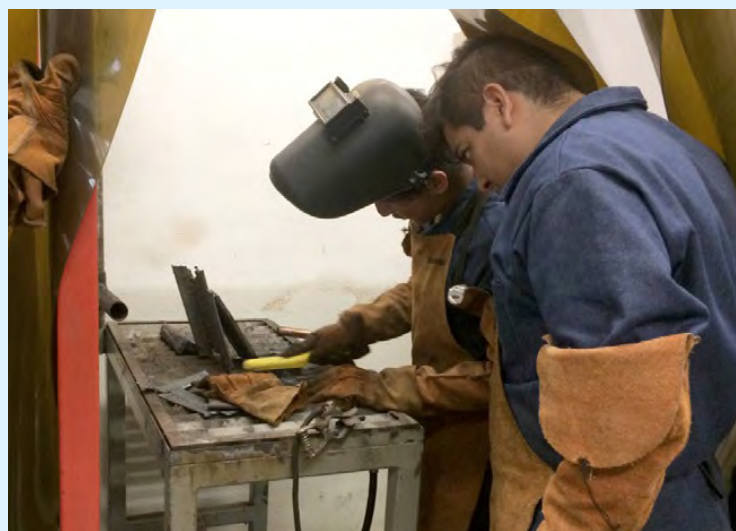
Leveling the playing
field requires a multi-
stakeholder approach

4.

An entrepreneurial
mindset can open doors

5.

Relationships matter



Julio Cesar, a young man in his early 20s living in Mexico, actively sought a chance to improve his employability and increase his income to support his family. After seeing a post for the International Youth Foundation's EquipYouth program on social media, he enrolled in a welding course that led to a full-time job, as well as an opportunity to continue studying and serve as inspiration to his family and friends.



DamoGO, co-founded by Lin Hwang, is a social impact startup focused on reducing food waste in South Korea. DamoGO offers a free mobile app through which restaurants and other food retailers can upload the day's unsold food for customers to purchase instead of letting it go to waste. DamoGO was one of the Youth Co:Lab awardees in the program's Urban Innovation Challenge in Korea in 2019.



Environmental Finance

>> HIGHLIGHTS

Surpassed our \$100B goal

Exceeded our Environmental Finance Goal, counting a total of \$164 billion (2014-2019)
[Page 44](#)

Issued our first green bond

Expanded from bond underwriter to issuer with an inaugural green bond of €1 billion
[Page 47](#)

As the world's global bank, Citi has an essential role to play in financing the transition to a low-carbon economy by supporting our clients with new ways of creating financial value that have environmental benefits. We believe the financial industry must drive capital to where it can have the most positive impact.

The impacts of climate change are increasingly clear – not just the physical effects of a warming planet as it threatens communities and reshapes urban infrastructure, but also the associated

economic risks and opportunities. There is growing awareness that the climate is changing at an unprecedented pace and that we're well beyond the time to operate in a business-as-usual mindset.

We made a bold, 10-year commitment to finance and facilitate \$100 billion in environmental finance activities to reduce the impacts of climate change and enable positive environmental impact, beginning in 2014. We exceeded that goal in 2019 – four years ahead of schedule. And we look forward to continuing to collaborate with our clients on climate finance opportunities, as well as to better understand the challenges that need to be addressed by Citi, and the financial sector overall, in order to drive positive change.

Championing Climate Action

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As a bank, we have the ability to leverage our financing decisions, our relationships with our clients and our policies and procedures to drive positive climate action. We also champion climate-positive activities more broadly. In 2019 alone, we became:

- A signatory to the Principles for Responsible Banking, a set of principles that provide a framework to achieve a sustainable banking system.
- A signatory to the joint labor union and CEO “United for Paris Agreement,” reinforcing our commitment and support for the international plan to address climate change and accelerate the actions and investments needed for a sustainable future; this statement built on the “We Are Still In” declaration we signed in 2018 as part of our ongoing support for the Paris Agreement.
- A signatory to the Guiding Principles for Federal Action on Climate, which set out principles for long-term federal policy on climate change in the U.S.

Our \$100 billion goal directly supported our mission to provide financial services that enable growth and economic progress. Each transaction needed to meet at least one of six criteria in order to be counted: renewable energy, water quality and conservation, sustainable transportation, green building, energy efficiency or clean technology. The activities that met these criteria covered a diverse range of products and services, such as project and infrastructure financing, green bonds, power purchase agreements and tax equity financing, to name a few.

The environmental finance projects that counted toward the goal were all core banking activities financed and facilitated in partnership with Citi clients. While they certainly added to our own bottom line, their value and benefits extended to many stakeholders, local communities and the broader global economy.

Completing Our \$100B Environmental Finance Goal

Environmental finance was one of the pillars of our five-year Sustainable Progress Strategy, which concluded in 2019.¹ The \$100 Billion Environmental Finance Goal was the strategy’s flagship initiative. Due to increasing and innovative environmental finance activity in the global market, we were able to reach the \$100 billion mark in the second quarter of 2019 and counted a total of \$164 billion by year’s end. In 2019, several key investment banking transactions related to renewable energy financing and mergers and acquisitions contributed significant league table credit² to the goal.

The marketplace has matured since we launched the \$100 billion goal, which followed a previous \$50 billion goal that we completed in 2013. Many of the products available today – such as green bonds and loans, hedging for renewable energy projects and lending linked to environmental, social and governance (ESG) performance – were relatively new or even nonexistent just a few years ago. The increasing focus on environmental finance is due to growing efforts by companies and other organizations to establish sustainability targets and the new and innovative products to help them achieve these goals, with an increased recognition of the urgency of the climate challenge and the need for solutions. To meet these needs, we help our clients achieve their goals in support of a sustainable global economy.

Leader in Sustainable Finance

In 2019, Citi was ranked second in Dealogic’s Corporate Green, Social & Sustainable Bonds League Table. We were also ranked second in the industry for our municipal finance activity, which includes green bonds, by the Thomson Reuters SDC League Table, and fourth on Bloomberg’s Global Green Bonds (Corporates & Governments) League Table. Additionally, we ranked third for Tax Equity by Bloomberg New Energy Finance.

¹ For performance against our Sustainable Progress Strategy Scorecard, please see the report [Appendices](#).

² A league table is a competitive ranking of banks, companies, industries, geographies or other groups of entities ordered according to a metric (e.g., deal volume, number of deals).

\$100 Billion Environmental Finance Goal:

Financial Highlights,
2014-2019*

A total of

\$164B

resulted in:



\$8.4B

in sustainable
transportation



\$122.1B

in renewable energy



\$22.1B

in public finance



\$24.3B

in green bonds**



\$4.6B

in green building



\$13.1B

in water quality and
conservation

* Transactions fall within multiple categories of reporting.

** Includes the green portion of sustainability bonds when information is available.

Environmental Finance in Support of the SDGs

According to a recent report,³ an estimated \$90 trillion of investments in climate projects will be needed by 2030 to combat climate change and achieve the UN Sustainable Development Goals. In addition, global green finance must reach \$1 trillion by the end of 2020, growing each year thereafter.

Much of the work that we counted toward our \$100 Billion Environmental Finance Goal was most aligned with three of the SDGs: **SDG 7**, which seeks to **ensure access to affordable, reliable, sustainable and modern energy for all**; **SDG 11**, which aims to **make cities and human settlements inclusive, safe, resilient and sustainable**; and **SDG 13**, which contributes to **urgent action to combat climate change and its impacts**.

For example, target **7.2**, to **increase the share of renewable energy in the global energy mix by 2030**, and target **7.3**, to **double the global rate of energy efficiency improvements by 2030**, were both aligned with the objectives of our \$100 billion goal. The total financing of renewable energy and energy efficiency projects accounted for \$122.1 billion and \$1.3 billion, respectively.

The \$100 billion goal also contributed to SDG target **11.2** – which aims to **provide access to safe, affordable, accessible and sustainable transport systems for all** – thanks to our investments in sustainable transit, another of the key criteria of our goal. Financing for sustainable transit projects contributed a cumulative \$8.4 billion toward our goal.

While SDG 13 is focused on the wider response to a changing climate, several of our investments, including municipal bond underwriting and activities supporting water quality and conservation projects, delivered on SDG target **13.1**, which aims in part to **strengthen resilience and adaptive capacity to climate-related hazards**.



SDG GOAL 7: Affordable and Clean Energy



SDG GOAL 11: Sustainable Cities and Communities



SDG GOAL 13: Climate Action

³ Climate Bonds Initiative, *Bonds and Climate Change: The State of the Market 2018* (September 2018).

How We Reached Our Goal

To reach our goal, Citi drew on the diverse expertise of our global banking teams to provide our clients with innovative products and services that finance solutions to address climate challenges.

To track transactions and calculate their contribution toward the goal, we used third-party financial sector league table data, which was developed to rank financial institutions based on their role in each transaction and overall activity in the market. This is aligned with the sector's method for measuring credit received for business activity. Our methodology is publicly available on our [website](#).

For the majority of the financial activity counted toward the goal, we used league table accounting credit from Dealogic, Thomson Reuters and Bloomberg New Energy Finance. For loans or other financial products for which there are no established league tables, we counted the amount that reflects Citi's financial involvement in the deal.

Our Sustainability & ESG team worked closely with contributing business units to track progress toward our \$100 billion goal in the following business categories: Alternative Energy Banking and Financing, Green Bonds, Public Finance, Commodities, and Consumer Banking and Commercial Banking.

Contributing Businesses

Alternative Energy Banking and Financing

Citi provides a full range of financing solutions for environmental projects globally, and we continue to develop innovative, end-to-end solutions to meet our clients' unique financing needs. Our Alternative Energy Banking and Financing teams have developed extensive expertise in financing solutions for a broad spectrum of renewable energy technologies, including wind, solar, geothermal and biomass. For larger, utility-scale projects, we are able to provide multiple services as a one-stop shop for our clients, including construction financing, commodities hedging and tax equity on a single deal. Citi's approach to alternative energy and banking products has sparked increased client demand for across-the-board financing solutions.

Case Study: A Financing Solution for NextEra Energy Partners and KKR

Citi structured a convertible equity portfolio financing solution for NextEra Energy Partners (NEP) and KKR & Co., a leading global investment firm, to fund renewable development in a unique structure that met the objectives of both clients. Under the agreement, KKR will acquire an equity interest in a structured partnership with NEP, which owns a diverse portfolio of 10 wind and solar projects in nine U.S. states, collectively consisting of more than 1,100 megawatts (mw).

Citi was one of the leads on the financing of this complex, multilayered deal, which featured an innovative structure with a unique buyout option for NEP. The financing included a funded term loan, delayed-draw term loan and equity margin loan.

The World's First SDG-Linked Bond

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In 2019, the Italian utility Enel, a leader in the renewable energy space with an ambitious decarbonization strategy, launched the world's first general purpose bond linked to the Sustainable Development Goals. This transaction is significant as the first general corporate purposes bond to be linked to sustainability performance indicators. Citi acted as joint active bookrunner on the \$1.5 billion U.S. bond issue, which offers a unique coupon step-up feature: a one-time interest rate step-up of +25 basis points triggered if the renewable installed energy capacity target of 55 percent is not met by the end of 2021.

After the inaugural issuance, Enel launched another SDG-linked bond in the European market, raising €2.5 billion across three tranches. The transaction was almost four times oversubscribed, with total orders of about €10 billion. The short-dated tranches of four and seven years followed a similar structure as the USD bond; however, the coupon on the long-dated 15 year was linked to Enel achieving greenhouse gas emissions by 2030 equal to or less than 125 grams of carbon dioxide (CO₂) per kilowatt hour, also incorporating a +25 basis point step-up mechanism if the target is not reached. These sustainability KPI-linked bond issuances have set a new precedent in the international bond market, and we expect several other issuers to adopt this structure in 2020.

Green, Social and Sustainability Bonds

Citi was one of the largest underwriters of green, social and sustainability bonds globally in 2019. These transactions helped our clients raise more than \$7.8 billion to meet their environmental, social and overall sustainability goals.

Citi co-founded the Green Bond Principles, which provide issuers with guidelines encouraging transparency, and we are an active member of its Social Bond Working Group and the Working Group on Climate Transition Finance. Through these working groups, we continue to contribute to the further development of the social and sustainable bond market and look to provide further guidance for the emerging climate transition bond market.

In early 2019, Citi expanded our leadership role in green bonds and sustainable financing. We have evolved from one of the co-authors of the Green Bond Principles to underwriter and now to issuer with our inaugural green bond: a €1 billion, three-year, fixed-rate green bond. Through March 2019, Citi issued a total of approximately \$1.3 billion equivalent in green bonds, including \$143 million equivalent across 18 transactions through the structured notes channel. The proceeds of the green bonds will fund renewable energy, sustainable transportation, water quality and conservation, energy efficiency and green building projects. These green bond issuances are an important milestone for Citi and demonstrate our commitment to being a leader in financing sustainable global growth and progress. They also illustrate Citi's ability to scale sustainable solutions, respond to fast-growing investor demand and drive global impact in partnerships with our clients.

Case Study: Underwriting a Green Bond

In 2019, Citi acted as a joint lead manager on a \$2 billion, 10-year green bond for KfW, the flagship promotional bank of the Federal Republic of Germany. The bond marks the largest USD green bond ever issued by any sovereign, supranational and agency (SSA) issuer. The orderbook comprised 120 individual investors, closed in excess of \$4.8 billion, and was underscored with strong support from green-motivated investors, who made up 58 percent of allocation. This was KfW's first USD-denominated green bond following the update of their Green Bond Framework in May 2019 to include funding for energy efficiency projects. Proceeds from the bond will finance new eligible green projects within the categories of renewable energy (including the construction, expansion and acquisition of plants generating power or heat from renewable energy sources) and energy efficiency (including the construction of new energy-efficient residential buildings).

Public Finance

National and subnational governments are often on the front lines in responding to climate change, and Citi provides financial solutions, including loans and bonds, to help them invest in clean water, transportation and energy infrastructure to meet the needs of their citizens.

Citi's community lending and investing activity also includes financing of affordable housing and LEED-certified affordable housing projects that were counted toward our \$100 billion goal. The affordable housing activity counted across the six years of the goal served nearly 6,800 families.

Case Study: Supporting a Greener Building Product

Citi helped to finance construction of the manufacturing plant for the world's first commercial-scale producer of medium density fiberboard (MDF) made from post-harvest rice straw. Once complete, CalPlant will be able to supply approximately 140 million square feet of sustainable high-performance no-added-formaldehyde MDF to the building products industry. In 2019, Citi financed \$74 million of subordinate lien bonds that were certified "green," given the project's environmental aspects. These follow \$228 million in green bonds Citi financed for CalPlant in 2017.

CalPlant's predecessor company, CalAg, LLC, spent over 20 years developing and patenting a process to make sustainable high-performance MDF using annually renewable post-harvest rice straw as the feedstock. California's Sacramento Valley is home to approximately 500,000 acres of rice annually. Rice straw, which has posed environmental issues in California for more than a century, is an agricultural waste product of the annual rice harvest.

Historically, each year farmers would dispose of rice straw by burning the straw. The burning of rice straw produces various pollutants, which impacted the air quality of California's Central Valley during the straw burning season. More recently, the straw has been disposed of by flooding the fields after harvest, initiating a decomposition process. This practice uses a large volume of water and generates one-half to one ton of methane gas per acre of planted rice from the rotting straw. By processing the straw into MDF, CalPlant will significantly reduce the amount of water that might otherwise be diverted from regional waterways to flood the fields, and, will improve air quality by less straw being decomposed in the flooded fields. Sacramento Valley rice growers within 15 to 25 miles of the plant site are providing the straw used at the plant.

Our \$100B Environmental Finance Goal Results

To achieve our goal, we used our environmental criteria to review activity financed and facilitated in partnership with our clients:



We identified activity that counted toward the goal, such as the examples listed below:

Alternative energy banking and finance

- Wind energy project financing
- Solar company IPO

Public finance

- Wind energy power transit bond
- LEED-certified affordable housing loan

Consumer/commercial banking

- Solar company corporate loan

Green bonds

- Corporate green bond
- Sovereign green bond

Commodities

- Power purchase agreement
- Monetization of renewable energy credits

We financed environmental solutions around the world:

\$61.7_B

North America

\$4.7_B

Multiple Regions

\$88.9_B

Europe, Middle East and Africa

\$164_B

Total

\$2.2_B

Latin America

\$6.5_B

Asia Pacific

These solutions resulted in measurable impacts:

11.8_M mt CO₂e

avoided emissions

198_k

jobs supported (direct, indirect and induced)

95_M

population in U.S. cities and counties served by water-quality projects

6,792

families served by green affordable housing

6,869 MW

new renewable energy capacity

\$100 Billion Environmental Finance Goal

Financial Data*

In billions USD, 2014–2019

Environmental Criteria	2014	2015	2016	2017	2018	2019	Total \$	Total %
Renewables	4.9	11.6	9.6	10.9	24.3	60.8	122.1	74%
Solar	0.8	2.1	0.6	4.9	1.6	1.5	11.5	7%
Wind	3.0	7.9	8.6	4.4	7.4	1.1	32.5	20%
Mixed Renewables	1.1	1.6	0.4	1.6	15.3	58.1	78.1	48%
Energy Efficiency	0.1	0.3	0.3	0.1	0.0	0.4	1.3	1%
Green Building	0.4	0.6	0.7	0.3	2.2	0.4	4.6	3%
Sustainable Transportation	0.5	1.8	1.6	1.2	1.6	1.7	8.4	5%
Water Quality and Conservation	0.4	1.2	2.8	1.4	5.3	2.0	13.1	8%
Clean Technology	0.1	0.1	0.1	0.0	0.0	0.0	0.4	0%
Multiple Criteria	1.1	1.4	0.5	2.9	5.1	3.2	14.2	9%
Total	7.5	16.9	15.6	16.9	38.6	68.6	164.0	100%

Region								
North America	4.2	11.2	6.7	7.4	24.7	7.4	61.7	38%
Europe, Middle East and Africa	2.4	4.1	7.8	6.7	9.5	58.5	88.9	54%
Asia Pacific	0.2	0.1	0.5	2.3	2.0	1.3	6.5	4%
Latin America	0.2	0.5	0.1	0.4	0.4	0.7	2.2	1%
Multiple Regions	0.5	1.1	0.5	-	1.9	0.6	4.7	3%
Total	7.5	16.9	15.6	16.9	38.6	68.6	164.0	100%

Business								
Alternative Energy Banking and Finance	4.2	11.0	9.0	9.2	24.1	56.7	114.3	70%
Green Bonds**	1.8	1.8	1.4	4.4	7.0	7.9	24.3	15%
Public Finance	0.7	3.2	4.3	2.9	7.3	3.6	22.1	13%
Commodities	0.2	0.5	0.5	0.2	0.0	0.2	1.6	1%
Consumer Banking and Commercial Banking	0.6	0.5	0.4	0.2	0.1	0.1	1.8	1%
Total	7.5	16.9	15.6	16.9	38.6	68.6	164.0	100%

* Figures may not sum to totals due to rounding.

** Includes the green portion of sustainability bonds when information is available.

Commodities

Citigroup Energy Inc. (CEI) – Citi's Commodities team and energy trading desk – provides hedges for renewable energy project financing deals, helps clients obtain renewable energy credits and works on commodities derivatives. These services help enable our clients to achieve their financial and environmental goals for renewable energy procurement. CEI has also played a role in helping Citi meet our goal to power our facilities with 100 percent renewable energy by 2020.

Case Study: Sourcing Renewable Power

QTS Realty Trust, a leading provider of data centers, signed a 10-year agreement to purchase renewable energy to power 100 percent of its electricity needs for its facilities in Chicago and Piscataway, New Jersey. With support from CEI, the company has also achieved 100 percent renewable energy status for its Irving, Texas, data center and plans to expand renewable power initiatives in existing and new data centers. In addition to wind power, the Piscataway data center also features a 14 mw solar farm that supplies energy.

Environmental and Social Impacts Achieved Through Our \$100 Billion Goal

We recognize that the real-world impacts of our financing and lending activities are a crucial measure of success, and this certainly applies to the \$100 Billion Environmental Finance Goal. The impacts of this goal go much further than just the dollar amount of our direct financing.

When we first developed our goal, we felt it was important to try to measure and understand the impact – for our clients and the communities where we do business. Using stakeholder feedback,



Citi financed a U.S. wind and solar project owned by NextEra Energy Partners and KKR.

we identified a range of impacts – greenhouse gas (GHG) emissions avoided, jobs supported and community benefits realized – that we are able to calculate for a subset of the transactions counted toward the goal. As there is no established standard way to measure these impacts, we developed our approach following extensive research on a variety of best practices. We utilize actual project data or apply a reasonable proxy if applicable.

This area of work proved to be an ongoing education for us, where we learned as we went and consistently challenged ourselves to dig deeper. We refined our methodology over the last several years to better understand the impacts associated with the activity that counts toward our goal. Overall, we took a conservative approach to reporting impacts and did not include deals in which we have limited transparency on transaction details. Our impact measurement methodologies align with our accounting approach, reporting our share of the impacts proportional to our financial share of the transaction.

To calculate environmental impacts, we developed models to estimate the avoided GHG emissions by a subset of the transactions that contributed to the

\$100 billion goal – specifically, renewable energy financing, energy efficiency financing and public finance. The estimated 11.8 million metric tons (mt) of avoided GHG emissions as a result of our activities throughout the duration of the goal is the equivalent of removing more than 2.5 million cars from the road for one year.⁴

For social impacts, our primary metric is the number of jobs that are supported by a segment of the transactions counting toward the goal, specifically Citi's financing of U.S.-based renewable energy projects and public finance activity. We developed a model, based on an approach used by economists and public policy experts, that estimated our contribution to supporting U.S. jobs. These calculations were based on specific investment and expenditure profiles tied to data aggregated from a number of sources. Since 2014, we estimate that more than 198,000 direct, indirect and induced jobs were supported by the financing we provide to our clients.

We also calculate our direct, indirect and induced impact on the U.S. gross domestic product (GDP). We estimate that our 2018 and 2019 financing activities contributed approximately \$15.7 billion in total to U.S. GDP.

⁴ EPA GHG Equivalencies Calculator, March 2020

Impact Data*

Environmental Impacts	2014	2015	2016	2017	2018	2019	Total
Avoided GHG Emissions (mt)**	1,360,092	1,740,659	325,676	1,058,809	4,410,701	2,900,418	11,796,355
Renewable Energy Project Finance	1,294,788	1,590,612	180,739	1,057,022	4,317,287	2,846,359	11,286,807
Energy Efficiency Finance	60,061	145,524	140,149	-	91,199	51,735	488,667
Public Finance	2,224	1,672	1,453	1,246	2,215	2,324	11,134
Consumer/ Commercial Banking	3,019	2,851	3,335	541	-	-	9,746
Renewable Energy Capacity Added (MW)	563	869	278	619	3,154	1,386	6,869
Social Impacts	2014	2015	2016	2017	2018	2019	Total
Jobs Supported***	11,574	29,494	30,140	22,995	63,932	39,965	198,100
Renewable Energy Project Finance	4,870	8,069	4,378	4,357	9,603	5,528	36,805
Public Finance	6,704	21,425	25,762	18,638	54,330	34,437	161,296
People Served by Water Quality and Conservation Projects	211,346	6,916,113	28,831,321	7,617,037	12,363,540	39,476,656	95,416,013
Families Served by Affordable Housing Activity	1,237	1,004	1,166	1,340	956	1,089	6,792
Trips on Transit System Projects (in billions)	-	3.5	3.1	4.2	3.2	4.2	18.2

* Figures may not sum to totals due to rounding.

** 2018 Avoided GHG Emissions has been adjusted to reflect non baseload grid emissions factors consistent with previous reporting years.

*** 2018 amount of Jobs Supported is revised from previous reporting to accurately reflect our methodology.

TCFD and Climate Finance Opportunities

Citi supports the Task Force on Climate-related Financial Disclosures (TCFD) and its recommendations for improved disclosure regarding the financial impacts of climate-related risks and opportunities. The focus on climate opportunities as well as risks is well aligned with our Sustainable Progress Strategy. Our environmental finance activities reduce climate change impacts and create environmental solutions in collaboration with our clients and other stakeholders.

For more on how we are responding to the TCFD's recommendations and managing climate risks and opportunities, see the [Citi's Support for Climate Action section](#).



➤ Citi helped finance construction of CalPlant, the production plant for the world's first commercial-scale producer of medium density fiberboard (MDF) made from rice straw. [Learn more.](#)

» What's Ahead

We recognize the severity of the climate crisis and the critical role Citi can play to help address the significant challenges and help our clients seize the opportunities. We're proud of the work we've done so far, but there is more to do. In partnership with our clients, we are embracing the opportunity to develop innovative products and services to support the transition to a low-carbon economy and to continue our learnings on the path forward. And, as we learn, we will continue to be transparent, both about our successes and how we are addressing challenges.

Our continuous progress from the earliest days of our sustainability program – most recently with the completion of our \$100 billion goal – represents key milestones in a journey that is far from over. We have worked to move not only Citi, but the whole financial sector, forward, from the Green Bond Principles and the recently launched Poseidon Principles to our engagement with the Task Force on Climate-related Financial Disclosures and its climate risk assessment recommendations.

As we look ahead, we are excited about the opportunities for Citi and our clients to drive positive change. We intend to continue to be a force for action as we focus on developing approaches to transition finance for our clients to reduce their impacts and to work to meet the expectations of our stakeholders.

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HOW WE DO BUSINESS



Environmental and Social Risk Management

>> HIGHLIGHTS

Equator Principles update

Helped to develop the latest iteration of this global standard for banks evaluating environmental and social risks

[Page 56](#)

Founding signatory: Poseidon Principles

A global framework for financial institutions to address climate risk in shipping portfolios

[Page 59](#)

Citi finances billions of dollars in transactions worldwide for a wide variety of clients and projects, many of which have potential environmental and social impacts. Our Environmental and Social Risk Management (ESRM) practices help us navigate an evolving risk landscape in order to make responsible decisions and better serve the long-term interests of our clients and the communities in which they operate.

Our ESRM Policy

Our internal ESRM Policy, summarized publicly in our [Environmental and Social Policy Framework](#), helps us finance projects and activities responsibly by engaging our clients on sustainability best practices. ESRM was one of three key pillars of our 2015 Sustainable Progress Strategy¹ and will continue to be a core component of our sustainability efforts moving forward.

¹ For performance against our Sustainable Progress Strategy Scorecard, please see the report [Appendices](#).

Our ESRM Policy covers a broad scope of financial products and client sectors and sets standards for how we assess client impacts on air quality, water quality, climate change, biodiversity, local communities, labor and other environmental and social issues. We established our comprehensive ESRM Policy in 2003 – the first U.S.-based financial institution to do so – and we continue to evolve our approach in response to emerging risks and new product development.

Policy Implementation

Our centralized team of ESRM specialists within Citi's risk management function evaluates transactions that trigger a review according to our ESRM Policy.² We also provide ESRM training to employees throughout our organization globally, enabling them to spot potential risks. This network approach enhances the global coverage capacity of our centralized specialist team. The ESRM team works collaboratively and shares information and best practices during bimonthly calls that help support and strengthen the entire network.

Our ESRM team categorizes the project-related transactions they review as A, B or C, with A indicating the highest risk. The categorization is based on the magnitude of potential adverse environmental and social impacts associated with the project and is aligned with the Equator Principles (EP) and International Finance Corporation categorization. For general corporate purposes transactions under our ESRM Policy (categorized as "general review"), we evaluate a client's environmental and social policies and performance, as well as its commitment and capacity to manage environmental and social issues. Higher-risk, project-related transactions also receive in-depth reviews by independent environmental and social consultants. If gaps are found between a client's environmental and

ESRM Due Diligence in Action

In 2019, we identified environmental risks during due diligence for two potential financings of industrial facilities in Mexico. One of the planned facilities had the potential to negatively impact a critical mangrove habitat; the other was planned near an internationally protected wetland site where there were concerns about effluent drainage from the project into the wetlands. In both cases, we put financing conditions in place requiring the clients to engage biodiversity experts and develop action plans to avoid these environmental risks. These conditions led to the development of biodiversity management plans that were implemented during the construction of the facilities. Our ESRM Policy is most effective in cases like these, when we are considering financing projects and can include conditions requiring tangible actions to improve environmental and social outcomes.

social plans, policies or practices and international standards, we develop an Environmental and Social Action Plan (ESAP) to fill the gaps. As a condition of financing, we require the client to implement the ESAP, and we monitor progress over time.

We also monitor the projects we finance to ensure the conditions of financing are being met. For instance, as part of our routine monitoring of a financed manufacturing plant in Asia, we discovered that while our client's accommodations for construction workers met international standards, some of their subcontractors' accommodations did not. We stepped in to ensure the conditions were improved to meet international standards for decent living conditions and followed up regularly to confirm that progress was

being made. As a result, our client took responsibility for the worker accommodations of their subcontractor and made improvements to bring them up to the appropriate standards.

In some cases, we must decline to participate in a transaction because we do not believe we can adequately address the environmental and social risks through mitigation measures or because the risks are too high. During 2019, for example, we declined participation in an oil and gas exploration project in a biodiverse tropical rainforest due to a lack of free, prior and informed consent from affected indigenous communities, as well as impacts to a critical habitat. We also declined a transaction for a hydroelectric project in Southeast Asia because of overlap with critical habitat for endangered species. In addition, we declined a number of early financing opportunities related to coal-fired power in Latin America and Asia based on the standards of our ESRM Policy commitment on coal-fired power.

Applying our ESRM Policy helps us identify risks beyond traditional credit risks, guides how we evaluate transactions related to companies or projects within high-risk sectors and presents opportunities for us to advise clients on solutions to thematic risks. To learn more about our ESRM Policy, including Areas of High Caution, sector-specific standards and policy prohibitions, see our [Environmental and Social Policy Framework](#).

² The ESRM section of our [Environmental and Social Policy Framework](#) outlines the scope of our ESRM Policy, including the types of transactions that trigger a review.

Monitoring the Changing Risk Landscape

The ESRM team uses a number of methods to proactively scan the changing risk landscape for new, emerging risks as well as risks with increased prominence and prevalence. Through internal research and third-party environmental and social data, we monitor relevant developments in high-risk industries and stakeholder concerns to flag emerging issues. In recent years, for example, concerns regarding e-cigarettes, opioids, private prisons and artificial intelligence have become more prominent. Our ongoing monitoring of these and other elevated concerns keeps us responsive to

evolving risks, enabling us to raise awareness within Citi about emerging issues and helping us identify clients that might be impacted for further engagement. Our risk monitoring feeds into our ESRM Watchlist process, through which we flag individual companies based on their track records, sensitive or controversial assets, third-party sustainability scores and negative news.

ESRM Champions

Our ESRM Champions are credit risk officers and other employees with regional expertise and additional ESRM training, who serve as bridges between our local banking teams and our global ESRM team. They assist in training their local, internal teams about our ESRM Policy, engage with regional regulators

about new financial regulatory guidance related to environmental and social risk and provide important regional insights that improve our ability to make responsible lending decisions. For instance, in some countries that are developing or have recently adopted regulations requiring banks to develop environmental and social risk policies and procedures – including Brazil, Ecuador, Honduras, Paraguay and Peru – our ESRM Champions are helping us understand the local context so we can more effectively execute due diligence processes and align our implementation.

Client Engagement

Engaging our clients is an important part of our ESRM due diligence process. Initially, these engagements were tied

Collaborating to Update the Equator Principles

Sixteen years after co-founding the [Equator Principles](#) (EP), Citi continues to help strengthen the Principles to ensure they remain relevant. During 2019, we continued our participation in the EP update process, helping to develop the most recent iteration of this global standard for banks evaluating environmental and social risks of project-related finance. Thanks to an initiative co-led by Citi, EP now encourages clients to share crucial biodiversity data for all transactions covered by the Principles. This transparency helps to improve conservation efforts around the world. Citi also co-led the social risks working group, working hard to reach a consensus among all members on strengthened requirements related to potential project impacts on human rights and Indigenous Peoples. The updated standards, known as EP4, were released in November 2019 for implementation in July 2020.

Agribusiness Portfolio Review

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Deforestation is a key environmental concern globally, as it leads to habitat loss, biodiversity impacts and climate-related risks, among others. In 2019, we conducted a portfolio review of our agribusiness clients with a focus on the impacts of deforestation. We developed a questionnaire to gather information about how clients manage deforestation risks in their operations in the global tropics, including the tools they use to track deforestation and the certifications they use to ensure sustainable practices and processes.

We found that one of the most effective ways to decrease deforestation risks is through quality sustainability certifications, such as the certification of plantations by the Roundtable on Sustainable Palm Oil, the Forest Stewardship Council and the Round Table on Responsible Soy. Some of the practices that these certifications ensure include the preservation of high-conservation and high-carbon-stock forests, the restoration of forests cleared after 2009 and a prohibition on using fire to clear lands.

Our clients' adoption of certifications in the areas of palm oil, forestry and soy in tropical countries has increased in recent years, as has the total area of their plantations certified. In addition, more companies are actively employing new technologies that enable transparent traceability of their supply chains. These are positive developments, and we are now analyzing the results of this portfolio review to inform continued improvement in our ESRM approach to the agribusiness sector.

Partnership to Protect Workers' Rights

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Ulula is a mobile phone technology platform that facilitates the reporting of worker welfare issues, the monitoring of working conditions and employee engagement. In 2019, we worked with Ulula to lay the groundwork so that this tool could be deployed to address labor rights issues for a large infrastructure project in the Middle East beginning in 2020. This technology has great potential to safeguard the rights of migrant workers, enabling immediate reporting of concerns using mobile devices. Ulula has reached more than 1 million people in 22 countries to help advance worker and community engagement through their inclusive technology and real-time analytics across a broad set of industries.

to specific, project-related financial transactions and their associated environmental and social risks and mitigation efforts. However, as we have developed sector-specific standards over the years, we have added corporate-level reviews and client engagements in a number of sectors. These sector-specific risk review processes encourage dialogue between Citi and our clients about the material environmental and social risks associated with their operations, enabling us to develop a better understanding of prevailing industry practices and our clients' performance.

Some examples of client engagement activities in 2019 include ESRM-focused site visits in Colombia and Peru to meet with clients in the oil, mining and palm oil industries. We learned how one mining client was addressing and remediating legacy environmental lead contamination and other environmental health concerns connected with one of their mines. Another mining company demonstrated best practices in biodiversity management by successfully restoring a biodiversity corridor after mine decommissioning, which fostered the reemergence of local flora and fauna, including jaguars. We also engaged with

a palm oil client that has shown impressive supply chain traceability through certification of their smallholders to ensure their supply chain is deforestation free. These engagements help us learn about emerging best practices for managing environmental and social risks that can be shared with other clients facing similar challenges. During 2019, we also continued to engage clients in the oil and gas industry on issues related to environmental, social and governance performance and climate risk.

Enhancing Our Training

Each year, we train key risk and banking personnel on our ESRM Policy. Topics include environmental and social risks relevant to certain regions and sectors, EP implementation and Citi's Sector Standards. The training also includes emerging risks and guidance to help employees recognize environmental and social risk in transactions – ranging from climate change risks to human rights risks to labor concerns and more. In total, more than 590 Citi employees underwent ESRM training during 2019.



Piloting a Policy Chat Bot

During 2019, Citi piloted a new chat bot that provides employees with information about a broad range of issues covered by Citi's risk policies. Our ESRM function provided input into the development of the chat bot related to the scope of our ESRM Policy. The chat bot pilot is designed to test ways to make Citi policies more accessible to employees, and, in the case of the ESRM Policy, to help them better determine whether a specific transaction or client review requires engagement with the ESRM team.

Climate-Related Risk

Climate change is one of the most critical issues facing society today. Actions must be taken to transition to a low-carbon economy and address the climate-related risks that are already being felt in many regions and industries to avoid the worst impacts of climate change. As a financier of the global economy, we are keenly aware of the seriousness and urgency of climate change and how it may affect the world. In response, we are assessing the impacts of climate change on our portfolios, and then, informed by this deepened understanding, we are working to enable the transition toward a low-carbon economy. This section delves into our risk-related activities. For a broader overview of Citi's approach to climate-related issues, see [Citi's Support for Climate Action](#).

Climate Risk Analysis

Citi's ESRM Policy sets a framework to assess the potential climate risks and impacts of the clients and projects that we finance. Our project-related finance approach aligns with the Equator Principles, including an alternatives analysis of less carbon-intensive technologies for all transactions that exceed 100,000 tons of carbon dioxide emissions and a risk assessment of negative impacts from physical climate risk.

Our ESRM Policy also includes Sector Standards that cover carbon-intensive sectors such as coal mining, coal-fired power, forestry, oil and gas and palm oil, that have a greater impact on climate change and are more exposed to climate transition risks. With the help of our cross-functional Climate Risk Working

Group, the ESRM team is developing more comprehensive internal guidance to evaluate the climate risk of specific sectors for integration into the broader risk analysis of clients. More information about our ESRM Sector Standards are available in our [Environmental and Social Policy Framework](#).

Climate risk analysis methodologies, tools, data and scenarios continue to rapidly improve and advance. As the expectations on banks to understand their portfolio-wide climate risk continue to increase, Citi is taking steps to further integrate climate risk considerations into our risk management approach beyond the scope of the ESRM Policy. We remain committed to participating in industry collaborations, monitoring developments and experimenting with different approaches to help us enhance our understanding and capacity for addressing climate-related risks and opportunities.

For a discussion of Citi's Task Force on Climate-related Financial Disclosures (TCFD) implementation, please see our 2018 TCFD report, [Finance for a Climate-Resilient Future](#), and the [Citi's Support for Climate Action](#) section of this report.

Analysis of Clean Energy Scenarios

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In 2019, Citi Global Perspectives and Solutions (Citi GPS) released its report [Energy Darwinism III: The Electrifying Path to Net Zero Carbon](#). The report notes that significant reductions in future carbon dioxide emissions can be achieved through the electrification of transport and industry as we move away from fossil fuel use and toward clean energy alternatives. Using Citi's Global Integrated Energy & Emissions Framework it provides an analysis of likely impacts if the global community maintains its current level of energy use compared with the impacts and tradeoffs that could occur if we pursue different energy use scenarios.

Increased electrification from clean energy poses undeniable risks for the fossil fuel industry. The Citi GPS report delves into the implications for the oil and gas and coal industries, showcasing the variables at play and the complexity inherent in charting a course forward. In relation to our own business, quantifying short-term and long-term risk for these industries remains a high priority as we manage our energy portfolio and reduce our exposure to industries that carry significant risk.

Of course, risk is only one side of the equation. The transition also creates new opportunities. For more information about how Citi embraces investment opportunities related to clean energy and other sustainable solutions, see the [Environmental Finance](#) section.

Reducing Credit Exposure to Coal

The shift away from fossil fuels to renewable energy will have a significant effect on both coal mining and coal-fired power production. Since 2015, Citi has had a commitment to reduce our credit exposure to the coal mining industry and conduct enhanced due diligence on our coal mining clients' environmental and social policies and performance. The effort applies globally to companies generating a majority of their revenues from coal mining activities and to coal-focused subsidiaries of diversified mining companies. As a result of our commitments and related activities, we have successfully reduced our credit exposure in recent years.

During 2019, we made progress implementing our new ESRM Policy commitment on coal-fired power, which prohibits any financing for the construction or expansion of coal-fired power plants. The restriction includes transactions supporting the supply of all components, equipment, materials and services directly required for the construction of such plants. The only exception that may be considered is for proposed ultra-supercritical plants that address situations of energy poverty (i.e., in countries where the national electrification rate is 90 percent or below according to the annual *Energy Progress Report*) and align with the host country's Nationally Determined Contribution under the Paris Agreement. Since the implementation of the policy, no transactions that we have reviewed have met this exception criteria. In 2019, we declined five opportunities for financing during the early stages of engagement as a result of this policy restriction.

In support of our new commitments, we are reviewing our power-sector clients with coal-fired generation to evaluate their greenhouse gas (GHG) tracking, reporting and reduction strategies and their management of risks and opportunities related to a low-carbon transition. We want to understand how they are integrating climate risk analysis into their business strategy, if they have plans for diversification away from coal-fired power sources and whether they are developing low-carbon transition strategies to align with the objectives of the Paris Agreement.

As we help our clients transition away from coal, we consult external frameworks and initiatives such as the Edison Electric Institute's environmental, social, governance and sustainability template and the Transition Pathway Initiative. We also identify clients that have demonstrated success in transitioning away from coal as well as clients that are experiencing challenges. Through engagement with diverse clients, we share best practices and encourage open dialogue to support the energy transition.

Cross-Industry Collaboration on Climate Risk in Maritime Shipping

GHG emissions from the maritime shipping industry are expected to increase over time to keep up with expanding global trade. As industries transition to low-carbon alternatives, maritime shipping will need to do the same or face significant financial risks. Our influence and investment in this sector give us an opportunity to advance initiatives that promote responsible lending and accelerate financing to support this transition.

Working in collaboration with other banks and organizations within the shipping industry, Citi helped to develop and was a founding signatory of the *Poseidon Principles*. Released in 2019, these Principles provide a framework for lenders, lessors and financial guarantors to integrate climate considerations into lending decisions with international shipping clients to help the sector decarbonize in line with the goals of the International Maritime Organization. As a part of our commitment under the Poseidon Principles, we will be measuring and disclosing the carbon intensity of our shipping portfolio on an annual basis. We expect to publish our first disclosure in alignment with these Principles in 2020.

Citi is also a member of the Getting to Zero Coalition, which is focused on the development of commercially viable, zero-emission vessels and other needed maritime infrastructure for scalable net-zero-carbon energy sources, including production, distribution, storage and bunkering. Launched during Climate Week NYC in September 2019 with over 100 coalition members and supported by 14 governments, this coalition is coordinated by the Global Maritime Forum, Friends of Ocean Action and the World Economic Forum.

» What's Ahead

Addressing the risks associated with climate change is a priority for Citi and for our key stakeholders, including clients, investors and regulators. In an effort to better understand how the transition and physical risks of climate change may affect our business, our clients, our communities and the global economy, we are continuing to explore new methodologies and tools that assess and measure these risks – as well as potential opportunities. It is incumbent upon all sectors to contribute to solutions that limit warming to no more than 2°C, with a goal of staying below 1.5°C, above pre-industrial levels. As a result, we expect that climate-related risks and opportunities will be a growing priority for our clients in all sectors, not just for those in the fossil fuel and other traditionally carbon-intensive industries. In 2020 we will continue to test emerging climate risk assessment methodologies to better understand the climate risk faced by Citi and our clients, and we will continue to engage our clients on the transition to a low-carbon economy.

In addition, 2020 will be a key year for biodiversity and implementing the new EP4. As a leader in developing the guidance note on Biodiversity Data Sharing for EP4, Citi will be working with partners and other banks that have adopted the Equator Principles to raise awareness and train clients on how to share critical biodiversity data that is gathered during project design and operational monitoring.

2019 Projects Covered by the Equator Principles

As part of our commitment to the Equator Principles (EP), we report annually on our implementation.

- A** **Category A** – Projects likely to have potential significant adverse social or environmental impacts that are diverse, irreversible or unprecedented
- B** **Category B** – Projects likely to have potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures
- C** **Category C** – Projects likely to have minimal or no social or environmental impacts

Funded EP Project Finance Loans	Funded EP Project-Related Corporate and Bridge Loans	Funded EP Project Finance Advisories
0	1	1
3	5	0
1	0	0
Total = 4	Total = 6	Total = 1

Funded Project Finance Loans Breakdown

By Sector	A	B	C	Total
Infrastructure	-	-	1	1
Oil, Gas and Petrochemicals	-	1	-	1
Power – Wind	-	2	-	2
By Region	A	B	C	Total
Asia Pacific	-	-	-	0
Europe	-	-	-	0
Latin America	-	1	-	1
Middle East and Africa	-	-	-	0
U.S. and Canada	-	2	1	3
By Country Designation	A	B	C	Total
Designated*	-	2	1	3
Non-designated**	-	1	-	1
By Independent Review	A	B	C	Total
Yes	-	3	-	3
No	-	-	1	1

Funded EP Project Finance Advisories

By Sector	A	B	C	Total
Pulp and Paper	1	-	-	1
By Region	A	B	C	Total
Latin America	1	-	-	1
By Country Designation	A	B	C	Total
Designated*	-	-	-	0
Non-designated**	1	-	-	1

Funded Project-Related Corporate and Bridge Loans Breakdown

By Sector	A	B	C	Total
Infrastructure	-	1	-	1
Manufacturing	-	1	-	1
Oil, Gas and Petrochemicals	1	1	-	2
Power – Gas and Diesel	-	1	-	1
Power – Wind	-	1	-	1
By Region	A	B	C	Total
Asia Pacific	1	1	-	2
Europe	-	1	-	1
Latin America	-	2	-	2
Middle East and Africa	-	-	-	0
U.S. and Canada	-	1	-	1
By Country Designation	A	B	C	Total
Designated*	-	2	-	2
Non-designated**	1	3	-	4
By Independent Review	A	B	C	Total
Yes	1	3	-	4
No	-	2	-	2

* Designated Countries as defined by the Equator Principles are high-income OECD countries. See the Equator Principles website for more information.

** Non-designated Countries as defined by the Equator Principles are all non-OECD countries and all OECD countries not designated as high income.

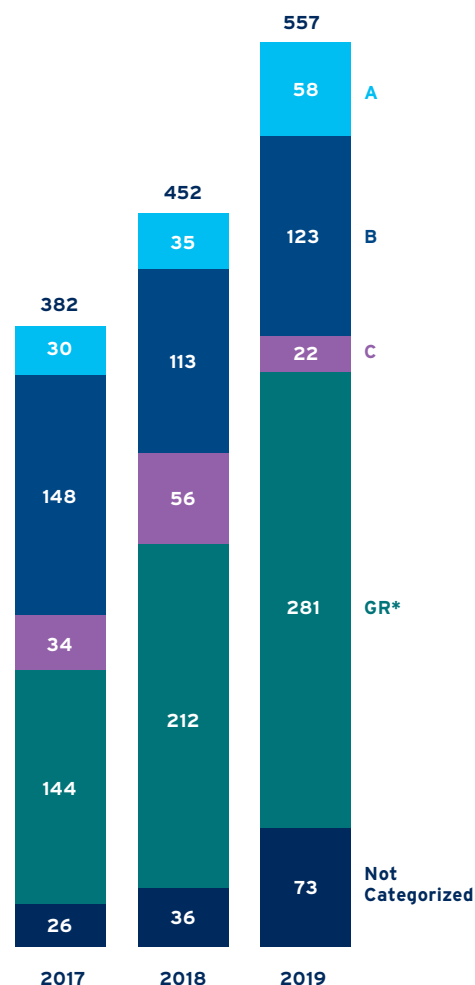
Transactions Receiving ESRM Review

The ESRM team is consulted in the early stages of potential transactions. These numbers show transactions screened by the ESRM team, regardless of whether they proceeded to financial close.

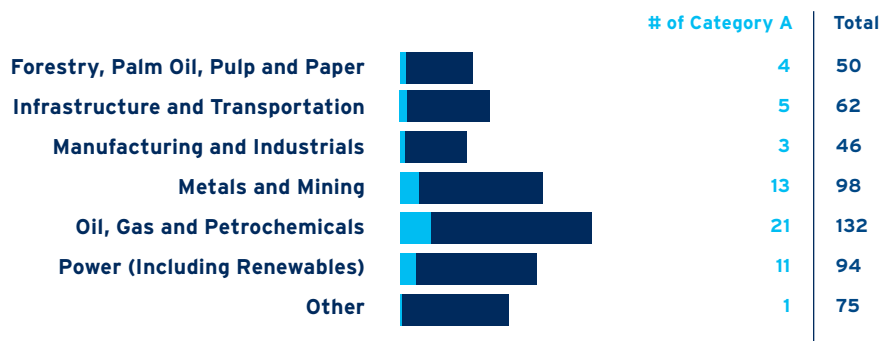
By Region



Total Transactions Receiving ESRM Review



By Sector



By Product Type



* General Review (GR) is used for corporate reviews and transactions for general corporate purposes.

For more information on our ESRM Policy, including how we categorize loans, visit our [Environmental and Social Policy Framework](#). Citi received external assurance of our Equator Principles data from SGS. For our SGS Assurance Statement, see the [Assurance](#) section.



Human Rights

>> HIGHLIGHTS

Financial inclusion for survivors

Joined a coalition to help survivors of modern slavery and human trafficking gain access to financial services

[Page 63](#)

Recognition of Firearms Policy

Received award for our U.S. Commercial Firearms Policy from the Brady Center to Prevent Gun Violence

[Page 66](#)

Our work to uphold human rights extends across our value chain. We create and maintain policies and standards that protect our employees, guide our suppliers and inform our business decisions – including what we choose to finance and the conditions we place on that financing. Through risk analysis, due diligence and regular engagement with stakeholders, we ensure that human rights considerations are taken into account across our business.

Our Commitment to Respect Human Rights

Citi is committed to respecting human rights wherever we do business, regardless of the degree to which governments are upholding their duties to protect, respect and fulfill human rights. We engage human rights experts, clients and peers to help implement our respect for human rights in line with the [UN Guiding Principles on Business and Human Rights](#) – a global framework

for preventing and addressing the risk of adverse impacts on human rights linked to business activity. The UN Guiding Principles draw upon existing international human rights instruments whose principles we endorsed years ago, such as those in the UN Universal Declaration of Human Rights and the International Labour Organization's Core Conventions regarding child labor, forced labor, freedom of association, the right to organize and bargain collectively, and equal pay and nondiscrimination in the workforce. To increase transparency, we have prepared this Environmental, Social and Governance Report in accordance with the UN Guiding Principles Reporting Framework (see [UNGP index](#)).

Citi regularly updates our policies and practices to strengthen our human rights due diligence. During the development and subsequent updates of our [Statement on Human Rights](#), which we first adopted in 2007, we engaged internal and external stakeholders to help assess our actual and potential adverse human rights impacts and to identify the most salient human rights risks faced by our employees, workers connected to our supply chain and individuals who might be impacted by our clients' operations. We published the most recent update to our Statement on Human Rights in late 2018.

In addition, Citi's Environmental and Social Risk Management (ESRM) Policy, adopted in 2003 and summarized in our [Environmental and Social Policy Framework](#), guides our approach to assessing environmental and social issues related to financing our clients' business activities. For more information about our ESRM Policy and related due diligence processes, see the [ESRM section](#) of this report.

Each year, we publish a [UK Modern Slavery Act transparency statement](#) summarizing our approach to identifying and mitigating the risks of modern slavery in our operations – including

client transactions – and in our supply chain. It covers information about our governance and policies related to modern slavery, risk assessment and due diligence processes, and training.

Analysis and feedback from third parties provide valuable perspective as we work to improve our policies and practices in this area. In November 2019, BankTrack released its third [Human Rights Benchmark](#) for global banks. The benchmark scored 50 global banks according to criteria based on the UN Guiding Principles on Business and Human Rights. Our policies, processes and reporting helped us achieve "frontrunner" status in the benchmark, the only U.S. bank to do so. However, the benchmark shows that improvement is needed across the industry, including by Citi, to make a measurable difference in the lives of people around the world who are affected by our financing activities. We will continue to improve and consistently implement our due diligence processes, revisit our commitments regularly, updating them as needed, and provide transparent disclosure to drive progress in respect for human rights across the financial sector.

Our Salient Human Rights Risks

Human rights is one of our most [material environmental, social and governance \(ESG\) issues](#). We have spent more than a decade working on the most salient human rights risks related to our business – those that pose the greatest risk to people – including the activities of our clients and other business partners. We identified most of these risks under our ESRM Policy as "Areas of High Caution" several years before the advent of the UN Guiding Principles. To identify these areas, we focused on the most severe potential risks posed to people by our clients' activities, particularly in the context of project finance. Our work to address these risks has included helping to found and govern the [Equator](#)

[Principles \(EP\)](#) framework to enhance and standardize risk management across the banking sector, establishing an internal ESRM team, and developing our risk identification and mitigation policies and procedures. (See [page 66](#) for more about how we manage these risks.)

Financial Access for Survivors of Modern Slavery and Human Trafficking

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In September 2019, the UN Financial Sector Commission on Modern Slavery and Human Trafficking released its final report, [Unlocking Potential: A Blueprint for Mobilizing Finance Against Slavery and Trafficking](#). It also launched [Finance Against Slavery and Trafficking \(FAST\)](#), a new project intended to help survivors of modern slavery and human trafficking gain access to financial services. FAST is a coalition of 12 leading banks, including Citi, and six survivor service organizations in North America and Europe. FAST's Survivor Inclusion Initiative aims to help survivors facing barriers to financial access, such as having their identification documents confiscated by traffickers or having their identity or financial information hijacked for money laundering purposes. The Survivor Inclusion Initiative provides financial institutions, service providers, regulators, governmental actors and other key stakeholders with a framework to match identified survivors to basic financial services, such as checking and savings accounts as well as debit cards.

While our formal risk management processes give us more leverage when we are directly financing a project, we also identify and address human rights risks that could arise across our value chain. In the most recent update to our Statement on Human Rights, we formally recognized many of those issues as salient human rights risks for our company, including discrimination in employment practices and the provision of financial services; adequate standard of living and right to property; the need to safeguard the

privacy of information shared with us by our employees and customers; and more. Citi has longstanding policies, procedures and programs to address these issues.

Our handling of salient human rights risks is regularly communicated to senior management and our Board of Directors. For more information about our governance of ESG issues, including human rights, see the [ESG Governance at Citi section](#).

Respecting the Human Rights of Our Employees

Every Citi employee is expected to adhere to our [Code of Conduct](#), which includes a commitment to human rights, and to participate in relevant training. Our Code of Conduct prohibits unlawful discrimination, harassment and other behaviors that infringe on individual rights. This policy applies to all employees, as well as to suppliers, clients and community partners globally.

Efforts to promote diversity and inclusion are not always discussed in terms of human rights, but they are human rights concerns, as they seek to protect individuals from unlawful discrimination on the basis of essential characteristics that relate directly to a person's sense of dignity. These efforts also aim to remedy disparities in the treatment of women and minorities in the workplace. Respect for diversity and inclusion is a high priority wherever we operate and can become a particular concern in countries where there is no legal protection against discrimination based on gender, gender identity, race, ethnicity, age, religion, physical or mental disability or medical condition, or sexual orientation, in addition to a range of other essential characteristics inherent to identity and personhood. Citi prohibits discrimination and harassment of our employees in all forms regardless of whether individual protections are legally mandated in the countries and communities where we operate. In fact, we know that even in locations where anti-discrimination laws exist, there is still a need for companies to ensure they are doing their part to respect individual rights.

During 2019 we raised the minimum wage of our U.S.-based employees to \$15 an hour. We also continued our study of pay equity across the company to identify gaps in pay between men and women

Salient Human Rights Risks: Stakeholder Impacts

This table illustrates which stakeholders could be impacted by the human rights risks we have identified as most salient to our company, including risks related to our own operations and the activities of our clients. Shaded risks are categorized as Areas of High Caution and trigger additional due diligence for project transactions in alignment with our ESRM Policy. Additional context about these risks and the due diligence processes we have in place to identify and mitigate human rights risks in our value chain can be found throughout this report, in our [Statement on Human Rights](#) and in our [Environmental and Social Policy Framework](#).

Human Rights Risks	Citi's Employees	Suppliers' Employees	Customers and Clients	Those Affected by Clients' Projects
Adequate standard of living; right to property	●	●	●	●
Conflict risk				●
Discrimination in the provision of financial services			●	
Diversity and inclusion; discrimination in the workplace	●	●		●
Indigenous Peoples				●
Information security; privacy	●		●	●
Labor practices (including modern slavery)	●	●	●	●
Resettlement				●
Security practices				●

globally and minorities and nonminorities in the U.S. Learn more about our pay gap analyses and broader diversity and inclusion efforts in the [Talent and Diversity section](#).

Freedom of Association

While the financial services industry is not heavily unionized, we do have unions or work councils in many of the countries where we operate. Approximately 12 percent of our employee population is covered by collective bargaining agreements. We engage directly with our employees and through these associations to discuss issues such as health and safety, remuneration, work hours, training, career development, work time flexibility and equal opportunity. Information related to freedom of association is communicated to employees through various mediums, including employee handbooks, our intranet and employee emails.

Extending Respect for Human Rights Through Our Suppliers and Partners

Our nondiscrimination policies extend to Citi's and the Citi Foundation's philanthropic activity and to Citi's suppliers. We do not provide funding to organizations that discriminate on the basis of personal characteristics, such as gender, race and sexual orientation, among others. We communicate our approach to human rights to our suppliers in our [Statement of Supplier Principles](#). Our approach is reinforced by our Corporate Responsibility Questionnaire (CRQ), which helps our procurement team determine how well potential and current suppliers manage environmental and social sustainability issues, including human rights issues. Our CRQ for the Europe, Middle East and Africa (EMEA) region includes questions specific to modern

slavery concerns, and we are planning to implement these questions across other regions as well.

In 2017, we conducted an assessment of our Tier 1 suppliers at certain spend thresholds in EMEA to assess modern slavery-related risks. Following that assessment, we have been engaging suppliers deemed of greatest risk to better understand their approach to managing these risks. In 2018, we initiated a pilot for our highest-risk suppliers in the following sectors: building services, cleaning services and supplies, catering services, and ground transportation and other transportation sectors. We expanded this work in 2019 to target 219 suppliers with enhanced due diligence questions about their specific policies and procedures to identify, prevent and mitigate risks of modern slavery in their operations and supply chains. We are using the responses we received from this initial group of high-risk suppliers to develop a methodology for assessing and categorizing the quality of the information provided. We will then roll out the program globally to enable the

screening and escalation of higher-risk suppliers for further engagement in a consistent fashion across our regional sourcing teams. More information about our efforts to combat modern slavery is available in our [2019 UK Modern Slavery Act transparency statement](#).

The work we do to fight modern slavery throughout our value chain, along with our related reporting, policies, due diligence and risk assessments, demonstrates Citi's commitment to **SDG 8**, which aims to **promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**. In particular, our work in these areas addresses target **8.7**, which includes a mandate to **eradicate forced labor, end modern slavery and human trafficking and end child labor in all its forms**.



SDG Goal 8: Decent Work and Economic Growth

For more information on our supply chain, see the [Operations and Supply Chain section](#).

Calling for Inclusion of Refugees

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In 2019, we reinforced our commitment to refugees by signing the [Business Refugee Action Network's statement on the Sustainable Development Goals](#). The statement advocates for the inclusion of refugees to make progress toward the SDGs and recognizes the critical role of business to ensure they are not left behind. Citi and the Citi Foundation have a history of supporting refugees through financial inclusion programs as well as with business training and start-up



⏏ The Vice Chairman of Citigroup and Chairman of Banking, Capital Markets and Advisory joined business leaders and journalists at the UN General Assembly to demand action and draw attention to the lack of refugee inclusion in the SDGs.

grants. By signing this statement, we join with other businesses and organizations to call for action to improve the lives of refugees.

Respecting Human Rights in Our Financing Decisions

The challenge of effectively evaluating human rights risks related to our clients and the projects we finance is significant. We work diligently to meet this challenge and respect the human rights of the individuals and communities impacted by the projects we finance.

Our U.S. Commercial Firearms Policy, adopted in 2018, is one example of how Citi can have an influence on the protection of human rights. Under this policy, we require clients or partners that are U.S. firearms retailers or firearms manufacturers that sell through U.S. retail channels to adhere to a set of best practices regarding the sale of firearms. For retailers, these practices include selling firearms only to individuals who have completed a background check, not

selling high-capacity magazines or bump stocks (which modify semiautomatic firearms to fire faster, at rates comparable to fully automatic firearms), and selling firearms to individuals under age 21 only if they have received firearms safety training (e.g., as part of active or former military or law enforcement employment or via hunter safety training). For manufacturers, best practice entails only selling firearms to retailers who are following these same practices.

Another opportunity we have to thwart human rights abuses is through our anti-money laundering efforts, which help us prevent criminally sourced funds – including funds associated with human rights abuses, such as human trafficking – from passing through our bank. Disrupting the flow of money to those perpetrating human rights abuses and denying those abusers safe harbor for illicit proceeds tied to corruption or human rights violations are effective ways to undermine their efforts.

While these two examples illustrate our ability to proactively avoid business transactions with adverse human rights impacts, there are other situations in which the link between our financial services and adverse human rights impacts is less direct. That complexity may mean we have less leverage, and it diminishes our ability to ensure that on-the-ground outcomes are consistent with Citi's values. In these instances, we work to improve our clients' awareness and business practices. In addition, where a transaction's financial and legal structure allows it, we put loan covenants in place and monitor mitigation efforts through ESRM systems and corrective action plans.

Human Rights Due Diligence in Client Transactions

Citi has thousands of corporate and institutional clients. The UN Guiding Principles acknowledge the challenges posed by

having such extensive business relationships, and we have adopted the approach set out in the Principles of prioritizing our due diligence and risk mitigation first to areas where the risk of adverse human rights impact is most significant from the perspective of people who could be affected. We use our ESRM Policy, where applicable, to assess and manage risks consistently and evaluate client projects and activities against a common set of environmental and social standards grounded in international best practice, including human rights norms and the International Finance Corporation's Performance Standards.

Our ESRM team screens transactions covered by our ESRM Policy during the initial marketing phase to identify any client activities we believe pose heightened risks to workers or local communities. Our policy prohibits financing any project for which our due diligence indicates a risk of harmful or exploitative forms of forced labor or child labor or when the relevant labor forces have been subjected to human trafficking. In addition, the policy covers Areas of High Caution – heightened environmental and social risks that require closer due diligence and additional risk management. These are issues we have identified as salient human rights risks related to our corporate and investment banking clients' activities. They include the following:

- **Conflict risk:** Certain sectors may present a greater degree of project-induced conflict risk, which may be tied to competition for resources or land. In such cases, Citi carefully assesses key conflict factors such as sources of tension and root causes of conflict, actors and their interests, and development needs and incentives to address such risk in the project's area of influence.
- **Indigenous Peoples:** Various concerns can arise regarding the extent to which indigenous communities are consulted during project development and have consented to impacts

Recognition of Our Work to End Gun Violence

In 2019, Citi received the Corporate Action Award from the Brady Center to Prevent Gun Violence during the first-ever Brady Action Awards. The award was in recognition of Citi's U.S. Commercial Firearms Policy, which enforces a set of best practices for our U.S. clients and partners regarding the sale of firearms. Citi continues to support the Second Amendment to the U.S. Constitution and the rights of Citi customers to purchase firearms. At the same time, in response to horrific acts of gun violence in our communities, we also recognized our responsibility to establish this policy, which includes common-sense provisions for the responsible sale of firearms. The elements of the policy have strong bipartisan support and are backed by many gun owners.

to their land, livelihood and cultural heritage.

- **Labor:** There are risks related to labor forces used in the construction of projects or other operations, including risks associated with forced labor, child labor and human trafficking by project operators and their subcontractors.
- **Resettlement:** The resettlement of local communities, including indigenous groups, can be necessary for project implementation. When this occurs, it should be conducted through carefully designed resettlement action plans that are reviewed by project lenders in advance of implementation and should, where necessary, include efforts toward achieving the free, prior and informed consent of indigenous communities.
- **Security practices:** Security concerns can arise relating to how project sponsors engage with public or private security forces protecting project sites. In such circumstances, if we decide to proceed with financing, we will advise project sponsors on the implementation of international standards, such as those in the Voluntary Principles on Security and Human Rights.

If, during our initial screening or more extensive due diligence for a transaction, we find there is a risk of adverse impacts, we carefully evaluate the client's current commitment and capacity to avoid, mitigate and/or manage those impacts in accordance with international industry best practices and human rights norms and their willingness to engage in continual learning and improvement. We escalate the most challenging cases with the potential for severe adverse impacts to senior business and risk managers for collective discussion on the risks and the client's commitment and capacity. In some cases, senior management will conclude that the likelihood for adverse impacts is too great – posing an imminent

threat to people or communities – and we will re-evaluate the client relationship or decline involvement in the transaction.

This is a move we take very seriously as we recognize that terminating the relationship can have a number of ramifications, including removing any leverage we might otherwise have had to improve practices over time through constructive engagement.

After the financial close of project-related transactions that have time-bound environmental and social action plans, we monitor the project sponsor's implementation of those actions through the construction and operation phases of the project – often through the retention of an independent environmental and social risk consultant who periodically reports to lenders following on-the-ground audits. For more information, see the [ESRM section](#).

Transactions Reviewed Under Citi's Statement on Human Rights

In 2019, the ESRM team screened 557 total transactions during the initial marketing phase, and of those, 44 were flagged as requiring additional due diligence for human rights risks. This screening does not include other human rights risk assessments the ESRM team undertakes as part of annual client reviews or portfolio reviews. The specific types of risks we uncovered are outlined in the table below. Of the 44 transactions flagged for additional human rights due diligence, 18 proceeded to close after we confirmed the clients were managing and mitigating the potential risk appropriately. Transactions may not reach financial close for a number of reasons, not solely due to ESRM review.

Identifying Human Rights Risks in Transactions*

Human Rights Risks	Reviewed in 2019	Closed in 2019
Conflict Risk	8	2
Indigenous Peoples	17	6
Labor Risks	9	6
Resettlement	8	4
Security Practices	7	1
Water	4	1
Total Transactions	44	18

* One transaction may have more than one human rights risk.

Providing Access to Remedy

The UN Guiding Principles call on governments and companies to play their respective roles in ensuring that victims of human rights abuse have access to effective remedies. Remedy can take many different forms, including apologies, financial or nonfinancial compensation or efforts to prevent future harm through policy commitments and changes in operational practice. The purpose of remedy is to help make victims whole again or to restore them, as much as

possible, to their lives and enjoyment of their rights before those rights were violated. Remedy can also help ensure that they and others will not suffer similar harm in the future.

As a financial institution, our approach to remedy usually involves working with clients to ensure they have the right policies in place and channels available to enable victims to lodge grievances. In addition, these companies must follow up on allegations and have established processes to offer remedies or cooperate with authorities to make sure effective remedy is provided.

While in recent years banks have come under increasing pressure to disclose specific findings related to client projects, we are bound by legal requirements and business ethics related to confidentiality that limit our ability to disclose such information without client consent. Addressing requests for transparency will continue to be a balancing act between protecting the confidentiality of our clients' information and disclosing information to stakeholders as appropriate to advance the protection of human rights. In 2019, we responded both informally and in writing to a variety of human rights inquiries regarding our financing activities and our general due diligence practices. These inquiries came from nongovernmental organizations such as BankTrack, the Business and Human Rights Resource Centre, the Investor Alliance for Human Rights and the Sierra Club.

Applying Our Policies to Protect Human Rights and Reduce Risk

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When our due diligence processes uncover the risk of human rights violations in potential or established client relationships, we investigate further and, when necessary, engage with our clients to better understand their approach to managing such risks. When needed, we work with them to identify corrective action in alignment with international best practices.

If proactive management of human rights risks is not possible, we might re-evaluate the client relationship or deny financing or involvement in a particular transaction. During 2019, we exited a relationship with a client in the palm oil industry who failed to follow our policy requirement of maintaining certification through the Roundtable on Sustainable Palm Oil (RSPO) – a multistakeholder initiative with principles and criteria regarding sustainable palm oil.

Continuous Learning

Engaging Stakeholders

To ensure that we are living up to our commitment to respect human rights and anticipate emerging risks, we regularly communicate our approach externally and engage with stakeholders on their issues of concern. During 2019, we participated in a project to improve metrics related to human rights reporting through Shift. Citi also acted as co-lead for the EP Social Risk working group, which developed new language and guidance on both protection of the rights of Indigenous Peoples and human rights risk assessment.

In addition, we pay close attention to human rights issues raised by stakeholders within specific industries, such as the energy sector and palm oil. We engage with these industries directly through client relationships, stakeholder meetings and active participation in groups. For instance, our participation in the RSPO enables us to engage with multiple stakeholders connected to the palm oil value chain in the hopes of enhancing our leverage and improving the collective effort of those connected to particular commodities or risks.

Reporting Mechanisms for Stakeholders

Our Ethics Hotline provides a way for our employees, suppliers and other external stakeholders, including the general public, to report concerns about unethical behavior to Citi's Ethics Office. This includes human rights-related issues such as workplace harassment, violations of supply chain standards or concerns over project financing activities. Stakeholders and whistleblowers can report violations to the Ethics Hotline using a 24-hour phone line, email address, fax line, website or physical mailing address.

In addition, for certain qualifying projects, we apply the Equator Principles to assess and manage environmental and social risks. The EP framework includes an assessment of the project sponsor's stakeholder engagement process, as well as its operational-level grievance mechanisms for affected communities to raise concerns proactively with the project developers.

Employee Training

Human rights content is integrated into the training we provide for the employees responsible for implementing our ESRM Policy and in our Code of Conduct training, which is required of all employees. During 2019, we developed a comprehensive module on modern slavery, which so far has been provided to more than 1,000 supply chain employees globally. As we continue to roll out training, we will identify staff across the company whose work would be enhanced through this training.

» What's Ahead

The robust policies and programs we have in place throughout our business help us avoid or effectively address a range of human rights impacts. We are also continually engaging stakeholders and surveying the global landscape to identify emerging human rights risks that might affect our business and our stakeholders. For instance, the use of artificial intelligence to boost surveillance and restrict freedom of movement in some parts of the world is a growing human rights threat. In addition, our conversations about climate change with clients, peers and industry organizations increasingly include concerns about the impact of a warming planet on human rights. We will continue to monitor these issues and other emerging trends to protect our stakeholders and use our influence to uphold human rights globally.





Operations and Supply Chain

>> HIGHLIGHTS

Addressing climate risk

We invest in climate adaptation solutions for our operations to increase resiliency

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Green Teams recognized

Employee-led teams in Florida and Costa Rica received awards for sustainability-focused volunteer efforts

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Opportunities for diverse banks

Mentorship of a small, minority-owned bank is opening doors for future work

[Page 80](#)

Capitalizing on the tremendous opportunity we have for positive impact through our global operations, we have established commitments¹ to further minimize the environmental footprints of our facilities and to ensure high environmental and social standards throughout our supply chain.

Resource Use and Environmental Impacts

We have been measuring our environmental footprint for 20 years and began reporting on our direct operational impacts in 2002. During 2019, we explored new avenues for sourcing renewable electricity for our facilities

¹ For performance against our Sustainable Progress Strategy Scorecard, please see the report [Appendices](#).

globally, continued executing on multi-year strategies to meet our 2020 goals, and began looking ahead to our next set of operational goals, which we will announce in 2020. Also, in recognition of the connection between environmental sustainability and employee well-being, we continued implementing improvements in our workspaces and encouraging employee wellness initiatives.

2020 Goals

We are currently tracking progress against our third generation of operational footprint goals – our 2020 goals, which we first announced in 2015. These goals cover energy use, water consumption, recycling, waste and green building, and, in 2017, we announced a goal to use 100 percent renewable electricity to power our facilities globally by 2020. In 2018, we achieved three of these goals two years early, and during 2019 we made progress in all the areas we measure. We continue to work toward achievement of all six goals and are on track to reach at least five of them by the end of 2020, as expected. While our strong focus on water has enabled us to surpass our 2020 goal for total water use reduction, our goal to use reclaimed or recycled water for at least 10 percent of our water consumption has proven more challenging. We are continuing to push forward in this area and identify more places where the use of reclaimed or recycled water is a viable option.

In 2019, we continued to make progress against our goal to source 100 percent renewable electricity across Citi's global operations. We own or lease more than 50 million square feet of real estate across 7,700 properties in 95 countries. It is complex to secure renewable electricity in many of these markets, especially where renewable electricity resources are less developed, where we have a smaller presence or where we do not directly source electricity for our



operations. In order to meet our ambitious goal, we have established power purchase agreements (PPAs) in Mexico and the U.S.; secured utility green supply contracts in the U.S. and the UK and other parts of Europe; and are obtaining energy attribute certificates in the form of renewable energy certificates (RECs), international RECs, and guarantees of origin that support voluntary renewable electricity markets across each of our operating regions. We also use on-site power when feasible, though it makes up a small portion of our overall renewable portfolio. We have already completed the work necessary to power our North America facilities with renewable electricity beginning in 2020. During 2019, we made progress across our Asia Pacific and Europe, Middle East and Africa (EMEA) regions as well, so we will be able

to meet our goal of sourcing 100 percent renewable electricity for all our facilities by the end of 2020. In connection with our renewable electricity commitment, Citi is a member of RE100 – a global initiative led by the Climate Group and CDP, which are both part of the We Mean Business coalition.

Detailed data showing progress toward all of our 2020 goals are included at the end of this section. Our greenhouse gas (GHG) emissions and environmental data are verified and assured by SGS, a leading third-party inspection, verification, testing and certification company. For our SGS Assurance Statement, see the Assurance section.

2020 Operational Footprint Goals: 2019 Progress



Goal

100%

use of renewable electricity
for facilities globally*

Progress

86%



Goal

30%

reduction in energy consumption
(compared with 2005 baseline)

Progress

35%



Goal

30%

reduction in water consumption
(compared with 2005 baseline)

Progress

35%



Goal

10%

of water used coming from
reclaimed or recycled sources

Progress

6%



Goal

60%

diversion rate of waste to landfill
(compared with 2005 baseline)

Progress

63%



Goal

33%

of global real estate
portfolio LEED-certified

Progress

27%

* Contracted amount of renewable electricity for delivery in 2020



➤ In 2019, we opened a new operations facility in Sioux Falls, South Dakota, for which we achieved LEED Gold certification.

Sustainable Building Principles in Action

Whether undertaking new construction or renovating existing buildings, we prioritize efficiency and sustainability to minimize the environmental impact of our facilities across the globe. As part of our energy reduction efforts for our facilities in North America, we are retrofitting our branches, offices and operations centers with LED lighting. As of the end of 2019, 9.4 million square feet, representing 89 percent of the square footage of our offices and operations centers, had been retrofitted. We have also completed lighting retrofits at 378 banking branches with an additional 144 to be completed in 2020. We expect this retrofit, once complete in 2020, to reduce our energy consumption related to lighting by up to 50 percent. Switching to LED lighting also helps improve the overall quality of lighting and reduces maintenance costs.

The renovation of our global headquarters in New York, for which we were awarded LEED Platinum certification, is on track to be completed in 2020. During construction, approximately 98 percent of all concrete, steel and glass demolition material was transported to recycling facilities, where it was converted back into new building products. With this renovation, we are installing water-conserving plumbing fixtures, enhancing the green space outside the building and implementing systems to improve indoor air quality. Water retention tanks on the building's roof will capture 2 million gallons of rainwater annually, which we will use to irrigate plants on the building's plaza and terraces. In addition, our cogeneration plant, fueled by natural gas, will produce heat and electricity on-site, reducing the building's carbon footprint by 34 percent. This significant, multiyear undertaking has been a driving force in solidifying our approach to sustainable building principles and a catalyst for the

Citi Hong Kong Sustainability Initiatives and Recognition

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During 2019, we established an agreement with CLP Power Hong Kong Limited and The Hongkong Electric Company, Limited, to purchase renewable energy certificates equating to a combined 300,000 kilowatt hours (kWh) of renewable electricity from local sources, including solar and wind power. To further reduce our environmental impact we are considering the installation of solar panels on the rooftop of Citi Tower in Hong Kong. These efforts will help us reach our 2020 goal to power our facilities with 100 percent renewable electricity.

Our Citi Tower facility in Hong Kong also participated in the 2019 Carbon Challenge organized by Dow and the U.S. Green Building Council. Carbon reduction initiatives included an energy audit, centralized temperature control, and automated shutdown of air conditioning and lighting during hours when people are not typically in the building. These efforts reduced energy consumption by more than 2,100 metric tons (mt) of carbon dioxide equivalents (CO₂e) during the one-year challenge. Our sustainability efforts in Hong Kong were recognized with awards from a number of organizations during 2019, including China Light & Power, the International Facility Management Association and the World Green Organisation.

implementation of efficiency projects throughout the global footprint of our facilities.

These sustainable building efforts, among others, support our goal to have 33 percent of our real estate portfolio LEED-certified by the end of 2020.

Efficient Travel Options

We encourage employees to use video and web conferencing technologies rather than traveling, whenever possible. When business travel is unavoidable, we ask employees to group trips together to manage costs and reduce the number of trips taken, and we offer employees the option of train travel whenever feasible. Many of our offices are centrally located near public transportation, which reduces the need for employees to drive to work. To encourage the use of these options and reduce the impact of employee commuting, we offer U.S.-based employees pre-tax dollars to cover the cost of commuting by subway, bus, train, ferry and vanpool. We also offer bike storage and bike racks at a number of facilities and sponsor bike share programs, known as [Citi Bike® Program](#), in New York City, Jersey City and Miami. At our car park in the London Citigroup Center, we offer a dozen charging stations for those driving electric vehicles. Business travel and employee commuting are reported as part of our [Scope 3 emissions data](#).

Transparent Reporting of Operational Climate Impacts

Citi reports our Scope 1, Scope 2 and Scope 3 GHG emissions in both this annual Environmental, Social and Governance Report and in our CDP response. We began reporting on the direct environmental impacts of our operations in 2002 and have submitted data to CDP every year since 2003. We follow the GHG Protocol Corporate Standard



Employees in Colombia Champion Sustainable Transportation

In 2016, Citi employees in Bogotá, Colombia, launched the Citi Mobility program, which focuses on transportation solutions that benefit the environment, the company and the city. The program provides the bank's employees with rapid, safe and convenient ways to get to and from work. As of the end of 2019, it has led to more than 46,000 carpooling trips; more than 7,300 trips by bicycle; and more than 3,900 commutes by walking. Efforts like these earned the program first place in the 2019 Sustainability Challenge sponsored by Try My Ride, a company committed to promoting sustainability mobility. The Citi Mobility program was judged to have done the most to reduce CO₂ emissions, improve quality of life for employees and promote sustainable mobility during the one-month challenge. Citi Colombia was also awarded a Gold Quality Seal by Bogotá's Secretary of Mobility in recognition of the high-quality, secure bicycle parking at the facility.

and Scope 2 Guidance for measuring and reporting both market-based and location-based Scope 1 and Scope 2 GHG emissions. We also report Scope 3 CO₂ emissions from employee air and train travel and project-financed thermal power plants in this Environmental, Social and Governance Report, and we report

Scope 3 electricity transmission loss and employee commuting data to CDP. In early 2020, Citi received a score of A from CDP on our climate change disclosure and an A- for supply chain reporting, for 2018 data.



Sustainable design was a priority throughout the renovation of our global headquarters in New York City.



Managing Climate Risk in Our Operations

The effects of climate change, particularly any associated extreme weather events, pose a potential risk to our operations. In addition to mitigating our risks by reducing GHG emissions through the use of renewable energy and improved energy efficiency, our Citi Realty Services group and crisis management and business continuity teams help us to monitor, prepare for and respond to a range of issues – including extreme weather events – that could disrupt our operations.

Because Citi operates in nearly 100 countries, our facilities could be exposed to a range of risks that vary in type based on the location of each facility. To increase our resiliency, we have invested in climate adaptation solutions in a number of critical facilities. In addition, our crisis management team has developed action plans to address immediate risks and support our employees and customers before, during and after adverse events. Our business continuity team also has plans in place to help Citi resume business operations as quickly as possible in the aftermath of an extreme climate event. We are assessing the exposure of our global facilities to different climate hazards and how that might change

over time due to climate change. Moving forward, we also plan to incorporate physical risks related to climate change into the scenario analyses we conduct on our operations.

To avoid the most severe negative impacts of climate change, it is estimated we must limit global warming to no more than 1.5°C above pre-industrial levels, an achievement that many climate experts suggest is unlikely at this stage. To address the seriousness and urgency of the challenge ahead, Citi has established a goal to transition to sourcing 100 percent renewable power for our facilities by 2020. In addition, we have disclosed our emissions

for almost two decades and set significant reduction targets for our energy consumption. Disclosure of Scope 1, Scope 2 and Scope 3 GHG emissions is a component of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our disclosures can be found in our [Environmental Impact Report](#) at the end of this section. In 2018, Citi published [Finance for a Climate-Resilient Future](#) – a detailed report of our activities and progress in accordance with the TCFD recommendations and metrics. We've also included a [TCFD index](#) in this report.

Environmental Sustainability and Employee Well-Being

We encourage employees to participate in activities and initiatives that emphasize the intersection of personal well-being and reduced environmental impact. For instance, our Drink-Up initiative promotes hydration, but rather than stocking our breakrooms with disposable plastic water bottles, we are converting the water fountains at our facilities to also work as bottle-filling stations. Based on the amount of water dispensed via the bottle fillers, we estimate that we have helped employees avoid the use of nearly 3.2 million water bottles in the U.S. and close to 3.8 million in Mexico between the program's inception in 2016 and the end of 2019.

To further inspire well-being at work, our annual Step Up challenge encourages

employees to use the stairs and walking paths at our buildings to increase daily physical activity and improve their health. Participating employees track the number of steps they take during walking breaks at work. This initiative has gained popularity over the last few years, and in 2019 we developed a smartphone app to make it even easier for employees to participate and track progress. During 2019, 1,300 employees logged more than 120 million steps.

In addition, we recognize that wellness is an important aspect of sustainability in building design alongside more traditional environmental considerations, such as energy and water efficiency and the use of green materials. When looking at how our buildings can affect the well-being of our employees, we consider air and water quality, opportunities to stay active, healthy food options and a work environment that is both flexible and effective. As a result of these efforts,

we've received WELL Silver certification from the International WELL Building Institute™ for facilities in Hong Kong and India over the last few years. The WELL Building Standard is a system for measuring, certifying and monitoring building features that impact the health and well-being of occupants.

Employee Engagement

We engage employees in achieving our environmental sustainability objectives in their day-to-day activities and responsibilities at work, as well as through volunteer efforts and Green Team activities.

Green Teams are employee-led groups that design and lead environmental initiatives – such as recycling drives, volunteer projects, informative lectures and awareness campaigns – tailored to their workplaces and local communities. We have 18 Green Teams, with 2,670 employees, operating around the



Green Team members participating in a volunteer event in Jacksonville, Florida



Members of the Costa Rica Green Team celebrating the Ecological Blue Flag award

world. In 2019, these Green Teams held 223 volunteer and educational events, resulting in 16,200 volunteer hours dedicated to helping communities. In 2019, two of our Green Teams received recognition for their sustainability efforts. In Jacksonville, Florida, the local Green Team received the Jacksonville Environmental Protection Board's Environmental Achievement Award in the large business category. Costa Rica's Green Team received an Ecological Blue Flag award, which recognizes local efforts that promote conservation and development. In addition, in recognition of Earth Day, Citi Green Teams and other colleagues organized environmental and sustainability events during the month of April.

Each year, our company participates in the [World Wildlife Fund's Earth Hour](#). In March 2019, nearly 2,800 facilities in 98 countries turned off the lights between 8:30 p.m. and 9:30 p.m., local time. Citi has participated in this event for 12 consecutive years.

Responsible Sourcing

Citi seeks out suppliers that share our values and our commitment to having a positive impact in the communities where we operate. We set high standards of performance for resource use and supplier practices across our global supply chain.

Citi's Supply Chain Development, Inclusion and Sustainability team works with procurement leaders across the company to support diversity in supplier selection, build the capacity of diverse suppliers, implement sustainable supplier initiatives and mitigate environmental and social risks in our supply chain. The team champions inclusive and sustainable processes and practices as they engage with Citi employees responsible for the supplier selection process. This includes a focus on engagement with women-owned businesses in developing countries, increased due diligence related to human

rights, including issues of modern slavery, and further integration of environmental sustainability priorities into business policies.

In 2015, Citi identified three focus areas as part of our Sustainable Progress Strategy: paper and paper products, information technology hardware and e-waste disposal, and travel and logistics. We have developed position statements that recommend actions for each of these areas and incorporated them into our supply chain Global Operating Procedures. In 2019, we continued engaging employees and making progress in these areas, including:

- Performing an analysis of our printers
- Communicating the benefits of purchasing EPEAT-certified products to employees who purchase items for their teams
- Reinforcing the importance of sustainable practices in contractual language for our technology hardware suppliers that align with EPEAT

Supplier Policies

We have developed standards and policies to support our efforts and clearly communicate our expectations to suppliers regarding environmental and social issues, including the following:

- The [Citi Statement of Supplier Principles](#) outlines the aspirational guidelines that anchor our sustainable supply chain initiative, including those related to ethical business practices, human rights in the workplace, environmental sustainability, management systems and implementation.
- The [Citi Requirements for Suppliers](#), formerly known as Citi Standards for Suppliers, facilitates supplier compliance with contractual requirements and other key Citi policy obligations.
- Suppliers are also asked to abide by the [Citi Statement on Human Rights](#).

For more information about our approach to human rights, see the [Human Rights section](#).

In addition, Citi complies with the UK Modern Slavery Act and releases an annual [transparency statement](#) summarizing our approach to identifying and mitigating the risks of modern slavery in our operations and supply chain.

Supplier Engagement and Evaluation

We use a Corporate Responsibility Questionnaire (CRQ) to evaluate suppliers' adherence to our Statement of Supplier Principles. The CRQ helps us gauge how well suppliers manage a range of issues, such as environmental management, human rights, labor practices, diversity, and health and safety. For example, the CRQ for our EMEA region includes specific questions to help identify and contribute to eradicating child labor and modern slavery, including forced or bonded labor and human trafficking. We plan to implement these questions across other regions in coming years.

Integrating these important issues into our CRQ and our broader work to address the issue of modern slavery is part of the way Citi supports **SDG 8**, which aims to **promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**. In particular, our work in this area addresses target **8.7**, which includes a mandate to **eradicate forced labor, end modern slavery and human trafficking and end child labor in all its forms**.



SDG Goal 8: Decent Work and Economic Growth

Given our global footprint, we rely on a strong network of Global Champions – Citi colleagues around the world who serve as connections between their businesses and supply chain sustainability and diversity efforts – to help implement

sustainable supplier initiatives locally and adapt the CRQ to local cultures and business norms. We also translate the CRQ into 14 languages to make it easier for suppliers to complete and to enable productive follow-up conversations.

Our goal is for suppliers to complete the CRQ every two years. If a supplier's CRQ score is below 70 percent, we communicate our concerns and ask the supplier to take action to improve and submit a new CRQ the following year. We have rolled out the CRQ to more than 30 percent of our suppliers and are focusing on implementation with our top 100 suppliers based on spend. In 2019, 16 percent of our top 100 suppliers scored 70 percent or lower on the CRQ. We meet with suppliers that fall below the 70 percent threshold and outline steps together to improve these scores within the year when they resubmit. Additional training and face-to-face dialogue has proven to

help suppliers quickly address any issues flagged related to their CRQ responses and align to Citi's expectations. If the necessary improvement is not achieved within that year, we escalate review to determine whether the contract should be discontinued. In addition, to ensure a consistent approach and understanding of the CRQ process and supplier evaluation, we provide training for our employees. We also provide sustainability training and education to suppliers.

Supplier Diversity

Our Supply Chain Development, Inclusion and Sustainability team sets clear supplier diversity goals and embeds them in our supplier selection processes. In addition, we provide U.S. small businesses and women-, veteran-, disability-, LGBT+- and minority-owned firms with access to business opportunities, education, mentoring and training. Working with a range of supplier-focused organizations,

we identify diverse suppliers, including small businesses that can meet our supply chain needs, help build these suppliers' capacities and support supply chain diversity and inclusion more broadly. These organizations include the National Minority Supplier Development Council and several of its global affiliates, the Women's Business Enterprise Council, the National LGBT Chamber of Commerce and WEConnect International. We also engage with UN Women and the Sustainable Purchasing Leadership Council, an organization dedicated to sustainable purchasing efforts.

For every bid over \$250,000, we require the inclusion of diverse suppliers in the bidding process. This requirement ensures that diverse suppliers are considered not only for small engagements but for large ones as well. As the result of a technology upgrade that began in 2018 and continued into 2019, our enterprise supply chain employees were provided

2019 CRQ Implementation

Among Top 100 Suppliers

■ CRQ Surveys Completed

■ Suppliers Scoring 70% or Lower

87% | 12%

North America

14 languages

in which the CRQ is available

- Arabic
- English
- French
- German
- Hungarian
- Italian
- Japanese
- Korean
- Portuguese
- Russian
- Spanish
- Turkish
- Simplified Chinese (China)
- Traditional Chinese (Taiwan)

100% | 33%

Europe, Middle East and Africa

N/A | N/A

Latin America*

100% | 21%

Asia Pacific

* During 2019, none of our suppliers in Latin America were within the top 100 by spend.



access to enriched supplier diversity data and analytics, enabling them to consider additional certified diverse suppliers they might not otherwise have visibility to. The technology also provided data to support measurable, sustainable goals to further advance our diversity efforts.

Citi is committed to procuring from women-owned businesses, especially from firms located in developing markets. In 2019, we worked with partner organizations to identify businesses around the world that have registered as women-owned through these organizations and evaluate their capabilities. We also worked to identify existing women-owned Citi suppliers and encourage those not already members of WEConnect to join in order to be more easily identified by companies seeking their services. In 2019, we procured \$149 million from women-owned businesses.

Our efforts to support women-owned businesses align with **SDG 5: Achieve gender equality and empower all women and girls**. In particular, our work in this area helps address target **5.5**, which aims to **ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life**.



SDG Goal 5: Gender Equality

Engaging Diverse Broker-Dealers

Citi has a history of consistently working with diverse broker-dealers, and we have used an underwriting syndicate composed of diverse third-party broker-dealers – including those that are minority-, veteran- and women-owned – for more than 15 years. Since 2015, we have used exclusively minority- and women-owned businesses as co-managers on at least one transaction each year.

In 2019, we included at least seven diverse broker-dealers in each of our 12 USD, unsecured benchmark debt and capital offerings – using 30 different diverse firms throughout the year. We also hosted our 15th annual broker-dealer breakfast, which provides diverse broker-dealers with an opportunity to share best practices and network with Citi leaders.

\$1.18B

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Total amount spent on Tier 1 and Tier 2 diverse suppliers in 2019

(\$700 million direct spend on Tier 1 only)



Paving the Way for Diverse Banks

Citi is one of a handful of large national banks authorized to work as financial agents for the U.S. Department of the Treasury. This allows us to perform financial services on behalf of Treasury and its financial management arm, the Bureau of the Fiscal Service. Through the Bureau's Financial Agent Mentor-Protégé Program, financial agents such as Citi are paired with small banks – including minority- and women-owned banks – to pave the way for more firms in the minority-owned banking sector to perform important financial services for Treasury.

Acting on Treasury's commitment to achieve a more inclusive network of financial agents, and our own commitment to increase supplier diversity, we worked with Treasury to engage with the Washington D.C.-based, Black-owned Industrial Bank as the program's first certified protégé. Industrial Bank was founded in the 1930s and has since grown to become one of the largest minority-owned banks in the U.S., with assets of more than \$432 million.

For the past decade, Citi has been responsible for the day-to-day management of the Bureau's OTCnet application, which automates its point-of-sale/over-the-counter check-deposit process by capturing check images. OTCnet processes \$100 billion of deposits annually. By jointly developing our proposal for the re-bid of the OTCnet program with Industrial Bank, the firm will be able to become a full OTCnet partner. Industrial will also participate in knowledge-sharing sessions with Citi aimed at

transferring our institutional expertise and experience to enrich Industrial Bank's qualifications. This work will put Industrial Bank on a path to become a financial agent in the future and enable it to bid for federal contracts on its own.

Building the Capacity of Diverse Suppliers

Outreach programs that engage, educate, develop and train our diverse suppliers and partners are integral to the efforts of our team. One of our priorities is to ensure that small and diverse businesses have the training they need to compete with more established firms. For instance, we help build capacity in the area of sustainability so that a lack of knowledge in that area doesn't become a roadblock to completing our CRQ or other requirements for working with Citi. During 2019, we collaborated with the New York & New Jersey Minority Supplier Development Council to host the ninth annual Sustainability Symposium in New York City. The agenda included a focus on the integration of the UN Sustainable Development Goals into standard business practices, a workshop with the UN Global Compact to educate diverse firms about the business implications of modern slavery as well as a panel focused on ratings and reporting.

To further build the capacity of diverse suppliers, we host events in different locations around the world to share information and best practices for doing business with Citi and other large companies. We often include "match-making sessions" during these events, to help connect suppliers with buyers and regional sourcing managers. During 2019, our EMEA team partnered with WEConnect International and Minority Supplier Development UK to host several of these events throughout the region, including in Hungary, Kenya and South Africa. We also worked with WEConnect to host events in Brazil, Costa Rica and Mexico.

In 2019, we continued our participation in an in-depth mentoring and training program called AC2A, in partnership with the New York & New Jersey Minority Supplier Development Council, Rutgers University, Covenant Business Concepts and other corporate sponsors. Through this program, Citi works with diverse suppliers and other corporate coaches to ensure that diverse suppliers have access to information through workshops about sustainability, leadership development and coaching. This is the fifth year Citi has participated in the program. Also in 2019, in partnership with the Minority Supplier Development UK (MSDUK) program, we provided a scholarship for a finalist of the MSDUK Innovation Challenge – a pitch competition for minority-owned businesses.

» What's Ahead

We have been measuring our operational environmental impacts for two decades and, over time, it's become increasingly clear that incremental improvements in this area are table stakes. We will continue to push ourselves to set more ambitious goals that reduce our negative impact on the environment, and we will also continue to increase our focus on promoting positive social impacts within and beyond our firm, creating workspaces that promote employee wellness and engaging employees in our effort to create a culture of sustainability. In our supply chain, we will increase supplier diversity both inside and outside the U.S. and pursue the growing opportunities within sustainable supply chain finance.



Environmental Performance for Operations

Progress Against 2020 Goals

2020 Goal	Progress
100% use of renewable electricity for facilities globally*	86.0%
30% reduction in energy consumption (compared with 2005 baseline)	35.1%
30% reduction in water consumption (compared with 2005 baseline)	35.3%
10% of water used coming from recycled/reclaimed sources	6.3%
60% diversion in waste stream to landfill (compared with 2005 baseline)	62.8%
33% of global real estate portfolio LEED-certified	26.9%

LEED-Certified Buildings by Region**

Region	Certified	Silver	Gold	Platinum	Total
Asia Pacific	6	21	42	12	81
Europe, Middle East and Africa	2	5	27	9	43
Latin America	4	7	6	0	17
North America	26	32	68	1	127
Total	38	65	143	22	268

LEED-Certified Buildings by Building Type**

Building Type	2015	2016	2017	2018	2019
Branches	10	23	4	1	14
Data Centers (DC)	0	1	1	0	0
DC File Storage	0	0	0	0	0
Office Buildings	14	7	12	11	14
Operational Centers	1	1	3	1	1
Total***	25	32	20	13	29
Cumulative Total†	174	206	226	239	268

* Contracted amount of renewable energy for delivery in 2020.

** Based on the active buildings in the portfolio by year-end 2019 and excludes projects for inactive and disposed buildings.

*** 2018 total is revised from previous reporting to account for a building that was certified in 2018 but for which we did not receive final documentation until early 2019.

† Includes buildings certified prior to 2015.

Environmental Performance for Operations (continued)

GHG Emissions (Scopes 1 & 2) by Region

Region	Scope 1 CO ₂ e	Scope 2 CO ₂ e		Total CO ₂ e	
	(mt)	Location-Based (mt)	Market-Based (mt)	Location-Based (mt)	Market-Based (mt)
Asia Pacific	1,137	172,876	172,960	174,013	174,096
Europe, Middle East and Africa	4,478	49,561	39,943	54,038	44,421
Latin America	2,183	111,241	87,602	113,423	89,785
North America	15,492	259,933	59,243	275,425	74,735

Regional Operational Environmental Performance

Region	GHG Emissions		Total Consumption		Total Waste
	Location-Based (mt)	Market-Based (mt)	Energy (GWh)	Water (m ³)	(mt)
Asia Pacific	174,013	174,096	281	720,500	4,915
Europe, Middle East and Africa	54,038	44,421	171	386,405	3,321
Latin America	113,423	89,785	268	1,044,659	10,315
North America	275,425	74,735	739	2,184,519	17,819

Electricity Consumption Amounts Applied to Market-Based Emission Factor Types

Emission Factor Basis	Electricity (kWh)	Steam (kWh)	Chilled Water (kWh)	Total (kWh)	% of Total Consumption
RECs or Other Energy Attribute Certificate	500,213,468	0	0	500,213,468	37%
PPA or Source Contract	135,925,193	0	0	135,925,193	10%
Supplier Specific	12,571,312	0	0	12,571,312	1%
Steam Default	0	17,009,278	0	17,009,278	1%
Residual Mix	175,398,871	0	1,114,353	176,513,224	13%
Grid Average	486,492,780	0	27,386,346	513,879,126	38%
Total	1,310,601,623	17,009,278	28,500,700	1,356,111,601	100%

Figures may not sum to totals due to rounding.

Environmental Impact Report

	2005	2014	2015	2016	2017	2018	2019
Operating Sq. Ft.	71,978,507	54,888,730	52,399,026	50,354,101	48,051,230	45,137,587	45,116,344
Headcount	344,650	225,750	224,740	219,056	208,043	199,458	188,779

Absolute Indicators

Energy							
Electricity (GWh)	1,964	1,657	1,586	1,516	1,447	1,374	1,311
District Heating (Steam & Chilled Water)	87	60	62	61	58	57	46
Energy Purchased (GWh) – Scope 2	2,050	1,717	1,648	1,577	1,505	1,431	1,356
Natural Gas (GWh)	145	83	76	70	63	80	71
Fuel Oil (GWh)	51	37	37	32	29	28	32
Energy Consumed (GWh) – Scope 1	197	120	113	102	92	108	103
Total Energy (GWh)	2,247	1,836	1,761	1,679	1,597	1,539	1,459

CO ₂ e Emissions*							
Direct CO ₂ e (GHG Scope 1) (Gas & Fuel Oil) (mt)	43,533	27,042	25,742	23,141	20,951	24,132	23,289
Indirect CO ₂ e (GHG Scope 2) (Electricity, Steam & Chilled Water) (mt)	1,048,226	821,767	789,002	747,748	677,636	623,233	593,611
Total CO ₂ e (mt)	1,091,759	848,809	814,743	770,889	698,587	647,365	616,900

Water Consumption							
Potable Water (m ³)	6,691,534	5,272,072	5,094,364	4,823,836	4,595,506	4,278,673	4,061,356
Nonpotable Water (m ³)	13,014	20,784	57,822	233,093	284,292	247,846	274,727
Total Water Consumption (m ³)	6,704,548	5,292,856	5,152,186	5,056,930	4,879,798	4,526,519	4,336,083

* For our GHG emissions performance, the base year and the annual performance against the goal are calculated using a location-based method. Figures may not sum to totals due to rounding.

Environmental Impact Report (continued)

	2005	2014	2015	2016	2017	2018	2019
Waste							
Recycled Office Paper (mt)	6,230	16,608	14,992	26,908	11,709	10,953	10,611
Refuse and Other (mt)	57,412	29,825	28,818	27,717	26,846	26,683	25,759
Total Waste (mt)	63,642	46,433	43,810	54,625	38,555	37,636	36,370

Relative Indicators

Total Energy Consumed							
kWh/Rentable Sq. Ft.	31	33	34	35	33	34	32
kWh/Headcount	6,520	8,135	7,834	8,094	7,678	7,716	7,729
Net CO₂e							
Metric Tons/Rentable Sq. Ft.	0.015	0.015	0.016	0.015	0.015	0.014	0.009
Metric Tons/Headcount	3.168	3.760	3.625	3.542	3.358	3.246	2.066

Scope 3 Emissions

Business Travel							
Business Air Travel CO ₂ e (mt)	NA	178,694	109,687	135,735	151,112	149,588	126,055
Business Train Travel CO ₂ e (mt)	NA	6,651	1,605	2,125	209	227	174
Thermal Power							
30-Year Plant Life CO ₂ (mmt)	NA	0.0	9.6	7.8	18.1	9.9	0.0
60-Year Plant Life CO ₂ (mmt)	NA	0.0	19.2	15.6	36.2	19.8	0.0



Digital Innovation

>> HIGHLIGHTS

A decade of innovation

Citi Innovation Labs have been creating and scaling new ideas since 2009

Page 87

Protecting digital identity

We focus on employee training, investigation of new technology and broad engagement on the issue

Page 95

To achieve the breakthrough innovations that are critical to business success, Citi must do more than stay current with today's technological advancements; we must also examine the trends and issues that are changing the world around us and affecting the needs of our clients and customers. We recognize innovation/digitization as a material environmental, social and governance (ESG) issue. It also connects to and enables several of our other material issues, including financial inclusion, data security and privacy, customer satisfaction, and products with environmental and social benefits.

Fostering Innovation

Innovation at Citi means problem-solving with clients, partnering with next-generation companies to stay ahead of the curve and fostering an environment that values experimentation. Across our company, we empower our employees to develop and deliver new solutions that meet the most pressing needs of our clients, customers and communities. Working in partnership with startups, governments, universities and technology companies, our Citi Ventures team is one of the key ways we drive innovative change for financial

services. Since 2010, Citi Ventures has invested in more than 40 startups and has helped to pilot or commercialize more than 60 percent of those startups within Citi. The team's current portfolio includes companies that are leading the way in investment platforms, digital infrastructure, fintech, commerce and payments.

In addition to investing in startups, Citi Ventures advances innovation through three complementary focus areas.

- Through our **D10X**[®] program, we empower our employees to build, test and launch new solutions that are exponentially better for our clients. This approach helps us accelerate learning and bring more certainty to where we should – or should not – invest resources.
- Our **Emerging Technology** team monitors new solutions that offer the greatest potential to transform the lives of people, businesses and communities. Working closely with Citi colleagues and the external innovation ecosystem, we learn, engage and experiment. This is critical as we look to upskill our workforce and prepare both our employees and our clients for the next decade.
- Our **Studio** team, which launched in 2018, collaborates with Citi colleagues internally and engages with the broader, external digital innovation ecosystem to understand the macro trends affecting economic vitality for people, businesses and cities and to incubate solutions. The team identifies areas where Citi can drive change and help communities thrive, specifically looking at the future of work, inclusive entrepreneurship and city competitiveness.

Through these efforts and others across Citi, we collaborate on breakthrough ideas that originate outside of our company and support innovation from

Citi Innovation Labs: A Decade of Innovation

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Understanding the needs and expectations of our customers in relation to technology is a longstanding tradition for Citi. In 1975, the rise in popularity of ATMs prompted us to establish a research center exploring consumer behavior and interactions with these machines. From there, our interest in how technology both influences customer expectations and has a positive impact on their experiences with our bank has only grown.

In 2009, we opened our first Citi Innovation Lab in Dublin, Ireland, with the aim of understanding how advancements in technology would impact our clients' expectations as well as our business models and treasury operations. In the decade since, our Innovation Lab model has evolved to keep pace with technological advancements, the direction of our business and the needs of our clients. We started with a single lab that operated independently from our business and was focused on Citi-oriented solutions. Today our Innovation Lab network has grown to five labs globally. Not only are these labs now more integrated with our core business – enabling greater innovation throughout our organization – they also partner with fintech firms to bring new solutions to scale from concept through execution.

In the last 10 years, technological innovation has led to new ways of doing business as well as completely new business models based on e-commerce, connected systems and real-time dynamics. The two-way channel between our labs and our business enables collaboration and a free exchange of ideas, helping us find cutting-edge solutions and often co-creating with our clients to address the unique challenges they face.

As we move forward, our Labs are considering how business models will change in the coming years as demographics shift, the needs and activities of our clients evolve and technology continues to develop at a rapid pace. Citi currently has Innovation Labs in England, Ireland, Israel, Mexico and Singapore.



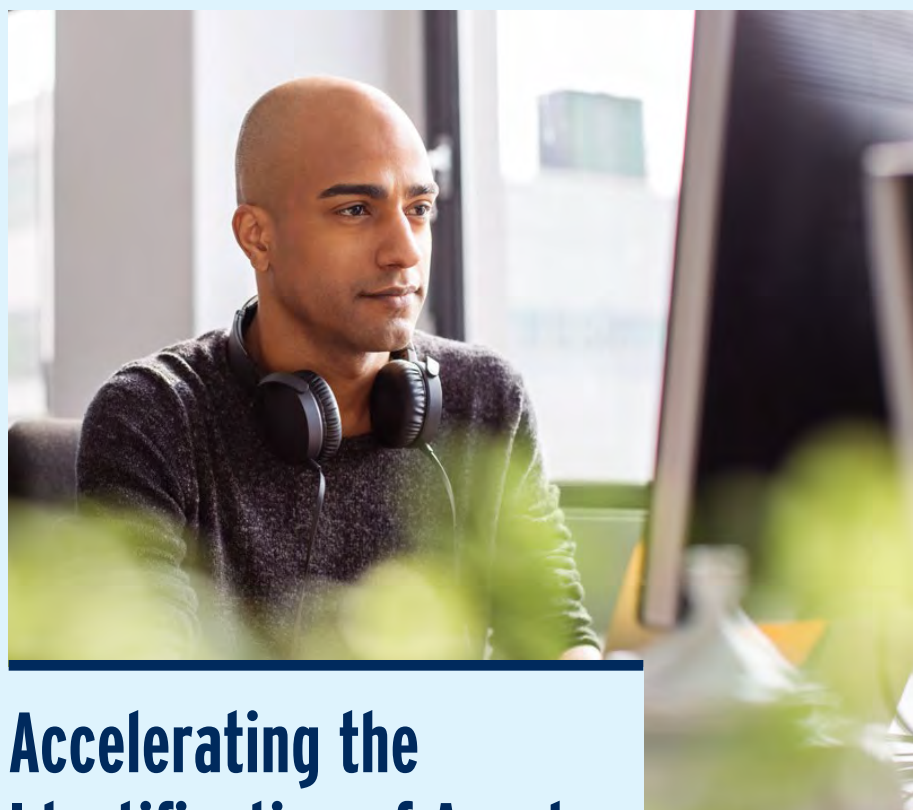
within – thereby incubating new solutions and products that support our mission of growth and economic progress.

Empowering Financial Security and Strengthening Communities

In 2019, Citi Ventures invested in, built and launched a range of products and services that improve financial security for consumers and support community development. One such investment is Digit – an app that analyzes users' spending habits and helps them save money. Digit connects to an individual's checking account and uses advanced algorithms that look at historical transaction behavior and use predictive technology to determine the optimal amount of money to save each day. It then automatically moves that money into a separate account. This automation helps users better understand their financial health and save money without thinking about it so they can reach their goals and feel more financially secure. The Citi Ventures team partnered with Digit in 2019 to help them build their business and scale their solutions.

Similarly, Citi Venture's D10X program supported an internal team of employees to develop a solution that helps consumers track their spending and manage their finances. This app – called Beacon by Citi – tracks everyday expenses such as eating out, buying coffee, taking taxis or buying groceries and then provides customized activities based on each person's spending habits to encourage behavior change. Both Digit and Beacon by Citi are available to everyone via the App Store and Google Play, regardless of whether they are Citi customers.

In addition to tools that help individuals manage their personal finances, we also contribute to solutions that support the financial health of entire communities. In 2019, we launched City Builder by CitiSM, a data-driven platform for investors and funds to explore place-based investments,



Accelerating the Identification of Assets for Green Bonds

Green bonds are debt instruments whose proceeds go toward financing or refinancing projects that meet certain environmental or climate-aligned criteria. One challenge of green bonds is that they require companies to identify new projects or green assets on their balance sheets for the bonds to fund. This is often a slow, manual process, which can discourage large companies from attempting to secure green bonds.

In 2019, one of our employee-led D10X teams developed and piloted a new platform in partnership with Microsoft that uses machine learning to automate this time-intensive process – rapidly scanning balance sheet data to identify potential green assets and suggesting financing or refinancing structures. This cloud-based service also has the potential to help institutional investors and asset managers track their green bond investments, learn more about their portfolio and provide impact reporting.

After successful internal tests, Citi is exploring piloting the service with public-sector clients, including development banks. We will use insights from the pilot to refine and improve the platform, with the goal of making green bonds a more accessible option for companies and large issuers with extensive or complex balance sheets.

identify local investment needs and gain valuable insights into the potential social impact of investments in affordable housing, job creation, youth services and more. City Builder by Citi is currently focused on supporting community impact investments in U.S. Opportunity Zones, aggregating census data and real estate insights to present a comprehensive view of the needs and opportunities within each city.

Investing in Tech Talent

In addition to supporting entrepreneurs and innovative companies, we also invest in the passionate, skilled employees within Citi who know our business, know our clients and have their own groundbreaking ideas that can benefit customers. And we look to attract future tech talent by developing meaningful programs that pave the way for the next generation of leaders.

Our D10X program, powered by Citi Ventures, is one way we foster innovation internally and encourage new ideas across our businesses. Through this model, we engage our employees and partner with our clients to develop, validate, test and deploy innovations quickly and effectively. Employees test their hypotheses and refine their approaches through direct contact with clients. Grounded in the principles of venture capital and in Lean Startup methodology, participating employees are coached and championed by seasoned, in-house coaches through each step of the process – from ideation to pitching and validating ideas to launching solutions into the market. Examples of projects in development during 2019 include the Beacon by Citi app and cloud-based green assets as a service platform, both mentioned earlier. Since the program's inception in 2016, more than 2,800 employees have been involved with D10X, and we have tested nearly 300 new ideas.

Another important part of our innovation strategy involves engaging with diverse emerging talent. Through Citi® University Partnerships in Innovation & Discovery (CUPID), launched in 2018, Citi embeds students from leading universities in innovation activities across the company. The students gain exposure to various aspects of Citi's businesses while helping to solve complex, real-world challenges with cutting-edge solutions for clients and communities.

CUPID emphasizes an interdisciplinary, collaborative approach, seeking out talent beyond business graduate programs to include individuals studying design, engineering and public policy. Rather than taking a one-size-fits-all approach, we match students in the program with innovation-focused internships that fit their interests, goals and skills. In 2019, we hosted a skills-building summit for students from historically black colleges and universities

Diversity in Student and University Participation Through CUPID

The Citi® University Partnerships in Innovation & Discovery (CUPID) program collaborates with a diverse group of students from more than 70 leading universities to support innovation efforts across Citi.



1,800

students with whom
the CUPID program
has engaged



20%

of students engaged
are from historically
black colleges and
universities



75%

of students are not
pursuing Masters in
Business degrees



**Hosted our first
ALL-WOMEN HACKATHON
at Wellesley College
in 2019**

and initiated a recruitment program with women's colleges, beginning with Wellesley College. In addition to engaging with universities in Canada, the UK and the U.S., we expanded the program into Asia for the first time with the addition

of Singapore Management University. Approximately 1,800 students from more than 70 universities have participated since CUPID was established. Learn more about our efforts to recruit diverse talent in the [Talent and Diversity](#) section.

Building Digital Acumen

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The Future of Jobs Report 2018 from the World Economic Forum offers a broad overview of how the Fourth Industrial Revolution is affecting the global workforce and an analysis of how the labor market will take shape leading up to 2022. Among other findings, the report asserts that to meet the future needs of their organizations, businesses must support the reskilling and upskilling of their current workforces (beyond just those employees already performing in-demand jobs). Furthermore, the report found that as the workforce changes rapidly, the window to proactively manage this change is closing. Unfortunately, rather than embracing this window of opportunity, many employers are focusing their upskilling efforts on a narrow set of already highly skilled, highly valued employees.¹

In this context of a rapidly changing world and a workforce that is transforming along with it, Citi is providing our employees with access to resources that help them build digital skills, enabling them to take advantage of opportunities within our company. Through the online platform Degreed, we offer employees learning pathways on digital awareness and digital acumen. These curated collections of resources – including courses, videos, articles and other tools – help employees gain an understanding of the digital world and provide insight into the latest technology trends, how they impact Citi and what our company is doing in response. The resources cover a wide range of topics, including machine learning, artificial intelligence, cryptocurrency, extended reality, and agile and robotic process automation. Employees can complement this coursework by joining an online collaboration community where they share knowledge and best practices with their colleagues about the skills required for the future of work.

In addition, our Citi Ventures Emerging Technology team engages with stakeholders inside and outside of Citi to understand technological breakthroughs on the horizon. The team uses this knowledge to push Citi's collective understanding forward and develops learning packs to educate Citi employees about next-generation technologies, opportunities within the current market and how their skills could be used in the future.

Customer-Centric Solutions

The success of our business depends on balancing the needs of all our customers. This means that while we maintain our physical branches and analog processes for our customers who depend on them – a sizable and important portion of our customer base – we are also investing in and advancing digital solutions, which we see as our biggest opportunity for future growth. Our Global Consumer Banking business has reshaped itself in recent years to become even more customer-centric, with a focus on digital solutions that meet customers where they are and respond to the ways they want to engage with us. A growing number of customers expect digital innovation that provides ease and convenience in accessing financial information and empowers them to manage their money responsibly.

Empowering Customers Through Digital Platforms

As more of our customers embrace mobile technology, we have evolved to a mobile-first strategic focus. Some of the most recent updates to our mobile banking app provide practical, convenient solutions that empower customers to avoid fraudulent activity on their accounts. For instance, customers can use the app to report lost or stolen ATM and debit cards and track replacement cards, all while monitoring their transaction history for fraudulent activity. They can also use the geolocation of their mobile phones to gauge their proximity to their credit cards during point of sale transactions, which reduces the likelihood that a genuine transaction will be interrupted due to a mistaken fraud alert.

Secure, streamlined solutions are also important for connecting with new customers and expanding offerings to our

¹ World Economic Forum, *The Future of Jobs Report 2018* (Sept. 2018), pages v, vii and 23, http://www3.weforum.org/docs/WEF_Future_of_Jobs_2018.pdf.

existing customers. In 2019, for example, we became the first bank in Poland to use biometrics to make credit card and loan application processes more efficient for our customers. The technology enables automatic income verification and remote confirmation of a client's identity using facial biometrics. And in Mexico, Citibanamex customers now have a quick, secure, digital option for opening accounts in branches nationwide. In both cases, these technologies reduce wait time for customers, contributing to positive customer satisfaction. Further, the increased integration of digital technologies in our processes increases the accessibility of our products and services for those unable to visit a branch.

We are also developing solutions to serve our institutional clients who are embracing mobile technologies. The CitiDirect BE® Mobile app is a digital solution for our institutional customers that enables a secure, convenient way to authorize payments, view balances and cash positions and manage users. Throughout 2019, we expanded access for clients across many countries in Latin America and the Caribbean, enabling the use of fingerprint or facial recognition to access the platform. Designed in partnership with clients, these biometric solutions enable authentication in mere seconds and serve as an alternative method for secure access to their accounts. We are introducing the app and biometric authentication capability in additional markets throughout the region.

Developing Solutions with Customer Feedback

Citi identifies customer satisfaction as one of our most material ESG issues. We know that we exist to bring value to all of our stakeholders, including our customers. Monitoring their feedback and addressing concerns is vital to our success as we seek to deliver value and empower customers with tools that help them thrive financially. To this end, we

The Future of Digital, Customer-Oriented Banking

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Despite rapidly emerging technologies, legacy banks can be bogged down with siloed data, manual processes and outdated technology. In order to meet our customers' expectations, we must reinvent banking, aided by digital solutions and with customer experiences and expectations at the center of the model. Read more about the opportunities banks have to embrace partnerships and disruptive technologies to transform themselves into

digital competitors in a 2019 report from Citi Global Perspectives & Solutions (Citi GPS) entitled *Bank X: The New New Banks*.



Fast-Tracking Solutions to Support Financial Well-Being

Launched in 2018, the Citi® Open Innovation Challenge was a five-week virtual program that challenged applicants to answer the question: "How can Citi empower customers to manage their debt and improve their overall financial wellness?" During 2019, selected applicants participated in the Citi FinTech Integration Program, where they received mentorship to develop their ideas on an accelerated path to commercialization with Citi, as well as practical tools and lessons they can apply to work with other large organizations. The seven fintechs selected to participate represent a wide variety of solutions to help promote financial wellness, including debt repayment, management of household finances and more.

actively engage with customers, listen to concerns and take direct action based on feedback.

Citi takes an agile approach to understanding the customer experience, and we use a range of inputs, including customer feedback, to prioritize improvements across our businesses. Through the use of customer survey input,

quantitative metrics such as product use and Net Promoter Score, and the identification of pain points through multichannel monitoring (including social media, phone, chat and email), we are able to take corrective action, drive improvements and prioritize product enhancements that are important to our customers.



#1 in Customer Satisfaction

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In 2019, the American Customer Satisfaction Index rated Citibank the #1 retail bank for customer satisfaction. We led national banks in the areas of perceived value, customer loyalty and retention and call center satisfaction, among others. We also earned the top spot in Business Insider Intelligence's U.S. Mobile Banking Competitive Edge Study, due to the customer-centric features available in our mobile app.

In 2019, for example, we tackled the top customer complaint that we receive at Citi branches: wait time. Teams across Citi partnered together, tapping into the expertise of employees in Independent Compliance Risk Management, Legal, Finance, Global Consumer Banking, Global Public Affairs, Human Resources, and Operations and Technology to solve this problem for our customers. The result is our Digital Appointment scheduling – a seamless, simple-to-use tool that enables branch customers to use Citi Online or the Citi Mobile® App to schedule visits that are convenient for them. Because the scheduler uses real-time availability pulled from bankers' calendars, customers can count on branch employees being ready to meet their needs when they arrive.

Designing for Accessibility

As we strive to put all customers at the center of what we do, we recognize the importance of providing products and services that meet accessibility needs and preferences. We offer Braille and talking ATMs, large print and Braille statements and raised-line checks for the visually impaired. We also offer TTY or Text Telephone for the hearing impaired. Many of our services are provided in multiple languages to support the diverse populations we serve, and our products are tailored to meet the needs of the individuals in the countries where we do business.

Our global Disability Affinity group deepens employees' understanding of the appropriate etiquette and language to use when interacting with people with disabilities. During 2019, the Affinity created an employee user group to help us test our current assistive technologies, so we can identify problem areas and work with our external technology partners to develop applications that are fully accessible.

Beyond individual features, technologies and services, when we think about the best way to serve those in the disability community, we also consider other factors and issues that intersect with disability and must be overcome to advance financial inclusion and empowerment. In 2018, we worked with the National Disability Institute and the City of New York to launch Empowered Cities – a national initiative to improve financial access, stability and opportunity for low-income people with disabilities and their families. Building on that effort, in 2019 we participated in a convening of commissioners from 10 mayoral offices and disabilities-focused leaders to explore how we can address the most-pressing financial security issues facing the disability community. Gatherings like this help us to expand financial inclusion for people with disabilities, both through

support for financial education as well as in the design of truly inclusive products and services.

Safeguarding Data and Protecting Customer Information

As digital solutions expand and become more integrated into our daily lives, we see increasing concerns related to privacy and security breaches. Data security and privacy are top priorities for Citi and for our stakeholders and are among our most material ESG issues.

Information Security

Citi's Chief Information Security Office (CISO) Program combines information gathering and data analysis with forensics to inform strategic decisions. Our approach rests on having the right technology, systems, policies, processes and talent in place to prevent, detect, respond to and recover from cyber threats quickly. Our CISO Program is accredited by the British Standards Institution, and we are the first major financial institution to have our program ISO 27001 certified. The program is also regularly examined by regulators, as well as by internal and external auditors.

The Audit Committee of our Board of Directors oversees the development, implementation and maintenance of our CISO Program. The program is managed by the Chief Enterprise Infrastructure Operations & Technology Officer and the Chief Information Security Officer on a global enterprise basis; the Chief Executives of each business sector and region are responsible for implementation and compliance with program procedures and requirements. Annually, we provide our employees with training on how to properly handle personal information and how to maintain the security and

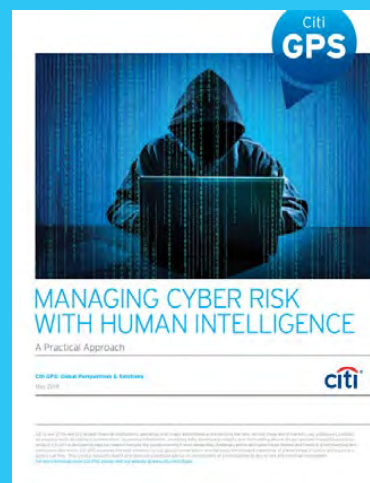
Managing Cyber Risk with Human Intelligence

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Technological advancements enrich our lives and empower us with interconnectedness, access to information and increased efficiency. Unfortunately, those same positive attributes can be exploited by those who carry out cyberattacks on individuals, corporations and governments. It is estimated that cyber breaches cost the global economy \$1.5 trillion per year, and this is expected to increase, with some sources believing it could cost the global economy \$6 trillion by 2021.²

In a 2019 report entitled *Managing Cyber Risk with Human Intelligence: A Practical Approach*, Citi Global

Perspectives & Solutions (Citi GPS) explores cyber risk for governments, infrastructure systems, corporations and individuals. The report advocates for a move away from reactive, defensive approaches and toward a proactive, intelligence-led risk management strategy. It also provides foundational guidance for how to move in that direction.



privacy of information when working with companies that provide services to us.

To safeguard information in our own operations and for our clients, we invest in, develop and use advanced technology. For instance, the Citi Virtual Card Account provides a secure, business-to-business digital solution for large workflows through the generation of unique, nonplastic account numbers. The virtual card technology enables real-time transactions that are automated and secure, safeguarding against fraud and potential misuse. The card eliminates the need for paper-based payments but still leaves an electronic trace, which allows for easy reconciliation and reporting. During 2019, we also announced the

Citi Payment Outlier Detection solution. This technology uses analytics, artificial intelligence and machine learning to find transactions that don't align with typical patterns of activity. These outliers can then be investigated to determine whether they indicate fraud.

Citi conducts regular information security risk assessments and has internal controls to defend against information security breaches. We have stringent policies and employ robust technologies to protect our data and systems, supported by a strong team with deep expertise. Our CISO team protects information from data breaches and misuse by maintaining strong networks to protect our systems and databases, but we remain vigilant as

² Citi Global Perspectives & Solutions, *Managing Cyber Risk with Human Intelligence: A Practical Approach* (May 2019), page 3, <https://www.citivelocity.com/citigps/managing-cyber-risk-with-human-intelligence/>.

we know that such threats persist. Our Information Security Utility team works with partners across Citi's businesses to support CISO Program compliance requirements and increase efficiency through standardized processes and automation.

In the event of a potential breach, we have a robust process to ensure an effective response, which includes:

- Reviewing the breach to determine whether it meets any regulatory or legal reporting requirements in the country(ies) where the breach occurred or in the country(ies) impacted by the breach. If deemed necessary, a legal assessment is conducted.
- Notifying the impacted customers as required by the laws or regulations of the impacted country(ies) and as directed in the legal assessment, if it results in a requirement to perform customer notifications.

We also collaborate with external stakeholders to raise the level of security of the industry. Working with our clients, competitors, governments, law enforcement and intelligence agencies, we share best practices and conduct joint cyber resilience exercises. Our security teams also study information security challenges across industries to learn how to strengthen our internal practices and respond to problems quickly.

Privacy

The fair, ethical and lawful collection, use and processing of customers' personal information is essential to build trust, provide best-in-class services and achieve our corporate objectives. To help meet this goal, Citi has established a dedicated Chief Privacy Office team led by a global Chief Privacy Officer. The Chief Privacy Office, part of our Independent Compliance Risk Management team, manages the Citi Global Privacy program, which is overseen by the Citi Global

Privacy Committee. The program provides a framework for managing privacy and confidentiality risks for the company.

Citi's Privacy and Confidentiality Policy articulates principles relating to the collection and processing of personal information, requiring, in part, that personal information only be collected and used as necessary for the performance of the services offered and for the purposes disclosed in a privacy notice. Citi is transparent in our collection and use practices and offers customers choices with respect to how their personal information may be collected or otherwise used (as required by law), including opting out of marketing or other communications or reviewing and correcting information. Citi employees are required to take privacy and information compliance training that covers these privacy concepts.





Protecting Digital Identity

Our digital identities are a critical aspect of our modern lives and integral to many financial products and services. With this, we face the ongoing threat of identity theft and cyberattacks that can undermine the security of our personal information. As a result, people often wonder how to take full advantage of digital solutions while protecting their privacy and safeguarding their data, especially as they grow weary of complex authentication requirements and the need to remember an ever-growing list of passwords and user IDs.

For financial institutions such as Citi, verifying our customers' identity is fundamental to safeguarding their financial assets and protecting their privacy. Our aim is to deliver solutions that provide seamless, intuitive interactions with digital tools that won't compromise personal data. To provide ongoing training for our employees, we have created digital identity learning packs that help build awareness of and skills related to new digital identity technologies. In addition, in 2019 we hosted an event called The Future of Digital Identity that engaged clients, partners, startups and Citi employees. Regardless of the varying perspectives the panelists brought to the event, there was consensus that data privacy and protection are central to advancements in digital identity. Their assessment was that regulations around the world and increased attention on

privacy rights are elevating the need for more end-user control over personal information.

We are seeing advancements in decentralized identity that provide efficient solutions that are more secure than traditional, centralized models and less cumbersome than maintaining multiple IDs and passwords. During 2019, Citi participated in a digital identity project with external partners to explore new decentralized approaches enabled by blockchain technology that build trust to create a secure exchange of information between unknown parties. We will continue to explore the latest trends and technology in this cutting-edge space, while working to implement secure, user-friendly solutions that meet our customers' needs.

» What's Ahead

The depth and reach of digital innovation offer us incredible opportunities to deepen relationships with our existing clients and customers while expanding our business. In the coming years, partnerships will be critical as we collaborate to bring innovations to scale, expand financial inclusion through digital solutions, strengthen our business and respond to the changing expectations of our clients and customers with agility and expertise.

As reliance on digital technologies accelerates, it is imperative that we remain knowledgeable of the latest advancements and the related implications for our business and our clients and customers, including safeguarding digital identities, the ethical use of artificial intelligence and the opportunities offered by blockchain, to name a few. Digital advancements affect every aspect of our business, so we will continue to engage our employees with resources that help them acquire and hone the skills essential to their success at Citi and, by extension, our success in the marketplace.



Talent and Diversity

>> HIGHLIGHTS

Pay equity transparency

Publicly shared our raw pay gap in 2019, with continued pay equity transparency in early 2020

[Page 97](#)

Equality Act

Supported the proposed Equality Act, federal legislation that would provide protections to LGBT+ people

[Page 101](#)

Paid leave

Expanded our Paid Parental Leave Policy to every kind of family, everywhere we operate

[Page 110](#)

At Citi, we actively seek out diverse perspectives at all levels of our organization because we know that it will improve performance and boost innovation and engagement. Over the last two years, we have elevated the conversation around race, gender and equal pay for equal work. Our increased transparency, which in turn breeds accountability and credibility, is a force for change both inside and outside our company. While we recognize that we have much more to do, we are proud of where we are headed.

Engagement with our people throughout their careers at Citi, along with a commitment to being a company with values

that they can be proud of, is essential to our success. We are innovating how we engage with, recruit and develop talent;

we are using data more effectively to diagnose our challenges and areas of opportunity; and we have increased accountability for our representation goals among people managers. In 2019, we built out our analytics team to help us use evidence-based decision-making to better attract, retain and promote top talent. This year, the team focused on gaining insights on a range of research topics, including differentiating high-performing teams, female attrition and the impact of leaves of absence on career trajectories. One of the initial projects was strengthening our employee survey by adding more questions related to experiences and perceptions. This

feedback, viewed with a demographic lens, helps us better understand where we need to focus.

Our Diversity Priorities

Pay Equity

In the U.S., women make less than men, and women of color take home less than white women. Worldwide, women hold only about one-third of corporate leadership positions. Businesses have been working for decades to advance gender equality in the workplace, but progress has been slow and results disappointing.

At Citi, we've pushed ourselves beyond our comfort zone – not just to acknowledge the stark realities laid bare in the statistics around pay equity, but also to recognize the social and cultural forces that produced them. We are being open about our data, what it means and what needs to be done to meet our goals.

In 2019, we disclosed that, on an adjusted basis, women globally are paid on average more than 99 percent of what

men are paid at Citi, and there was no statistically significant difference in adjusted compensation for U.S. minorities and nonminorities. Following our review, we once again made appropriate pay adjustments as part of our annual compensation cycle.

We also made a decision to be transparent about a statistic that our CEO has described as “disappointing” and “ugly”: our unadjusted or “raw” pay gap¹ for women and U.S. minorities. The analysis showed that Citi’s median pay for women globally is 71 percent of the median for men and that the median pay for U.S. minorities is 93 percent of the median for nonminorities. An updated analysis released in early 2020 found those numbers had moved slightly, but in the right direction, to 73 percent for women and 94 percent for U.S. minorities. For our company, the data reaffirms the importance of goals we announced in 2018 to increase our representation of women and U.S. minorities in senior and higher-paying roles at Citi. (See more on [page 98](#).) We know that is the only effective way for us to meaningfully reduce our raw pay gap over time.



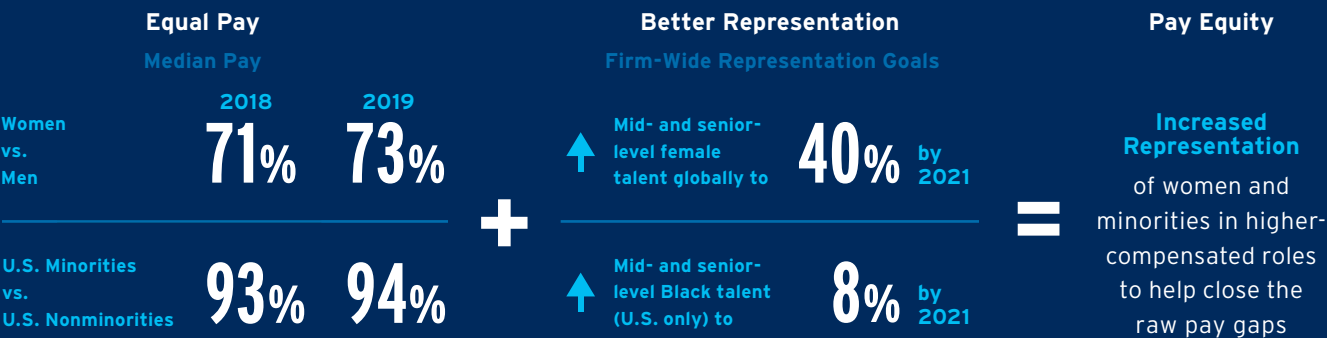
Radical transparency certainly makes you uncomfortable, but it’s important to get out of the old habits. You’ve got to shake your thinking up and do something differently, and that’s why it makes a difference.”

– Jane Fraser, who was promoted in 2019 to President of Citi and Chief Executive Officer, Global Consumer Banking

¹ The raw pay gap is the difference between the median pay for all female employees and the median pay for all male employees at Citi, and the difference between the median pay for minorities and nonminorities, not accounting for differences in factors such as job function, level or geography.

Raw Pay Gap Data

Citi was the first company to disclose the aggregate measure of total compensation (i.e., all men vs. all women, all U.S. minorities vs. all U.S. nonminorities) across all employees regardless of role.



Our work to address both pay measures is continuous, and the pace of change is likely to vary from year to year. As people come in and out of the firm, as our colleagues are promoted and as market dynamics change, these reviews serve as important measures of how we're doing on our commitment to pay colleagues equitably for their work and of the progress we're making to increase diversity at more senior levels at Citi.

Representation Goals

We have set representation goals to increase diversity across the firm and have focused our efforts on three key areas: targeted recruitment, development and retention, and promotion paths and processes. At a minimum, by the end of 2021, we plan to improve the representation of women in assistant vice president to managing director level roles to at least 40 percent globally, up from 37 percent when we set the goals in 2018, and to boost the representation of Black employees in those same roles in the U.S. to at least 8 percent, up from the 6 percent 2018 baseline. Senior leaders at Citi were involved in the development of the goals and are now measured on their progress against them, just as they are for other business priorities.

As we work toward these goals, we are gaining valuable insight into the internal and external roadblocks that can make growing the pipeline of diverse talent and expanding diversity at senior levels challenging – challenges that are shared across many industries. As we learn, we are able to implement changes that ensure we sustainably move the needle on our diversity metrics while supporting representation across all diverse groups globally.

Some have raised concerns that increasing the focus on diversity and inclusion runs contrary to the idea of creating a true meritocracy. However, the myth of meritocracy is that a level playing field, where there is equal opportunity for all to succeed, already exists. But, the most

recent data from the National Center for Education Statistics shows that women make up 47 percent of people receiving graduate degrees from U.S. business schools. Yet the percentage of women who run Fortune 500 companies declined in 2018 to 4.8 percent, down from 6.4 percent the prior year. Such outcomes reinforce how deeply rooted and systemic these challenges are. Advantages are available to some because of their socioeconomic, academic or cultural background, and reflecting a true meritocracy requires that we eliminate the imbalance of women and minorities in our workforce by working to actually level the playing field.

These representation goals, as well as other work we are doing around gender equality in the workplace, directly contribute to **SDG 5** in support of **gender equality and empowering all women and girls**. Specifically, we are enabling progress toward **target 5.5**, which aims to **ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life**.



SDG Goal 5: Gender Equality

Inclusive Leadership

We engage our colleagues in creative ways to help them understand the importance of inclusive leadership at

Citi and address unconscious bias and workplace micro-inequities head on. We kicked off 2019 with our second annual Together at Citi: Building an Inclusive Culture event in which our CEO and our Affinity group leaders engaged employees in a robust discussion on inclusive leadership, transparency and belonging. This session was complemented by four regional sessions on building an inclusive culture that were led by senior executives and Dr. Binna Kandola, co-founder of the business psychology firm Pearn Kandola. In these sessions, which engaged 8,500 colleagues, participants heard anecdotes from real employees about their personal experiences with micro-inequities and the impact those experiences have had on them in the workplace. Participants also learned strategies for building awareness of and mitigating micro-inequities.

In addition, we trained more than 4,500 hiring managers and Human Resources colleagues to recognize and call out potential unconscious biases in their people decisions. We have created interactive sessions to recognize common unconscious biases and hold one another accountable to calling these out when we see them.

In July, New York University School of Law Professor Kenji Yoshino presented his research on "covering" – i.e., downplaying our outsider attributes in order to blend into the mainstream – at Citi's New York headquarters. Professor Yoshino argued that we should find common ground in our desire to be authentic –

Shared prosperity will not be achieved in the absence of a strong commitment, coming from the top, to equal pay for equal work and equal representation in positions of seniority. It cannot be achieved if our colleagues, no matter their position within an organization, don't work in an environment where they feel like they belong and are free to contribute their talents to reach their full potential."

– Michael L. Corbat, CEO



Our new multimedia advertising campaign, *The Moment*, was created to further the discussion around the issue of pay equity and senior-level representation gaps – at Citi and beyond. The campaign, which kicked off in 2019 with a Times Square billboard, unveiled a series of photographs that capture the raw, unedited reactions of the children of Citi employees at the precise moment when they learn about the gender pay gap and unequal opportunities that persist across many industries. The full video, showcasing their real-time reactions, can be viewed on Citi's [website](#).

a desire that brings us together instead of driving us apart. During the session, Professor Yoshino offered concrete and actionable solutions to create and sustain an inclusive culture.

Our Affinity Groups

With close to 200,000 colleagues in nearly 100 countries, our people reflect the remarkable range of cultures and perspectives of our clients and customers. The breadth of backgrounds, experiences and perspectives of our team is what enables our success.

Our Affinity model, built as a complement to our global, grassroots Employee Network program that has been in existence for 18 years, is our enterprise approach to setting and reinforcing the

company's diversity priorities and goals. Our 10 Affinities – Asian Heritage, Black Heritage, Citi Salutes®, Citi Women, Disability, Generations, Hispanic/Latino Heritage, Multicultural, Families Matter and Pride – are designed to ensure that we understand, appreciate and respond to the needs of our entire employee base. The Affinities contribute to our efforts to hire, promote and retain diverse talent while also advocating for and engaging employees and supporting our communities. Members of our CEO's leadership team, along with other senior leaders across the company, co-chair each Affinity to help provide accountability for an equitable and inclusive culture. The Affinity leaders act as public champions for the priorities and needs of each demographic, both within the company and externally.

Another critical area of focus is ensuring that our talent pipeline is more aggressively managed. We have been conducting pipeline analysis as part of annual succession planning in a number of units across the company. In 2019, we expanded these efforts, enabling leaders to ensure that we have the right mix of talent who are ready now for promotion and that employees who are two to three years away from their next roles have appropriate development plans in order to facilitate career mobility.

Affinities and Networks in Action: 2019

Our Employee Network chapters serve as local branches of our Affinities and are initiated and led by employees. They offer professional development, mentoring, networking and community engagement opportunities to members and colleagues. Consistent with our inclusive culture, Employee Network chapters are open to all Citi employees, whether or not they identify with a particular Affinity. Here we highlight a few examples of the efforts of these networks in 2019.

» 187 Total Employee Network Chapters across our Affinities

| Multicultural

Black Heritage

sponsored the Owning My Success group coaching program for high-performing Black employees for the second year, increasing the number of participants by 85 percent from 2018.

| Families Matter

launched as a new Affinity, replacing the former Parents network. Families Matter is designed to support employees through all stages of their lives by creating a culture of balance between work and family life.

| Pride

Citi Women

co-hosted the inaugural Equality Lounge and two equality panels alongside The Female Quotient at the 2019 Milken Institute Global Conference. During these panels, Citi senior executives discussed our diversity and inclusion work, including our gender equality efforts, with more than 200 Citi clients.

| Disability

| Hispanic/Latino Heritage

hosted philanthropist Luis A. Miranda to speak on how everyone can do their part to effect change in their communities.

| Generations

Asian Heritage

celebrated Asian Heritage Month in May with a virtual session in which co-leads of the Affinity group shared insights and tips on career management at Citi, highlighting Investing in You, an initiative focused on providing unique development opportunities to ensure that Affinity members have the skills and experience to advance their careers.

Citi Salutes®,

our veterans Affinity, hosted a fireside chat with David McCormick, co-CEO at Bridgewater Associates and previously U.S. Treasury Under Secretary for International Affairs. While in the U.S. Army, McCormick was part of the first wave of U.S. troops sent into Iraq during the first Gulf War in 1991. During the fireside chat, he discussed his journey from West Point to the military and government service and his subsequent transition to the private sector.

» Employee Networks by Region





Citi rang the closing bell at the New York Stock Exchange in recognition of Pride Month and the 50th anniversary of the Stonewall uprising in New York City. We also replaced the red arc of our logo with a rainbow in solidarity.



LGBT+ Equality and Rights

We recruit the best talent and give them opportunities for success and mobility. This explicitly includes ensuring that LGBT+ candidates and employees have access to a safe, inclusive and diverse workplace. In order to do that, we must confront unconscious biases and make certain that our policies are inclusive for all.

Citi operates in many countries and jurisdictions where LGBT+ rights are not yet legally and socially accepted. We recognize the challenges faced by the community and our colleagues in some of these countries. We are committed to ensuring that the rights of all LGBT+ employees are fully respected, covered by Citi policies and reflected in the diversity of our workplaces.

We have expanded insurance and other benefits available under our U.S. policies to LGBT+ partners globally wherever the benefits are legal and permitted under local law, such as in Brazil, Hong Kong, India, Mexico, Singapore and Taiwan. In addition to designating a spouse through marriage or civil partnership, employees are able to designate a “partner” of any sex as an eligible family member. We recognize that employee benefits are critical to ensuring equality and mobility for our colleagues.

Citi views self-identification as a strategic priority for our diversity and inclusion efforts, including for our LGBT+ employees. More and more companies are embracing self-ID as a way for diverse employees to raise their hands to be counted and acknowledged. We believe that self-ID communicates to our employees that we

know they are here, that they are welcome and that management wants to understand how their identity impacts their experience working at Citi. By understanding the demographic makeup of our employees, we will be better able to make strategic decisions around recruitment and development. In 2019, we continued to expand the demographic questions in our Voice of the Employee survey, including those on sexual orientation and gender identity, to 39 countries, reaching 82 percent of our employee base. We plan to expand similar voluntary self-ID in our human resources profiles.

We are a signatory to the Human Rights Campaign’s Business Statement for Transgender Equality and are proud to

have reaffirmed our commitment to stand with the millions of people in America who identify as transgender or gender nonbinary or who are intersex. Through this public demonstration of support, we aim to encourage others to treat people who are part of this community with the respect and dignity they deserve.

In 2018, we expanded our new global badging policy to enable our transgender colleagues to more easily change the name on their Citi identification badge.

Citi was a founding member of the Stonewall Global Program and continues to work with other organizations advancing LGBT+ rights, including the Human Rights Campaign, Out Leadership and Out & Equal. Also, we were awarded the highest score on the Human Rights Campaign’s LGBTQ Corporate Equality Index for the 15th consecutive year.

See the [Communities](#) section to learn about our work to support inclusion through our partners.

In 2019, we became a signatory to:

- The [Business Coalition for the Equality Act](#), to support federal legislation to provide the same basic protections to LGBT+ people as are provided to other protected groups under federal law; and
- A U.S. Supreme Court amicus brief in support of workplace LGBT+ protections under Title VII of the Civil Rights Act of 1964. Working in partnership with the Human Rights Campaign and other advocacy groups, Citi joined more than 200 companies to send a powerful and unequivocal message in support of LGBT+ equality.



Disability Inclusion

At Citi, our commitment to disability inclusion is central to building a workplace where all of our colleagues feel welcome and can reach their full potential. Disability inclusion is top of mind at the highest levels of our company, and, in early 2020, our CEO signed on to [The Valuable 500](#), a global movement to put disability on the business leadership agenda.

In 2019, our Disability Affinity led an effort to evaluate Citi's assistive technologies and the accommodations we provide for employees with disabilities. These include Braille display technology, captioned telephones and desktop magnifiers. As a result, we launched a firm-wide accessibility resource center, formed an assistive technologies working group composed of employees with disabilities, and established a dedicated channel for resolving assistive technology issues.

Our commitment to disability inclusion also extends beyond our firm to the communities we serve. We have been proud supporters of the Paralympic Movement and Para

athletes since 2012. In December 2018, we announced our global, mission-led partnership with the International Paralympic Committee and 18 National Paralympic Committees. We are also supporting more than 40 Para athletes as they prepare for the Tokyo Paralympic games. Our aim is to shine a spotlight on the worldwide Para Movement, engage colleagues across the globe and help to change perceptions of people with disabilities. We are also working to offer resources that improve economic opportunity and financial stability for all, including those living with disabilities. Learn more about these efforts and our work with Empowered Cities in the [Communities](#) section.



Team USA Paralympic athletes Nicky Nieves and Trey Jenifer talk with Citi employees about the thrills of competing on the Paralympic stage



2018 Consolidated U.S. Employer Information Report (EEO-1)*

as published September 2019

2019 data will be published in line with the EEOC deadline (expected in June 2020)

Job Categories	Gender	Hispanic or Latino	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Multi-Racial	Total**
Executive/Senior Managers	Male	2.7%	47.7%	1.8%	0.9%	12.6%	0.0%	0.9%	0.2%
	Female	1.8%	27.9%	0.0%	0.0%	3.6%	0.0%	0.0%	
First/Mid-Level Managers	Male	7.1%	37.4%	2.3%	0.1%	13.0%	0.1%	0.5%	17.0%
	Female	6.2%	24.5%	3.1%	0.1%	5.4%	0.1%	0.4%	
Professionals	Male	6.9%	30.3%	3.3%	0.1%	15.5%	0.1%	0.5%	35.4%
	Female	6.1%	23.1%	4.0%	0.1%	9.4%	0.1%	0.5%	
Technicians	Male	16.7%	25.3%	5.7%	0.0%	5.7%	0.0%	0.7%	0.6%
	Female	10.0%	28.9%	2.1%	0.0%	4.1%	0.2%	0.5%	
Sales Workers	Male	10.1%	36.8%	2.9%	0.1%	11.9%	0.1%	0.5%	9.6%
	Female	9.4%	15.2%	2.7%	0.2%	9.7%	0.1%	0.4%	
Administrative Support Workers	Male	6.8%	14.4%	3.9%	0.1%	1.6%	0.1%	0.4%	37.1%
	Female	16.8%	37.6%	12.7%	0.2%	4.0%	0.3%	1.1%	
Total	Male	7.3%	26.2%	3.4%	0.1%	9.5%	0.1%	0.5%	100.0%
	Female	10.4%	28.0%	6.9%	0.1%	6.7%	0.2%	0.7%	

* For certain job categories, including craft workers, operatives, laborers and service workers, the total number of employees accounts for less than 1 percent of staff. As a result, those categories are not included in the table above.

** The total percentage is based on a U.S. workforce of 66,739. Figures may not sum to total due to rounding.

Citi's Global Workforce

» Employees by Region

63,743

North America

8,131

New Employee Hires
(12.8% Rate)

7,552

Employee Turnover
(11.8% Rate)

28,386

**Europe, Middle East
and Africa**

3,723

New Employee Hires
(13.1% Rate)

2,904

Employee Turnover
(10.2% Rate)

43,857

Latin America

8,400

New Employee Hires
(19.2% Rate)

4,995

Employee Turnover
(11.4% Rate)

63,917

Asia Pacific

10,092

New Employee Hires
(15.8% Rate)

7,618

Employee Turnover
(11.9% Rate)

>> By Employment Type



199,903

Total Workforce

....

196,961

Full-Time Employees

2,942

Part-Time Employees

>> Total

199,903

Total Employees

....

30,346

New Employee Hires
(15.2% Rate)

23,069

Employee Turnover
(11.5% Rate)

>> By Gender

101,155

Female

....

15,230

New Employee Hires
(15.1% Rate)

11,806

Employee Turnover
(11.7% Rate)

98,748

Male

....

15,116

New Employee Hires
(15.3% Rate)

11,263

Employee Turnover
(11.4% Rate)

Targeted Recruiting

We have a clear goal at Citi to become more representative of the clients, customers and communities we serve. It's smart business – the best way to compete and be reflective of the value we place on diversity. But we will never make progress increasing the representation of female and minority talent at all levels of the firm without focusing on how we bring new colleagues into Citi.

Our goal is for our analyst and associate programs to include 50 percent female colleagues globally and 30 percent Black and Hispanic/Latino colleagues in the U.S. Female representation in full-time analyst and associate roles globally increased from 35 percent in 2018 to 45 percent in 2019. Likewise, women in summer analyst and associate roles have increased from 42 percent to 47 percent over the same time period. In the U.S., our Black and Hispanic/Latino representation has increased from 14 percent in 2018 to 18 percent in 2019, with our summer representation increasing from 17 percent to 26 percent over the same time frame.

For managing director and director level hires, we continue to ensure diverse slates, including at least one woman in our interviews for global hires and at least one woman or racial/ethnic minority in our interviews for U.S. hires. In 2019, 68 percent of interview slates for managing director and director roles included at least one diverse candidate.

In addition, we utilize trainings and technology designed to help us leverage our hiring process to drive greater diversity, including interview training for all recruiters and hiring managers and new sourcing platforms.

Campus Recruiting

Campus recruiting is imperative to establishing Citi as an employer of choice among early-career professionals.

Our Early Insights Programs target freshmen and sophomores, focusing on identifying, mentoring and hiring top diverse talent for summer analyst programs across the firm. These programs, provide early exposure to and education regarding Citi's businesses, technical training, mentorship and Citi's culture.

- Freshman Discovery Day is a two-day exploratory program that helps educate underrepresented minority college freshmen on the various roles in financial services. After the program, participants are paired with a mentor from Citi and have the opportunity to participate in recruiting activity. Approximately 40 percent of the



HBCU Innovation and Leadership Symposium

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In 2019, we held our inaugural HBCU Innovation and Leadership Symposium, which brought together 85 first- and second-year students from 21 historically black colleges and universities for an introductory experience focused on helping them understand financial services, gain technical skills and kickoff the career planning process. The two-day immersive experience gave participants an opportunity to network with other HBCU students from across the U.S. and participate in workshops to share and discuss the rich experiences of professionals at Citi. The symposium provided an overview of topics such as career preparedness, entrepreneurship and personal financial management. While we would like the students to consider the possibility of a future with Citi, our primary goal was to provide them with helpful tools on their path to professional success, without regard for industry or profession. The symposium not only allowed us to build relationships with individual students, but strengthened our engagement with their universities as well – a key priority as we work to expand the network of institutions from which we pursue talent.

students who participate in Freshman Discovery Day typically move on to our Sophomore Leadership Program.

- The Early Identification Leadership Program focuses on identifying, mentoring and hiring diverse talent for our summer analyst programs over a five-week period. The program pairs each participant with a mentor from Citi and provides access to a virtual learning tool that includes weekly virtual trainings, as well as virtual panels and seminars given by Citi professionals.
- Through training, hands-on work experience, mentorship and peer networking, participants in the Sophomore Leadership Program receive early opportunities to build the skills necessary for our full-time analyst programs. More than 95 percent of program participants receive an offer to return for their junior summer.

In an effort to expand our reach beyond our traditional target schools and attract a wider variety of applicants, we have been exploring various proactive employee recruiting methods. By partnering with companies such as Jopwell and WayUp, which are U.S.-based recruiting platforms for diverse students, recruiters have been able to communicate customized messages to promote our opportunities and more directly engage with diverse talent. We also leverage opportunities to meet students in person. For example, we participated in the National Black MBA Association Conference, which convenes Black professionals and MBAs, corporate partners and thought leaders for a week of career development. Through this event, we engaged with some 500 attendees, distributing resumes to our recruiters and guiding conference attendees as they apply for Citi jobs. This engagement provides an opportunity to expand our pipeline and be purposeful in our targeting approach.



Our Citi® University Partnerships in Innovation & Discovery (CUPID) Program enables us to accelerate innovation projects across Citi by engaging diverse students and developing a robust pipeline of talent from leading universities. Learn more about CUPID in the [Digital Innovation](#) section.

Development and Retention

Our best chance of making meaningful improvements in diversity at more senior levels is to ensure we cultivate the diverse talent we already have and give our people career momentum. We will continue our focus on pay equity for all of our employees and also provide access to a robust range of career development and learning resources.

We offer a broad range of firm-wide global development programs and empower business leaders to create employee programs that are tailored to the unique needs of their organizations, because a one-size-fits-all approach to development will not foster diversity at senior levels. Moreover, we want to reinforce a spirit of innovation among our leaders, allowing them to test new approaches that will better enable our firm to figure out what works and what doesn't.

In the last few years, business leaders have piloted a range of programs, primarily focusing on mentorship, leadership development and skills development. In each case, programs are designed to provide access to senior leaders, foster community support and meet employees where they are in the development process – helping them understanding their own unique skills and building their personal brands.

Learning and Evaluation

Providing our employees with access to quality learning resources is critical to enhancing their ability to perform in their current roles and prepare for future opportunities. In 2019, we provided training to all Citi employees. We offer flexible solutions that enable learning when, where and how it is most effective for employees, and we continue to expand our program offerings. As we enhance these offerings, we are working to formally capture employee feedback on programming to better understand the impact on employees and the potential for further enhancement.

Digital Learning

In order to help our employees learn in a rapidly changing world, we offer Degreed, an online platform that delivers information on the topics employees want to learn about, from artificial intelligence to

Addressing the Needs of New Managers

As a new generation begins managing for the first time, Citi has been refreshing the preparation and support we provide to help them succeed in their new roles. In 2019, we hosted design thinking sessions to help us better understand the needs of new managers. Through eight, one-day sessions around the world, we brought together 150 new managers from different backgrounds and countries to identify common challenges and develop creative solutions. The challenges participants identified included the need for a better way to connect to peers to share best practices; a desire for more easily accessible tools to address management questions; and a demand for digital resources that curate the most relevant information new managers need as they transition to their new roles. Based on our findings, we have launched a new program called Welcome to Citi Management that brings together new managers to address these shared challenges in an interactive, participant-driven format, and provides them with a digital “placemat” that puts a range of essential resources at their fingertips.

cybersecurity to effective communication skills. Employees can choose from a series of recommendations that can be personalized for each individual. In 2019, more than 120,000 employees accessed Degreed, with leadership and data analytics among the skills most frequently added to individual profiles.

Training for Advancement

We provide a range of internal development and rotational programs for leaders at all levels, and we continue to evolve those learning programs to meet new needs. Our Global Consumer Operations programs help high-performing employees build the skills needed to transition to manager and supervisory roles, and 80 percent of participants have been promoted or are on a promotion path.

Our Global Associate Learning Initiative is a nine-month training program aimed at Institutional Client Group employees at the associate level – a critical milestone early in an employee's career. The program, which combines digital learning with in-person training, prepares the next generation of Citi leadership for the future of banking. In 2019, we hosted 450 global associates (representing 40 countries and 50 cities) at our New York headquarters for the inaugural event.

Evaluation

Employees receive formal feedback from their managers through midyear and year-end reviews. Our two-rating system evaluates employee performance against their goals and assesses their leadership through the lens of our Leadership Standards. Citi also encourages employees and their managers to create individual development plans that consider the skills, strategic training opportunities and behaviors needed to enhance current performance and prepare for future roles. These plans are created as part of midyear and year-end reviews, and employees are able to use digital and in-person training resources to execute their development plans and enhance their skills.

Beginning in 2019, all Citi employees have the ability to request feedback from and provide feedback to colleagues in real time, while managers can also ask for feedback on team members throughout the year. In addition, more than 2,700 managers who participated in training programs received a 360-degree performance review, which is designed to help identify opportunities for development.

Promotion Paths and Processes

A critical part of guiding our employees' career progressions is working to better understand what works and what doesn't so we can not only retain but also promote our talent. Career development is an important priority, and we promote from within wherever possible. In 2019, 38 percent of open positions were filled internally. This focus is particularly important for our diverse talent as we work to increase representation at more senior levels of the company. For example, with immense focus and continued investment in development, more than 28 percent of our Citi Country Officers (our country business heads) are female, and our ultimate goal is to increase this to 50 percent.

We have been focused on equipping managers to better anticipate and learn about employee concerns and to partner to develop solutions that help them retain and promote key talent. Managers are encouraged and supported to look beyond formal talent review conversations to have candid conversations,

Voice of the Employee

Our annual Voice of the Employee survey gathers critical input on trends in the workplace and management practices, serving as an important catalyst for implementing change within our company. All employees are invited to participate and have their voices heard.

In 2019, the survey's Engagement Index – which measures employees' sentiments regarding opportunities for growth, job alignment with skills and perception that the company is making the changes necessary to compete – came in at 76 percent, the same as in 2018.

We also measure sentiments about diversity. The Diversity Index covers a range of factors, including employees' perceptions of:

- Senior management support for diverse backgrounds and ideas
- Equal opportunity for success at Citi, regardless of background or differences
- Being treated with respect at work
- Manager support for efforts to balance work and personal life
- Good ideas being adopted regardless of who suggested them
- The ability to be oneself at work

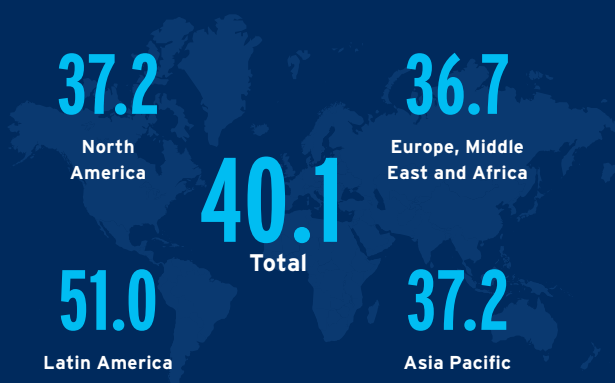
The Diversity Index for 2019 was 81 percent, the same as in 2018.

or engagement interviews, with direct reports to build trust and better understand employees' career aspirations and morale. Managers are also encouraged

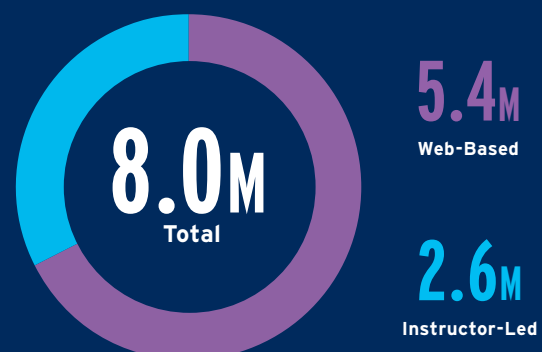
to consider existing talent when filling open opportunities. Take, for example, the Institutional Client Group's Candidate Care program, which was launched in

Global Employee Training in 2019

Average Hours per Employee



Total Hours by Training Format



2019 to help increase the pipeline of minority lateral hires. Through this program, senior Citi managers increase their network of potential talent, in part by meeting with high-potential talent before there is a job opening. When there is an opening, internal referrals complement recommendations from the Citi alumni network and search firms, and Citi maintains contact with candidates, including those who are internal, through a cadence of in-person and virtual check-ins.

We also maintain an employee nomination guide for managers, which can be used to help identify employees for open roles, development programs, special assignments and promotions. The guide aims to reinforce effective practices for fair, balanced and inclusive promotion decisions.

Workforce Well-Being

Maintaining a culture of well-being for our employees is critical to our success. We continually evaluate the tools and policies available to maintain the well-being of our global workforce.

Work/Life Balance

Citi realizes the importance of being flexible on how, when and where work gets done. We have a variety of programs that help employees balance their work and life, including both formal and informal remote work arrangements and flex schedules. Providing opportunities for flextime, compressed workweeks, job sharing and reduced schedules improves employee satisfaction and retention while increasing productivity.

Our Minds at Citi initiative aims to destigmatize and address issues of mental health. While specific resources can vary by country, we provide access to free and confidential counseling and life coaching sessions. The program enables employees to seek support for a wide range of

personal issues, such as stress, relationship conflicts and financial challenges, as well as workplace challenges, such as communicating with managers and dealing with organizational change. In the UK, Australia and New Zealand, we offer mental health training to help managers recognize when employees may be experiencing issues that impact their mental health and to provide guidance on how to respond and offer support. We are working to expand such efforts to the U.S. As we strive to create a culture in which everyone feels supported and valued, we recognize that mental well-being and physical health must both be supported.

In 2019, we started offering enhanced mental health benefits for employees and their families, including telemedicine-based behavioral health options, on-site mental health professionals at our largest locations, and Sleepio, a behavior modification therapy program designed to build better sleep habits and improve mental health. And, through our learning and development efforts, we offer opportunities to learn about mental health and strategies for helping others who might be affected.

In the U.S., our on-site medical clinics provide healthcare, free preventative screenings and health promotion programs, immunizations and pre-travel health guidance to all employees. These initiatives help employees and their families achieve their health goals through resources that are free, easy to use and available to employees whether or not they are enrolled in a Citi health plan. Our Live Well Rewards program in the U.S. enables employees and their spouses or partners who are enrolled in our medical plans to earn up to \$450 (\$900 for a couple) in Live Well Rewards just for practicing healthy behaviors such as tracking their exercise, participating in biometric screenings or taking an online course in how to lose weight or start an exercise program. More than 57,000 employees in the U.S. earned Live Well Rewards in 2019. Rewards are offered in

the form of gift cards to popular retailers. Our locations in the U.S. and Mexico are tobacco-free.

We also offer a Health Advocate program in the U.S., separate from insurance programs, to aid employees in resolving insurance claims, accessing medical specialists and addressing their health needs and those of their families. We also consider how our buildings can affect our employees. From providing ergonomic furniture to managing air and acoustics, we strive to create an environment that supports the well-being and productivity of our employees. Learn more about how physical space impacts employee well-being in the [Operations and Supply Chain section](#). Also, our Save Well plans guide our employees in building financial stability and saving for retirement, and we offer a tuition reimbursement option for certain employees going back to school.

Citi Benefits and Family Life

Supporting employees in their family life is an important part of workforce well-being. We believe all parents deserve time to adjust to parenthood and bond with the newest members of their families. That's why we recently expanded our Paid Parental Leave Policy to include Citi employees around the world. The new policy, which began rolling out in early 2020, applies to every kind of family and includes a new parental paid leave minimum everywhere we operate. At a minimum, all Citi employees will be eligible for 16 weeks of paid maternity leave and four weeks of paid parental leave. Maternity leave applies to all birthing parents while parental leave covers all nonbirthing parents, regardless of gender or type of birth (e.g., adoption or surrogacy).

Employees working in countries that offer longer periods of paid leave time will continue to maintain their benefits.

We recognize that our parental leave benefit only adds value if our employees actually take the time that is offered to them. We know that some new parents may be reluctant to take time off after adding to their families, and we aim to foster a culture that supports employees in making this decision.

We also offer employees discounts for dependent care, and we provide a new parent program for both men and women as they navigate the transition to parenthood. In addition, we offer the Bright Horizons Special Needs program, which provides online resources for parents in the U.S. with special needs children and subsidized dependent care when work-related issues disrupt regular schedules. We also offer a college coach to help families and their children navigate the post-secondary education admissions process. In addition, we have policies for employees who require paid time off for reasons such as military or medical leave.

Volunteerism

We offer our employees resources and tools to volunteer in the communities in which they live and work, and, in turn, our employees are proud to contribute to helping individuals and families thrive.

In 2019, Citi employee volunteers contributed more than 1 million volunteer hours in communities around the world.

Our colleagues used their professional skills, expertise and time volunteering with community organizations to support a range of projects, from traditional hands-on activities to skills-based volunteering. These employee engagement efforts with community organizations often complement financial support from Citi and the Citi Foundation. To help encourage employee engagement in communities, every active and qualified Citi employee is entitled to one paid day each year to volunteer with an eligible nonprofit organization of their choice.

While Citi employees volunteer year-round, Global Community Day, our annual day of service for employees, friends and family, is an important way in which we collectively deepen relationships with our communities. In 2019, 120,000 volunteers participated in more than 1,500 events held in 400 cities across 90 countries. Since the inaugural Global Community Day in 2006, Citi volunteers have contributed more than 4 million hours of service to projects in hundreds of cities. We also track how Global Community Day events are helping to advance the UN Sustainable Development Goals.

Fair Employment Practices

We strive to maintain an environment in which opportunities to develop are widely available, where people are hired and advanced on their merits and where our employees treat each other with respect. We are fully committed to equal employment opportunity and comply with the letter and spirit of all laws regarding fair employment practices and nondiscrimination.

For more information on fair employment practices, see the [Human Rights section](#) of this report as well as our [Code of Conduct](#).

Compensation

We offer competitive salaries based on our Compensation Philosophy, which outlines our five primary objectives ([see box on page 113](#)). Our approach to compensation includes ensuring that entry-level employees receive competitive wages within the industry, and in June, we raised our minimum wage in the U.S. to \$15 per hour. We also offer employees the opportunity to take advantage of formal or informal flexible work arrangements, including part-time work and job sharing.

We conduct a robust annual review of compensation, which includes multiple layers of reviews of compensation recommendations and pay equity analysis. Learn more about our [pay equity analysis](#).

Executive Compensation

We compensate our executives fairly, based on individual and company performance, competitive benchmarking and support of our Mission and Value Proposition. Our Proxy Statement contains a scorecard with each named executive officer's financial and nonfinancial performance goals, which are approved by the Board's Personnel and Compensation Committee. We seek to design our executive pay program to motivate balanced behaviors consistent with our focus on long-term strategic goals. For example, diversity and inclusion, including increasing the representation of women and U.S. minorities, and ethics and culture are incorporated into senior executives' scorecards, which are a factor in remuneration. Citi incorporates shareholder and stakeholder input on executive pay into our Compensation Philosophy. We apply our Compensation Philosophy through our Executive Compensation Framework, which enables incentive compensation awards to closely reflect our pay-for-performance approach.

Discrimination and Sexual Harassment in the Workplace

Citi strictly prohibits any form of unlawful discrimination or harassment, as set forth in our widely disseminated and consistently enforced policies. Employees who believe they have been discriminated against or harassed are encouraged to report any incidents that violate Citi's policies to their managers, another member of the employee's management chain, Human Resources, or the Ethics Hotline.



Citi employee participating in Volunteer Africa in Kenya



Service and Skills

Among our volunteer opportunities, we provide immersive experiences that serve as valuable professional and personal development for our employees and important retention tools for Citi. They also contribute to our commitment to engaging with the communities where we live and work. These opportunities include the following:

CariClub: Since 2017, CariClub has been helping Citi bankers engage with their communities and develop leadership experience by serving on nonprofit associate boards. Through this external resource, more than 80 Citi colleagues are now serving on an associate board or have joined a young professionals committee, and an additional 80 colleagues will be working through the process in 2019. Citi offers the program to employees who have been with the firm for three to seven years. Most participants are between the ages of 25 and 35.

iMentor: Since the launch of our Pathways to Progress program in 2014, the Citi Foundation and iMentor have worked together to equip high school students with the tools to succeed academically and prepare for post-secondary education and career opportunities. In addition to the Foundation's grant funding, more than 130 Citi employees across the U.S. served as mentors in 2019, helping to develop college and career aspirations, assist with the college application and financing process and coach mentees throughout their post-secondary academic years.

Service Year: Through a partnership with Service Year Alliance, select first-year Citi analysts in New York City who have accepted a full-time offer have the opportunity to defer that offer for one year to work in a strategic role at a nonprofit of their choice. With a guaranteed return to Citi after their year of service, participants contribute their skills and expertise to supporting their communities while honing skills that will prove valuable in their careers at Citi. Since the program's inception in 2016, 32 Citi colleagues have participated.

Volunteer Africa: Launched in 2016, Volunteer Africa connects microentrepreneurs in Africa with Citi employee volunteers from select areas of our business. In 2019, 24 junior bankers spent five weeks in Kenya supporting 16 high-potential entrepreneurs to help grow their businesses and create much-needed jobs in the local community. The entrepreneurs are also able to pitch for investment from Citi through a dedicated fund established by the bank. Research on previous entrepreneurs participating in the program in Kenya found that, on average, entrepreneurs experienced a

41 percent increase in income and a 53 percent increase in profit nine months after completing the program.

One Young World: As part of the One Young World program, select Citi employees participate in a six-month mentorship program with young social entrepreneurs from Yunus&Youth, an organization that promotes social entrepreneurship by connecting business leaders with the next generation of social entrepreneurs. Participants also attend the annual One Young World Summit, where they debate, formulate and share innovative solutions for the world's most pressing issues and bring these ideas back to their workplaces. In 2019, alumni of the program convened a panel of senior executives to bring awareness to Citi's efforts around the Sustainable Development Goals. An additional 43 colleagues participated in the program in 2019.



Upon receipt of any complaint, Citi promptly investigates and takes remedial measures up to and including termination of employment, where appropriate. All contacts and investigations are treated as confidentially as possible, consistent with the need to investigate and address the matter and subject to applicable laws and regulations. Citi's policies also strictly prohibit retaliation against any employee who has made a complaint or participated in an investigation. For more on our discrimination and harassment policies, see our [Code of Conduct](#).

In 2019, we updated our U.S. Workplace Anti-Harassment Training Program. Our refreshed training incorporates learnings and best practices, such as bystander intervention, and provides additional examples of the types of conduct that constitute sexual harassment or discrimination. The training gives all employees information and tools on how to recognize, address and escalate workplace harassment or discrimination when it occurs. We are committed to a diverse and inclusive workforce built on the foundation that all employees treat one another with respect and dignity and are comfortable coming to work each day.

Citi's Compensation Philosophy

We have a comprehensive compensation philosophy anchored by the following five objectives:

- Align compensation programs, structures and decisions with shareholder and other stakeholder interests
- Reinforce a business culture based on the highest ethical standards
- Manage risks to Citi by encouraging prudent decision-making
- Reflect regulatory guidance in compensation programs
- Attract and retain the best talent to lead Citi to success

For more detailed information on each of these objectives, see our complete [Compensation Philosophy](#).

» What's Ahead

Our goals for improving representation and pay equity at Citi are important markers for our progress in building a diverse and inclusive culture, particularly at the most senior levels. We will continue to focus on data-driven insights and engagement with our employees to inform the steps we take to propel organizational change. Our hope is that by achieving these goals in the short term, we will build the foundation for more ambitious goals down the line. We are also committed to continuing to extend our efforts beyond our firm, using our financial resources, the time and talents of our people, and our corporate voice to advance progress around issues of diversity and inclusion globally, whether we're helping to change perceptions of people with disabilities through our sponsorship of athletes or advocating for LGBT+ equality through our support of legislative action.



Ethics and Culture

>> HIGHLIGHTS

Ethical fitness

We launched the Ethical Fitness campaign to get our employees in their best ethical shape
[Page 115](#)

A commitment from the top

Globally, senior leaders have been reinforcing the importance of ethical decision-making
[Page 117](#)

We continue to invest in improving ethics-related controls, including those related to risk, compliance and auditing, enabling us to safely run and grow our business. All of our employees, at all levels, are held to the highest standards of ethical and professional behavior so we can deliver the best possible results for our clients, customers and communities. Our governance structure helps us to identify and learn from our mistakes and hold ourselves accountable for our actions.

Ethics and Culture at Citi

Each Citi employee has made a commitment to earn and maintain our clients' trust, in every transaction and every

interaction, by responsibly providing our products, services and expertise. We expect our employees to comply with all applicable laws, regulations and Citi policies – including our [Code of Conduct](#). Our Mission and Value Proposition asks our employees globally to ensure that their decisions pass three tests: They

are in our clients' interests; they create economic value; and they are always systemically responsible.

These three tests help our employees to deliver on our core activities of safeguarding assets, lending money, making payments and accessing capital markets on behalf of our clients – each of which creates an obligation to act responsibly, do everything possible to create the best outcomes and prudently manage risk.

The Ethics, Conduct and Culture Committee of our Board of Directors oversees Citi's efforts to foster a culture of ethics and appropriate conduct within the organization. At Citi, we establish and communicate our core values and principles through our Code of Conduct, our [Leadership Standards](#), various

training and development opportunities, employee engagement initiatives and communications from our senior leaders. In doing so, we reinforce that our employees must apply our values and principles every day to everything they do, wherever Citi operates.

We ask our colleagues to ensure that their decisions pass three tests:

- They are in our clients' interests
 - They create economic value
 - They are always systemically responsible
-

Code of Conduct

Citi's Code of Conduct outlines the standards of ethics and professional behavior expected of employees and representatives of Citi when dealing with clients, business colleagues, shareholders, communities and each other. It also provides an overview of key legal and regulatory requirements and select global policies. The Code applies to all directors, officers and employees of Citi worldwide. In addition, individuals performing services for Citi may be subject to the Code by contract or agreement. To best serve our global workforce, the Code is published in 21 languages and is publicly available on our Investor Relations website.

Updated in 2019 and approved by our Board of Directors, the Code of Conduct is fundamental to fostering our culture of integrity. Our Code illustrates how members of our workforce can make ethical decisions using a decision-making guide that identifies key criteria through which a proposed choice or course of action should pass in order to align with the tests contained in our Mission and Value Proposition and our Leadership Standards. It reinforces for employees

their responsibility to adhere to our core values while leading by example, being accountable for their decisions and escalating actual or potential misconduct. The Code emphasizes that, when in doubt, employees should always err on the side of escalation.

Upon joining Citi, employees must acknowledge that they have read and will comply with the Code. Violations of the Code can result in disciplinary action up to and including termination of employment.

We ask employees to periodically reaffirm their commitment to comply with the Code through Code of Conduct training. The training is required following the issuance of an updated Code of Conduct. As such, new training was launched for all employees in early 2020. The training serves as an essential means to connect Citi's values and principles to expected employee behaviors and conduct. Through the use of hypothetical work-related ethical scenarios, the training is designed to help employees make ethical decisions by having them apply – to common workplace situations – the principles in Citi's Code of Conduct, Mission and Value Proposition, applicable laws and Citi policies. The training also emphasizes employees' obligation to promptly report actual or suspected

misconduct, providing information on the various resources available to them to do so. Code of Conduct training is provided to new hires globally on a rolling basis, as well as to nonemployee contingent workers who are performing services for Citi.

Voice of the Employee

As part of Citi's annual Voice of the Employee survey, an initiative to gather feedback from our employees, we include an Ethical Culture Index. This index measures five items:

- Comfort with reporting unethical practices without fear of reprisal
- A feeling of accountability to identify and escalate issues
- Confidence that Citi will act upon reported legal or ethical violations
- A belief that colleagues act with integrity
- Manager encouragement of ethical conduct even in the face of pressure

Index results have held steady for several years, with 89 percent responding positively to the index items in 2019, the same as in 2018.

Staying on Top of Your Ethical Game

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In 2019, we launched Ethical Fitness, a global campaign led by our executive management team to provide Citi colleagues with the equipment they need to get in their best ethical shape. A series of seven modules that incorporate senior leader videos, storytelling and manager support gives employees the opportunity to practice consistently making the right ethical decisions. The first module, launched in December, focused on the factors that contribute to unethical decision-making, to help employees identify, anticipate and build resilience to these influencing factors. The campaign will continue through 2020.



Escalating Business and Ethical Concerns

We emphasize to our employees the importance of escalating issues in Citi's global Escalation Policy. The Escalation Policy clearly sets forth employees' obligation to escalate violations or potential violations of law, rule or regulation, or breach or potential breach of Citi policy or procedure or the Code of Conduct. The Escalation Policy also provides information on the multiple avenues through which employees can raise issues, including, among others, to their managers or other members of management, their Human Resources or labor relations representatives, internal legal counsel, a designated Independent Compliance Risk Management (ICRM) officer, Citi Security and Investigative Services and the Ethics Hotline.

The Escalation Policy was updated in 2019 to add requirements for prompt escalation and reporting of significant matters to senior management and to the appropriate legal entities and Board committees. The policy sets forth requirements on what to escalate, when to escalate and the parties to whom to escalate. It includes roles and responsibilities for the identification, reporting, investigation, resolution and senior management reporting of these concerns and for oversight of escalation requirements and processes.

As part of Citi's escalation resources, the Ethics Hotline provides multiple channels for employees and any third party, including members of the general public, to report concerns about unethical behavior to Citi's Ethics Office. In addition to internal and public-facing websites facilitating the submission of concerns, a telephone line is available 24 hours a day, seven days a week, with live operators who can connect to translators in multiple languages.

We believe it is essential that individuals feel secure when raising a concern. All

Spotlight on Ethics

Citi shares the results of ethics investigations with employees through a quarterly communication called the Spotlight on Ethics. This communication is designed to show employees that their concerns are investigated while highlighting commonplace areas in which ethical lapses can occur. The Spotlight on Ethics also includes corrective actions to demonstrate that speaking up and raising concerns leads to meaningful action. With data security among Citi's most material environmental, social and governance issues, 2019 Spotlight communications focused on information security, addressing topics such as safeguarding Citi's network and systems by protecting user IDs and passwords; Citi's prohibition on the use of personal email to conduct Citi business or transmit Citi information; the importance of proper data classification and handling; and the risks posed to our network by the downloading of unapproved software and the use of unauthorized code. These communications emphasized that our workforce is on the front line of Citi's information security and that each employee has a responsibility to protect and defend data and information entrusted to Citi.

contacts and investigations are treated as confidentially as possible, consistent with the need to investigate and address the matter and subject to applicable laws and regulations. Concerns may be raised either anonymously or with attribution, subject to applicable laws and regulations. Further, Citi prohibits any form of retaliation against anyone who raises a concern or question in good faith or who participates in a subsequent investigation. Employees who engage in retaliation against a colleague because he or she raised a concern or question in good faith, asked for a reasonable accommodation, reported a violation or was involved in an investigation are subject to disciplinary action, up to and including termination of employment or other relationship with Citi.

Each year, the Citi Ethics Office provides to all employees a summary of the types of concerns received through the Ethics Hotline, to show the use of Citi's Ethics Hotline process and demonstrate that raising concerns to the Citi Ethics Office leads to meaningful action within our organization. Examples of such action can include disciplinary actions against individual employees and nonemployees; the termination of vendor relationships; referrals to the appropriate law enforcement or governmental authorities; communications to our workforce; additional training for employees and nonemployees; changes to Citi policy, business processes and procedures; and control enhancements.

Industry Collaboration

We have made a concerted effort to partner with key stakeholders on ways that we can collectively improve the culture of the banking industry as well as corporate culture overall. In 2019, for example, Citi was one of 181 companies whose chief executive officers signed the Business Roundtable's new Statement on the Purpose of a Corporation. As a signatory, our CEO committed to lead Citi for the benefit of all stakeholders: customers,

Reinforcing Our Commitment to Ethics from the Top

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Globally, senior Citi leaders have been reinforcing the importance of ethical decision-making. In Mexico, our largest consumer market outside of the U.S., and in multiple other countries in Latin America, our senior executives and colleagues engaged in a yearlong campaign to promote ethical decision-making and escalation across the organization. Through a senior leadership town hall, internal communications, manager trainings and monthly surveys to validate learning, we worked to foster a collaborative environment in which colleagues feel comfortable talking about ethical dilemmas and asking for advice about how to deal with challenging situations. A similar effort was rolled out in six countries in Asia Pacific, with approximately 7,000 employees participating. Citi Country Officers, who are responsible for leading the business in each market, and their management teams led interactive, face-to-face workshops for employees. By considering how individuals may be able to rationalize unethical behaviors, employees engaged in thought-provoking discussions that allowed them to better identify these rationalizations and effectively mitigate them. Similar sessions will be rolled out elsewhere in 2020. The Ethical Fitness Campaign, launched at the end of 2019, will help to reinforce these efforts.

employees, suppliers, communities and shareholders.

Also in 2019, Citi's Chief Innovation Officer and head of Citi Ventures participated on a panel at the Federal Reserve Bank of New York's annual workshop on culture and behavior, discussing the impact of new technologies on culture in the workforce.

Citi is also a member of the Banking Standards Board (BSB) in the UK. Together with more than 30 other member firms, we support the BSB's independent role to help rebuild trust and confidence across the UK banking industry by promoting high ethical and professional standards for behavior and competence. We remain engaged with the BSB directly through our UK senior management. Our Chief Country Officer for the UK has been a BSB board member since its inception.

Managing Compliance Risk

Our ICRM team helps to drive a culture of ethical conduct at Citi by establishing policies, programs and procedures that guide and support our employees in making ethical decisions and adhering to appropriate standards of conduct. Through an integrated compliance risk management framework, this group protects Citi by setting standards; providing guidance, training and advice to our businesses regarding compliance risk; and driving ownership and accountability for managing compliance risk in accordance with Citi standards across the firm. Managing compliance risk is the responsibility of all of our employees and requires not only adherence to applicable laws, regulations, policies and relevant standards of conduct but also the promotion of

Leadership Standards Accountability

Our culture is not just who we are and what we believe; it's how we act in small, everyday moments. We encourage all employees to demonstrate the behaviors of our Leadership Standards, which are the measurable skills, abilities and knowledge that all of us at Citi should exhibit to be successful leaders. Holding ourselves and each other to these high standards is part of our culture and our commitment to operating in our clients' best interests, driving economic value and minimizing risk.

We expect managers to lead by example and inspire their employees to live Citi's values. Every manager is responsible for creating a work environment free of discrimination, harassment and retaliation. As role models, managers reinforce the importance of following our Leadership Standards, Code of Conduct and Mission and Value Proposition, as well as encourage employees to raise any concerns about potential legal or ethical issues. Managers also ensure concerns are properly resolved or promptly escalated through appropriate channels, promote awareness of all resources available for reporting concerns and neither engage in nor tolerate retaliation of any kind.

business behavior and activity consistent with the values and conduct expectations outlined by our Mission and Value Proposition, Leadership Standards and Code of Conduct. Through the work of a range of teams focused on Citi's anti-corruption efforts – including Anti-Bribery, Anti-Money Laundering (AML), Sanctions and the Ethics Office – we work to counteract the many and varied threats of corruption facing the financial sector. Citi's global Compliance organization is headed by our Chief Compliance Officer, who reports directly to our CEO and provides regular reports on the performance of the compliance program, including in regard to Anti-Bribery, Anti-Money Laundering and Sanctions, to our Board of Directors or a committee of the Board, as appropriate.

Anti-Bribery Program

We continually enhance our Anti-Bribery Program with respect to the areas outlined in the [Citi Anti-Bribery Program Statement](#) – which is updated at least

annually – and in our [Code of Conduct](#), which summarizes our Anti-Bribery Policy.

Citi complies with all applicable anti-bribery laws and regulations, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and the applicable local anti-bribery laws of the countries in which we operate. Our Anti-Bribery Program Statement expressly prohibits bribery in any form for our employees, as well as our suppliers.

We have written policies, procedures and internal controls designed to comply with anti-bribery laws. We conduct an annual bribery risk assessment of all global business lines. The risk assessment addresses many areas of risk, including gifts and entertainment, hiring practices and third-party relationships.

We provide our staff with anti-bribery training annually and supplement it with targeted training and communications as needed. We give staff multiple ways, including the Ethics Hotline, to escalate

bribery-related concerns and to prompt investigations, where necessary.

Sanctions Program

Citi conducts business and operations in compliance with applicable sanctions, laws and regulations, including those of the U.S. and other countries in which we operate. We maintain a robust, risk-based ICRM Sanctions Program that applies globally and is commensurate with our global footprint. As a financial institution organized in the U.S., Citi and our subsidiaries globally comply with applicable U.S. sanctions requirements, among other requirements.

Our enterprise-wide Sanctions Program promotes compliance with increasingly dynamic sanctions requirements. The program includes policies and procedures, risk category statement and tolerance thresholds, enterprise-wide screening, annual risk assessments and audits of sanctions control processes, employee training and a diverse team of Compliance professionals stationed around the world.

Anti-Money Laundering Program

Citi's AML Program works to protect our clients, our franchise and the global financial system from the risks of money laundering and terrorist financing.

The program centers on:

- **Prevention:** Citi's Global Know Your Customer Program is the cornerstone of our AML Program, enabling us to effectively evaluate the potential risks associated with each client relationship and ensure that we adhere to globally consistent policies and standards, customer risk scoring and onboarding.



Combating the Illegal Wildlife Trade

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Financial institutions play a critical role in disrupting the flow of income generated by illegal wildlife trafficking (IWT). Citi is a member of United for Wildlife's Financial Taskforce, a collaboration between financial institutions and NGOs to fight IWT, which is a multibillion-dollar global criminal enterprise. Throughout 2019, we issued a series of internal publications focused on IWT – especially regarding elephants, rhinos and pangolins – to increase awareness, identify red flags and enhance our AML program at multiple touchpoints, including client onboarding, transactional review and investigations. We also shared these red flags with relevant clients to help them identify IWT. In addition, Citi worked closely with The Royal Foundation and other financial institutions to develop a long-term strategic plan to mobilize the Financial Taskforce and develop goals for 2020 and beyond.

- **Detection:** We monitor transactions to identify unusual or suspicious transactions, behaviors or patterns of activity across our global footprint. Our AML investigations unit reviews transactions of new and existing clients across businesses and regions.
- **Reporting:** We create, track and file Suspicious Activity Reports, Suspicious Transaction Reports and Currency Transaction Reports, as required in many countries.
- **Governance:** Our enterprise-wide controls that govern the overall program include global AML policies, processes, testing and training. Citi's Global AML Program Head and Bank Secrecy Act Officer is responsible for overseeing the program, including apprising the Board of Directors and senior management of AML initiatives, any significant deficiencies and the reporting of suspicious activity.

Our AML Program includes more than 5,700 employees globally, including more than 490 designated AML Officers covering every Citi business, function and geographic area. These specialists partner with various functions, including Compliance, Audit, Technology, and our institutional and consumer businesses, to provide effective enterprise AML risk assessment and to meet our AML-related

requirements at both the global and local levels. In 2019, we merged our AML and ICRM teams to form one organization that encourages a culture of compliance, risk management and control across the company. For more information on Citi's AML Program, visit our [website](#).

Citi Korea Sets High Bar for AML

Every year, the Korean government and Korea Financial Intelligence Unit recognize a financial institution for its outstanding contributions to enhancing AML programs. In 2019, Citi Korea earned this prestigious honor at the 12th annual AML Day commemoration. Citi was recognized for establishing a dedicated AML monitoring team and introducing a risk-based approach to maintain high standards in regulatory reporting.

Number of Employees Who Completed Citi's 2019 Anti-Money Laundering, Sanctions and Anti-Bribery Training (By Region)*

62,778

North
America

26,225

Europe, Middle
East and Africa

41,924

Latin
America

57,956

Asia
Pacific

188,883

Total
Employees

* This combined online training incorporates multiple anti-corruption efforts, including AML, sanctions and anti-bribery training. Numbers include all Citi staff who completed the 2019 training as of February 2020. (Employees and nonemployee workers have 30 days to complete it.)

Improving the Client Experience for Embassy Banking

In 2005, one of the largest banks in Washington, D.C., was forced to pay more than \$40 million in criminal and civil fines for its failure to detect high-profile money laundering and possible terrorist financing via its embassy accounts for the countries of Saudi Arabia, Equatorial Guinea and Chile. The episode sent a clear message that banks working with embassies had to get serious about implementing strong anti-money laundering controls.

Traditionally, embassies have executed payments independently and with limited oversight from a central governing body, allowing embassy officials to make individual transaction decisions. This operating model leads to banks establishing numerous relationships with separate entities around the world, making it more challenging to Know Your Customer (KYC), a regulatory requirement that mandates that banks understand their clients, obtain detailed information about them and their intended activity, and ensure that services are not being used for illegal activities.

Citi developed an approach allowing embassy clients to utilize existing centralized cash management platforms to execute payments that enhanced oversight and transparency by their home governments, rather than operating independently or extensively with cash at the local level. Implementing these tools mitigates the risk posed by our embassy clients, reduces the administrative burden on KYC owners around KYC periodic reviews and improves the overall client experience.

For our clients, the new approach meant greater transparency and reduced operating costs. Australia, for example, previously bought currency locally and sent it to its foreign embassies to manage. After the implementation of new tools from Citi, the Australian Department of Foreign Affairs and Trade gained the ability to see every one of its bank accounts and payments around the world, aggregated on a single platform.

Serving Our Customers and Clients Responsibly

We have policies and systems in place to make sure we are always treating customers responsibly and fairly, as reflected in our Code of Conduct and our internal checks-and-balances processes when creating new products.

Responsible Marketing

We are committed to providing clients with the right products and services based on their needs, wants and preferences, while adhering to all internal policies and procedures as well as all banking laws and regulations. We take the time to understand the unique financial requirements of each client and offer only products and services that meet those needs. We work diligently to clearly disclose all of the features and terms and conditions, including applicable fees and charges, for the products and services offered so that clients can select and use the product or service best suited to them.

As part of our customer-centric approach to communicating in a simple, straightforward manner, our Global Consumer Banking Branded Cards business continues to deliver personalized videos to heighten customer comprehension of key topics. In 2019, we developed a cross-functional team to overhaul the videos across programs and formats to ensure that they are fully accessible to our customers, including providing real-time descriptive transcripts, embedding closed captions and ensuring content readability in line with Americans with Disabilities Act regulations. For new cardmembers, we updated our personalized welcome videos to encourage digital adoption and ensure that users have a clear understanding of features. For example, a personalized digital checklist was added to help users understand their digital self-service tools.

We deliver innovative, powerful solutions for our customers to drive greater simplicity, convenience, control and insight. Digital and mobile are at the core of a simpler, better client and customer experience, and our ongoing enhancements to our mobile app helped us to achieve certification in 2019 from J.D. Power. Learn more about how we work to improve the digital experience of our clients in the [Digital Innovation section](#).

We also provide our customers with timely resources and information related to safety and security. Our U.S. online Security Center enables customers to learn about what Citi does to protect them and what they can do to protect themselves against identity theft and other security risks.

Further, in an effort to contribute to eliminating gender bias in marketing, Citi is part of #SeeHer, a groundbreaking movement launched by the Association of National Advertisers (ANA) to eliminate unconscious bias against women and girls in advertising and media. Through this partnership, we're collaborating with the ANA to increase the accurate portrayal of women and girls in media by 20 percent by 2020 and leverage our scale to influence positive change. Through a related campaign, #SeeHerHearHer, we are using our influence to enable progress for gender equality in the music industry. Music plays a significant role in our television brand campaigns, and we now require the inclusion of female artists as part of the music search criteria for all TV spots.

These initiatives are just some examples of our firm-wide commitment to ensuring that our activities are in the best interests of our clients. More broadly, new products are approved by cross-functional committees that include senior executives from Risk, Legal, ICRM and other relevant units, supported by specialists from Fair Lending, as needed. Citi marketing materials are reviewed by our Compliance and Legal departments to ensure that we communicate clearly

and fairly and comply with applicable laws, regulations and Citi policies. These teams also provide periodic testing or monitoring of such materials and disclosures. Each relevant business maintains a complaints management program to receive and respond to consumer concerns.

Treating Customers Fairly

Through Citi's commitment to Treating Customers Fairly (TCF) and our Global Consumer Fairness Policy, we strive to earn and maintain the public's trust by constantly adhering to the highest ethical standards in conducting our business. We aim to deliver products and services that provide value, clarity and dependability, guided by the TCF principles that define our standards for our products and services.

The Global Consumer Fairness Policy provides a framework for reviewing consumer fairness concerns and a sustainable model for managing

Citi's Treating Customers Fairly Principles

1) Works as described

Consumers can predict how products and services will work.

2) Appropriate

Consumers can rely on Citi to offer appropriate products and services that meet their needs.

3) Value

Consumers receive value that is reasonably related to the cost of the products and services.

4) Ease of Understanding

Consumers understand the terms and conditions of the products and services (particularly limitations and exclusions).

emerging risks. The policy covers all aspects of the consumer product and services lifecycle, including new product development, marketing, sales (including variable incentive compensation), underwriting and onboarding as well as all other stages. There are established, formalized escalation processes to Business Practices Committees that facilitate consistent, timely and appropriate identification, analysis and escalation of potential consumer fairness and reputational and franchise risk issues. In relation to designing variable incentive plans, we consider a number of factors, including whether plans align with our TCF principles. For example, we leverage client satisfaction metrics, where available, along with other product-based metrics, to incentivize achieving business results that adhere to internal policies and our Code of Conduct. We routinely evaluate incentive plans, training content, controls, monitoring and oversight in order to maintain a sales force that delivers on Citi's commitment to serving our customers with fairness, value, clarity and dependability.

As part of the program, Global Consumer Banking employees are required to complete annual TCF training to ensure they understand how to identify issues of fairness and how fairness influences real-world results. In 2019, more than 90,000 Citi employees around the world completed the course. We also have a range of measures in place to monitor sales practices, including auditing, mystery shopping and suitability metrics that assess client risk profiles against the risk profile of the investment. When appropriate, we proactively contact delinquent clients, basing the time and frequency on their credit risk profile and previous payment performance. We ensure that all contact strategies are effectively vetted for privacy and fairness considerations before implementation.

In the U.S., fair lending practices are a key component of our commitment to treating customers fairly. Our U.S. Fair Lending Policy establishes the guiding principles and minimum standards for fair, equitable and nondiscriminatory access to credit. Further, it prohibits

discrimination against actual or prospective clients on the basis of race, sex (which encompasses gender as well as sexual orientation and gender identity), religion, disability or other prohibited factors. This commitment is backed by training, processes, controls and oversight to prevent discrimination and minimize disparate impact.

True to our commitment to responsible finance, we also hold an annual Fair and Inclusive Banking Offsite with senior management from across the company to deepen their understanding of fair lending and accessibility. Building on efforts at the 2018 offsite, during which our CEO challenged participants to outsmart their unconscious biases, participants in 2019 learned from leading internal and external experts how to embed inclusion and protection from discrimination into current strategic priorities.

As the external environment and our business strategies continue to evolve, we work to continue to update our



understanding of key discrimination risks and our approach to preventing discrimination risks in our business strategies, as well as in our product and service design and delivery.

Taxation Policies and Standards

Citi operates in nearly 100 countries and strictly abides by all tax laws in the U.S. and throughout the world. We are a current income taxpayer, both within and outside the U.S. Our tax profile is consistent with the locations of our business operations, and our review and escalation processes enable us to adhere to high standards of compliance with applicable tax laws.

We emphasize strong internal controls and transparency with global tax authorities and share information relevant to our tax profile. We supplement this transparency with additional country-by-country reporting, which is required under the Organisation for Economic Co-operation and Development's action plan to address base erosion and profit shifting. Our tax policy is overseen by our Chief Tax Officer, who reports to the Chief Financial Officer. Tax policies and related matters are reviewed by the Audit Committee of the Board of Directors.

Citi complies with reporting and withholding requirements imposed globally on financial institutions in connection with customer transactions that these institutions intermediate. We have implemented systems and processes to comply with the Foreign Account Tax Compliance Act, and we are in compliance with the Common Reporting Standard in all applicable countries where local implementing guidance has been issued. Similarly, we have a firm-wide policy applicable to

customer transactions under which Citi will only engage in a transaction where there is a high degree of certainty that any tax aspects will be accepted by the respective taxing authorities.

Beginning in 2018, the Tax Cuts and Jobs Act of 2017 fundamentally changed the method of taxation of international income earned by Citi. We continue to apply the same consistent, transparent and responsible approach to tax compliance and governance outlined in this report. For more information on how taxation impacts Citi, see page 113 of our 2019 [Form 10-K](#).

Public Policy

We engage directly, and indirectly through trade associations, with governments and elected officials around the world to advocate for public policies that support the interests of our company, clients and employees in the countries and regions where we operate. Guided by our [Political Activities Statement](#), which ensures compliance with all applicable laws and regulations, we promote policies and positions on issues such as trade, cybersecurity, data localization, tax and financial reforms. Our Government Affairs team members complete annual compliance training, conducted by outside experts, on campaign finance, lobbying and gifts/entertainment rules.

Under U.S. Federal Election Commission rules, Citi's Political Action Committee pools the voluntary contributions of eligible employees to support U.S. political candidates and campaigns that support the financial industry and complementary pro-business policies. This support allows us to take an active role in our country's political process, promote our business goals and strengthen relationships with U.S. policymakers. Annually,

we disclose our U.S. political contributions on our [Corporate Governance webpage](#). That page also includes extensive disclosure about our practices pertaining to political contributions and lobbying activities, as well as a regularly updated list of our significant trade and business associations. Our disclosures and contributions are overseen by the Nomination, Governance and Public Affairs Committee of our Board of Directors.

» What's Ahead

As consumers remain distrustful of institutions in the wake of breaches of trust in numerous sectors, including banking, we must stay ever-vigilant to ensure we act with integrity and transparency in all that we do. This commitment starts at the top, and we will continue to focus on engaging senior executives to reinforce the importance of ethics and transparency for all employees. We will also continue to collaborate with others in our industry and beyond to address ethical and risk issues, such as illegal wildlife trafficking and bias in marketing.

Page 125	2019 Sustainable Progress Strategy Scorecard
Page 127	GRI Content Index
Page 141	Task Force on Climate-related Financial Disclosures Index
Page 142	United Nations Global Compact Index
Page 144	United Nations Guiding Principles Reporting Framework Index
Page 148	Assurance

APPENDICES

2019 Sustainable Progress Strategy Scorecard

Environmental Finance

Our \$100 Billion Environmental Finance Goal: To finance and facilitate \$100 billion over 10 years toward activities that reduce the impacts of climate change and create environmental solutions

Goal	Metric	By	2019 Progress
Environmental finance goal	\$100 billion in environmental finance activity	2023	\$164B
Environmental impact tracking*	Total avoided GHG emissions		11.7M (mt)
Social impact tracking*	Jobs supported by renewable energy project finance and public finance activity (includes direct, indirect and induced jobs)		198K jobs
	Annual riders on transit system projects		18.2B rides
	People serviced by water-quality projects		95M people
	Families serviced by affordable housing activity		6.7K

* These potential impacts represent the estimated positive environmental and social benefits of a subset of our environmental finance transactions.

Environmental and Social Risk Management (ESRM)

Manage environmental and social risks and impacts associated with client transactions and our financial products and services

Goal	2019 Progress
ESRM Policy continuous improvements	<ul style="list-style-type: none"> Implemented global coal-fired power Sector Standard; declined project-related financing for new coal capacity Updated and expanded ESRM due diligence under coal mining Sector Standard
Internal training	<ul style="list-style-type: none"> Trained more than 600 employees on ESRM policies and procedures through a combination of classroom and virtual trainings Integrated climate risk information into ESRM Policy trainings
Portfolio-level analysis of high-risk sectors	<ul style="list-style-type: none"> Conducted portfolio review of power clients' GHG reporting, targets and low-carbon transition plans Developed climate-related risk questionnaire for carbon-intensive sectors Conducted agribusiness portfolio review to understand best practices for managing deforestation risk
Monitoring of emerging risks and trends	<ul style="list-style-type: none"> Tracked climate risk developments through engagement with regulators, clients and other stakeholders Advised bankers and clients on emerging sustainable finance products, such as green bonds and sustainability linked loans, as well as evolving market criteria and expectations regarding the structure of these products
Building global capacity	<ul style="list-style-type: none"> Collaborated with approximately 40 banks in the second phase of the UNEP FI TCFD pilot project to enhance the methodologies, tools and scenarios for assessing the potential financial impacts of transition and physical climate risks on bank loan portfolios Co-led biodiversity working group of the Equator Principles (EP) Association, which led to a new EP requirement to promote increased biodiversity data sharing as part of project environmental assessments

2019 Sustainable Progress Strategy Scorecard (continued)

Operations

Minimize our impacts across Citi's entire portfolio of 7,700 owned and leased facilities

Goal	Metric	By	2019 Progress
Environmental footprint	100% use of renewable electricity for facilities globally*	2020	86%
	30% reduction in energy consumption (compared with 2005 baseline)	2020	35%
	30% reduction in water consumption (compared with 2005 baseline)	2020	35%
	10% of water used coming from reclaimed or recycled sources	2020	6%
	60% diversion rate of waste to landfill (compared with 2005 baseline)	2020	63%
	33% of global real estate portfolio LEED-certified	2020	27%

* Contracted amount of renewable energy for delivery in 2020

Supply Chain

Work with our suppliers to ensure that they meet high environmental and social standards

Goal	Metric	By	2019 Progress
Establish supply chain policies: <ul style="list-style-type: none"> • Paper and paper products • IT hardware and e-waste disposal • Travel and logistics 	Policies finalized and implemented	2019	• Sustainable supply chain policies have been drafted and discussed internally. Discussions will continue in 2020 about how to implement these policy positions.
Update Statement of Supplier Principles	Statement updated and disseminated	2019	• Statement updated and disseminated
Integration of Supplier Principles into master contracts	Supplier Principles integrated into 100% of master contracts for suppliers	2019	• Citi's Requirements for Suppliers, which references the Supplier Principles, has been incorporated into our master contract template for suppliers and will be incorporated into contracts as they are renewed.
Corporate Responsibility Questionnaire (CRQ) rolled out to all regions	100% of suppliers complete the CRQ	2019	• We rolled out the CRQ to more than 30% of all of our suppliers, and then made the decision to focus on the top tier suppliers based on spend. Of those top 100 suppliers, 74% completed the CRQ in 2019.
Internal/external training	100% of Enterprise Supply Chain (ESC) employees complete training	2019	• 90% of ESC employees have completed training
	100% of suppliers complete training	2019	• 90% of suppliers completed training

GRI Content Index

We prepared this report in accordance with the GRI Standards: Core option. We also reported on many disclosures beyond the Core reporting option, including disclosures from the Financial Services Sector Supplement. The following index provides readers with references for where they can find information in this report and other public documents addressing GRI disclosures relevant to our business.

Please visit the [GRI website](#) for the full text of the disclosures and other information on the GRI reporting framework.

Disclosure Number	Disclosure Title	Reporting Status	Reference or Response
GRI 101: Foundation 2016 [GRI 101 Does not include any disclosures]			
GRI 102: General Disclosures 2016			
102-1	Name of the organization	Fully	Citigroup Inc.
102-2	Activities, brands, products, and services	Fully	<ul style="list-style-type: none"> • Citi at a Glance • 2019 10-K pages 4-5
102-3	Location of headquarters	Fully	388 Greenwich Street, New York, NY 10013
102-4	Location of operations	Fully	<ul style="list-style-type: none"> • Citi at a Glance • Citi Website - Countries and Jurisdictions
102-5	Ownership and legal form	Fully	<ul style="list-style-type: none"> • 2019 10-K page 4
102-6	Markets served	Fully	<ul style="list-style-type: none"> • Citi at a Glance • 2019 10-K pages 4-8
102-7	Scale of the organization	Fully	<ul style="list-style-type: none"> • Citi at a Glance • 2019 10-K pages 4-8
102-8	Information on employees and other workers	Fully	<p>Citi may engage external service providers who may be responsible for performing noncore business activities, or nonemployee resources who are employed by an external third party but support Citi processes. These nonemployee resources could be working under Citi supervision or be working under the supervision of an external third party in the third party's facility. Citi may engage external service providers or nonemployees for a variety of different business purposes, including project-based work for a defined period of time, specialized/niche skill sets that are not readily available, or professional and outsourced services. There are no significant variations in employment numbers (such as seasonal variations in employment).</p> <ul style="list-style-type: none"> • Talent and Diversity > Citi's Global Workforce
102-9	Supply chain	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Responsible Sourcing
102-10	Significant changes to the organization and its supply chain	Fully	<ul style="list-style-type: none"> • 2019 Annual Report

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.



Disclosure Number	Disclosure Title	Reporting Status	Reference or Response
102-11	Precautionary Principle or approach	Fully	As discussed in the respective sections of this report, we evaluate and address risks as part of our Environmental and Social Risk Management (ESRM) efforts. Our ESRM Policy prohibits activities we believe pose risks to us, our clients and our stakeholders. This may include taking precautionary actions.
102-12	External initiatives	Fully	<ul style="list-style-type: none"> • CDP • Equator Principles • International Finance Corporation's Environmental and Social Performance Standards • International Finance Corporation's Environmental, Health and Safety Guidelines • International Labour Organization's Core Conventions • Poseidon Principles • Principles for Responsible Banking • Natural Capital Declaration • RE100 • Roundtable on Sustainable Palm Oil • Task Force on Climate-related Financial Disclosures • UN Environment Programme Finance Initiative • UN Global Compact • UN Guiding Principles on Business and Human Rights • UN Sustainable Development Goals • UN Universal Declaration of Human Rights • Wolfsberg Principles
102-13	Membership of associations	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Environmental Finance • Environmental and Social Risk Management > Policy Implementation • Operations and Supply Chain > Resource Use and Environmental Impacts • Ethics and Culture > Industry Collaboration • Talent and Diversity > LGBT+ Equality and Rights • Citi Political Activities Statement Trade Associations
102-14	Statement from senior decision-maker	Fully	<ul style="list-style-type: none"> • Letter from Our CEO
102-15	Key impacts, risks, and opportunities	Fully	<ul style="list-style-type: none"> • Letter from Our CEO • Our Approach to Creating Positive Impact > ESG Governance at Citi • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Citi's Sustainable Progress Strategy • 2019 10-K pages 46-60
102-16	Values, principles, standards, and norms of behavior	Fully	<ul style="list-style-type: none"> • About This Report • Ethics and Culture • Citi Corporate Governance
102-17	Mechanisms for advice and concerns about ethics	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Ethics and Culture at Citi • Ethics Hotline
102-18	Governance structure	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Citi Corporate Governance • 2020 Proxy Statement pages 28-37
102-19	Delegating authority	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Board Charters • 2020 Proxy Statement pages 46-50
102-20	Executive-level responsibility for economic, environmental, and social topics	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Board Charters • 2020 Proxy Statement pages 46-50

Disclosure Number	Disclosure Title	Reporting Status	Reference or Response
102-21	Consulting stakeholders on economic, environmental, and social topics	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Continuous Learning • Ethics and Culture > Public Policy • 2020 Proxy Statement pages 46-50
102-22	Composition of the highest governance body and its committees	Fully	<ul style="list-style-type: none"> • 2020 Proxy Statement pages 32-37
102-23	Chair of the highest governance body	Fully	<p>The Chairman of the Board is a nonexecutive, independent director.</p> <ul style="list-style-type: none"> • 2020 Proxy Statement page 28
102-24	Nominating and selecting the highest governance body	Fully	<ul style="list-style-type: none"> • Nomination, Governance and Public Affairs Committee Charter • 2020 Proxy Statement pages 46-50
102-25	Conflicts of interest	Fully	<ul style="list-style-type: none"> • 2020 Proxy Statement pages 25, 41, 96
102-26	Role of highest governance body in setting purpose, values, and strategy	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2020 Proxy Statement page 21
102-27	Collective knowledge of highest governance body	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2020 Proxy Statement pages 10-11
102-28	Evaluating the highest governance body's performance	Fully	<ul style="list-style-type: none"> • Corporate Governance Guidelines page 6 • 2020 Proxy Statement pages 46-50
102-29	Identifying and managing economic, environmental, and social impacts	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Environmental and Social Risk Management > Policy Implementation • Human Rights > Respecting Human Rights in Our Financing Decisions • Risk Management Committee Charter • Nomination, Governance and Public Affairs Committee Charter • 2020 Proxy Statement pages 28-37
102-30	Effectiveness of risk management processes	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Risk Management Committee Charter • Nomination, Governance and Public Affairs Committee Charter
102-31	Review of economic, environmental, and social topics	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2020 Proxy Statement page 34
102-32	Highest governance body's role in sustainability reporting	Fully	<ul style="list-style-type: none"> • Executive Vice President, Global Public Affairs
102-33	Communicating critical concerns	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Managing Compliance Risk • Citi Code of Conduct • 2020 Proxy Statement page 43
102-35	Remuneration policies	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Fair Employment Practices • Personnel and Compensation Committee Charter • 2020 Proxy Statement page 67-70
102-36	Process for determining remuneration	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Fair Employment Practices • Personnel and Compensation Committee Charter • 2020 Proxy Statement page 67-70

Disclosure Number	Disclosure Title	Reporting Status	Reference or Response
102-37	Stakeholders' involvement in remuneration	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Our Diversity Priorities • Personnel and Compensation Committee Charter
102-40	List of stakeholder groups	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi
102-41	Collective bargaining agreements	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees
102-42	Identifying and selecting stakeholders	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Human Rights > Continuous Learning • Ethics and Culture > Industry Collaboration
102-43	Approach to stakeholder engagement	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Human Rights > Continuous Learning • Digital Innovation > Developing Solutions with Customer Feedback
102-44	Key topics and concerns raised	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Environmental and Social Risk Management > Policy Implementation • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions • Ethics and Culture > Industry Collaboration
102-45	Entities included in the consolidated financial statements	Fully	<ul style="list-style-type: none"> • 2019 10-K pages 4-5
102-46	Defining report content and topic boundaries	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
102-47	List of material topics	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
102-48	Restatements of information	Fully	<ul style="list-style-type: none"> • Environmental Finance > Impact Data • Operations and Supply Chain > Environmental Performance for Operations
102-49	Changes in reporting	Fully	There are no significant changes from the previous reporting period.
102-50	Reporting period	Fully	This report covers fiscal and calendar year 2019.
102-51	Date of most recent report	Fully	April 2019
102-52	Reporting cycle	Fully	Annual
102-53	Contact point for questions regarding the report	Fully	Global Public Affairs Citigroup Inc. 388 Greenwich Street New York, NY 10013 citizenship@citi.com
102-54	Claims of reporting in accordance with the GRI Standards	Fully	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	Fully	<ul style="list-style-type: none"> • GRI Content Index
102-56	External assurance	Fully	We secure external assurance annually for data related to our reporting on the Equator Principles, transactions covered by Environmental and Social Risk Management reviews, and environmental data for our operations. <ul style="list-style-type: none"> • Assurance

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Economic performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 6-8
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 6-8
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Fully	<ul style="list-style-type: none"> • 2019 10-K pages 6-8
	201-2 Financial implications and other risks and opportunities due to climate change	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Environmental Finance > Completing Our \$100 Billion Environmental Finance Goal • Environmental and Social Risk Management > Climate-Related Risk • Operations and Supply Chain > Managing Climate Risk in Our Operations • Finance for a Climate-Resilient Future: Citi's TCFD Report • 2019 10-K page 71
	201-3 Defined benefit plan obligations and other retirement plans	Fully	<ul style="list-style-type: none"> • Citi Benefits Handbook
Market presence			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Citi's Value Proposition • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 4-8
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Citi's Value Proposition • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 4-8
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Fully	We provide competitive levels of compensation that meet or exceed local minimum wage requirements. Competitive wages and benefit programs may vary according to country and/or location. Most employees are hired locally.
	202-2 Proportion of senior management hired from the local community	Fully	Most employees are hired locally. When hiring for senior management, we may consider qualified candidates from across the globe.
Indirect economic impacts			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Inclusive and Resilient Communities • Environmental Finance
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Inclusive and Resilient Communities • Environmental Finance > How We Reached Our Goal
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Inclusive and Resilient Communities • Environmental Finance > Environmental and Social Impacts Achieved Through Our \$100 Billion Goal

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Fully	<ul style="list-style-type: none"> • Inclusive and Resilient Communities > Innovative Local Government and Community Change Agents • Inclusive and Resilient Communities > Infrastructure • Inclusive and Resilient Communities > Affordable Housing and Homeownership • Environmental Finance
	203-2 Significant indirect economic impacts	Fully	<ul style="list-style-type: none"> • Citi's Value Proposition • Inclusive and Resilient Communities • Environmental Finance > Environmental and Social Impacts Achieved Through Our \$100 Billion Goal
Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Ethics and Culture
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Ethics and Culture > Ethics and Culture at Citi • Ethics and Culture > Managing Compliance Risk
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Ethics and Culture > Ethics and Culture at Citi • Ethics and Culture > Managing Compliance Risk
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Managing Compliance Risk • Anti-Bribery Program Statement
	205-2 Communication and training about anti-corruption policies and procedures	Partially	<ul style="list-style-type: none"> • Ethics and Culture > Ethics and Culture at Citi • Ethics and Culture > Managing Compliance Risk • Anti-Bribery Program Statement
Anti-competitive behavior			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 54-57, 276-282
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • 2019 10-K pages 54-57, 276-282
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Fully	<ul style="list-style-type: none"> • 2019 10-K pages 54-57, 276-282
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Finance for a Climate-Resilient Future: Citi's TCFD Report
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Resource Use and Environmental Impacts • Citi's Sustainable Progress Strategy
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Operations and Supply Chain > Resource Use and Environmental Impacts • 2019 Sustainable Progress Strategy Scorecard

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
	302-3 Energy intensity	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Impact Report
	302-4 Reduction of energy consumption	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Finance for a Climate-Resilient Future: Citi's TCFD Report
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Resource Use and Environmental Impacts • Citi's Sustainable Progress Strategy
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Resource Use and Environmental Impacts • 2019 Sustainable Progress Strategy Scorecard
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
	305-2 Energy indirect (Scope 2) GHG emissions	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
	305-3 Other indirect (Scope 3) GHG emissions	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Impact Report
	305-4 GHG emissions intensity	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Impact Report
	305-5 Reduction of GHG emissions	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
Effluents and waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Operations and Supply Chain > Resource Use and Environmental Impacts
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Resource Use and Environmental Impacts • Citi's Sustainable Progress Strategy
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Resource Use and Environmental Impacts • 2019 Sustainable Progress Strategy Scorecard
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Fully	<p>Citi did not generate any hazardous waste during the reporting period.</p> <ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Supplier environmental assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Operations and Supply Chain > Responsible Sourcing
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Responsible Sourcing • Citi's Sustainable Progress Strategy
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Responsible Sourcing • 2019 Sustainable Progress Strategy Scorecard
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Supplier Engagement and Evaluation • 2019 Sustainable Progress Strategy Scorecard
Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Talent and Diversity
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Talent and Diversity > Our Diversity Priorities
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Our Diversity Priorities
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Citi's Global Workforce
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Workforce Well-Being • Citi Benefits Handbook
Training and education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Talent and Diversity > Development and Retention
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Talent and Diversity > Development and Retention
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Development and Retention
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Learning and Evaluation • Talent and Diversity > Global Employee Training 2019
	404-2 Programs for upgrading employee skills and transition assistance programs	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Development and Retention
	404-3 Percentage of employees receiving regular performance and career development reviews	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Learning and Evaluation

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Diversity and equal opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting the Human Rights of Our Employees • Talent and Diversity
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting the Human Rights of Our Employees • Talent and Diversity > Our Diversity Priorities • Talent and Diversity > Fair Employment Practices
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Our Diversity Priorities • Talent and Diversity > Fair Employment Practices
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Fully	<ul style="list-style-type: none"> • Talent and Diversity > Citi's Global Workforce • Board of Directors • 2020 Proxy Statement page 29
Freedom of association and collective bargaining			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Respecting the Human Rights of Our Employees
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Respecting the Human Rights of Our Employees • Talent and Diversity > Fair Employment Practices
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Talent and Diversity > Fair Employment Practices
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees
Child labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Respecting Human Rights in Our Financing Decisions • Citi Requirements for Suppliers • Citi Statement of Supplier Principles • Citi Statement on Human Rights
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Fully	We have not identified any operations as having significant risk for incidents of child labor. Our business overall is not at high risk because of the nature of work in the financial services industry. In addition, we do not directly source high-risk agricultural commodities, conflict minerals or any other raw materials, goods or services in significant amounts from suppliers in high-risk jurisdictions.

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Forced or compulsory labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Fully	<p>We have not identified any operations as having significant risk for incidents of forced or compulsory labor. Our own business operations are not at high risk because of the nature of work in the financial services industry; however, we have flagged institutional clients where due diligence indicates the possibility of some occurrence of forced labor or compulsory labor and have taken appropriate mitigating steps. In addition, while we do not directly source high-risk agricultural commodities, conflict minerals or other raw materials in significant amounts from suppliers in high-risk jurisdictions, we have identified EMEA-based suppliers that, based on their sector and geography, are more at risk for the occurrence of forced labor or human trafficking than other suppliers in other sectors and geographies. We have prioritized our engagement with those higher-risk suppliers to further mitigate potential risk.</p> <ul style="list-style-type: none"> • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners
Rights of indigenous peoples			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Fully	<ul style="list-style-type: none"> • Human Rights > Transactions Reviewed Under Citi's Statement on Human Rights

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Human rights assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Operations and Supply Chain > Responsible Sourcing
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions • Citi Statement on Human Rights • Citi Requirements for Suppliers • Citi Statement of Supplier Principles
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions • Operations and Supply Chain > Responsible Sourcing
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Fully	<ul style="list-style-type: none"> • Environmental and Social Risk Management > Policy Implementation • Human Rights > Transactions Reviewed Under Citi's Statement on Human Rights • Operations and Supply Chain > Responsible Sourcing
	412-2 Employee training on human rights policies or procedures	Fully	<ul style="list-style-type: none"> • Environmental and Social Risk Management > Enhancing Our Training • Human Rights > Respecting the Human Rights of Our Employees • Citi Code of Conduct
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Fully	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
Local communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Inclusive and Resilient Communities • Environmental Finance • Environmental and Social Risk Management • Operations and Supply Chain
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Inclusive and Resilient Communities • Environmental Finance • Environmental and Social Risk Management > Our ESRM Policy • Operations and Supply Chain > Employee Engagement
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Inclusive and Resilient Communities • Environmental Finance > Environmental and Social Impacts Achieved Through Our \$100 Billion Goal • Environmental and Social Risk Management > Policy Implementation • Operations and Supply Chain > Employee Engagement

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Partially	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi • Inclusive and Resilient Communities • Environmental and Social Risk Management > Policy Implementation • Human Rights > Continuous Learning
	413-2 Operations with significant actual and potential negative impacts on local communities	Fully	<ul style="list-style-type: none"> • Environmental and Social Risk Management > Policy Implementation • Environmental and Social Risk Management > Monitoring the Changing Risk Landscape • Operations and Supply Chain > Supplier Engagement and Evaluation
Financial Services Sector Supplement	FS13 Access points in low-populated or economically disadvantaged areas by type	Fully	<ul style="list-style-type: none"> • Inclusive and Resilient Communities > Financial Inclusion • Digital Innovation > Customer-Centric Solutions
	FS14 Initiatives to improve access to financial services for disadvantaged people	Fully	<ul style="list-style-type: none"> • Inclusive and Resilient Communities > Financial Inclusion • Human Rights > Financial Access for Survivors of Modern Slavery and Human Trafficking
Supplier social assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Operations and Supply Chain > Responsible Sourcing
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Operations and Supply Chain > Supplier Policies • Citi's Sustainable Progress Strategy
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Supplier Engagement and Evaluation • 2019 Sustainable Progress Strategy Scorecard
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Fully	<ul style="list-style-type: none"> • Operations and Supply Chain > Supplier Engagement and Evaluation • 2019 Sustainable Progress Strategy Scorecard
Public policy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Ethics and Culture > Public Policy
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Ethics and Culture > Public Policy • Citi Political Activities Statement
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Public Policy • Citi Political Activities Statement
GRI 415: Public Policy 2016	415-1 Political contributions	Fully	<ul style="list-style-type: none"> • Citi U.S. Political Contributions

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
Marketing and labeling			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Ethics and Culture > Serving Our Customers and Clients Responsibly
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Ethics and Culture > Serving Our Customers and Clients Responsibly
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Ethics and Culture > Serving Our Customers and Clients Responsibly
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Serving Our Customers and Clients Responsibly
Customer privacy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Digital Innovation > Safeguarding Data and Protecting Customer Information
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Digital Innovation > Safeguarding Data and Protecting Customer Information • Citi Code of Conduct • Citi Online Privacy Statement • Citi Security Center
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Digital Innovation > Safeguarding Data and Protecting Customer Information
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Fully	<ul style="list-style-type: none"> • Digital Innovation > Safeguarding Data and Protecting Customer Information
Socioeconomic compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Ethics and Culture > Managing Compliance Risk • Ethics and Culture > Serving Our Customers and Clients Responsibly • 2019 10-K pages 56-60
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Ethics and Culture > Managing Compliance Risk • Ethics and Culture > Serving Our Customers and Clients Responsibly • 2019 10-K pages 56-60
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	Fully	<ul style="list-style-type: none"> • 2019 10-K pages 56-60 • 2019 Annual Report

GRI Standard	Disclosure Number and Title	Reporting Status	Reference or Response
FINANCIAL SERVICES SECTOR SUPPLEMENT			
Product Portfolio			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context
	103-2 The management approach and its components	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Inclusive and Resilient Communities > Financial Inclusion • 2019 10-K pages 6-15
	103-3 Evaluation of the management approach	Fully	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Inclusive and Resilient Communities > Financial Inclusion • 2019 10-K pages 6-15
Financial Services Sector Supplement	FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector	Fully	<ul style="list-style-type: none"> • 2019 10-K pages 6-15
	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Fully	<ul style="list-style-type: none"> • Environmental Finance > Completing Our \$100 Billion Environmental Finance Goal • Environmental Finance > Environmental and Social Impacts Achieved Through Our \$100 Billion Goal • 2019 Sustainable Progress Strategy Scorecard

Task Force on Climate-related Financial Disclosures Index

The following table indicates where readers can find information that addresses the TCFD requirements, either in this report or other publicly available documents.

Disclosure	Report Section or Other Documentation	
Governance	a) Describe the Board's oversight of climate-related risks and opportunities.	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance • Nomination, Governance and Public Affairs Committee Charter, page 3
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Environmental Finance • Environmental and Social Risk Management > Climate-Related Risk • Citi's Sustainability Website • Citi's Environmental and Social Policy Framework • Finance for a Climate-Resilient Future
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Environmental Finance • Environmental and Social Risk Management • Citi's Sustainability Website • Citi's Environmental and Social Policy Framework • Finance for a Climate-Resilient Future
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> • Finance for a Climate-Resilient Future
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> • Environmental and Social Risk Management • Citi's Sustainability Website • Citi's Environmental and Social Policy Framework
	b) Describe the organization's processes for managing climate-related risks.	<ul style="list-style-type: none"> • Environmental and Social Risk Management • Operations and Supply Chain • Citi's Sustainability Website • Citi's Environmental and Social Policy Framework
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Our Material ESG Issues: Citi in a Global Context • Environmental and Social Risk Management • Operations and Supply Chain > Managing Climate Risk in Our Operations • 2019 10-K pages 69 and 294-295 • Citi's Environmental and Social Policy Framework
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> • Environmental Finance • Environmental and Social Risk Management • Operations and Supply Chain > 2020 Goals • Citi's Environmental and Social Policy Framework
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	<ul style="list-style-type: none"> • Operations and Supply Chain > Environmental Performance for Operations • Operations and Supply Chain > Environmental Impact Report
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> • Operations and Supply Chain > 2020 Goals • Operations and Supply Chain > Environmental Performance for Operations

United Nations Global Compact Index

This report serves as our 2019 communication on progress for the United Nations Global Compact (UNGC). Citi joined the UNGC in 2010, and we continue to embed the Compact's 10 principles across our business and report on activities related to human rights, labor issues, the environment and anti-corruption.

UNGC Principle	Report Section or Other Documentation
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights • Citi Code of Conduct • Citi Statement on Human Rights
Principle 2: make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • Environmental and Social Risk Management > Policy Implementation • Environmental and Social Risk Management > Monitoring the Changing Risk Landscape • Human Rights • Citi Statement on Human Rights
Labor	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Citi Requirements for Suppliers • Citi Statement on Human Rights
Principle 4: the elimination of all forms of forced and compulsory labor;	<ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions • Citi Requirements for Suppliers • Citi Statement of Supplier Principles • Citi Statement on Human Rights
Principle 5: the effective abolition of child labor; and	<ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions • Citi Requirements for Suppliers • Citi Statement of Supplier Principles • Citi Statement on Human Rights
Principle 6: the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Citi Code of Conduct • Citi Requirements for Suppliers • Citi Statement on Human Rights

UNGC Principle	Report Section or Other Documentation
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > Citi's Support for Climate Action • Environmental and Social Risk Management > Policy Implementation • Environmental and Social Risk Management > Climate-Related Risk
Principle 8: undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> • Environmental Finance • Operations and Supply Chain
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> • Environmental Finance
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> • Ethics and Culture > Managing Compliance Risk • Anti-Bribery and Corruption Program • Citi Code of Conduct

■ ■ Citi supports the 10 principles of the United Nations Global Compact as an important part of its business strategy and ethical culture. Our participation in this important initiative, which binds signatories from around the world to a common set of principles of responsibility, reinforces our commitment to corporate citizenship and sustainability."

– Michael L. Corbat, Chief Executive Officer

United Nations Guiding Principles Reporting Framework Index

We have included information and disclosures in this report aligned with the United Nations Guiding Principles reporting framework. This reflects our support of the UN Guiding Principles on Business and Human Rights and our commitment to transparency and accountability regarding our human rights-related activities and policies. The following table indicates where readers can find information that addresses the framework requirements, either in this report or other publicly available documents.

Section of the Framework		Report Section or Other Documentation
Part A: Governance of Respect for Human Rights		
Policy commitment	A1	What does the company say publicly about its commitment to respect human rights?
	A1.1	How has the public commitment been developed? <ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights
	A1.2	Whose human rights does the public commitment address? <ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights • Citi Statement on Human Rights
	A1.3	How is the public commitment disseminated? <ul style="list-style-type: none"> • Ethics and Culture > Code of Conduct <p>The following documents, which state Citi's commitment to respect human rights and our expectations about the commitment of others, are posted publicly:</p> <ul style="list-style-type: none"> • Citi Code of Conduct • Citi Requirements for Suppliers • Citi Statement of Supplier Principles • Citi Statement on Human Rights
Embedding respect for human rights	A2	How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?
	A2.1	How is day-to-day responsibility for human rights performance organized within the company, and why? <ul style="list-style-type: none"> • Our Approach to Creating Positive Impact > ESG Governance at Citi • Environmental and Social Risk Management > Policy Implementation • Human Rights > Human Rights Due Diligence in Client Transactions • Operations and Supply Chain > Responsible Sourcing • Digital Innovation > Safeguarding Data and Protecting Customer Information
	A2.2	What kinds of human rights issues are discussed by senior management and by the Board, and why? <ul style="list-style-type: none"> • Human Rights > Our Salient Human Rights Risks
	A2.3	How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions? <ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Ethics and Culture > Code of Conduct • Citi Code of Conduct
	A2.4	How does the company make clear in its business relationships the importance it places on respect for human rights? <ul style="list-style-type: none"> • Environmental and Social Risk Management > Policy Implementation • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions • Operations and Supply Chain > Responsible Sourcing • Citi Requirements for Suppliers • Citi Statement of Supplier Principles
	A2.5	What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result? <ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Respecting Human Rights in Our Financing Decisions

Section of the Framework		Report Section or Other Documentation	
Part B: Defining the Focus of Reporting			
Statement of salient issues	B1	State the salient human rights issues associated with the company's activities and business relationships during the reporting period.	<ul style="list-style-type: none">• Human Rights > Our Salient Human Rights Risks• Human Rights > Salient Human Rights Risks: Stakeholder Impacts• Human Rights > Human Rights Due Diligence in Client Transactions• Citi Statement on Human Rights
Determination of salient issues	B2	Describe how the salient human rights issues were determined, including any input from stakeholders.	<ul style="list-style-type: none">• Human Rights > Our Commitment to Respect Human Rights
Choice of focal geographies	B3	If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.	<p>This report provides a breakdown of our human rights due diligence for several salient risks at the project level and a separate breakdown of our due diligence of these and other environmental and social risks at a regional level for purposes of fulfilling the transparency requirements of the Equator Principles.</p> <ul style="list-style-type: none">• Human Rights > Transactions Reviewed Under Citi's Statement on Human Rights• Environmental and Social Risk Management > 2019 Projects Covered by the Equator Principles
Additional severe impacts	B4	Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.	
Part C: Management of Salient Human Rights Issues			
Specific policies	C1	Does the company have any specific policies that address its salient human rights issues and, if so, what are they?	
	C1.1	How does the company make clear the relevance and significance of such policies to those who need to implement them?	<ul style="list-style-type: none">• Environmental and Social Risk Management > Enhancing Our Training• Environmental and Social Risk Management > Piloting a Policy Chat Bot• Human Rights > Respecting the Human Rights of Our Employees• Operations and Supply Chain > Supplier Engagement and Evaluation• Citi Code of Conduct• Citi Requirements for Suppliers
Stakeholder engagement	C2	What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?	
	C2.1	How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?	<ul style="list-style-type: none">• Our Approach to Creating Positive Impact > Stakeholder Engagement at Citi• Human Rights > Engaging Stakeholders
	C2.2	During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?	<ul style="list-style-type: none">• Human Rights > Financial Access for Survivors of Modern Slavery and Human Trafficking• Human Rights > Calling for Inclusion of Refugees• Human Rights > Engaging Stakeholders
	C2.3	During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?	<ul style="list-style-type: none">• Human Rights > Financial Access for Survivors of Modern Slavery and Human Trafficking• Human Rights > Calling for Inclusion of Refugees• Human Rights > Engaging Stakeholders

Section of the Framework		Report Section or Other Documentation
Assessing impacts	C3	How does the company identify any changes in the nature of each salient human rights issue over time?
	C3.1	During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they? • Human Rights > Identifying Human Rights Risks in Transactions
	C3.2	During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?
Integrating findings and taking action	C4	How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?
	C4.1	How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions? • Our Approach to Creating Positive Impact > ESG Governance at Citi • Environmental and Social Risk Management > Policy Implementation • Human Rights > Respecting Human Rights in Our Financing Decisions
	C4.2	When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed? • Environmental and Social Risk Management > Policy Implementation • Human Rights > Respecting Human Rights in Our Financing Decisions • Operations and Supply Chain > Supplier Engagement and Evaluation
	C4.3	During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue? • Human Rights > Financial Access for Survivors of Modern Slavery and Human Trafficking • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Transactions Reviewed Under Citi's Statement on Human Rights • Talent and Diversity > LGBT+ Equality and Rights
Tracking performance	C5	How does the company know if its efforts to address each salient human rights issue are effective in practice?
	C5.1	What specific examples from the reporting period illustrate whether each salient issue is being managed effectively? In 2019, we identified risks of impacts to Indigenous Peoples, security risk and worker accommodations in client transactions. We took steps to mitigate the risks of those impacts or otherwise declined involvement in those transactions or ceased our relationships with those clients. • Environmental and Social Risk Management > Policy Implementation • Human Rights > Applying Our Policies to Protect Human Rights and Reduce Risk

Section of the Framework		Report Section or Other Documentation
Remediation	C6	How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?
	C6.1	Through what means can the company receive complaints or concerns related to each salient issue? <ul style="list-style-type: none"> • Human Rights > Reporting Mechanisms for Stakeholders • Ethics and Culture > Escalating Business and Ethical Concerns • Citi Code of Conduct • Citi Requirements for Suppliers
	C6.2	How does the company know if people feel able and empowered to raise complaints or concerns? <ul style="list-style-type: none"> • Human Rights > Reporting Mechanisms for Stakeholders • Ethics and Culture > Voice of the Employee • Ethics and Culture > Spotlight on Ethics • Ethics and Culture > Escalating Business and Ethical Concerns
	C6.3	How does the company process complaints and assess the effectiveness of outcomes? <ul style="list-style-type: none"> • Human Rights > Reporting Mechanisms for Stakeholders • Ethics and Culture > Voice of the Employee • Ethics and Culture > Escalating Business and Ethical Concerns • Citi Code of Conduct
	C6.4	During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned? <ul style="list-style-type: none"> • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Identifying Human Rights Risks in Transactions
	C6.5	During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples? <ul style="list-style-type: none"> • Human Rights > Providing Access to Remedy



**Schedule Accompanying Greenhouse Gas and Environmental
Data Verification Statement Number
UK.PRS.VOL.INV.0100.2019/2019/03/20**

BRIEF DESCRIPTION OF VERIFICATION PROCESS

SGS has been contracted by Citigroup, Inc. for the verification of direct and indirect carbon dioxide (CO₂) equivalent emissions and environmental data as provided by Citigroup, Inc., 388 Greenwich Street, New York in their GHG Assertion in the form of a Management Assertion covering CO₂ equivalent emissions and environmental data.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing; sustainability report assurance and greenhouse gases verification. SGS affirms our independence from Citigroup Inc., being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised Lead Verifiers in Greenhouse Gases and Environmental Data Reporting.

ROLES AND RESPONSIBILITIES

The management of Citigroup, Inc. is responsible for the organisation's GHG and environmental data information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation, determination and reporting of GHG emissions and environmental data information.

It is SGS' responsibility to express an independent verification opinion on the GHG emissions and environmental data as provided in the Citigroup, Inc. Assertion for the period 1st January 2019 – 31st December 2019. As independent auditors to Citigroup Inc. our work was conducted based on current best practice in independent verification and in accordance with SGS policies regarding impartiality and independence. SGS has no conflict of interest in relation to providing these services to Citigroup Inc.

SGS conducted a third-party verification following the requirements of ISO 14064-3: 2006 of the provided CO₂ equivalent and environmental data assertion during the period December 2019 to March 2020.

The assessment included a desk review with remote verification conducted at SGS offices. The verification was based on the verification scope, objectives and criteria as agreed between Citigroup, Inc. and SGS and presented in the RFP issued 21st October 2019

LEVEL OF ASSURANCE

The level of assurance agreed is a limited level of assurance.

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SCOPE

Citigroup, Inc. has commissioned an independent verification by SGS of reported CO₂ equivalent emissions and environmental data arising from their activities, to establish conformance with the requirements of the WRI/WBCSD GHG Protocol for CO₂ equivalent emissions and the principles of completeness, transparency, accuracy, consistency and relevance for environmental data, within the scope of the verification as outlined below. Data and information supporting the CO₂ equivalent and environmental data assertion were historical and estimated in nature and proven by evidence.

This engagement covers verification of emissions from anthropogenic sources of greenhouse gases and other environmental data included within the organisation's boundary and meets the requirements of ISO 14064-3:2006.

- The organisational boundary was established following the operational control approach.
- Title or description of activities: Banking and Finance.
- Location/boundary of the activities: Global
- Physical infrastructure, activities, technologies and processes of the organisation: Data Centres, Offices, Operation Centres, Retail Services, and Retail non-serviced facilities.
- GHG sources, sinks and/or reservoirs included:
Scope 1 - Stationary combustion in owned, leased and sub-leased locations. (transportation fleet, fugitive and refrigerant emissions are excluded from the inventory);
Scope 2 - Purchased electricity and district heating and cooling;
Scope 3 - Business Travel (air and rail)
- Types of GHGs included: CO₂, N₂O, CH₄.
- Directed actions: none.
- Types of environmental data included: electricity consumption, district heating (steam & chilled water), natural gas consumption, fuel oil consumption, waste diverted from landfill, total waste and water (potable and non-potable) consumed
- Intended user of the verification statement: Internal and external stakeholders.

OBJECTIVE

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the CO₂ equivalent emissions and environmental data are as declared by the organisation's assertion
- That the data reported are accurate, complete, consistent, transparent and free of material error or omission
- The implementation of Citigroup, Inc systems & procedures for the management and reporting of environmental data and the calculation of greenhouse gas emissions.

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CRITERIA

Criteria against which the verification assessment is undertaken are the requirements of the WRI/WBCSD GHG Protocol (for CO₂ equivalent emissions only), the GHG Inventory and environmental data methodology as defined by Citigroup, Inc., and the principles of completeness, transparency, accuracy, consistency and relevance.

MATERIALITY

The materiality required of the verification was considered by SGS to be below 10%, based on the needs of the intended user of the GHG and environmental data Assertion

CONCLUSION

Citigroup, Inc. provided the GHG and environmental data Assertion based on the requirements of the WRI/WBCSD GHG Protocol, the Citigroup, Inc. methodology and the principles of completeness, transparency, accuracy, consistency and relevance. The GHG and environmental data information for the period 1st January 2019 – 31st December 2019 disclosing:

23,289 tCO₂e of GHG emissions Scope 1
593,611 tCO₂e of GHG emissions Scope 2 (location based)
359,748 tCO₂e of GHG emissions Scope 2 (market based)
616,900 tCO₂e of total GHG emissions Scopes 1 and 2, based on Scope 2 location-based emissions
383,037 tCO₂e of total GHG emissions Scopes 1 and 2, based on Scope 2 market-based emissions
126,228 tCO₂e of GHG emissions Scope 3

1,310.60 GWh of electricity consumption
45.51 GWh of district heating and cooling (steam & chilled water)
71.46 GWh of natural gas and LPG
31.53 GWh of fuel oil and diesel
10,611 metric tonnes of waste diverted from landfill
36,370 metric tonnes of total waste
4,061,356 cubic meters of potable water consumed, and
274,727 cubic meters of non-potable water consumed

are verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

SGS' approach is risk-based, drawing on an understanding of the risks associated with modelling GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a sample basis, of evidence relevant to the voluntary reporting of emission and environmental data information.

SGS concludes with limited assurance that there is no evidence to suggest that the reported CO₂ equivalent and environmental data assertion is not materially correct and is not a fair representation of GHG and environmental data and information based on the calculation methodologies utilised.

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We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a limited level of assurance that the CO₂ equivalent emissions and environmental data for the period 1st January 2019 – 31st December 2019 are fairly stated.

This statement shall be interpreted with the CO₂ equivalent and environmental data assertion of Citigroup, Inc. as a whole.

Note: This Statement is issued, on behalf of Client, by SGS United Kingdom Ltd, Rossmore Business Park, Inward Way, Ellesmere Port, Cheshire, CH65 3EN ("SGS") under its General Conditions for GHG Validation and Verification Services. The findings recorded hereon are based upon an audit performed by SGS. A full copy of this statement and the supporting Assertion may be consulted at **Citigroup, Inc., 388 Greenwich Street, New York, NY 10013**. This Statement does not relieve Client from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.

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ASSURANCE STATEMENT

SGS REPORT ON CITIGROUP INC.'s "CITI'S 2019 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT", SECTION "2019 PROJECTS COVERED BY THE EQUATOR PRINCIPLES"

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS was commissioned by Citigroup Inc. to conduct an independent assurance of the "Citi's 2019 Environmental, Social and Governance Report", section "2019 Projects Covered by the Equator Principles". The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the data in accompanying tables, contained in this report.

The information in the "Citi's 2019 Environmental, Social and Governance Report" of Citigroup Inc. and its presentation are the responsibility of the directors and the management of Citigroup Inc. SGS has not been involved in the preparation of any of the material included in the "Citi's 2019 Environmental, Social and Governance Report". Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Citigroup Inc.' stakeholders.

The SGS protocols are based upon the internationally recognized Assurance Standard ISAE 3000. This standard follows differing options for Assurance depending on the context and capabilities of the Reporting Organization. This report has been assured at a limited level of scrutiny using our protocols for evaluation of content veracity and the alignment to the Equator Principles III and the internal policies and procedures of Citigroup Inc.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees; documentation and record review and the evaluation of the report for the alignment to the Equator Principles III.

STATEMENT OF INDEPENDENCE AND COMPETENCE

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The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised a Lead Assuror for Sustainability Reporting and Equator Principles, Lead Verifier in Greenhouse Gases, and Principal Auditor registered with IRCA (International Register of Certificated Auditors) in Environmental, Quality, Occupational Health & Safety, and Social Systems.

ASSURANCE OPINION

Based on the methodology described and the verification work performed on the "Citi's 2019 Environmental, Social and Governance Report", section "2019 Projects Covered by the Equator Principles", we did not observe any circumstance that made us believe that the information and data

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contained within is inaccurate, unreliable, or does not provide a fair and balanced representation of Citigroup Inc.' activities in 2019. The assurance team is of the opinion that the Report can be used by the Citigroup Inc.' Stakeholders. We believe that Citigroup Inc. has chosen an appropriate level of assurance.

CONCLUSIONS WITH REGARDS TO EQUATOR PRINCIPLES III REPORTING DATA FOR 2019

In our opinion the "Citi's 2019 Environmental, Social and Governance Report" reported information of the EP implementation, detailed at the section "2019 Projects Covered by Equator Principles" is presented in accordance with the Equator Principles III, Annex B "Minimum Reporting Requirement" (the Reporting Criteria). SGS based this opinion in the review of Citi's internal documents, including guides, standards, procedures, manuals, spreadsheets, and a sample of EP-covered financial products and their respective EP checklists and Independent Reviews.

Citigroup Inc. reported information is aligned to the EP Reporting Criteria requirements as follows:

- Public Reporting of the EP-covered financial products separately: Project Finance Advisory Services, Project Finance Loans, Project-Related Corporate Loans and Bridge Loans
- The loans were categorized as A, B or C, dependent on the environmental and social risks posed.
- Total number of Project Finance Loans and Project-Related Corporate Loans that reached Financial Close during the reporting period (2019)
- The Project Finance Loans and Project-Related Corporate Loans were broken down by: Sector, Region, Country Designation, and whether an Independent Review has been carried out or not.
- Independent review is required for A projects and, for B projects when needed. There was only one project category A and the Independent Review was provided. Some of the projects category B also had an Independent Review conducted.
- The EP transactions were over the threshold of 10 million USD for the Project Capital Cost required in the Equator Principles III for project finance loans, and over 100 million USD for Project-Related Corporate Loans.

Signed:

For and on behalf of SGS

Ursula Antunez de Mayolo Corzo
SGS Lead Sustainability Report Assuror
03rd April, 2020
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