

2020 Environmental, Social and Governance Report





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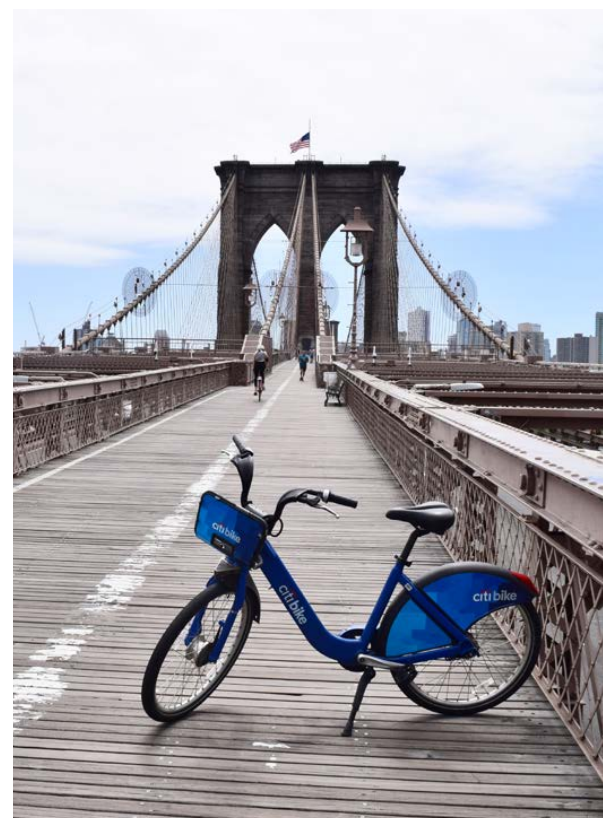
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About This Report

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 2020, focusing on the issues we have determined to be of **material¹ importance** from an ESG perspective, which is a broader standard than that used in our financial disclosures.

This report has been prepared in accordance with the GRI Standards: Core option. We also used three relevant sector standards from the Sustainability Accounting Standards Board, the Principles for Responsible Banking, 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 [2020 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 citigroup.com/citi/about/esg/ or contact:

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¹ Refer to [page 14](#) for our definition of material issues in the context of this report.



ESG at Citi

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Letter from Our CEO, Jane Fraser

One year into the pandemic, the impacts of this global crisis are a reminder that Citi's mission of enabling growth and economic progress isn't just a bunch of words on our website. It's something we take very seriously and bring to life through our day-to-day work in all parts of our business. I joined Citi more than 16 years ago, and my proudest moments at the firm have been when we have used our talent, experience and capabilities as a global bank to help solve some of society's toughest problems.

While I was the CEO of Citi's Latin America region, for example, we worked with Mexico's central bank to develop a new platform that allows anyone to make and receive cashless payments for free. In a country where a little more than a third of adults have a bank account but many more have a mobile phone, Cobro Digital has since paved the way for millions of Mexicans to access affordable financial services. It has also reinforced our belief that by living our core values we generate business value.

This is the kind of solution that banks like ours can forge to build a better world – and there is an increasing expectation from all our stakeholders that we do so. Our environmental, social and governance (ESG) agenda cannot just be a separate layer that sits above what we do day to day. It is embedded in what we

do and creates concrete examples of the empathy I see in our firm every day as we work to serve our clients, customers and communities.

With trust in public institutions at record lows, there is greater opportunity for those of us in the private sector to step up and lead. One of the most urgent issues we can help to address is confronting climate change. We are pleased to see the U.S. rejoin the Paris Agreement, and we are committed to doing our part. In 2020, in the midst of the pandemic, we announced our 2025 Sustainable Progress Strategy. At its heart is a five-year commitment to finance and facilitate \$250 billion in environmental activities. In conjunction with this ambitious climate finance goal, we're working with our clients to evaluate their climate risks and vulnerabilities while continuing

to minimize our own company's direct impacts on the planet. Earlier this year, on my first day as CEO, we committed Citi to net zero emissions by 2050. For us, the transition to more sustainable business practices mitigates risk and can be another competitive advantage.

Building on these goals, we recently took another step and committed \$1 trillion to sustainable finance by 2030, aligning with the agenda of the United Nations' Sustainable Development Goals. This commitment includes extending our environmental finance target from \$250 billion by 2025 to \$500 billion by 2030, as well as an additional \$500 billion for investments in other important areas such as education, affordable housing, health care, economic inclusion, racial diversity and gender equality. It's a significant effort

that expands on our many initiatives to help ensure a more sustainable and equitable future, especially as we continue to tackle challenges posed by COVID-19. As one example, last year we were selected by Gavi, the Global Vaccine Alliance, as sole financial advisor to the COVAX Facility to support the fair and equitable distribution of vaccines worldwide.

The global pandemic has also laid bare the systemic inequities that have impeded communities from reaching their full potential, and we cannot ignore

banking, investments in minority-owned housing developers to build affordable housing, and a partnership with the National Urban League to expand access to Citibank's no-fee banking accounts.

Action for Racial Equity builds on Citi's ongoing efforts to support those who are creating solutions to the social and environmental challenges facing communities. In January 2020, we launched the Citi Impact Fund with \$150 million in capital for startups, many of them founded by women and minorities, that

first major U.S. financial institution to publicly release the results of a pay equity review comparing compensation of women to men and U.S. minorities to U.S. non-minorities.

Our people are Citi's greatest asset, and we are absolutely committed to being a firm where everyone can show up to work as their true, authentic and whole selves, knowing that their contributions will be judged solely on their merits and their voices will always be heard. To hold everyone to the highest standards of ethics and professional behavior, we have implemented a new accountability framework that contains clear and consistent consequences for misconduct or risk management concerns.

I invite you to learn more about our ESG efforts in the pages that follow. This is a journey that we began at Citi many years ago and is now an essential part of our firm-wide strategy, harnessing the full power of our businesses to help solve society's toughest challenges. But the pandemic has changed our world irrevocably, and as we work to support an equitable recovery, we need to be even more responsive to the needs of all of our stakeholders, including those who have been most challenged by this public health crisis. The opportunities and obligations for companies like ours have never been greater and, as CEO, I am determined for Citi to continue answering the call.

“Our ESG agenda cannot just be a separate layer that sits above what we do day to day. It is embedded in what we do and creates concrete examples of the empathy I see in our firm every day as we work to serve our clients, customers and communities.”

the role our own industry has played in contributing to these disparities. In the aftermath of George Floyd's murder in Minneapolis, as calls for racial justice intensified across the U.S., we launched *Action for Racial Equity*, more than \$1 billion in strategic initiatives to help close the racial wealth gap and increase economic mobility. It's an investment that promises to pay tremendous dividends: recent research by Citi found that if key racial gaps for Black Americans had been closed 20 years ago, U.S. GDP could have increased by an estimated \$16 trillion. We are already making meaningful progress – including investments in Minority Depository Institutions to strengthen community

are focused on the “double bottom-line.” We later allocated an additional \$50 million to the fund to support businesses owned by Black entrepreneurs. In addition, the Citi Foundation is investing \$100 million in its successful Pathways to Progress initiative, which is equipping 1 million youth worldwide by 2023 with the skills they need to access meaningful jobs and careers.

Underpinning all of this work is a commitment to a culture that embraces the diversity of our people and the communities we serve. We are notable in our industry for recognizing the importance of transparency and accountability to these efforts. In 2018, Citi was the



Jane Fraser

Chief Executive Officer
April 2021



ESG at Citi

Through our core business and philanthropy, we address some of society's greatest challenges – an imperative stated in our mission and an idea that shapes our decisions every day. Our ESG commitments are an essential part of our firm-wide strategy, deeply integrated into our business and long-term priorities, yet nimble to adjust and respond to the ever-changing realities around the globe.

Support communities most impacted by COVID-19 and aid in an equitable recovery

- Committed over **\$100 million** in support of COVID-19-related relief and economic recovery efforts
- Selected by Gavi, the Global Vaccine Alliance, as **sole financial advisor** to the COVAX Facility to support the fair and equitable distribution of vaccines

Play a leading role in driving the transition to a low-carbon economy

- Launched our 2025 Sustainable Progress Strategy, including our **\$250 Billion** Environmental Finance Goal; measuring and managing the climate risk and impact of our client portfolio; and reducing the environmental footprint of our facilities
- Committed to **net zero** greenhouse gas emissions by 2050, including emissions associated with our financing, and our own operations by 2030

Leverage our core business capabilities and philanthropy to help close the racial wealth gap and increase economic mobility in the U.S.

- Launched **\$1 billion** in strategic initiatives to provide greater access to banking and credit in communities of color, increase investment in Black-owned businesses, expand homeownership, and advance anti-racist practices in the financial services industry

Continue transparency around pay equity and reduce our raw pay gap

- Publicly shared an update on our progress, showing improvements in median pay for **women globally** and **U.S. minorities**

Invest in companies tackling society's biggest challenges

- Invested in **13 companies** through Citi's **\$200 million** Impact Fund, the majority of which are founded by women and/or minorities

Increase affordable housing in the U.S.

- Provided **\$7 billion** in loans for affordable housing projects in the U.S., making Citi the largest U.S. affordable housing development lender for the **11th consecutive year**
- Issued inaugural **\$2.5 billion** Affordable Housing Bond, the largest-ever social bond from an issuer in the private sector

Advance economic progress in underserved and low-income communities in emerging markets

- Supported **\$289 million** in debt transactions to fund inclusive businesses and microfinance institutions globally

Respect human rights in our financing of client activities

- Screened more than **600 transactions** under our Environmental and Social Risk Management Policy and flagged 25 of those transactions for enhanced due diligence
- Screened an additional **100 client relationships** for region-specific human rights risks

Address global issue of youth unemployment

- Expanded the global Pathways to Progress job skills-building initiative, led by a three-year, **\$100 million** investment from the Citi Foundation

Support the equitable growth of underserved communities around the world

- **\$100 million** in philanthropic grants provided by the Citi Foundation

Make a positive impact in our communities through employee volunteerism

- **Over 63,000** volunteer engagements as part of Citi's 15th annual Global Community Day Reimagined across 73 countries and territories

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. As an institution, Citi is 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.

We have an obligation to act responsibly. We also know that acting responsibly

and sustainably will help to drive value for our different stakeholders and for our company. 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.

Citi at a Glance



Well-diversified revenues across businesses and regions



Iconic brand with 200+ years of experience



Supporting clients in more than 160 countries and jurisdictions



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



Scaling efficiencies through common processes, common platforms and common data



Unique presence in faster-growing emerging markets

Our Approach to Driving 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. The need for action grew in urgency and scope in 2020 with the onset of the COVID-19 pandemic and vital calls for racial equity and systemic change around the world.



This report highlights our continued efforts as a financial institution, an employer and a philanthropist to address these societal issues, from our [Action for Racial Equity](#) to our substantial pandemic-related relief. In the midst of the global pandemic, we launched our new 2025 [Sustainable Progress Strategy](#) to address another global crisis: climate change. Our new strategy, which had been in the works well before COVID-19, is aimed at driving the transition to a sustainable, low-carbon future in an environmentally responsible way that serves society's economic needs. Building on this strategy, in early 2021, we took an important next step in our sustainability journey and committed to net zero greenhouse gas (GHG) emissions by 2050. ([Learn more.](#)) COVID-19 became an accelerant for our work, illustrating the deep interconnections of systemic racism and societal, physical and environmental health.

Once a niche topic for investors, our environmental, social and governance

(ESG) focus is essential to our firm-wide strategy – deeply integrated into our business – and we continue to evolve our approach to managing ESG issues and opportunities. Many of our business units have expanded their capacity and capabilities to serve the growing ESG-related needs of our clients, and we've established dedicated ESG-focused bankers and broader teams.

As examples, in 2020, we created a dedicated Sustainability and Corporate Transitions team in our Banking and Capital Markets Advisory business and an ESG team in our Markets and Securities Services business. These teams engage with clients to provide sustainable finance products that support their low-carbon transition.

Other examples of our comprehensive ESG offerings include the Treasury and Trade Solutions team, which helps to drive ESG goals and targets within supply chain networks, and Citi Private

Bank, which launched Investing with Purpose, reflecting a dual mandate of positive societal change and competitive performance.

In response to the increasing need for clients to see how we are addressing ESG – and in step with global best practices – we have aligned our reporting with the frameworks and guidance of the [Global Reporting Initiative](#) and [UN Guiding Principles Reporting Framework](#). For the first time, we are also now using three relevant sector standards from the [Sustainability Accounting Standards Board](#), and we're addressing the [Principles for Responsible Banking](#). We also include examples of our work that align with the UN Sustainable Development Goals and the UN Global Compact. In addition, we recently released our second standalone Task Force on Climate-related Financial Disclosures (TCFD) report, which further illustrates how climate risk and opportunity is central to our ESG efforts.



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 with accuracy and transparency and maintaining 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.

Our Board plays 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 (NGPAC) 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. The Risk Management Committee also receives updates on climate risk.

Our Board of Directors aims to have at least two-thirds of its members as independent directors. Currently, 14 out of 16 members of the Board are independent. Additionally, the Chair of the Board is a nonexecutive independent director.

Standing committees of our Board of Directors include:

- Audit
- Ethics, Conduct and Culture
- Executive

- Nomination, Governance and Public Affairs
- Personnel and Compensation
- Risk Management

In addition, the Board formed the Transformation Oversight Committee, an ad hoc committee to provide oversight of management’s remediation of the issues identified in the consent orders with the Federal Reserve Board and Office of the Comptroller of the Currency. [Learn more.](#)

See our [website](#) for more information about Citi’s corporate governance, including our Board committee charters. See our [Task Force on Climate-related Financial Disclosures report](#) for details on our governance for climate change specifically.

ESG Governance

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

Sustainability

Citi's Board of Directors and senior management continue to expand the governance of climate risk and integrate climate considerations into their priorities. Over the last two years, we have:

- Appointed a new Chief Sustainability Officer
- Established a Head of Climate Risk to partner with the Head of Environmental and Social Risk Management (ESRM) to integrate climate risk into our Risk Management processes
- Formed a Global Sustainability Steering Committee to advise on our sustainability and climate change strategy

In addition, the board and senior management have increased the frequency and depth of conversations regarding climate matters.

Citi's Board of Directors has ultimate oversight of Citi's approaches to considering, evaluating, and integrating climate-related risks and opportunities throughout the organization. The Board receives reports from key personnel on Citi's progress and key issues on a periodic basis. In addition to reporting to the Full Board, the NGPAC has oversight of sustainability generally and the bank's climate change efforts specifically, and the Risk Management Committee (RMC) is providing oversight of climate change risk.

The NGPAC has direct oversight of sustainability activities and performance, including those related to climate change, and the NGPAC receives periodic updates from Citi's Chief Sustainability Officer. The NGPAC also reviews Citi's governance and significant policies and programs for sustainability and climate change issues and advises management on our engagement with investors and external stakeholders on sustainability and climate change matters. For more information on the roles and responsibilities of the NGPAC, please see our [NGPAC Charter](#).

The RMC provides oversight of Citi's Risk Management function and reviews Citi's risk policies and frameworks. In 2020, the Head of Climate Risk and the Head of ESRM provided the RMC with updates on emerging bank regulator trends on climate risk and the bank's approach to meeting them. For more information on the roles and responsibilities of this committee, please see our [RMC Charter](#).

Management of climate-related risks and opportunities is a shared responsibility across Citi. Senior managers from Public Affairs, Risk, Finance, Legal, Operations & Technology and various business units from our Institutional Clients Group contribute expertise to address the challenges presented by climate change.

Learn more in the [Climate Risk section](#) and in our [most recent report](#) that details how we are implementing the recommendations of the [TCFD](#).

Community Investing

In 2020, Citi established Community Investing and Development (CID), a new integrated team that works across Citi's businesses and functions to catalyze positive social impact in communities around the world. Through equity investing and innovative financial solutions, the formation of CID enhances Citi's toolkit

to become a stronger community change agent by deploying Citi's business capabilities. In addition to the Citi Foundation's strategic grant making, CID aims to address complex challenges facing the communities we serve in new ways.

CID includes three community-facing teams:

- **Citi Impact Fund:** In early 2020, we launched the Citi Impact Fund, through which we are investing in "double bottom line" companies that are addressing societal challenges, including workforce development, sustainability, infrastructure, financial capability, and access to capital and economic opportunity. In September 2020, we allocated an additional \$50 million to the Impact Fund to exclusively support businesses owned by Black entrepreneurs as part of our *Action for Racial Equity* initiative.
- **Inclusive Finance:** In the U.S. and globally, our Inclusive Finance teams based in New York and London work directly with Citi businesses and clients to develop products and partnerships that reach underserved households and to respond to concerns related to access and inclusion.
- **Community Relations:** In the U.S., our newly established Community Relations team catalyzes social impact through engagement and partnerships with local community leaders and organizations across the country. The team connects Citi's people, expertise, resources, products and services to help expand equitable opportunities for all.

The Citi Foundation is a separate legal entity funded by Citi to organize flagship community programming in three areas: youth economic opportunities, financial inclusion and community solutions.

Underlying our approach is the notion that no single institution can address system challenges by working in a silo.

The creation of CID means Citi can be the best possible partner to our stakeholders – clients, governments, nongovernmental organizations, academic institutions and companies ranging from startups to large, multi-national corporations – as we collaborate on shared agendas that support positive social impact. These partnerships highlight how our work contributes directly to the UN Sustainable Development Goal, **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

Learn more about this team’s efforts in the [Equitable & Resilient 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, the Head of Talent and Diversity 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, see 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 key risk policies, including those focused on environmental and social risk.

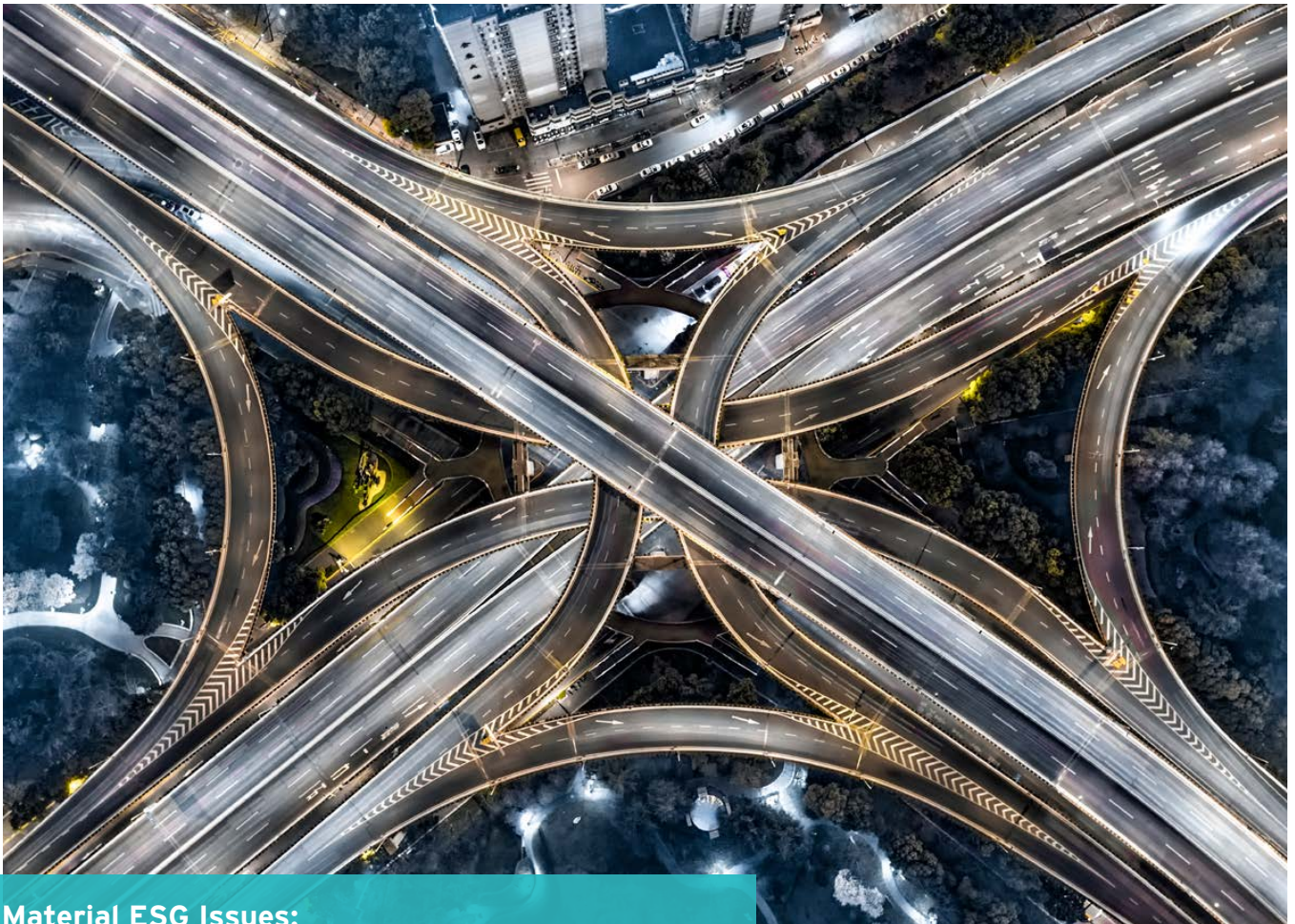
Remuneration

Sustainability and other ESG-related goals are incorporated into certain executive scorecards, which are key elements of performance management tied to the determination of incentive compensation for these executives. Progress on our \$250 Billion Environmental Finance Goal by 2025 and oversight of Citi’s Net Zero Plan are included in the scorecards for Citi’s CEO and for the CEO of our Institutional Clients Group. Similarly, oversight of the development and publication of Citi’s Net Zero Plan is included in the scorecard for Citi’s Head of Global Public Affairs.

Moreover, climate change strategy and risk management performance goals are incorporated into annual goals and performance review processes for a number of our senior executives and their teams who are responsible for developing and implementing our approach to climate change. These executives include the Chief Sustainability Officer, Head of ESRM, Head of Climate Risk and the Head of Facilities Management, whose team is responsible for our environmental footprint goals.

Diversity and inclusion, including increasing the representation of women and U.S. minorities, and ethics and culture are also incorporated into senior executives’ scorecards. We recently launched a firm-wide exercise where our 200+ leaders with representation goals on their scorecards are using data to understand where they have representation gaps in their hiring, promotions and retention. Citi also 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.





Our Material ESG Issues:

Citi in a Global Context

In 2020, we conducted a materiality assessment 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 topics are incorporated in the material issues graphic on the next page.

Based on internal stakeholder interviews and external research, the ESG topics identified, which we refer to as “material ESG issues” throughout this report, help inform which issues we report on, which issues we consider raising to our Board and how we establish our ESG priorities.

When taken as a set, the issues that surfaced in the 2020 ESG materiality analysis indicate an increase in stakeholder expectations, in particular with regard to issues connected to climate change and social justice. The pandemic

also placed increased emphasis on employee health and well-being. Most of the material ESG issues outlined on the following pages are not new to Citi nor to our stakeholders; what is new, however, is the magnitude and complexity of the changes required to rise to these challenges. For example, there is wide recognition that climate change is happening faster and with more impact than previously realized; in parallel, society is reacting to unacceptable levels of social inequity.

We have a choice in both the nature and degree of the actions we take in response to these challenges and in support of healthy, resilient communities. There exists both a pressing need and a tremendous opportunity for Citi to take a leadership role in creating positive change that is equal to the challenge.

Citi's Material ESG Issues

This chart outlines the most material environmental, social and governance issues relevant to our business and our key stakeholders. We realize these issues are generally important to all of these stakeholders; however, we focused on areas of highest relevance for each stakeholder group.

Material ESG Topics*	Key Stakeholders					
	Clients and Customers	Employees	Suppliers	Communities and NGOs	Shareholders	Government and Regulators
Environmental						
Biodiversity	●			●	●	
Climate Change	●	●	●	●	●	●
Environmental Justice	●		●	●		
Operational Footprint		●	●			●
Products and Services with Environmental or Social Benefits	●		●	●	●	
Social						
Community Investment		●		●		
COVID-19	●	●	●	●	●	●
Employee Health and Well-being		●	●			●
Financial Inclusion	●			●	●	●
Human Rights	●	●	●	●	●	●
Racial Equity/Racial Justice	●	●	●	●		●
Talent Attraction, Retention and Development		●			●	
Workforce Diversity, Inclusion and Equal Opportunity		●		●	●	
Governance						
Business Ethics	●	●	●	●	●	●
Business Model Resilience	●				●	
Data Security/ Financial Product Safety	●	●	●	●	●	●
ESG Governance	●	●			●	
Innovation and Digitization	●	●				
Public Policy and Regulation Reform	●			●	●	●
Stakeholder Engagement	●	●	●	●	●	●
Systemic Risk Management	●				●	
Transparency and Trust	●			●	●	●

* For issue definitions, see next page.

Citi's Material ESG Issues (continued)

Material Topics	Definitions/Relevance to Citi
Biodiversity	Our role in preventing the decline in the number, genetic variability and variety of species essential to global and bioregional ecosystem resilience through our financing
Business Ethics	Following our policies, including compliance with laws, anti-corruption and bribery, anti-competitive behavior, paying taxes and transparent political engagement
Business Model Resilience	Creating, developing and deploying a business model that can meet significant challenges such as natural disasters, health pandemics and global climate change
Climate Change	Reducing our own contribution to climate change while financing and facilitating projects that accelerate the transition to a low-carbon economy
Community Investment	Enabling greater cohesion with community stakeholders through public-private partnerships, monetary or in-kind donations, volunteer time or employee fundraising/match schemes
COVID-19	Adjusting our operations and long-term strategy to allow us to respond effectively to current and future global health crises
Data Security/Financial Product Safety	Executing the policies, procedures and programs designed to safeguard the privacy of information shared by employees, customers and clients
Employee Health and Well-being	Creating workspaces that promote employee wellness, and engaging employees in our effort to maintain a culture of safety, sustainability and wellness
Environmental Justice	Enacting environmental policies and practices that ensure the fair treatment and involvement of people of all races, national origins and income
ESG Governance	Aligning with stakeholder interests while protecting the environment, advancing social causes and conducting ourselves responsibly
Financial Inclusion	Engaging with community banks and low-income stakeholders, and orienting the company's place in the market to serve underserved communities
Human Rights	Respecting the basic rights and freedoms of clients, customers, employees, suppliers and Indigenous communities in all our banking activities
Innovation and Digitization	Problem-solving with clients, partnering with experts and fostering an environment that values experimentation and technological advancements
Operational Footprint	Reducing direct impacts by managing energy use, water consumption, recycling, waste and green building design
Products and Services with Environmental or Social Benefits	Providing products and services that drive more equity in society and that protect the environment
Public Policy and Regulation Reform	Advocating for public policies that support the interests of our company, clients and employees in the countries and regions where we operate
Racial Equity/Racial Justice	Implementing policies and programs that promote equal opportunity and treatment for people of all races
Stakeholder Engagement	Actively exchanging input, insights, expertise and perspectives with a wide array of stakeholders as we pursue our sustainability objectives
Systemic Risk Management	Navigating an evolving risk landscape to make responsible decisions and serve the long-term interests of our clients and the communities in which they operate
Talent Attraction, Retention and Development	Adopting an approach to recruiting, hiring, developing and retaining employees to create positive working conditions so that our employees can thrive
Transparency and Trust	Protecting the confidentiality of our clients' information while disclosing information to stakeholders that demonstrates our accountability and credibility
Workforce Diversity, Inclusion and Equal Opportunity	Enhancing our efforts to promote equal opportunities for all people, and supporting a culture of diversity and inclusion in the workplace



Principles for Responsible Banking Impact Assessment

Citi's largest global wealth hub, pictured above, opened in Singapore in December 2020.

In 2020, we became the first major U.S. bank to endorse and become a signatory to the Principles for Responsible Banking (PRB), a set of six principles developed by the UN Environment Programme Finance Initiative (UNEP FI) to provide a framework for a sustainable banking system. The Principles are designed to guide banks in embedding sustainability into their business at the strategic, portfolio and transactional level to contribute to the UN Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

Following the guidance provided by UNEP FI, we mapped the Principles to our core activities and are reporting on our progress. The results are outlined in the [PRB Index](#). Because this is our first year applying this framework, we anticipate deepening our learning in collaboration with our peers and continuing to build out our application of these Principles.

Citi and the Sustainable Development Goals

Many aspects of our business align with the UN SDGs, and we have identified seven SDGs where we believe we can make the greatest contribution toward meeting these goals. Examples of Citi's efforts that correspond with these goals can be found throughout this report.

Citi is part of the Global Investors for Sustainable Development (GISD) Alliance, which includes 30 of the world's largest investors committed to accelerating the financing of the Sustainable Development 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 is operating on a two-year timeline, from October 2019 through October 2021, focusing on solutions related to long-term SDG investment, particularly in developing countries. In 2020, under the leadership of Citi's Vice Chairman of Banking, Capital Markets and Advisory, the Alliance produced a report entitled *Renewed, Recharged and Reinforced: Urgent Actions to Harmonize and Scale*

Sustainable Finance. The Alliance continues to encourage leaders to adopt recommendations in the report and is working on new initiatives related to the 2021 United Nations Climate Change Conference (COP26) and accelerating capital toward achieving the SDGs.

Building on our efforts, in 2021, Citi announced an SDG financing goal of \$1 trillion by 2030. This commitment includes extending our environmental finance target from \$250 billion by 2025 to \$500 billion by 2030, as well as an additional \$500 billion for activities in important areas such as education, affordable housing, health care, economic inclusion, international development finance, racial diversity and gender equality. We will report on our progress against this SDG finance target going forward.

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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Stakeholder Engagement at Citi

As a signatory to the Business Roundtable’s Statement on the Purpose of a Corporation, Citi is committed to ongoing and extensive engagement with our stakeholders. We subscribe to a broad stakeholder capitalism approach, believing that we are best able to drive business value when we serve the interests of a wide array of stakeholders including our shareholders. This approach is critical to our success as a business and to building long-term value for society as a whole. We made a deliberate effort to continue stakeholder engagement in a pandemic environment.

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

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

America’s Most Responsible Companies

In recognition of our sustained ESG efforts, Citi was named one of America’s Most Responsible Companies – **#9** overall and **#1** in the financial services sector – in Newsweek’s 2021 rankings.



“Our recent \$1 trillion commitment to sustainable finance by 2030 shows how we are focusing our financial resources – from those that support environmental finance and affordable housing, to racial equity and economic inclusion – to help ensure a more sustainable and equitable future. We will continue to look for ways to use our balance sheet to solve problems, and deploy our capabilities to respond to the evolving needs of society.”

– Ed Skyler, Head of Global Public Affairs

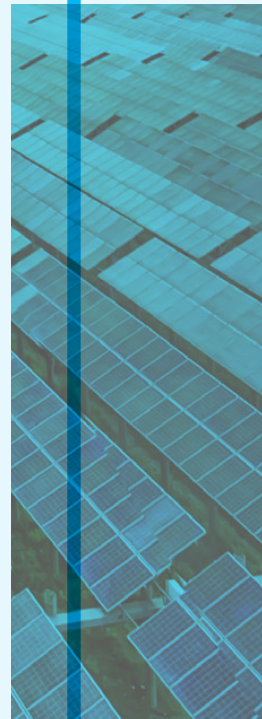
Stakeholder Group	How We Engage	Examples from 2020
<p>Clients and Customers</p>	<ul style="list-style-type: none"> • Meetings to share Citi’s ESG performance and to understand our clients’ approaches to managing environmental and social risks • Social media, including our Customer Service Twitter handle (@AskCiti) • Customer satisfaction survey • Citi Blog 	<ul style="list-style-type: none"> • Worked with clients on sustainable finance opportunities, such as sustainability-linked finance and sustainable supply chain finance • Engaged with clients to discuss our approach to environmental, social and climate risk management and disclosure • Participated in a number of materiality exercises for clients’ ESG reporting
<p>Employees</p>	<ul style="list-style-type: none"> • Company intranet, email, mail and meetings • Voice of the Employee surveys • Affinity Networks and Green Teams • Online training • Performance reviews • Citi Blog 	<ul style="list-style-type: none"> • More than 180,000 staff 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 • Our Global Sustainability Network consists of employees from across Citi whose work directly relates to sustainability and ESG, to promote knowledge sharing and alignment on related activities
<p>Suppliers</p>	<ul style="list-style-type: none"> • Meetings, calls, conferences and workshops • Corporate Responsibility Questionnaire to help assess management of ESG issues, including climate change and modern slavery 	<ul style="list-style-type: none"> • Hosted multiple events to create opportunities to engage with diverse suppliers and help to build their capacity, including in sustainability
<p>Communities and Nongovernmental Organizations (NGOs)</p>	<ul style="list-style-type: none"> • Meetings, calls, conference calls, emails, social media and events • Specialized websites, including our new Communities website • Collaboration with NGOs on issues relevant to their organizations and our business • Employee volunteering events • Citi Foundation provides grants and works with community organizations 	<ul style="list-style-type: none"> • Our Chief Sustainability Officer joined the board of Net Impact and also serves on the board of the UN Global Compact Network USA • Our Head of Community Investing and Development chairs Living Cities, a collaborative of the largest philanthropic foundations in the U.S. dedicated to closing racial wealth gaps • Thousands of employees participated in Citi’s annual Global Community Day, which was reimagined as a virtual event with more than 63,000 volunteer engagements in 73 countries • Participated in a virtual NGO roundtable with other banks to listen to views on fossil fuel finance • To combat money laundering linked to human trafficking and modern slavery, participated in or contributed to a number of industry-wide collaborative initiatives, discussions and publications at both the global and local levels with peers, regulators and civil society

Stakeholder Group	How We Engage	Examples from 2020
<p>Shareholders</p>	<ul style="list-style-type: none"> • Group calls and meetings (quarterly earnings calls, investor conferences and Citi-hosted group meetings) • One-on-one meetings to discuss financial performance and ESG issues • Communications through our Investor Relations and Corporate Governance teams 	<ul style="list-style-type: none"> • Presented in person and virtually to more than 20 investor groups at our ESG investor roadshow, focused on climate change and diversity – our third year of dedicated ESG engagement
<p>Government and Regulators</p>	<ul style="list-style-type: none"> • Meetings, conference calls, lobbying activities, industry associations, public policy forums, press conferences, conferences and convenings • Membership on government councils and committees 	<ul style="list-style-type: none"> • Committed to the Office of the Comptroller of the Currency’s Project REACH MDI Pledge to continue working with Minority Depository Institutions to help promote fair and equal access to financial projects and services • Joined the Commodity Futures Trading Commission’s Climate-Related Market Risk Subcommittee that developed a new report entitled <i>Managing Climate Risk in the U.S. Financial System</i> • Member of the CEO Climate Dialogue, a cross-industry effort committed to advancing climate action and durable federal climate policy in the United States
<p>Other Financial Institutions</p>	<ul style="list-style-type: none"> • Working groups • Joint projects • Meetings and conference calls • Industry groups, roundtables, workshops and events 	<ul style="list-style-type: none"> • Joined the Partnership for Carbon Accounting Financials (PCAF) and the Paris Agreement Capital Transition Assessment (PACTA) Pilot Program • Member of UN Environment Programme Finance Initiative’s (UNEP FI) Global Steering Committee and the Institute for International Finance’s Sustainable Finance Working Group • Co-led the Equator Principles’ Social Risks Working Group’s development of an implementation guidance document on human rights impact assessments • Engaged in UNEP FI’s working groups to develop guidance for implementing and reporting on the Principles for Responsible Banking • Joined the informal working group for the Task Force on Nature-related Financial Disclosures

Sustainable Progress

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The climate crisis is one of the most critical challenges facing society and the global economy today. The world’s climate scientists agree that urgent action must be taken to address the current and future impacts of climate change, including rising sea levels and more intense and frequent extreme weather events.

Communities around the world are already feeling the effects, and longer-term climatic changes have the potential to cause greater and wider-ranging impacts, including disrupted supply chains, damaged infrastructure, reduced crop yields and biodiversity loss. These risks and impacts are exacerbated by societal inequality and unsustainable economic development, which put additional pressures on land, water, forests and other natural resources. Such interconnected challenges endanger the vitality of communities and ecosystems all over the world, presenting a threat to global prosperity if not addressed and managed properly.

Seeing the pressing need to accelerate action, we recently launched our 2025 Sustainable Progress Strategy, which builds on our track record in sustainability and environmental finance that spans more than two decades. We believe Citi

can take a leadership role in driving the transition to a low-carbon economy by drawing on our long-standing sustainability expertise, expanding our business unit capabilities and deepening our engagement with the energy-intensive sectors that are most in need of transformation.

As one of the largest financiers of the global economy, including carbon-intensive sectors such as oil and gas, we know that our ambition to bring Citi’s business into alignment with the Paris Agreement will not be easy; it will require rapid and far-reaching transitions in energy systems, industrial processes, land use, buildings, transport and other infrastructure. We also know that delaying this transition could significantly increase costs, lock in carbon-emitting technology and infrastructure, increase the amount of stranded assets, and reduce the range of effective responses to the challenge in the medium to long term.

For more than two decades, we have worked with clients, partners and other key stakeholders to address the growing risks and opportunities related to climate change, positioning us well to respond to the challenges. We have co-created sustainable finance and due diligence frameworks – including the [Equator Principles](#), the [Green Bond Principles](#) and the [Poseidon Principles](#) – by bringing together financial institutions to develop best practices and drive sustainable change. These experiences were training grounds for the collaborative innovation that is needed now. We know there is more to do, and we will continue to learn, engage with others and report on our progress.

We support responsible and interconnected governmental action on climate to align incentives across the economy to create a low-carbon future, including robust approaches to carbon pricing and disclosure of climate risks. We have called on our fellow companies and organizations in the public and private sectors to join us in implementing meaningful climate solutions.

A Bold Commitment

Our 2025 Sustainable Progress Strategy, which is integrated into our [Environmental and Social Policy Framework](#), focuses on three key areas over five years: financing the [low-carbon transition](#), deepening [climate risk assessment and disclosure](#), and reducing the [environmental impacts of our own operations](#). A key part of our strategy is a new **\$250 Billion Environmental Finance Goal – a commitment that is not only more than double the predecessor goal that we completed in 2019, but also one that we aim to achieve in half the time.**

We have moved well beyond a business-as-usual mindset – integrating sustainability and embedding environmental, social and governance (ESG) considerations across key areas of our business – and our new strategy unifies and amplifies our efforts to finance climate solutions and reduce climate risk. (Learn more about Citi’s overall sustainability strategy and governance in the [Our Approach to Driving Positive Impact](#) section.)

We announced our new strategy several months into the global pandemic, which further illuminated the interconnectedness of economic, physical, societal and environmental health, resilience and stability. Global financial institutions like Citi have the opportunity – and the responsibility – to serve as catalysts not only for the recovery from the COVID-19 pandemic, but also for the long-term transition to a low-carbon economy.



“Our new Sustainable Progress Strategy unifies our sustainability efforts across Citi. We’re increasing our commitment to environmental finance and climate risk analysis and disclosure while continuing to reduce our own environmental footprint.”

– Val Smith, Chief Sustainability Officer

2025 Sustainable Progress Strategy

At Citi, building a sustainable future is central to our business. Our 2025 Sustainable Progress Strategy sets out three key pillars of activity:

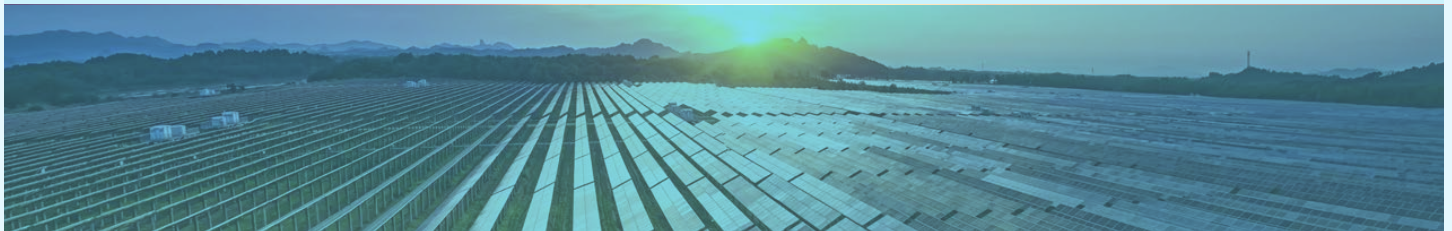
Low-Carbon Transition



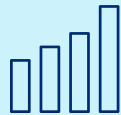
Accelerate the transition to a low-carbon economy through our \$250 Billion Environmental Finance Goal

Finance and facilitate environmental solutions over five years in support of:

- Renewable Energy
- Clean Technology
- Sustainable Transportation
- Energy Efficiency
- Green Buildings
- Water Quality & Conservation
- Circular Economy
- Sustainable Agriculture & Land Use

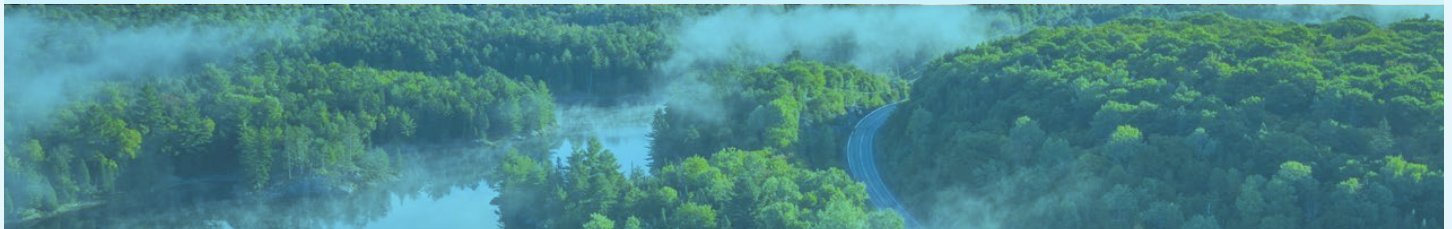


Climate Risk



Measure, manage and reduce the climate risk and impact of our client portfolio

Enhance our TCFD implementation and disclosure through policy development, portfolio analysis and stakeholder engagement



Sustainable Operations



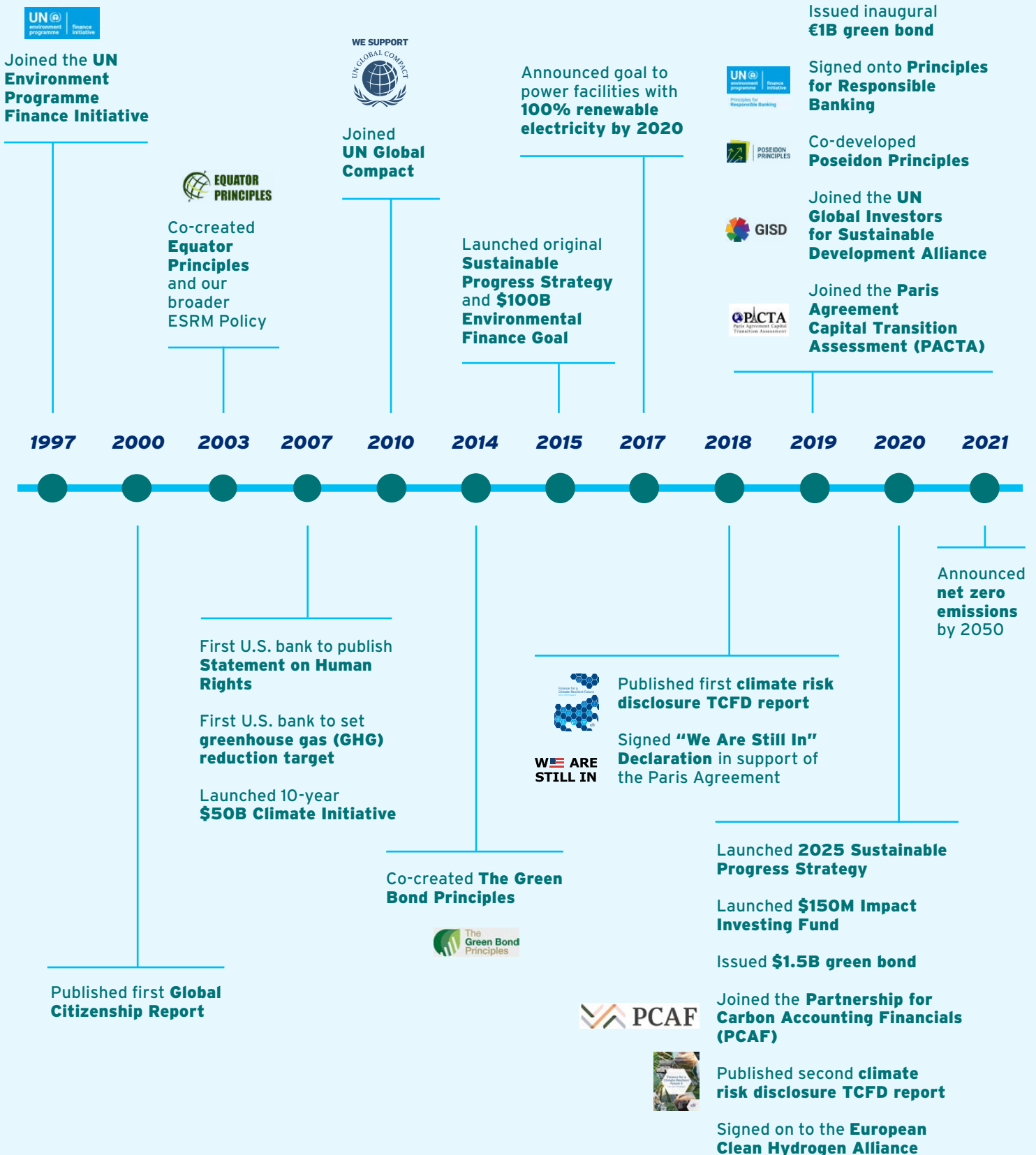
Reduce the environmental footprint of our facilities and strengthen our sustainability culture

Continue to minimize the impact of our global operations through operational footprint goals and further integrate sustainable practices across the company



Citi's Sustainability Journey

Citi has been engaging in sustainability and environmental initiatives for more than two decades, and we continue to advance our leadership. The timeline below highlights key milestones in this journey.





Financing the Low-Carbon Transition

The flagship initiative of our new Sustainable Progress Strategy is our pledge to finance and facilitate \$250 billion in activities that accelerate the transition to a low-carbon economy. We chose to set an ambitious, five-year timeline – more than doubling the investment amount while shortening the time horizon of our previous \$100 Billion Environmental Finance Goal – in recognition of the urgent need to hold the increase in the global average temperature to well below 2°C.

In 2019, we exceeded the goal of our previous commitment, reaching a total of \$164 billion toward environmental finance activity and hitting our target four years ahead of schedule. Our new goal builds upon the previous one, focusing on activities in renewable energy, clean technology, water quality and conservation, sustainable transportation, green buildings and energy efficiency. We have added two new criteria to this goal’s framework – circular economy and sustainable agriculture and land use – in recognition of the fact that the production of materials and food and the management of land reflect major sources of carbon emissions, as well as opportunities for sequestration, innovation and greater climate resilience. We see these two new

categories as essential climate solutions, as well as areas of growth for our clients and for our business.

Each transaction we facilitate must meet at least one of our eight criteria in order to be counted toward the \$250 Billion Environmental Finance Goal.

We believe that setting ambitious goals helps to drive innovation and accelerate progress. While we are committed to meeting the \$250 Billion Goal, we do not yet have a precise roadmap for achieving it. Indeed, reaching the ambitious goal will require us – and our industry as a whole – to develop innovative financing solutions while increasing engagement and prioritization across multiple business units around the firm.

Over recent years, we have seen the development of financial products that were relatively new, or even non-existent, when we launched our \$100 Billion Environmental Finance Goal in 2015 and our previous \$50 Billion Climate Initiative before that, in 2007. Today, green bonds, sustainable supply chain finance and sustainability-linked bonds and loans that are tied to ESG performance are gaining traction. We anticipate we will see even further innovative sustainable finance in the coming years.

For our previous goal, we counted transactions for specific activities primarily tied to projects or related activities that met our criteria. For the new goal, we are including general corporate purpose financing for “pure play” companies – companies for which 90% or more of revenues are derived from eligible activities as defined by our environmental finance criteria. An example of this is a renewable energy developer whose entire business is focused on solar power generation.

As with our previous goal, we track environmental finance activity using third

party financial league table credit. The industry league tables determine credit and ranking for financial institutions based on their role in each transaction and overall activity in the market. For financial activity for which there are no established league tables, we count the amount that reflects Citi's financial involvement in the deal.

Transforming Our Business to Support a Low-Carbon Economy

Climate change has become a C-suite issue for clients in all sectors of the global economy, both in terms of growth opportunities and risk management. To support their needs, we have expanded our client engagement offerings across our business groups to offer strategic sustainability and ESG services and solutions.

Our business groups are focused on helping clients across all sectors, no matter where they are in their own sustainability journeys, offering customized ESG-themed products and services to transition to more sustainable business models and practices that will advance progress toward a low-carbon future.

Within **Banking, Capital Markets and Advisory**, sustainability and ESG have been deeply integrated into our businesses and client conversations. We engage with C-suite executives, boards of directors and treasury teams on strategic financing through a sustainability lens, providing insights about industry transformations, trends and sustainability risks and opportunities. We have also employed innovative financial products and structuring solutions, such as sustainability-linked instruments, to help companies link their sustainability targets and strategy to their financial strategy.

Sustainability-linked bonds and loans, also known as KPI-linked instruments, commit the issuer to specific sustainability objectives, such as greenhouse gas (GHG) emissions reduction or other key performance indicators (KPIs). In 2020, Citi took a leading role in two new types of sustainability-linked vehicles. We were an active bookrunner on NRG Energy, Inc.'s issuance of a \$900 million sustainability-linked bond – the first such offering from a North American issuer and the first by any energy company outside of Europe. The bond links attractive financing to the realization of the company's goals to achieve a 50% reduction of absolute GHG emissions by 2025 from its current 2014 baseline, and reach net zero GHG emissions by 2050. The bond will be measured in accordance with a target of absolute GHG emissions of 31.7 million metric tons of CO2 equivalent by the end of 2025 – or the equivalent of removing more than 6.8 million passenger vehicles from the road for a year.

Addressing Biodiversity Loss

The loss of biodiversity globally is an increasing emergency. In 2020, Citi became one of several dozen financial institutions to join the Informal Working Group tasked with creating a work plan for the [Taskforce on Nature-related Financial Disclosures](#) (TNFD).

Taking its cue from the Task Force on Climate-related Financial Disclosures, four partner organizations – Global Canopy, the United Nations Development Programme (UNDP), the United Nations Environment Programme Finance Initiative (UNEP FI) and the World Wide Fund for Nature (WWF) – have been working on bringing together a TNFD through catalyzing the [Informal Working Group](#) made up of banks, investors, companies, governments, regulatory bodies and NGOs/consortia to provide guidance on the scope, mandate and governance of the new Taskforce.

With plans to launch in 2021, the TNFD will explore recommendations for data analysis and reporting standards related to nature-related risks such as biodiversity loss and negative impacts on ecosystems. It is designed to steer finance toward outcomes that are nature-positive, in alignment with the Paris Agreement, the Convention on Biological Diversity (CBD) Post-2020 Global Biodiversity Targets and the U.N. Sustainable Development Goals.

Humanity has already lost 83% of wild mammals and half of all plants and has severely altered three-quarters of ice-free land and two-thirds of marine environments according to the [Proceedings of the National Academy of Sciences of the United States of America](#) (2019). Climate change is further increasing biodiversity loss.

The TNFD is working to reverse the trend of biodiversity loss, ensuring the financial sector contributes to the solution.

The Growth of Green, Social and Sustainable Bonds

2020 was a record year in the Sustainable Debt Capital Markets. According to Dealogic, total green, social and sustainability bond issuances in 2020 were 82% higher than in the previous year. The market boom was a reflection of borrowers' urgent need of funds to counter the impacts of COVID-19, as social bonds issuances increased by a historic 756%, while sustainability bonds (issuances with both social and green use of proceeds) increased by 123%.

Green bond volumes increased more modestly by 14% but still totaled a remarkable \$235 billion, which represented 45% of the total \$522 billion in green, social and sustainability bonds issued. In 2020, we also saw a new segment of sustainable financing emerge in the form of sustainability-linked bonds ("SLBs"). Unlike traditional green, social and sustainability bonds, which commit use of proceeds to certain eligible assets, proceeds from SLBs can be used for broader general corporate purposes, but the financial or structural characteristics of the bond may vary depending on whether the issuer achieves predefined sustainability key performance indicators (KPIs). Though the market is nascent, with only seven issuers in 2020 totalling \$8.5 billion of supply, we anticipate interest and issuance activity in this market to pick up meaningfully in 2021.

We track Citi's league table credit from green and sustainable bond underwriting and count it toward our \$250 Billion Environmental Finance Goal, which launched in 2020. For the goal's first year, our league table credit for green bonds contributed \$10.1 billion, or 36% of a total \$28 billion toward environmental finance and climate solutions.

Citi has been active in the green bond market space since co-founding the Green Bond Principles established in 2014, which provide issuers with guidelines encouraging transparency and disclosure. In 2020, we issued our first USD-denominated benchmark green bond, enhancing our commitment to environmental finance and the green bond market. The \$1.5 billion issuance followed our inaugural €1 billion Euro-denominated benchmark green bond issued the previous year in 2019.

The two benchmark green bond issuances are important milestones for Citi, illustrating our ability to scale sustainable and innovative solutions, anticipate fast-growing investor demand and help drive global impact in partnership with our clients.

The proceeds from our green bonds fund renewable energy, sustainable transportation, water quality and conservation, energy efficiency and green building projects as outlined in the environmental eligibility criteria described in Citi's [Green Bond Framework](#). For more information, see our 2020 and 2019 [Green Bond Reports](#).

Citi also issued our first social bond in 2020, an inaugural \$2.5 billion Affordable Housing Bond issuance which represented the largest-ever social bond from an issuer in the private sector. Citi was awarded the Social Bond of the Year - Bank Award by Environmental Finance for this issuance. Read more about this issuance in the [Equitable & Resilient Communities](#) section.

Our GPS Green Finance Report

In 2021, Citi Global Perspectives and Solutions (Citi GPS) released its report *Financing a Greener Planet*, focusing on green finance for climate mitigation and adaptation and drawing on the expertise of people across the firm.

The report shows how opportunities and challenges in green finance for a range of types of investors are evolving quickly as a result of climate change. The report puts special focus on financing, particularly private capital, which is necessary alongside public sources to bridge the massive investment gap needed to achieve climate goals. Financing is particularly important for green investments because they typically require large upfront costs and usually have low operating costs relative to carbon-intensive investments.

Citi also acted as joint bookrunner on a €650 million issuance of a sustainability-linked convertible bond for the French multinational Schneider Electric – the first convertible bond linked to sustainability KPIs to be issued globally. The issuance is based on Schneider’s Sustainability-Linked Financing Framework and its performance around specified targets by 2025.

Citi’s Banking and Capital Markets Advisory group is focused on catalyzing more sustainable business models. In 2020, we served as the sole underwriter on the initial public offering (IPO) of Sustainable Opportunities Acquisition Corp. (SOAC) – the first ESG-focused special-purpose acquisition company (SPAC). SPACs, as they are commonly known, have existed for decades, raising capital through IPOs in order to merge with a private target company. The year 2020 broke records for SPAC IPOs, raising more than \$82 billion through 255 SPAC IPOs. Since the SOAC issuance, we have underwritten several ESG-focused SPAC IPOs that have stated objectives of investing in clean energy and/or energy transition companies. Investors in these IPOs have included a mix of dedicated SPAC investors and others who are particularly interested in the sustainability element.

Markets and Securities Services provides clients with ESG thought leadership about trends, market evolution, themes, integration and data-driven analysis. We aim to lead our clients through the rapidly evolving landscape of ESG by partnering with clients to develop new solutions across fixed income, securitized products, multi-asset strategies and sustainable real assets, in addition to our full range of solutions in equities. Using our strengths in primary issuance and secondary trading, we support the development

of deep, liquid and efficient sustainable markets. Citi is also able to address origination and financing gaps for clean energy and energy efficiency project developers and investors by working across banking, advisory, origination and markets teams for optimal client solutions.

Citi Private Bank, through its Investing with Purpose team, offers managed opportunities, alternative investments and tailored exposure to capital markets to help clients pursue their sustainable investment objectives. As clients have been increasingly concerned with the impact their investments may have on society and the environment, the direction of sustainable investing is evolving past socially responsible investing, and the Private Bank has updated its offerings to meet this growing area of client demand. For example, in 2020, Private Bank clients participated in a social bond offering, “No Place Like Home” bonds, with proceeds supporting the development of housing in California for people with severe mental illness who are experiencing homelessness. Multiple Private Bank clients have also participated in differentiated capital markets solutions supporting the global green energy transition, an investment thesis reaffirmed by our investment strategy team. As the world goes greener, the opportunities for Private Bank investors are likely to multiply over the coming years, enabling us to build entire core and opportunistic allocations that reflect sustainable principles – a process we might describe as “greening your portfolio.”

Treasury and Trade Solutions has launched a Sustainable Supply Chain Finance solution that incentivizes suppliers to improve their sustainability performance by offering improved financing for suppliers that have committed to and are

making progress toward identified sustainability goals. In late 2020, we launched another type of innovative sustainable investment solution: a green time deposit product that gives our clients the ability to invest their short-term liquidity in environmentally friendly projects. Investments in Citi’s green deposit solution will be allocated to finance or refinance a portfolio of green projects that meet the rigorous environmental finance eligibility criteria defined in our Green Bond Framework.

These are just some of the ways Citi businesses are supporting our clients in the low-carbon transition. Throughout our businesses, we continue to embed sustainability into our product offerings and capabilities, leveraging the latest financing instruments and asset classes.

Leader in Sustainable Finance

In 2020, Citi was ranked third in Dealogic’s Global Sustainable Finance Bond and Global Green Bond League Tables and first in USD-denominated Sustainable Finance Bonds. Additionally, Citi was awarded Environmental Finance’s Social Bond of the Year – Bank Award for our own issuance of \$2.5 billion in Affordable Housing Bonds.

Environmental Finance in Action

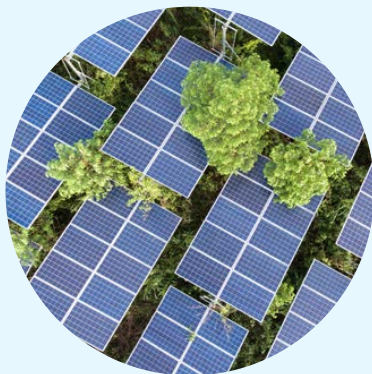
Here are several examples of innovative environmental finance transactions from 2020 that will be counted toward the \$250 Billion Environmental Finance Goal.

Renewable Energy - Wind

In December 2020, Citi acted as sole ratings advisor, sole global coordinator and bookrunner on UEP Penonomé II's inaugural \$262.7 million 144A/Reg S Senior Secured Guaranteed Green Notes offering, which refinanced initial construction financing for InterEnergy Group's 215 megawatt (MW) UEP Penonomé II wind project and its 40MW Tecnisol solar project in Panama. The transaction represents the first ever international green bond issued on behalf of a renewables portfolio under a project finance structure in Latin America, as well as the first private sector green bond offering in Central America and the Caribbean. The financing allows InterEnergy Group to flexibly manage its portfolio in renewables and continue promoting the consolidation of clean and diversified energy generation as part of its commitment to the sustainable development of the countries in which it operates and the fulfillment of the United Nations Sustainable Development Goals, especially **Goal 7, focused on providing affordable and non-polluting energy**. Combined, UEP Penonomé II and Tecnisol are the largest nonconventional renewable energy producers in Panama and one of the largest diversified clean power companies in Central America. To continue promoting InterEnergy's strategy, they plan to increase their investments in the region, by acquiring and developing 860 MW of additional renewable generation capacity.



SDG Goal 7: Affordable and Clean Energy



Renewable Energy - Solar

Through our Export Agency Finance business, Citi provided \$135 million in co-financing with the Japan International Cooperation Agency (JICA) to Banco Cooperativo Sicredi SA in Brazil, one of the country's largest credit union alliances. The financing will be used by Sicredi's vast network of cooperative clients to introduce solar power into their operations. This financing assists the government of Brazil in its efforts to boost the percentage of renewable energy in the country's power matrix from 19% in 2019 to up to 33% by 2030, in line with its commitments to the Paris Agreement.

Green Buildings

Citi Community Capital provided a \$15.7 million construction loan and a \$3.05 million permanent loan for the construction of Berendo Sage, a 42-unit LEED Gold-certified affordable housing project in Los Angeles. Twenty-one of the apartments will be reserved for individuals and families who were previously homeless, and 20 units will be set aside for low-income households making up to 60% of the area median income. All residents will have comprehensive on-site support services available to them at no additional cost.



Environmental Finance in Action (continued)



Clean Technology

In 2020, Citi acted as sole global coordinator and sole bookrunner on two equity placement transactions of \$343 million and \$503 million for Xinyi Solar (Market Capitalization: \$22.9 billion as of December 31, 2020), the largest solar glass manufacturer globally and a leading non-SOE (state owned enterprise) solar farm owner and operator in China. Xinyi Solar will use the proceeds for solar glass production capacity expansion and the development and construction of new solar farm projects. Citi has a longstanding relationship with Xinyi Group, acting as the sole sponsor for Xinyi Solar's spinoff listing from Xinyi Glass on the Hong Kong Stock Exchange in 2013, and over the years Citi has executed 11 equity capital market transactions for Xinyi Group companies.

Circular Economy

Citi served as Green Structuring Advisor and Joint Lead Manager for the inaugural green bond issuance by Arkema, a French chemicals group and global leader in specialty materials. Net proceeds from the green bond – only the second such bond in the chemicals sector – will be used to support construction of Arkema's manufacturing facility for its 100% bio-based flagship Rilsan® polyamide 11, which is wholly derived from castor oil, a renewable and sustainable feedstock. The carbon footprint of this polymer derived from castor oil is significantly lower than that of comparable polymers manufactured with fossil fuel feedstock. As Green Structuring Advisor, Citi helped Arkema craft a robust framework that emphasizes the growing importance of bio-based materials in the circular economy and considers sustainability throughout the value chain – from farming of feedstock (castor) to the use of the end product and end-of-life management.



Water Quality & Conservation

Citi was the bookrunning lead manager on a \$500 million municipal green bond issuance by the Illinois Finance Authority in 2020. This was the second green-designated municipal bond issuance by the State of Illinois through its Clean Water Initiative, a partnership with the Illinois Environmental Protection Agency (IEPA) that aims to provide sustainable funding for the implementation of water infrastructure projects in Illinois through low-interest loans. The bonds were 1.4 times oversubscribed and attracted new investors. The proceeds of the bonds will be used to fund loans made by the IEPA to local governments to finance eligible wastewater treatment and sanitary sewerage facilities and deliver clean water to the people of Illinois while creating job opportunities through the capital projects.



Our \$250 Billion Environmental Finance Goal

By 2025, we aim to finance and facilitate \$250 billion in solutions that address climate change around the world.

To be counted toward the goal, a transaction must meet at least one of the following criteria:



Circular Economy

Substitution of virgin raw materials with recycled or recyclable materials, elimination and replacement of hazardous/toxic materials with sustainable or recyclable materials or recovery of materials from previously discarded products or projects



Clean Technology

Products, equipment, methods and projects that mitigate greenhouse gas (GHG) emissions



Energy Efficiency

Residential and commercial energy efficiency improvements that reduce energy consumption



Green Buildings

Construction or renovation of certified buildings for reduction or efficiency in energy use, resource consumption or for lowering GHG emissions



Renewable Energy

Generation and/or storage of energy from renewable energy sources



Sustainable Agriculture & Land Use

Sustainable ecosystem management leading to carbon removal from the atmosphere, reduced emissions, improvement of soil fertility and conservation of natural resources



Sustainable Transportation

Zero- and low-emissions vehicles, public transportation or related infrastructure construction and efficiency improvement



Water Quality & Conservation

Improvement of water quality, improved efficiency and increased availability and conservation of freshwater resources

In 2020 – the first year of our new goal – we financed and facilitated environmental solutions around the world:

\$13.8B

North America

\$10.7B

Europe, Middle East and Africa

\$1.1B

Latin America

\$2.4B

Asia Pacific

\$28.0B

Total

These activities resulted in measurable impacts:

2.6 M mt CO₂e

Avoided emissions

33K

Jobs supported (direct, indirect and induced)

11M

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

1,987

Families served by green affordable housing

1,650 MW

New renewable energy capacity

\$250 Billion Environmental Finance Goal Progress

Financial data*

In billions USD

In 2020, we financed and facilitated

\$28.0B

total in environmental solutions across our businesses globally.

Environmental Criteria

	\$	%
Circular Economy	\$0.4	1%
Clean Technology	\$0.6	2%
Energy Efficiency	\$1.2	4%
Green Buildings	\$1.5	5%
Renewable Energy	\$6.8	24%
Sustainable Agriculture & Land Use	\$0.2	1%
Sustainable Transportation	\$3.4	12%
Water Quality & Conservation	\$1.2	4%
Multiple**	\$12.8	46%
TOTAL	\$28.0	100%

Region

	\$	%
Asia Pacific	\$2.4	9%
Europe, Middle East and Africa	\$10.7	38%
Latin America	\$1.1	4%
North America	\$13.8	49%
TOTAL	\$28.0	100%

Citi Business

	\$	%
Commercial Banking	\$0.1	1%
Corporate Banking		
General Corporate Purpose Lending	\$0.7	3%
Debt Capital Markets		
Green & Sustainability-Linked Loans	\$4.6	16%
Thematic Bonds	\$10.1	36%
Equity Capital Markets	\$2.7	10%
Markets and Securities Services		
Commodities	\$0.3	1%
Community Capital	\$0.8	3%
Municipal Securities	\$1.7	6%
Mergers & Acquisitions	\$5.3	19%
Structured Finance		
Alternative Energy Finance	\$0.5	2%
Project & Infrastructure Finance	\$1.0	3%
Trade Solutions		
Export Agency Finance	\$0.3	1%
TOTAL	\$28.0	100%

Impact data

Environmental Impacts

2,573,471

Total avoided GHG emissions (mt CO₂e)



2,479,658

Renewable energy project finance

91,916

Energy efficiency finance

1,897

Green affordable housing finance

1,650 MW

Annual renewable energy capacity added

Social Impacts

32,917

Total jobs supported



6,755

Renewable energy project finance

2,350

Energy efficiency finance

23,812

Green affordable housing and municipal finance

10,895,406

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

1,987

Families served by green affordable housing

2.5B

Trips on transit system projects

* Figures may not sum to totals due to rounding.

** Denotes activities falling under multiple environmental criteria, including green bond transactions where the issuer's framework comprises multiple eligible green categories.

Environmental Finance in Support of the SDGs

Much of the work we do in finance aligns with three of the UN Sustainable Development Goals: **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, are both aligned with the objectives of our new goal.

Our goal also contributes 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.

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

Climate Risk

Climate change continues to be a defining challenge of our time. The last six years have been the warmest on record, with 2020 tying for the hottest year yet. During 2020, we also witnessed a powerful hurricane season in the Atlantic and severe wildfires in Australia and the western U.S., further underscoring the urgency of this global emergency. When we consider the risks related to climate change, we apply a “double materiality” perspective, looking at both the impact of climate change on our business and our business’s impact on the climate.



Citi’s business is exposed to numerous climate risks given our role as one of the largest financiers of the global economy, including to carbon-intensive industries. This means as we address and mitigate

risks, we must take into account how we will protect and strengthen our business while ensuring our clients become part of the solutions that are needed to transition to a low-carbon economy.

Citi’s Commitment to Net Zero

In 2021, Citi made a commitment to achieve net zero greenhouse gas (GHG) emissions by 2050. Global financial institutions like Citi have the opportunity – and the responsibility – to play a leading role in helping drive the transition to a net zero global economy. This commitment includes our own operations as well as our financing.

By early 2022, we will publish our initial plan to achieve net zero by 2050. This plan will include emissions reduction targets for carbon-intensive sectors that also have net zero transition opportunities, including interim emissions targets for 2030 for our Energy and Power portfolios. For our own operations, we are targeting net zero GHG emissions by 2030. We believe transparency and accountability are key to success, so we will report on our progress against this commitment. After an initial implementation period, we will review the scope of our Net Zero Plan to assess which additional sectors to include and how best to incorporate additional areas of our business in a way that achieves meaningful emissions reductions.

This commitment builds on our work in recent years to reduce our operational footprint, finance and facilitate environmental projects and activities, and reduce our exposure to thermal coal mining and coal-fired power generation. As the world’s most global bank, we are interconnected with many carbon-intensive sectors that help drive global economic development. We are committed to bringing as many clients as we can along with us on this journey and working to help them achieve their own transitions to net zero.

For broader context and to learn more about the rise in net zero commitments globally, read the Citi Global Perspectives and Solutions (Citi GPS) report [*The “Net Zero” Club: When Sustainability Meets Margins & Supply Chains*](#).

Citi has long recognized the global challenge of climate change. We have disclosed climate-related metrics and targets for our [operations](#) and [environmental finance](#) for well over a decade, and we released our first Climate Change Position Statement in 2007. Since then, our commitment to this issue has only grown as evidenced by our strategic approach, alignment with global standards and the continual evolution of our Environmental and Social Risk Management (ESRM) Policy in response to the changing risk landscape.

First established in 2003, our ESRM Policy applies to all Citi entities globally and provides a framework for how we identify, mitigate and manage the potential risk to Citi associated with the environmental and social risks of our clients' activities. It guides our financing

decisions for companies and projects within environmentally sensitive and/or high-carbon sectors. It also provides us with opportunities to advise our clients on climate-related risks. To learn more about our ESRM Policy and related due diligence, see the [Environmental and Social Risk Management section](#).

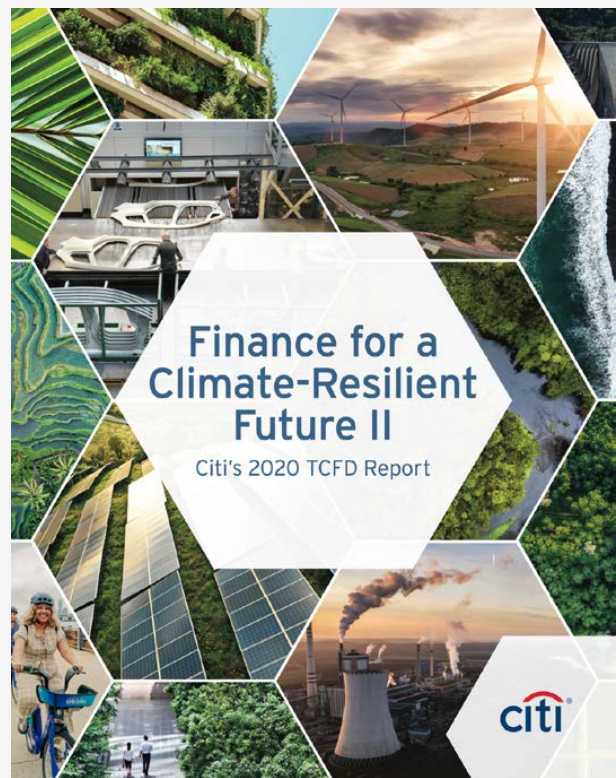
In addition to establishing internal policies and practices, we also align with external standards to strengthen our processes, reporting and engagement. In 2017, our then CEO, Michael Corbat, signed a statement of support for the recommendations of the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#), with the understanding that Citi needed to continue building on our 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.

Find out more about our implementation of the TCFD recommendations in our [Finance for a Climate-Resilient Future II report](#). In addition, this ESG Report includes a [TCFD index](#) indicating where climate-related content in response to TCFD recommendations can be found throughout this report and other public documentation.

Finance for a Climate-Resilient Future

To provide more detailed and updated climate-related disclosures, in 2020, we released our second TCFD report: [Finance for a Climate-Resilient Future II](#). The report discloses our work to implement the TCFD recommendations across the four pillars of Governance, Strategy, Risk Management and Metrics and Targets. Along with the most recent information about our risks, governance, strategy and metrics related to climate, this new TCFD report offers information on additional scenario analysis work that covers a range of regions and possible climate realities.



Citi's TCFD Implementation Progress

The following table highlights the progress we've made implementing the TCFD recommendations as we pursue these goals:

- Integration of climate-related strategy and risk management into our overall business strategy
- Continued use of climate risk assessment methodologies, broader understanding of climate risk exposure across all portfolios and enhanced transparency and disclosure of those risks
- Quantification of climate risks and use of this data in Citi's standard risk management process and existing business units

We published a similar table in our [Finance for a Climate-Resilient Future II report](#), which we released in December 2020. The table below has been updated as of early 2021.

	Existing Achievements	Current Priorities	Future Goals
Governance	<ul style="list-style-type: none"> • Established Climate Risk Working Group and Global Sustainability Steering Committee • Climate strategy considered by Citi Board of Directors, and oversight provided by Nomination, Governance and Public Affairs Committee • Created new Chief Sustainability Officer and Head of Climate Risk roles 	<ul style="list-style-type: none"> • Enhance cross-functional collaboration on climate issues and greater climate risk training across departments • Continue to establish country-level governance based on proportionality and local regulatory needs • Establish a cross-functional Net Zero Task Force to guide the development of our Net Zero Plan 	<ul style="list-style-type: none"> • Expand governance and oversight capacity in line with increasing climate regulatory requirements and our net zero commitment
Strategy	<ul style="list-style-type: none"> • Established climate risk as a key pillar of Citi's 2025 Sustainable Progress Strategy • Analyzed Citi's operational vulnerabilities to physical climate risk and certain portfolios' resilience to transition climate risks • Created new business units in our Banking and Markets businesses to further integrate climate opportunities into banking advisory, client solutions and market making • Announced, in March 2021, Citi's commitment to achieve net zero greenhouse gas emissions by 2050 	<ul style="list-style-type: none"> • Develop Citi's initial Net Zero Plan by early 2022, including determining priority sectors and financial products for analysis, and identifying the appropriate benchmark scenario(s) for the plan. • Evaluate climate scenarios recommended by the Network for Greening the Financial System for possible integration into risk management processes and to meet potential regulatory requirements • Expand engagement with clients and third parties to gather climate-related due diligence information and improve climate data access and accuracy 	<ul style="list-style-type: none"> • Utilize an enhanced suite of climate scenarios against which we periodically test relevant credit portfolios and integrate such test results into our ongoing climate strategy • Continue to evolve our strategy through a combination of strengthening climate risk assessment requirements, considering climate risk in client selection, pursuing client transition finance opportunities and evaluating sector exposures to reduce portfolio emissions over time • Adjust our strategy based on lessons learned from past performance

	Existing Achievements	Current Priorities	Future Goals
Risk Management	<ul style="list-style-type: none"> Strengthened Environmental and Social Risk Management (ESRM) Policy sector standards for thermal coal mining,* coal-fired power and Arctic oil and gas Embedded climate risk into Citi's Material Risk Inventory, Emerging Risks Framework and Risk Governance Framework 	<ul style="list-style-type: none"> Develop sector-specific climate risk guidance, focusing on highest risk sectors Start to integrate climate risk into credit assessment processes Continue analyzing the alignment of relevant, high climate risk sectors of our loan portfolio with the Paris Agreement through frameworks such as Paris Agreement Capital Transition Assessment and Partnership for Carbon Accounting Financials 	<ul style="list-style-type: none"> Continue to define assessment tools and methodologies and integrate into credit assessment processes Develop key climate risk metrics and implement across various levels of the organization Continue to develop climate risk escalation and approval processes Improve distribution and integration of climate risk management tools across Citi's departments Continue evaluating and adjusting climate risk management process and tools in accordance with Citi's climate risk strategy
Metrics and Targets	<ul style="list-style-type: none"> Established five-year \$250B Environmental Finance Goal for climate and environmental solutions 	<ul style="list-style-type: none"> Identify and report on performance against key metrics and targets of our \$250B Environmental Finance Goal Implement tiered reduction in credit exposure to thermal coal mining companies with a 50% reduction by 2025 and a 100% reduction by 2030 Start measuring and disclosing climate risk metrics in key sectors as part of our Net Zero Plan, including emissions reduction targets for 2030 for our Energy and Power portfolios. 	<ul style="list-style-type: none"> Report on decarbonization and progress towards our net zero commitment

* Defined in Citi's ESRM Policy as any mining company deriving ≥25% of their revenue from thermal coal mining.

Citi's Approach to Managing Climate Risk

Citi's Risk Management function is responsible for identifying, quantifying, managing and monitoring material risks to the company. We identify climate risk as an "emerging risk" in Citi's Risk Governance Framework. Within that framework, emerging risks are risks or thematic issues that are either new to the landscape, or in the case of climate risk, existing risks that are changing or evolving in an escalating fashion and that are difficult to assess due to limited data or other uncertainties. Given the pervasive, multi-dimensional and nonlinear nature of climate risk, we do not view it as a standalone risk category but as a transversal risk, capable of manifesting

impacts across Citi's seven risk categories in our risk taxonomy – Credit, Market, Liquidity, Strategic, Operations, Compliance and Reputation risks – each of which may be influenced by physical and transition climate risks.

In 2020, we elevated the focus on climate risk within the organization and created a new position, Head of Climate Risk, a senior risk officer responsible for oversight of Citi's approach to meeting regulatory expectations on climate risk management and integrating climate risk within Citi's risk management frameworks, policies and processes.

For more about Citi's governance related to climate risk, see our TCFD report: [*Finance for a Climate-Resilient Future II*](#).

Regulatory Oversight

Interest in the management of climate risk continues to grow with bank regulators around the world. The Network for Greening the Financial System (NGFS) is a network of central banks and supervisors that are working to strengthen the global response on climate. As of the end of 2020, the NGFS included 77 central banks and supervisors and 13 observers, covering much of our global footprint. In addition, our subsidiaries are supervised by local financial regulators in many jurisdictions where we operate.

As climate-specific regulatory guidelines and expectations have increased globally, we are tracking and responding to expectations consistent with our strategic approach and engaging in constructive

Climate Risk in Our Maritime Shipping Portfolio

The Poseidon Principles, released in 2019, 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 (IMO). Working in collaboration with other banks and organizations within the shipping industry, Citi was a co-developer and founding signatory of the Principles. Citi also currently chairs the Steering Committee of the Poseidon Principles Association, the governing body of the Poseidon Principles.

As a part of our commitment, we have completed our first disclosure, which is published alongside that of other signatories in the [Poseidon Principles Annual Disclosure Report 2020](#) on the [Poseidon Principles website](#). This reporting includes our climate alignment score. This score indicates whether the carbon intensity of our portfolio is in line with a decarbonization trajectory set by the Poseidon Principles, which meets the IMO's goal of reducing greenhouse gas (GHG) emissions by at least 50% by 2050, with a 2008 baseline. Based on client emissions data for 2019, our portfolio climate alignment score is +6%, which is slightly out of alignment with the decarbonization trajectory set by the Poseidon Principles. However, using an estimated alignment of our portfolio based on the University Maritime Advisory Services (UMAS) Fuel Use Statistics and Emissions model, the portfolio alignment score would be -0.6%, implying that our portfolio is in line with the Poseidon Principles decarbonization trajectory. This UMAS model uses the same methodology as the Fourth IMO GHG Study and accounts for the latest emissions efficiency data and advances in the operational performance of ships. The IMO Marine Environment Protection Committee will define further short-term measures and metrics in 2021, which could inform further developments in the Poseidon Principles methodology in future years. Annual alignment scores in the next two to three years are likely to fluctuate given the impact of COVID-19 on global maritime trade in 2020 and anticipated recovery in 2021.

dialogue with regulators. The work we've undertaken to adopt the TCFD recommendations and our participation in voluntary climate risk initiatives are helping us prepare for increased regulatory obligations in this area – particularly as we build the necessary expertise to monitor and manage requirements across operations in nearly 100 countries with varied political environments.

Reducing Climate Risk in Our Financing

Climate risk is one of the three pillars of our [2025 Sustainable Progress Strategy](#). When it comes to analyzing and reducing climate risk associated with our clients, we have identified the following three primary focus areas:

- Policy development
- Portfolio analysis and measurement
- Engagement

Policy Development

We are working to further integrate climate risk into Citi's risk policies and governance frameworks. In particular, we have updated our ESRM Policy sector standards for carbon-intensive sectors to incorporate emerging best practices.

One area where we have made significant progress pertains to our fossil fuel sector standards for thermal coal mining and the generation of coal-fired power. For more details on our targets and policy see the following page. For information about additional environmentally focused sector standard updates, see the [Environmental and Social Risk Management](#) section. Our ESRM Policy, including our sector standards, is summarized publicly in our [Environmental and Social Policy Framework](#).

Portfolio Analysis and Measurement

Citi undertakes climate scenario analysis and testing of certain client portfolios to understand the differentiated impacts and resilience our clients exhibit to climate risk, including transition and physical risks. We also assess and test emerging methodologies to quantify the climate risks related to our clients' activities, to estimate emissions associated with our portfolio and to evaluate portfolio decarbonization pathways.

Climate Scenario Methodology: Paris Agreement Capital Transition Assessment (PACTA)

One of the analysis tools we are beginning to use is the PACTA methodology, developed by the [2° Investing Initiative](#) for climate scenario analysis related to corporate lending portfolios. The tool was developed initially for equity and fixed income portfolios; Citi is one of 17 banks involved in a pilot to adapt the tool for banks' lending activities. We are testing the PACTA tool to understand the gaps in the alignment of our loan portfolios for the oil and gas, coal, power, automotive, steel and cement sectors. The methodology for this analysis focuses on the most carbon-intensive portion of the value chains for each of the sectors.

For information about the methodology behind this PACTA analysis, see our TCFD report: [Finance for a Climate-Resilient Future II](#).

Partnership for Carbon Accounting Financials (PCAF)

In 2020, Citi also joined PCAF – an open collaboration of banks working to develop a Global Carbon Accounting Standard for how financial institutions measure and disclose Scope 3 "financed emissions" (i.e., the GHG emissions generated by the operations and entities

that financial institutions lend money to or invest in). The standard aims to reduce inconsistencies in carbon accounting methods, fairly allocate the emissions of companies to financial institutions based on their share of the financing, and help the financial sector facilitate a transition to decarbonization in line with a 1.5°C increase in global mean temperature from preindustrial levels.

Through this collaboration, we will work with our peers and contribute to the development of PCAF's standard for various financial asset classes.

Climate Credit Analytics

In late 2020, we partnered with Oliver Wyman and S&P Global Market Intelligence to lay the groundwork for a 2021 road test of their new [Climate Credit Analytics tool](#), a climate scenario analysis and credit analytics model suite. This modeling tool assesses transition risk in multiple industrial sectors under short- and long-term climate scenarios, including NGFS reference scenarios. It integrates relevant climate data from S&P to analyze climate-related credit score impacts under the different climate scenarios, based on S&P's Global Market Intelligence's Credit Analytic scoring models.

As part of the road test, we have assembled representatives from banking and risk teams covering industrial sectors exposed to higher climate risk, such as oil & gas, power, transportation, mining and building materials, to test the models on Citi's credit exposure in those sectors. These internal groups are engaging with Oliver Wyman and S&P to understand the assumptions built into the model and how credit quality changes under different scenarios.

This tool enables a more robust analysis of how transition risks may affect counterparties' creditworthiness under various climate scenarios.

Citi's Commitment to Reduce Financing Coal

Citi has been increasingly focused on reducing the environmental impacts and portfolio risk related to thermal coal mining and coal-fired power generation.

Thermal Coal Mining

Our ESRM Policy commitments related to coal mining started in 2009 with our first coal mining sector standard requiring enhanced due diligence for companies using mountaintop removal coal mining and were updated in 2015 with a commitment to reduce our credit exposure to the coal mining industry (focused on companies deriving 50% or more of their revenue from coal). In 2020, we strengthened this credit exposure reduction commitment by lowering the threshold to cover mining companies with revenues of 25% or more from thermal coal mining, and we set the targets listed below. We also added a policy prohibition on project-related financing of new thermal coal mines and significant expansions.

Following are the targets we established in 2020 to reduce our exposure to companies that derive 25% or more of their revenue from thermal coal mining:

- By the end of 2025, we will reduce our credit exposure to these companies by 50% from a 2020 baseline (2020 baseline: \$1.141 billion).
- After 2025, we will no longer facilitate capital markets transactions or mergers and acquisition advisory and financing for these companies.
- By the end of 2030, all remaining exposure to these companies will be reduced to zero.

Coal-Fired Power Generation

In early 2021, we also expanded our commitment related to coal-fired power. The following commitments and expectations increase over time as we aim to help our clients transition to a future aligned with the Paris Agreement.

By the end of 2021, Citi will expect clients with coal-fired power generation to:

- Publicly report GHG emissions annually, consistent with the GHG Protocol
- Engage with Citi on their low-carbon transition strategy to diversify away from coal-fired power generation and align with the Paris Agreement

After 2021, Citi commits to:

- Not provide acquisition financing or advisory services related to coal-fired power plants*
- Not onboard new clients with ≥20% of power generation from coal-fired power plants unless such clients meet the “by end of 2021” criteria; not onboard new clients that have plans to expand coal-fired power generation

After 2025, Citi commits to:

- No longer extend capital/provide financial services to clients without low-carbon transition strategies to diversify away from coal-fired power and align with Paris Agreement decarbonization pathways by 2030 (in Organisation for Economic Cooperation and Development (OECD) countries) or 2040 (non-OECD countries)*
- Not onboard new clients with ≥5% of coal-fired power generation

After 2030, Citi commits to:

- No longer provide capital/financial services for clients in OECD countries with ≥5% of coal-fired power generation
- No longer extend capital/provide financial services for clients in non-OECD countries unless such clients have a low-carbon transition strategy designed to reduce the share of power generation from coal-fired power plants to less than 5% by 2040

During 2020, we declined 11 transaction opportunities related to coal power or coal mining during the early stages of engagement as a result of our 2020 policy commitment related to thermal coal mining and in anticipation of our new coal-fired power policy update.

* Exceptions may be considered if the proposed transaction is being pursued in the context of a low-carbon transition strategy.

Cross-Sector Engagement

Engagement with our stakeholders and industry experts helps us stay current in our understanding of this critical and evolving area of impact and strengthen our management and analysis of climate risk in our portfolio.

In high climate risk sectors, we engage clients at the executive level about their climate risk management and low-carbon transition strategies. During early 2020, this engagement was impacted somewhat by the COVID-19 pandemic, due to the reduction of in-person meetings and our clients' pressing concerns around liquidity. However, as the year continued and ESG and climate change concerns accelerated, we saw increased opportunities to engage with our clients on these issues from a risk management, product and strategic opportunities perspective. We've created new business units in our Banking and Markets

businesses to further integrate climate opportunities into banking advisory, client solutions and market making (learn more in the [Financing the Low-Carbon Transition section](#)). Client engagement on climate-related risks and opportunities, in particular, remains a significant priority for us now and in the future.

To advance progress in the maritime shipping industry, we are 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. The coalition is coordinated by the Global Maritime Forum, Friends of Ocean Action and the World Economic Forum. It has more than 140 member companies and nine Knowledge Partners and is supported by 16 intergovernmental organizations and endorsed by 14 governments.

Throughout the year, we engaged a number of stakeholders regarding climate risk. For example, we joined PCAF and the PACTA pilot program to share learnings and help collaboratively advance financial industry tools for climate risk analysis. We were selected to serve as a member of the Commodity Futures Trading Commission advisory subcommittee on climate risk in the U.S. financial system (see [Regulatory Oversight](#) for more on increasing regulatory focus on climate). We also participated in a virtual roundtable with nongovernmental organizations and other banks to discuss fossil fuel finance. See the [Stakeholder Engagement at Citi section](#) for additional examples of our engagement efforts during 2020.



Sustainable Operations

With 20 years' experience measuring and reducing our footprint, we can apply the lessons learned as we step into our new 2025 goals. The need for positive impact and operational resilience is greater than ever, and we are more committed than ever to rise to the challenge.

Operational Footprint Goals

We have been measuring our environmental footprint for two decades and began reporting on our direct operational impacts in 2002. During 2020, we finished tracking progress against our third generation of operational footprint goals, which we first announced in 2015. These goals cover energy use, water consumption, waste diversion and green building design. In 2017, we also established a goal to source 100% renewable electricity to power our facilities globally by 2020.

By the end of 2020, we achieved five out of our six goals. We were able to accomplish this through our ongoing efforts in a number of focus areas. Just

a few examples of our work over the last five years are included below:

Renewable electricity: As part of our strategy related to renewable electricity, we have installed solar panels at some bank branches: one in India in 2016, one in Nigeria in 2018 and six in Mexico between 2019 and 2020.

During 2020, we also installed 59 solar panels at one of our facilities in United Arab Emirates, which will produce approximately 28,000 kilowatt hours of electricity annually. Learn about our broader efforts to source renewable electricity and the related challenges and opportunities [later in this section](#).

Reduced energy use: We have [retrofitted all our facilities across North America with LED lighting](#) over the past several

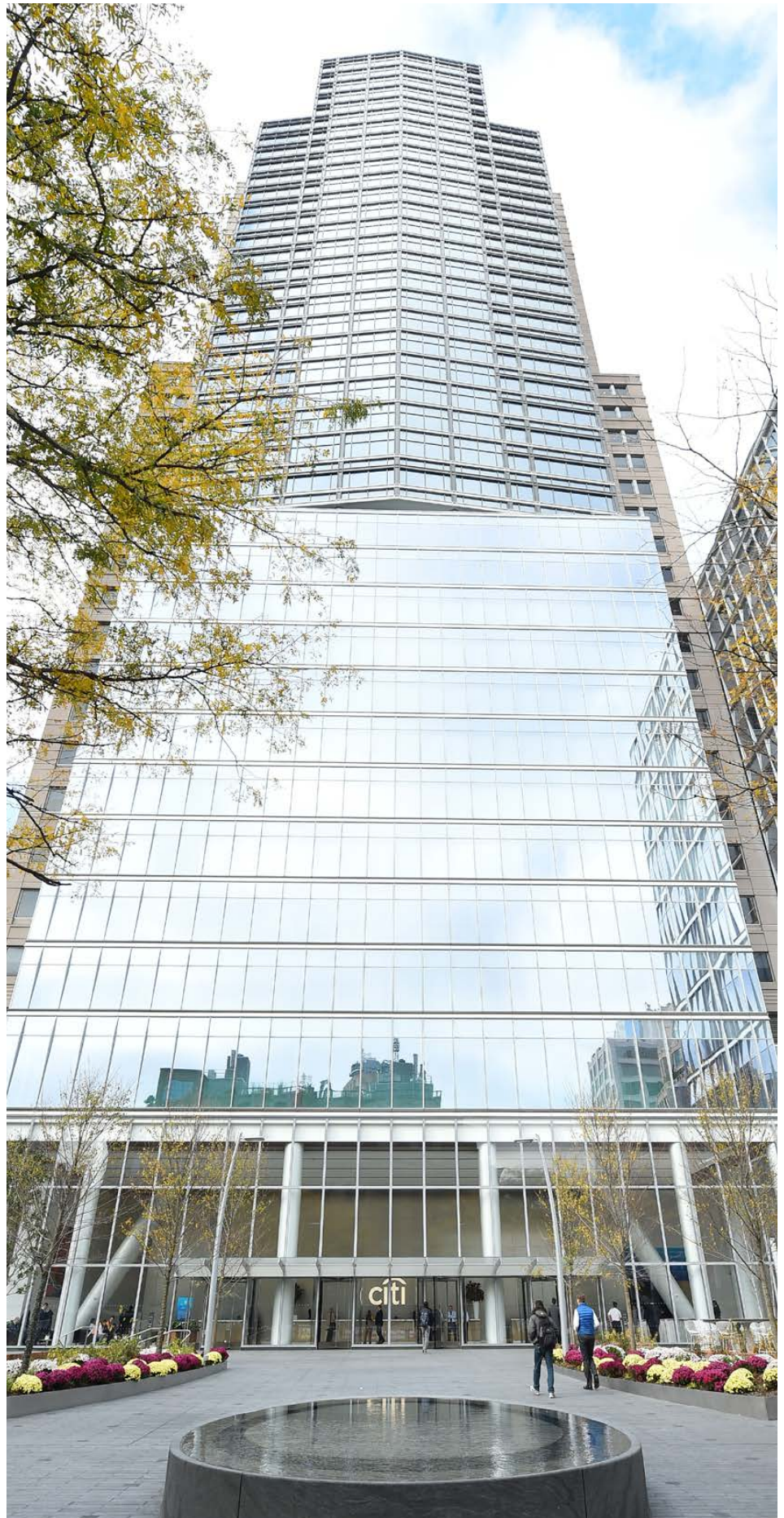
years. In addition, energy-saving features are incorporated into our LEED-certified facilities.

Green building design: We have completed several renovations and new buildings that have earned LEED certification, including two certifications in 2020: LEED Platinum for the renovation of our New York City headquarters and LEED Gold for our Citibanamex Citi Solutions Center, Revolución, in Mexico City. Both of these projects are discussed in more detail [later in this section](#). In addition, in 2017, our [office in Algeria](#), which achieved LEED Silver certification, became the first corporate building in the country to be LEED certified. And in 2019, we completed our new facility in Sioux Falls, South Dakota, which earned LEED Gold certification in 2020 for features that reduce water consumption and energy use, optimize natural light and encourage sustainable transportation among others.

Waste diversion: As part of our waste diversion strategy, we have established a

contract for zero waste to landfill for our facilities in the UK and Ireland where we have control over waste management. The waste we generate in this geographic region is sent to a recycling facility where the majority is recycled and the remainder is sent to an energy-from-waste facility. In addition to waste diversion, we work to minimize the overall amount of waste we generate. For example, to reduce consumption of single-use plastics, we have installed bottle-filling stations in our U.S. and Mexico facilities and have replaced single-use plastic consumables in several locations around the world.

Water consumption: Our strong focus on water enabled us to surpass our 2020 goal for total water use reduction ahead of schedule. The stretch goal we set to use reclaimed or recycled water for at least 10% of our water consumption was more challenging. Although we fell just short of that stretch goal, we made good progress and learned lessons that we will apply as we continue working toward improvement in this area. Because reclaimed and recycled water sources aren't widely available in some of the regions where we operate, we are creating our own in-facility recapture systems. We have incorporated these systems where possible in renovations or with new building construction, such as in our newly renovated global headquarters in New York City and at our São Paulo Citi Center site. In our São Paulo facility, water reuse systems save up to 5,700 cubic meters of water every year.



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

2020 Operational Footprint Goals

Below is our final progress statement for our 2020 operational footprint goals.

<p>ACHIEVED</p>  <p>Goal 100% renewable electricity sourced for facilities globally*</p> <p>Progress 100%</p>	<p>ACHIEVED</p> <p>Goal 30% reduction in energy consumption (compared with 2005 baseline)</p>  <p>Progress 42%</p>
<p>ACHIEVED</p>  <p>Goal 30% reduction in water consumption (compared with 2005 baseline)</p> <p>Progress 44%</p>	<p>ACHIEVED</p> <p>Goal 10% of water used coming from reclaimed or recycled sources</p>  <p>Progress 9%</p>
<p>ACHIEVED</p>  <p>Goal 60% diversion rate of waste to landfill (compared with 2005 baseline)</p> <p>Progress 63%</p>	<p>ACHIEVED</p> <p>Goal 33% of global real estate portfolio LEED-certified**</p>  <p>Progress 34%</p>

* 91% meeting RE100 market boundary criteria; 9% sourced from regionally aligned markets.

** Based on floor area.

We have also established our next generation of footprint goals, as part of our 2025 Sustainable Progress Strategy. These goals build on the progress we made with our previous footprint goals and also include a new greenhouse gas (GHG) emissions reduction goal, an expansion of our waste goal to include overall waste reduction in addition to diversion from landfill, and the inclusion of WELL

and equivalent building certifications in addition to LEED certification in consideration of sustainable building design.

In addition, for this new set of goals, we are adjusting our baseline from 2005 to 2010. This adjustment aligns the baseline for our 2025 GHG emissions goal with the baseline of leading climate science recommendations to limit

emissions and curb global warming. The Intergovernmental Panel on Climate Change has recommended a 45% reduction in GHG emissions by 2030, with a baseline of 2010. Our GHG goal aims to achieve that reduction for Citi five years earlier, by 2025.

2025 Operational Footprint Goals

We will begin reporting progress against these goals with data gathered during 2021, aiming to achieve them by the end of 2025.

(Measured against a 2010 baseline)



GHG emissions

45%

reduction in location-based GHG emissions



Energy

40%

reduction in energy consumption and maintain 100% renewable electricity sourcing



Water

30%

reduction in total water consumption and 25% of water consumed to come from reclaimed/reused sources



Sustainable buildings

40%

of floor area to be LEED, WELL or equivalent certified with a focus on Citi-owned buildings to operate at the highest level of sustainability



Waste

50%

reduction in total waste and 50% of waste diverted from landfill

Meeting Our Renewable Electricity Goal: Challenges and Opportunities

In 2017, Citi announced our goal to source 100% renewable electricity to power our facilities globally by 2020. We met that goal in 2020 and have committed to maintain it moving forward.

To meet this ambitious goal, we established power purchase agreements in Mexico and the U.S.; secured utility green supply contracts in Brazil, the U.S., the UK and other parts of Europe; and obtained energy attribute certificates (EACs) in the form of renewable energy credits (RECs), International RECs (I-RECs) and Guarantees of Origin that support voluntary renewable electricity markets across each of our operating regions. We also use on-site solar power when feasible, though it makes up less than 1% of our overall renewable portfolio.



There are challenges to local sourcing of renewable energy for a global company such as Citi. We own or lease more than 42 million square feet of real estate across 7,600 properties in 94 countries.¹ It is complex to secure renewable electricity in markets where renewable electricity resources are less developed, for example, or where we have a smaller presence or do not directly source electricity for our operations. Even so, we procure the vast majority of our renewable electricity in the countries where we are located. For the remainder, we purchase EACs from within the same region.

In addition to reducing our environmental impact, we look for opportunities to expand access to renewable electricity more broadly. In 2017, for instance, Citi provided a comprehensive financing package for the development, construction and operation of a wind farm in the U.S. The project helped us achieve our previous \$100 Billion Environmental Finance Goal and contributed to our objective to source renewable electricity for 100% of our operations in North America. The wind farm project is just one example of our ongoing commitment to source renewable electricity locally and to drive adoption of renewable electricity beyond our own operations.

In connection with our renewable electricity commitment, Citi is a member of RE100 – a global initiative led by the Climate Group and CDP (formerly the Carbon Disclosure Project), which are both part of the We Mean Business coalition. In recognition of RE100's requirements, we strive as much as possible to source renewable energy within the same market boundaries as our consumption. As of the end of 2020, 91% of our renewable energy met the RE100 market boundary criteria, and we will continue to work toward aligning with the criteria moving forward.

¹ This includes office buildings, bank branches, data centers and standalone ATMs.

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 in North America, we completed a multiyear project in 2020 to retrofit all our facilities with LED lighting, including our offices, operations centers and banking branches. This retrofit reduces our energy consumption related to lighting by up to 50%, as well as improving the overall quality of lighting and reducing maintenance costs.

In 2020, we completed the renovation of our global headquarters in New York City, for which we were awarded LEED Platinum certification. Renovating an existing building conserves land, saves energy and resources, and reduces waste compared with building a new facility. During this renovation, 96% of the structural elements were reused, including the roof deck, foundation slab, floor slabs and exterior walls. Although renovations typically offer fewer opportunities for sustainable solutions compared with building new facilities from the ground up, we developed creative solutions and ultimately obtained the highest level of LEED certification.

Environmental sustainability and workplace amenities were key areas of focus throughout the renovation. We installed water-conserving plumbing fixtures, which will reduce water usage by up to 40%. In addition, we've installed water bottle filling stations throughout the building, reducing plastic bottle use by more than 86,000 bottles each month. LED lighting with dimming features and sensors that adjust to daylight and floor occupancy reduces electricity requirements by 12%, and floor-to-ceiling glass

windows dramatically improve natural lighting within the building.

We've also implemented systems to improve indoor air quality and enhanced the green space outside the building. Water retention tanks on the building's roof will help control stormwater runoff and 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, supplies approximately half of the building's power needs, and the heat byproduct is captured and reused to support heating and cooling systems on-site.

During construction, approximately 86% of all concrete, steel and glass demolition material, totaling approximately 47,000 metric tons, was transported to recycling facilities where it was converted back into new building products.

This significant, multiyear undertaking has been a driving force in solidifying our approach to sustainable building principles and a catalyst for the implementation of efficiency projects throughout the global footprint of our facilities.

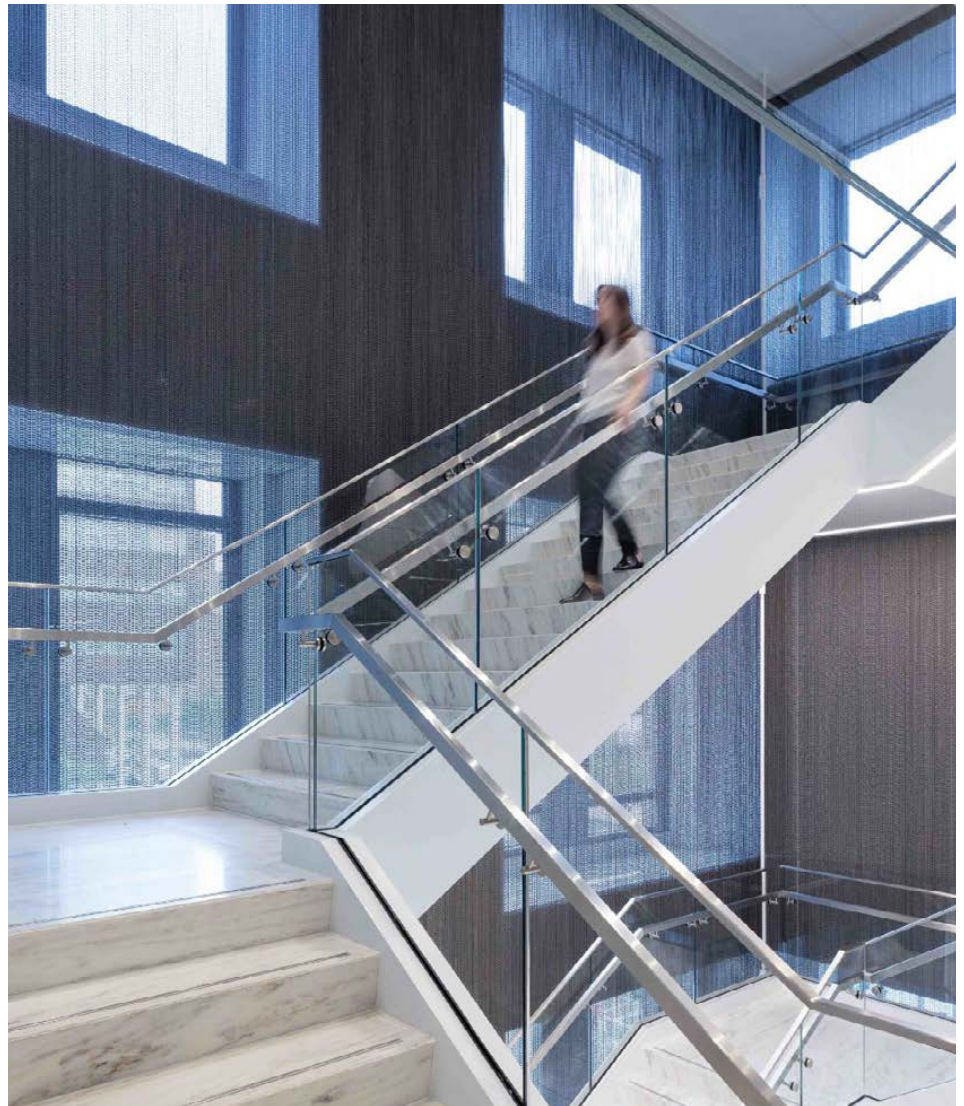
In 2020, we also achieved LEED Gold certification for commercial interiors for the design and construction of



our Citibanamex Citi Solutions Center, Revolución, in Mexico City. We designed this 540,000 square foot facility from the beginning to comply with sustainable building standards. Features to reduce environmental impact include a wastewater treatment plant and water-efficient toilets to reduce water use. In addition, a building management system that monitors and controls electromechanical systems, as well as the use of energy-efficient equipment, reduces energy consumption. During construction, 93% of the building waste materials, totaling more than 800 metric tons, were diverted to recycling facilities.

These sustainable building efforts, among others, helped us achieve our goal to have 33% of our real estate portfolio LEED certified by the end of 2020.

Wellness is an important aspect of sustainable 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 manage air quality and acoustics, as well as providing ergonomic furniture, 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 two facilities, one each 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. In recognition of how important it is to design buildings for employee well-being, we have included WELL certification as an aspect of our sustainable building goal for 2025.



Over the past several years, we have undertaken a renovation of our global headquarters in New York City. In addition to reducing waste and conserving resources by renovating an existing building, we also prioritized sustainable features to save water and energy and reduce waste as our colleagues return to the office. In 2020, we completed this renovation and were awarded LEED Platinum certification. This is one of many projects that helped us achieve our LEED certification goal.

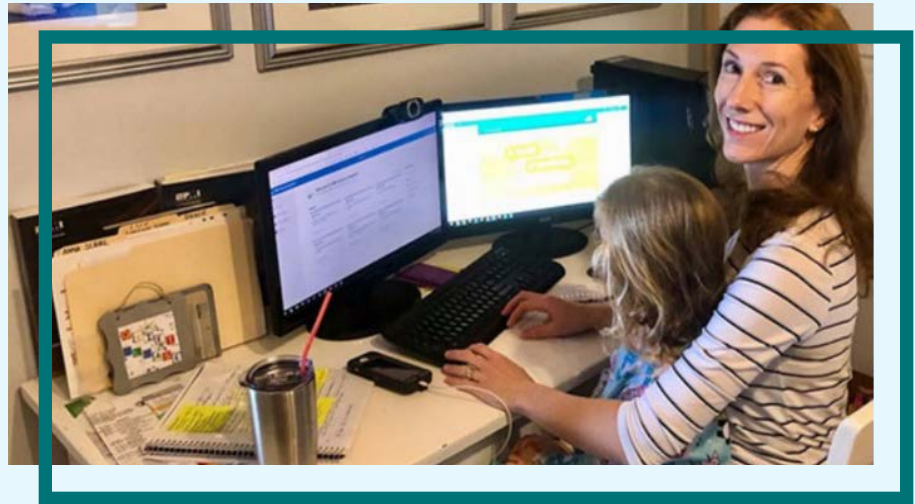


Maintaining Sustainable Operations During COVID-19

Citi's employees have worked diligently to rise to the challenges posed by COVID-19, maintaining our sustainable operations and our ability to serve our customers and clients safely and effectively.

Employee well-being

For many years, Citi has prioritized the intersection of sustainability and employee well-being. The global pandemic further emphasized the importance of employee well-being at our office facilities in addition to the well-being of our employees and customers within our branches. As our employees and customers return to our facilities, we have instituted initiatives and protocols focused on their health and safety, including more frequent cleaning, reduced surface touch, and rules related to social distancing and masks. In addition, we have increased ventilation and air filtration in our offices, and we have installed plexiglass barriers and sanitizing stations in our branches. We are also providing our employees with additional physical and mental health resources.



As COVID-19 spread in Asia and in Europe early in 2020, it became clear that Citi needed to act quickly to provide employees with alternative and safe methods of working. By early March, Citi's Enterprise Infrastructure team began testing and increasing Citi's network and voice capability at each site. In a matter of weeks, 80% of our colleagues globally were working remotely. But it wasn't just about increasing network and voice capacity. The team was also vital in reimagining working arrangements and providing remote access for colleagues that were once site dependent.

Resource use

Because many employees transitioned out of our office spaces to work from home, we noted a drop in waste generation and consumption of energy and water at our facilities during the year. We were already on track to meet our energy and water consumption goals for 2020, but the lockdowns worldwide and resulting increase in remote work further reduced the environmental impact of our facilities in these areas. However, we know that, conversely, waste generation and energy and water consumption in our employees' homes likely increased during this same time.

Sustainable building

Despite the impacts of the global pandemic, we were able to achieve our [2020 LEED-certification goal](#) and move forward with many of our construction projects and LEED certifications, including the renovation of our [New York City headquarters](#).

Employee engagement

As our workforce quickly moved to a remote working environment, we shifted our engagement approach for sustainability-related activities to a virtual format in order to maintain connections and awareness of Citi's sustainability initiatives.

Our colleagues contribute to our culture of sustainability through volunteer efforts and awareness campaigns. Despite the challenges a remote working environment posed for our Green Team networks' traditional activities – such as recycling drives, highway clean ups and educational workshops – many of our teams found opportunities to engage our colleagues virtually on environmental initiatives and causes. For Earth Day 2020, our Citi South Florida team hosted a virtual, week-long campaign with daily quizzes and prize giveaways to help spread awareness about Citi's sustainability initiatives. Several of our European Green Teams teamed up

Maintaining Sustainable Operations During COVID-19 (continued)

to host “The European Week for Waste Reduction,” which featured virtual workshops on how to reduce your own personal environmental footprint. Both our Tampa, Florida, and St. Louis, Missouri, Green Teams hosted e-waste recycling drives in January 2020, before the shift to remote work. Together, the two teams collected more than 2.4 tons of used electronic devices and over 400 pounds of old holiday lights, which were all recycled, repaired or reused. Citi has 16 Green Teams operating in all our regions across the globe.

In addition, many of our employees across the company contribute to sustainability-related activities as a part of their day-to-day work responsibilities, such as those involved in our [responsible sourcing](#) and [environmental and social risk management](#) efforts.

Travel

Due to COVID-19, travel dropped significantly in 2020. For many years, we have encouraged employees to use video and web conferencing technologies rather than traveling, whenever possible. With the onset of the global pandemic, we quickly transitioned the entire company to adopt use of these platforms for their daily interactions. As our employees return to the office, we will rely on the efficiency efforts we had in place prior to the onset of COVID-19. For instance, many of our offices are centrally located near public transportation, which reduces the need for employees to drive to work, and we provide U.S.-based employees pretax 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 the [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.



As COVID-19 led to stay at home orders across major cities around the world, the Citi Technology Infrastructure team sprang into action to provide Citi colleagues in Manila, Philippines, with the necessary computers to allow them to work from home. Over the course of four weeks, the team worked tirelessly to build 600 desktops and laptops and even found innovative ways to rebuild obsolete machines that once sat in storage rooms.

“The amount of work and configuration that went into this project is unprecedented, but through strong commitment and team spirit, the team pulled it off. Thanks to them, we were able to meet the challenge of this dramatic migration, enable our colleagues to safely work from home and maintain business continuity.”

– Manish C.

Working in rotating shifts, colleagues in Mail and Distribution Services continue to go into Citi office locations to ensure mail and packages are being delivered. This group has also been critical in distributing COVID-19 supplies, such as facial coverings, to countries that need them; the group also delivers IT equipment to colleagues working remotely.



“We are still receiving items throughout the day, working to ensure we continue to run as normal as possible. I believe we are doing well to maintain business-as-usual as best we can considering the current situation. We also assist with delivering equipment to people’s homes to assist them with their working from home needs.”

– Tony H.

Managing Climate Risk in Our Operations

The effects of climate change, particularly extreme weather events, pose a potential risk to our operations. Our Citi Realty Services Group and our Crisis Management and Business Continuity teams help us to monitor, prepare for and respond to extreme weather events or other disruptions to our operations.

Climate Risk Scenario Analysis for Operations

Physical damage is a key risk for Citi's facility portfolio. During 2020, we undertook an assessment to understand the

risks to our facilities and operations due to climate-related disruptions. We also examined the resilience of our facilities and robustness of our crisis management and business continuity planning.

As part of this risk assessment, we mapped the exposure of Citi's critical facilities to climate hazards. We then conducted a physical risk assessment for three potential scenarios related to severe weather events that could impact our Tampa, Florida, campus and New York City headquarters. Several of our sites in Asia are also exposed to high storm risk, and we have conducted a physical risk scenario for that region in past years.

Through this analysis for our North American facilities, we determined that although we could suffer significant damage to our facilities under extreme scenarios, there was not a material impact to our operational resiliency. Our confidence is further strengthened by our success in maintaining operational efficiency during COVID-19 through the quick implementation of temporary work-from-home strategies. The lessons we have learned during this global pandemic will inform our ongoing preparation for climate-related events that could damage our facilities and disrupt business as usual.

For more about our approach to operational risk management and the findings of our 2020 climate scenario analysis of our operations, see our latest Task Force on Climate-related Financial Disclosures report: *Finance for a Climate-Resilient Future II*.

Adaptation and Resilience in 2020

Because Citi operates in nearly 100 countries, our facilities could be exposed to a range of varied climate-related risks. 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.

Several events tested our resilience and adaptation in 2020. For instance, wildfires, particularly those in California, affected the air quality in our offices and our bank branches. We quickly responded with cleaning protocols and air filtration systems to maintain a safe environment for people inside affected facilities.



In addition, although COVID-19 is not climate related, it tested our capabilities to respond to an extreme event quickly and effectively. The changing occupancy patterns in our buildings, as well as the need to quickly transition employees to remote work locations, in many ways mirrored the challenges we could face in response to a climate-related event.

Many of our employees have been able to work from home during this global pandemic, and it is likely we would be able to implement similar strategies in response to a climate event. Moving forward, we will also consider how we would respond in a scenario where our employees' homes might not be viable alternatives to the office, especially if their homes are damaged or otherwise affected by the same event that compromises our facilities. The lessons we have learned from COVID-19 about these types of business continuity considerations will help us strengthen our approach to adaptation and resilience.

Transparent Reporting of Operational Climate Impacts

Citi reports our Scope 1, Scope 2 and Scope 3 GHG emissions in both this [ESG 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 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 air and train business travel in this [ESG report](#), and we report Scope 3 electricity transmission loss and employee commuting data to CDP.

In early 2021, Citi received a score of A- from CDP on our climate change disclosure and a B for our Supplier Engagement Rating for 2019 data.

Our 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](#).



Environmental Performance for Operations

Final Progress Against 2020 Goals

2020 Goal	Progress
100% renewable electricity sourced for facilities globally*	100.0%
30% reduction in energy consumption (compared with 2005 baseline)	42.0%
30% reduction in water consumption (compared with 2005 baseline)	43.6%
10% of water used coming from recycled/reclaimed sources	8.9%
60% diversion in waste stream to landfill (compared with 2005 baseline)	63.2%
33% of global real estate portfolio LEED-certified	33.6%

LEED-Certified Buildings by Region**

Region	Certified	Silver	Gold	Platinum	Total
Asia Pacific	9	24	49	12	94
Europe, Middle East and Africa	4	6	29	9	48
Latin America	9	7	6	1	23
North America	33	33	72	2	140
Total	55	70	156	24	305

LEED-Certified Buildings by Building Type**

Building Type	2016	2017	2018	2019	2020
Branches	23	4	1	14	14
Data Centers (DC)	1	1	0	0	0
DC File Storage	0	0	0	0	0
Office Buildings	8	12	12	18	15
Operational Centers	1	3	1	1	2
Total***	33	20	14	33	31
Cumulative Total†	207	227	241	274	305

* 91% meeting RE100 market boundary criteria; 9% sourced from regionally aligned markets.

** Based on the active buildings in the portfolio by year-end 2020 and excludes projects for inactive and disposed buildings.

*** Totals for 2016, 2018 and 2019 are revised to account for building certifications not previously reported.

† Includes buildings certified prior to 2016.

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	979	133,295	43,069	134,274	44,048
Europe, Middle East and Africa	3,762	44,115	10,947	47,877	14,709
Latin America	2,194	108,059	5,919	110,254	8,113
North America	14,300	219,754	1,129	234,054	15,429

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	134,274	44,048	233	707,918	4,494
Europe, Middle East and Africa	47,877	14,709	164	281,921	2,236
Latin America	110,254	8,113	242	931,958	9,348
North America	234,054	15,429	664	1,860,594	11,327

Energy Consumption by Market-Based Emission Factor

Emission Factor Basis	Electricity (kWh)	Steam (kWh)	Chilled Water (kWh)	Total (kWh)	% of Total Consumption
RECs or Other Energy Attribute Certificate	935,414,664	0	0	935,414,664	77%
PPA or Source Contract	135,177,366	0	0	135,177,366	11%
Supplier Specific	0	0	0	0	0%
Steam Default	0	8,187,547	0	8,187,547	1%
Residual Mix	0	0	827,590	827,590	0%
Grid Average	109,445,169	0	19,853,977	129,299,145	11%
Total	1,180,037,199	8,187,547	20,681,567	1,208,906,313	100%

Figures may not sum to totals due to rounding.

Environmental Impact Report

	2005 <small>(baseline 2020 goals)</small>	2010 <small>(baseline 2025 goals)</small>	2016	2017	2018	2019	2020
Operating Sq. Ft.	71,978,507	64,172,247	50,354,101	48,051,230	45,137,587	45,116,344	42,349,249
Headcount	344,650	336,622	219,056	208,043	199,458	188,779	193,989

Absolute Indicators

Energy*							
Natural Gas (GWh)	145	123	70	63	80	70	65
LP Gas (GWh)	--	--	--	--	0	1	1
Fuel Oil (GWh)	51	50	32	29	28	0	0
Diesel (GWh)	--	--	--	--	0	32	30
Scope 1 Energy (GWh)	197	173	102	92	108	104	95
Electricity (GWh)	1,964	1,922	1,516	1,447	1,374	1,312	1,180
District Heating (Steam & Chilled Water) (GWh)	87	74	61	58	57	46	29
Scope 2 Energy (GWh)	2,050	1,996	1,577	1,505	1,431	1,358	1,209
Total Energy (GWh)	2,247	2,169	1,679	1,597	1,539	1,461	1,304

CO ₂ e Emissions							
Direct CO ₂ e (GHG Scope 1) (Gas & Fuel Oil) (mt)	43,533	38,912	23,141	20,951	24,132	23,095	21,236
Indirect CO ₂ e (GHG Scope 2) (Electricity, Steam & Chilled Water) (mt)	1,048,226	973,169	747,748	677,636	620,485	568,780	505,224
Total CO₂e (mt)	1,091,759	1,012,081	770,889	698,587	644,618	591,875	526,459

Water Consumption							
Potable Water (m ³)	6,691,534	5,899,458	4,823,836	4,595,506	4,269,280	4,205,434	3,444,961
Nonpotable Water (m ³)	13,014	15,299	233,093	284,292	247,846	277,642	337,431
Total Water Consumption (m³)	6,704,548	5,914,757	5,056,930	4,879,798	4,517,127	4,483,076	3,782,392

* Beginning with 2019, data for Natural Gas, LP Gas, Fuel Oil and Diesel are reported separately. Prior to 2019, LP Gas and Diesel data were aggregated under Natural Gas and Fuel Oil respectively.

Historical data can vary from year to year due to changes in operational control as a result of acquisitions and dispositions of businesses. Historical adjustments are not made as a result of organic growth or decline for businesses remaining under operational control.

Figures may not sum to totals due to rounding.

Environmental Impact Report (continued)

Waste	2005 <small>(baseline 2020 goals)</small>	2010 <small>(baseline 2025 goals)</small>	2016	2017	2018	2019	2020
Recycled Office Paper (mt)	6,230	17,414	26,908	11,709	10,953	10,760	6,251
Refuse and Other (mt)	57,412	40,471	27,717	26,846	26,677	25,633	21,153
Total Waste (mt)	63,642	57,885	54,625	38,555	37,630	36,393	27,404

Relative Indicators

Total Energy Consumed							
kWh/Rentable Sq/ Ft.	31	34	35	33	34	32	31
kWh/Headcount	6,520	6,444	8,094	7,678	7,717	7,740	6,722

Net CO ₂ e							
Metric Tons/Rentable Sq/ Ft.	0.02	0.02	0.02	0.01	0.01	0.01	0.01
Metric Tons/Headcount	3.17	3.01	3.54	3.36	3.23	3.14	2.71

Scope 3 Emissions

Business Travel							
Business Air Travel CO ₂ e (mt)	NA	100,243	135,735	151,112	149,588	126,055	21,785
Business Train Travel CO ₂ e (mt)	NA	NA	2,125	209	227	174	44

Historical data can vary from year to year due to changes in operational control as a result of acquisitions and dispositions of businesses. Historical adjustments are not made as a result of organic growth or decline for businesses remaining under operational control.

Equitable & Resilient Communities



In This Section

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2020: An Unprecedented Year

The seminal events of 2020 – the global pandemic and the spotlight that shone on racial and social injustice in the U.S. – forced us to take a hard look at ourselves as an institution with a long history of commitments to support more resilient and equitable communities. With a new sense of urgency, we asked: What more can we do for communities in crisis while creating the change needed to address systemic racism?

We recognized we had to adjust our approach to community investing and impact to meet immediate and pressing needs. As a result, we're now responding to vulnerable populations to support recovery in the short term while staying focused on our longer-term strategic initiatives of increasing affordable housing, boosting minority- and women-owned entrepreneurship and expanding financial inclusion.

We put our values into action with \$1 billion in strategic initiatives to help

close the racial wealth gap in the U.S. We have also deployed financial resources and expertise to provide pandemic-related relief. We see the impacts of the global pandemic as a health crisis that has only highlighted the need for stronger, more equitable communities.

The significant events of the year proved to be a critical inflection point for Citi as we evolved from a position of engaging with others as agents of change to being a change agent ourselves. We're more committed than ever to using our

corporate voice and our core business capabilities – and strategic philanthropy – to address societal challenges head-on, with bolder actions and positions than we have taken before.

Read the [Our Approach to ESG](#) section to learn how we reorganized our internal functions in 2020 to better coordinate our business and philanthropic efforts to enhance positive social impact.

Investing in Our Communities: 2020 Highlights

\$1+ B

committed to help close the racial wealth gap

\$100+ M

in COVID-19 community relief

Invested in
13

companies through Citi's \$200 million Impact Fund

\$289 M

in debt transactions to fund inclusive businesses and microfinance institutions

\$7+ B

provided in loans for affordable housing projects

\$100 M

committed by Citi Foundation to address youth unemployment

Action for Racial Equity

According to a recently published **Global Perspectives & Solutions (Citi GPS) report, *Closing the Racial Inequality Gaps***, if the U.S. had closed critical racial gaps for Black Americans in wages, housing, education and investment 20 years ago, \$16 trillion could have been added to the U.S. economy. If these gaps were eliminated today, \$5 trillion could be added to the U.S. gross domestic product over the next five years. In other words, the financial impacts of our collective failure to treat communities of color fairly is staggering, with a devastating human toll.

But equally staggering is the opportunity that lies ahead of us, and the Citi GPS report makes the definitive business case for equitable economic growth in the U.S. We believe that the companies that will be most successful at fostering social justice will be those that are able to converge their business model with social missions to unlock the untapped economic and social impacts of major changes in demographics, society and technology.

In June 2020, as protests for racial justice intensified across the U.S., Mike Corbat, our CEO at the time, challenged our businesses to come up with solutions that would truly move the needle, building on our core mission of enabling growth and progress. We responded with *Action for Racial Equity*, more than \$1 billion in strategic initiatives to close the racial wealth gap and increase economic mobility in the U.S. Citi's *Action for Racial Equity* represents an

unprecedented effort to leverage Citi's core business capabilities alongside the Citi Foundation's philanthropic efforts to combat the impacts of racism on our economy and drive systemic change.

In harnessing the central role Citi plays in local economies and the financial lives of Americans, and by building on our core strengths and our global reach, we have a responsibility to help build an anti-racist economy and society while leveling the financial playing field for populations that have not had the same opportunities historically.

In the immediate aftermath of the murder of George Floyd – a Black man killed while being arrested by police outside a convenience store in Minneapolis – Citi gave more than \$10 million to Black-led organizations fighting for racial justice. But philanthropy alone won't work.

Moreover, we cannot ignore the role our own industry has played in contributing to racial disparities that drive inequality.

To that end, the initiatives that make up Citi's *Action for Racial Equity* address the structural barriers that impede communities of color from building wealth. We're changing the ways Citi works with communities of color to remove these barriers – from affording college and buying a home to starting a business and saving for retirement.

We're working with trusted community partners to make affordable, high-quality banking products available to racially diverse households. For example, we are taking what we have learned working with the City of San Francisco and other nongovernmental organization partners and aim to put 1 million more underserved youth on the path to college savings. We're making more investments in Black-owned businesses through the Citi Impact Fund, and we're boosting our annual spend on diverse suppliers, which

will help more Black entrepreneurs get the financing they need to start and grow their businesses.

Building on our record as the #1 affordable housing development lender in the U.S. for the last 11 years, we are redoubling our efforts to tackle the homeownership crisis in communities of color by increasing access to mortgages and by supporting minority developers who are building affordable housing. And, equally important, we're taking a hard look at our own policies and practices to make sure we treat every community equitably and live up to our commitment to becoming an anti-racist institution.

As COVID-19 continues to disproportionately affect communities of color, the need for real action has become even more urgent. *Action for Racial Equity* is only a starting point. We will continue to explore how we can meaningfully contribute to an equitable recovery beyond these commitments.

Our *Action for Racial Equity* commitments contribute to **SDG 8**, which aims, among other things, to **provide full and productive employment and decent work for all** and specifically contributes to target **8.3**, which supports **productive activities, decent job creation, entrepreneurship, creativity and innovation, and the formalization and growth of micro-, small- and medium-sized enterprises through access to financial services**. Our approach also supports target **8.10**: to **strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all**. The affordable housing components of Citi's *Action for Racial Equity* align with SDG target **11.1**, which includes providing **access for all to adequate, safe, and affordable housing and basic services**.

 **SDG Goal 8: Decent Work and Economic Growth**

 **SDG Goal 11: Sustainable Cities and Communities**

Action for Racial Equity

Our four goals



Expand banking and access to credit in communities of color



Invest in Black entrepreneurship



Invest in affordable housing and promote the growth of Black homeownership



Strengthen Citi's policies and practices in order to become an anti-racist institution

\$1+ Billion in strategic initiatives by the end of 2023

\$550 M

to support homeownership for people of color and affordable housing by minority developers

\$350 M

in procurement opportunities for Black-owned business suppliers

\$50 M

in additional impact investing capital for Black entrepreneurs

\$100 M

to support Minority Depository Institutions' growth and revenue generation

\$100 M

in Citi Foundation grants to support community change agents addressing racial equity

Embracing Discomfort and Committing to Change

How do we change the status quo? That was the question many of us at Citi were left with following a virtual company-wide Town Hall last June that opened up a transparent and honest conversation about race and racism in America. Black colleagues from across Citi shared their pain as they described how systemic racism has affected them at home and at work.

Out of that emotional meeting came Citi's first-ever Racial Equity Task Force, comprised of leaders from across our businesses and functions, with support and feedback from the Black Heritage Affinity Steering Committee, Citi's Black Managing Directors and the Executive Management Committee. The Task Force worked through the summer to develop a comprehensive plan, distilling more than 200 ideas before finalizing the four-tiered *Action for Racial Equity*.

And while the more than \$1 billion in strategic initiatives is certainly a key headline of the plan, an equally powerful element is Citi's commitment to becoming an anti-racist institution – an organization that doesn't just denounce racism but one that acts and advocates for equity.



The Four Goals of Citi's Action for Racial Equity

For more details on these goals and progress made on our commitments, visit our [Action for Racial Equity website](#).



Goal #1: **Expand banking and access to credit in communities of color**

Why it matters:

Many communities of color lack access to traditional banking services that are the foundation of financial stability and thriving communities. Economic security is also hampered by insufficient access to credit, which makes it hard to qualify for affordable mortgages and small business loans.

What Citi is doing:

- Providing Minority Depository Institutions (MDIs) with up to \$50 million in growth capital to strengthen their ability to serve racially diverse households and entrepreneurs
- Generating revenue for MDIs by inviting them into up to \$50 million in loan participation opportunities
- Providing pro-bono technical assistance and training to MDIs
- Partnering with community organizations through Citi's U.S. Consumer Bank to expand access to low-cost checking and savings products
- Removing out-of-network fees at Citibank ATMs for customers of participating minority-owned banks and community development credit unions
- Putting 1 million youth on the path to higher education by expanding the Citi Start Saving® platform



Goal #2: **Invest in Black entrepreneurship**

Why it matters:

Black-owned businesses have long faced obstacles in obtaining loans. They are the most likely to apply for bank financing, but get turned down at twice the rate as white business owners. This financing gap is especially pronounced in the startup world, where studies show that Black entrepreneurs receive only 1% of venture capital funding.

What Citi is doing:

- Allocating \$50 million of Citi's \$200 million Impact Fund to exclusively support businesses owned by Black entrepreneurs
- Increasing business procurement spend with certified diverse suppliers from \$700 million to \$1 billion annually, including \$250 million with Black-owned firms
- Launching a new program that will work with Community Development Financial Institutions to help underserved entrepreneurs increase their credit scores and access more affordable credit

The Four Goals of Citi's Action for Racial Equity (continued)



Goal #3: **Invest in affordable housing and promote the growth of Black homeownership**

Why it matters:

Homeownership is a key way to build wealth and equity, and safe, affordable housing is an important platform for financial stability.

However, Black homeownership is at its lowest level since the 1960s. In addition, rental housing in many urban areas across the country is scarce and too expensive. Compounding this crisis is the near-absence of minority-owned real estate developers in the affordable housing industry.

What Citi is doing:

- Increasing access to Citi's mortgage products and services among minority borrowers in low- and moderate-income neighborhoods
- Providing \$200 million of equity and preferential financing to affordable and workforce housing projects by minority developers



Goal #4: **Strengthen Citi's policies and practices in order to become an anti-racist institution**

Why it matters:

Advancing racial equity requires a more intentional focus on the challenges faced by communities of color and a commitment to becoming an anti-racist institution. Citi is taking a hard look at our own policies and practices to actively identify potential bias to help level the playing field for communities of color.

What Citi is doing:

- Strengthening due diligence processes for project-related financing to address environmental justice and social impacts on communities of color
- Developing standards for inclusive software design that eliminate bias
- Expanding Citi's capital market activities with minority-owned broker dealers
- Working with marketing, communications and legal partners to establish guidelines that increase representation of people of color on Citi accounts and within their leadership teams
- Establishing a council of senior leaders from across the company to develop additional product innovations, assess performance gaps and hold businesses accountable

Read the [Talent & Diversity](#) section to learn more about our work to increase representation of Black employees at Citi in the U.S., especially in senior roles, and to encourage a stronger awareness of the legacy of racism and discrimination in the workforce and the industry.

I Can't Breathe

In May, in the aftermath of several high-profile killings of Black Americans, Citi Chief Financial Officer Mark Mason penned an emotional and personal essay in [a blog post](#) shared with Citi colleagues. What follows is an excerpt.

“Even though I’m the CFO of a global bank, the killings of George Floyd in Minnesota, Ahmaud Arbery in Georgia and Breonna Taylor in Kentucky are reminders of the dangers Black Americans like me face in living our daily lives. Despite the progress the United States has made, Black Americans are too often denied basic privileges that others take for granted. I am not talking about the privileges of wealth, education or job opportunities. I’m talking about fundamental human and civil rights and the dignity and respect that comes with them. I’m talking about something as mundane as going for a jog.

Racism continues to be at the root of so much pain and ugliness in our society – from the streets of Minneapolis to the disparities inflicted by COVID-19. As long as that’s true, America’s twin ideals of freedom and equality will remain out of reach.”

– Mark Mason, Chief Financial Officer



Citi Impact Fund

In early 2020, we launched a “double bottom line” fund that allows Citi to make equity investments in U.S. companies that are addressing societal challenges. The Citi Impact Fund, the largest of its kind to be launched by a bank using its own capital, prioritizes companies that are led or owned by women and minorities. These companies are using technology and innovation to help address five key societal challenges: workforce development, financial capability, physical and social infrastructure, sustainability and access to capital and economic opportunity.

We started with \$150 million in January, adding on another \$50 million in September to intentionally support businesses owned by Black entrepreneurs as part of our *Action for Racial Equity* plan.

The Citi Impact Fund focuses on companies that have demonstrated proof of concept, built an existing customer base, secured prior rounds of funding and exhibited the potential for scale in multiple markets. A portion of the fund is designated specifically for earlier-stage seed investments in businesses led, or owned, by women and minorities. Of the 13 initial investments made through March 2021, the majority of companies are female and/or minority founded.

MedHaul, led by a Black female founder, was the first company to receive seed stage funding. MedHaul is a ride-booking platform for non-emergency medical rides, helping often overlooked populations access quality transportation and ultimately the health care they need. Erica Plybeah, a health care IT professional, founded the company in 2017 based on her family’s struggles to transport her grandmother, a Type 2 diabetic and double leg amputee who uses a wheelchair, to medical appointments. MedHaul’s platform makes it easy for anyone, particularly those with special medical needs, to get to the doctor. Based in Memphis, Tenn., MedHaul plans to expand to many more cities in the next three years.

We also invested in The Mom Project, a female-founded job marketplace based in Chicago that connects women to companies that are committed to designing and supporting a better workplace. We’re partnering with The Mom Project on a pilot program to recruit technology-focused talent to our institutional business. The Impact Fund’s other investments include the following:

- Clerkie, a Black-founded artificial intelligence company with a proprietary financial automation platform that streamlines the relationship between creditors and consumers with an aim to help more than 100 million Americans ease their debt burden
- Fulcrum BioEnergy, which converts municipal solid waste into low-carbon, renewable transportation fuels, including jet fuel and diesel, via waste processing and refining facilities
- ICON, which uses proprietary 3D printing robotics, software and advanced materials to shift the paradigm of homebuilding
- Ketos, a female-led company with solutions for actionable water intelligence. Its patented hardware, machine learning algorithms and Smart Water Intelligence Platform deliver the predictive and actionable insights needed to optimize water usage, ensure resource sustainability and provide water safety assurance
- “MoCaFi,” or Mobility Capital Finance, a mobile-first, digital banking platform that offers financial services to underserved communities across the U.S.
- OhmConnect, an Oakland, Calif.-based energy demand response company that enables hundreds of thousands of customers to change how they use energy, to choose clean energy over dirty energy when required, and to be rewarded for timely, smarter, and cleaner home energy use
- PadSplit, which provides lower-income workers with safe, clean and affordable housing
- Perch, a Black-founded company designed to empower unbanked and underbanked young adults with tools to properly manage their credit
- Shift, a veteran-led career advancement company where current and former members of the U.S. military discover careers, acquire and demonstrate new skills and embark upon new job experiences
- Superpedestrian, a transportation robotics firm that develops the technology inside the electric Link Scooter
- VyV, a female-founded health technology company that offers continuous-use, non-UV antimicrobial light technology for homes, public places and industry. VyV LED light creates environments inhospitable to the growth of bacteria, fungi, yeast, mold and mildew.



COVID-19: Responding to Vulnerable Communities

The global pandemic brought to the forefront the vast racial, economic and social inequalities that exist in our communities globally. When the initial societal impacts of the virus began to take shape in the first months of 2020, we at Citi took action quickly through a comprehensive, multifaceted approach to provide immediate, on-the-ground relief and for longer-term economic recovery efforts. Many of Citi and the Citi Foundation’s efforts focused on communities of color that were facing disproportionate burdens from the virus.

By the end of 2020, Citi and the Citi Foundation had contributed more than \$100 million in COVID-19-related relief and economic recovery efforts, including \$55 million from the Foundation. Total contributions included more than \$2 million from Citi employees, which was matched by Citi for an additional \$2 million through an employee donation campaign.

Citi and the Citi Foundation provided support to organizations – small and large – all around the world: food donations and meal kits to help people facing food insecurity, support for housing stability loans, emergency child care programs, medical and personal

protective equipment, COVID-19 screening and testing funds, and more. Learn about our contributions on our [website](#) and see how we also supported our workforce with expanded programs and benefits throughout the pandemic in the [Talent & Diversity section](#) of this report.

Assisting Our Customers

Citi offered assistance to customers affected by COVID-19, announcing new initiatives and support as the pandemic continued to evolve. In the U.S., for example, we provided a range of measures, including fee waivers for Citibank customers, hardship programs

and additional small business support, such as extended banker availability. For eligible credit card customers, we provided assistance programs, such as credit line increases and collection forbearance programs.

By participating in the U.S. Small Business Administration’s (SBA) Paycheck Protection Program (PPP), we aimed to help our small business clients keep as many employees on their payrolls as possible. By the end of 2020, Citi funded loans totaling \$3.8 billion as part of PPP.

We also worked with customers to help them navigate the complicated PPP loan forgiveness process. The U.S. government offered many options for forgiveness, including full and partial, and some small business owners may have opted not to pursue forgiveness at all. We held a series of customer webcasts to provide helpful tips on the process, including SBA guidelines and frequently asked questions.

Using Paycheck Protection Program Profits to Support Communities of Color in the U.S.

While we have yet to fully understand the lasting economic repercussions of COVID-19, the immediate impacts have unquestionably, and disproportionately, fallen on communities of color. According to a report from the U.S. National Bureau of Economic Research, the number of Black and Latinx small business owners dropped by 41% and 36%, respectively, from February to April of 2020 alone. Lack of access to credit is just one of many obstacles that continue to exist for small business owners of color.

Citi donated \$50 million in PPP profits to the Citi Foundation in 2020, which the Citi Foundation deployed to support small businesses and economically vulnerable households affected by the pandemic. (The

U.S. government paid fees to banks, on a sliding scale, for loans originated under the PPP, which was created to help businesses keep employees on their payrolls during the pandemic.)

By November, the Citi Foundation deployed \$25 million of the PPP profits donated by Citi. Of that, \$15 million went to 30 Community Development Financial Institutions (CDFIs), each of which received \$500,000 in unrestricted funding to support small businesses with the vital resources needed to sustain their operations and assist economically vulnerable households impacted by COVID-19. The CDFIs were chosen through an open Request for Proposals (RFP) application process based on their strong records of serving small businesses owned by people of color and supporting underserved individuals and communities. The remaining \$10 million was deployed to the Local Initiatives Support Corporation (LISC) to support the New York Forward Loan Fund, which is supporting CDFIs making loans

to small businesses, nonprofits and small landlords for working capital, including payroll, operating expenses and emergency maintenance.

CDFIs do more than provide capital; they level the playing field for communities and populations at risk of being left behind – especially communities of color. By investing in them, we can serve communities in more effective and enduring ways than we can on our own. In the last five years alone, Citi and the Citi Foundation have provided \$173 million in capital and \$79 million in philanthropic funding to more than 80 CDFIs across the U.S. in support of their small business and community development efforts.

Recognizing that economic recovery requires ongoing urgency, in 2021, the Citi Foundation announced it would deploy the remaining \$25 million in PPP profits to further support small businesses owned by people of color in the U.S.

Global Community Day Reimagined

Every year, Citi colleagues, alumni, partners, clients, family and friends come together to participate in Global Community Day, our annual flagship volunteer initiative to give back in the communities where we live and work. Traditionally, the day is celebrated through in-person events where we roll up our sleeves and engage in various service activities, from packaging meals for families in need to cleaning up public parks.

But everything changed with the global pandemic, forcing us to adapt and find new ways of giving back in lieu of physical volunteer activities. The result: our Global Community Day Reimagined campaign, through which Citi volunteers across 73 countries and territories participated in more than 63,000 volunteer engagements. Activities fell into three buckets:

- Acts of kindness – Running errands for elderly neighbors, supporting local businesses, making and donating face masks and writing letters to frontline health care workers and those in isolation
- Virtual volunteering – Online career counseling, youth mentorship and resume-building workshops
- Independent service – Working with a community organization of the volunteer’s choice

Key Stats:

44,000+
total acts of kindness

870+
virtual volunteer activities

20,900+
acts of kindness supporting COVID-19-related needs

9,800+
volunteers contributing to fighting the pandemic

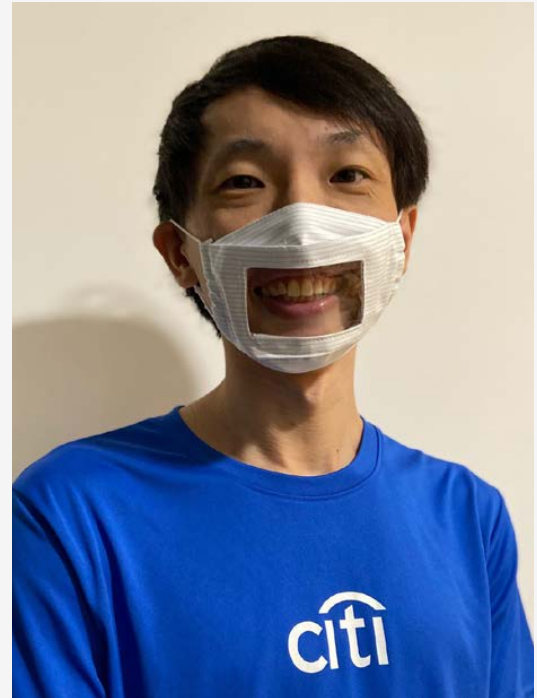
60,000+
hours of independent volunteer service

Global Community Day Reimagined (continued)

The global pandemic created exceptional challenges, and Citi colleagues from across our organization met them head-on. Here are just a few examples of how our people went above and beyond to help. [Learn more.](#)



As a human resources professional in Brazil, Rudinei is well-versed in supporting people. He prepared food baskets, bought groceries and delivered medications to elderly people at their homes.



Oliver and his family saw a need for a different type of face mask for those who are deaf or hard of hearing. The masks they made from reusable materials were donated to the Singapore Association for the Deaf.



Mihir, a Citi colleague from New Jersey, bought a 3D printer and made and donated more than 400 face shields for those fighting COVID-19 in his community.



For more than 15 years, a group of colleagues in New York City has been crocheting, knitting and quilting blankets to deliver to palliative care patients at local hospitals. During the pandemic, they continued their craft from their homes, creating dozens of blankets for donation to hospitals.



Vaccine Alliance Advisor

In October of 2020, Gavi, the Vaccine Alliance, appointed Citi as the sole financial advisor to the COVAX Facility, a newly formed global multilateral procurement mechanism created to accelerate the end of the acute phase of the COVID-19 pandemic through the fair and equitable distribution of vaccines. The Facility has developed a diversified, active vaccine portfolio management strategy to secure vaccine supply for all participating countries and to ensure that no one is left behind. Pooled procurement provides COVAX leverage to negotiate highly competitive prices, speedy deployment and better terms, especially for low- and middle-income countries.

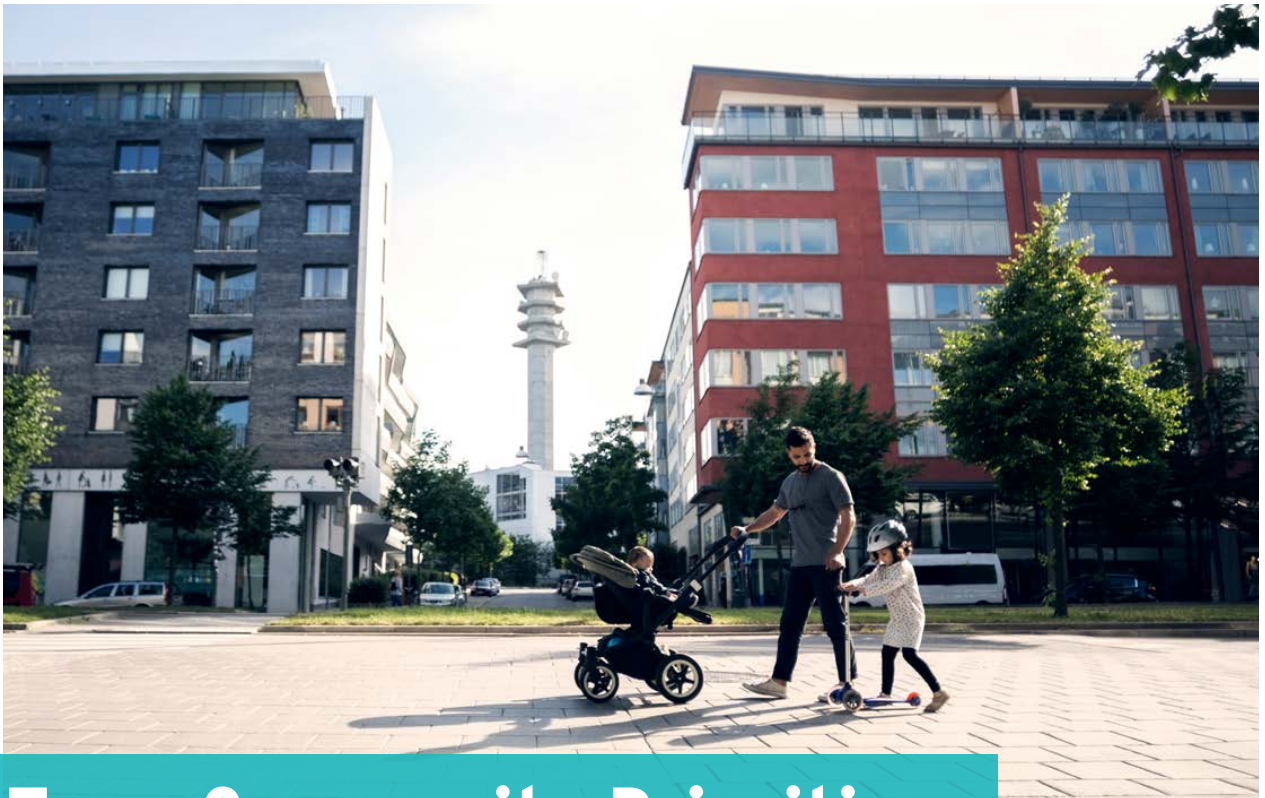
Citi has been providing advice on credit, liquidity, and operational and contractual risks, including planning and execution of mitigation strategies. The effort is enormously complex, and more than two dozen Citi professionals have been providing comprehensive advice to ensure that the COVAX Facility accomplishes its mission of delivering 2 billion vaccines worldwide before the end of 2021.

The Facility is co-led by Gavi, the Coalition for Epidemic Preparedness Innovations and the World Health Organization. It has 190 confirmed or eligible participants, including 98

high-income and upper-middle income countries referred to as self-financing participants (SFPs), and 92 low-income and lower-middle income countries that are eligible to receive donor-funded doses through the Advanced Market Commitment mechanism. The Facility has received over \$1.5 billion in upfront payments from SFPs and raised \$6.4 billion in donor funding. In 2021, an additional \$2 to \$3 billion in funding is targeted to be raised globally.

Throughout the pandemic, Citi worked closely with governments and the private sector to find liquidity alterna-

tives and funding solutions in response to COVID-19. This has included large targeted development bank and nongovernmental organization efforts for the pandemic, including COVID-19 emergency programs by the World Bank, African Development Bank, the New Development Bank and Gavi's own International Finance Facility for Immunisation, where Citi recently acted as joint bookrunner on its \$500 million vaccine bond.



Long-Term Community Priorities

Throughout the events of 2020, we continued to stay focused on the areas that have long been at the core of our communities platform, including increasing affordable housing, building job skills for youth, expanding financial inclusion and advancing entrepreneurship for minorities and women. Learn more about our work to promote more minority- and women-owned businesses in the *Action for Racial Equity* section on [p. 67](#).

Expanding Affordable Housing

Citi has a long history of working to address the affordable housing crisis in the U.S. by financing projects in low-income communities and developing new models to strengthen affordable housing markets overall. We offer a range of housing finance solutions, including construction and permanent lending, tax credit equity and Fannie Mae and Freddie Mac mortgage banking.

In October 2020, we announced the issuance of our first Affordable Housing Bond. At \$2.5 billion, it's the largest-ever

social bond from an issuer in the private sector. The use of the proceeds from the bond will finance the construction, rehabilitation and preservation of quality affordable housing for low- and moderate-income populations in the U.S., building on our record as the largest financer of affordable housing development in the U.S. As part of the transaction, Citi worked exclusively with women-, veteran- and minority-owned broker-dealers.

In conjunction with the \$2.5 billion bond offering, Citi unveiled a new Social Bond Framework for Affordable Housing to detail how projects and

assets will be selected. Developed in line with the International Capital Market Association Social Bond Principles 2000, the new framework includes four key components: use of proceeds, process for project evaluation and selection, management of proceeds and reporting.

In 2020, Citi Community Capital – the unit through which the firm finances all types of affordable housing and community development projects – reported over \$7 billion in lending for affordable rental housing projects, up from \$6 billion in 2019. Partnering with developers, nonprofit organizations and location governments, Citi has helped to create or preserve approximately 421,000 affordable housing units over the past decade.

For example, in 2020, Citi provided a \$61.8 million construction loan and a \$32.5 million permanent loan for the financing of a 254-unit apartment

complex in Seattle. The mixed income property will have units reserved for tenants with incomes ranging from 30% to 60% of area median income, with some of the units reserved for formerly homeless women and others marked for veterans. Support services will include on-site staff to connect residents with resources that will help them maintain stable housing and improve their economic situation.

In Florida, Citi provided a \$14 million construction loan and a \$9.7 million permanent loan for the substantial reconstruction of the Landings at Homestead, a 101-unit apartment complex shuttered

since Hurricane Andrew caused extensive damage in 2014. The apartments will be reserved for residents with incomes between 40% and 60% of area median income.

Our efforts around affordable housing are consistent with our pledge to align community engagement with SDG target **11.1**, which includes providing **access for all to adequate, safe and affordable housing and basic services.**



Citi was the #1 affordable housing lender for the 11th consecutive year

Affordable Housing Impact

In 2020, we provided more than \$7 billion in loans for affordable housing projects in the U.S., covering nearly 39,000 apartments in 216 cities, making us the leading financier of affordable housing in the U.S. for the 11th consecutive year.

2,172

Buildings Financed

- 1,842 Buildings
- 330 Green buildings



32.7M
Square feet

\$7B

Volume Lent for Affordable Housing

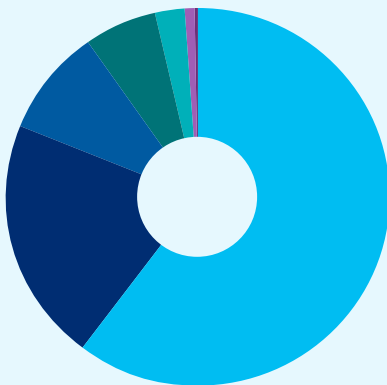
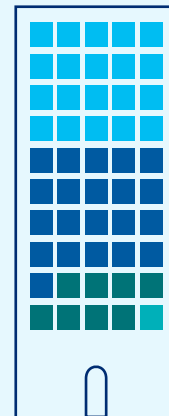
\$549M

Equity Invested in Affordable Housing

229

Projects Closed

- 80 Rehab construction
- 98 New construction
- 40 Permanent financing
- 11 Acquisition



Housing Types

- 23,572 Affordable
- 8,148 Seniors
- 3,493 Mixed income
- 2,427 Rental Assistance Demonstration (RAD)
- 976 Formerly homeless
- 259 Special needs
- 103 Veteran

38,978

Total Units Financed

112

Clients served



32
States

216
Cities

229
Projects

Social and Digital Financing Solutions

Scaling Enterprise is a \$100 million loan guarantee facility that provides earlier-stage financing to companies that expand access to products and services for low-income individuals in emerging markets. Launched as a partnership with the U.S. International Development Finance Corporation and the Ford Foundation in 2019, the facility offers loans and working capital in local currency – and at affordable rates – to enable innovative companies to expand their social impact.

Through Scaling Enterprise, Citi extended a local currency term loan to 4G Capital, a digital disruptor in the Kenyan micro-, small- and medium-sized enterprise sector, to reach more than 25,000 small businesses. 4G Capital will provide digital financial services and enable small shop owners to access a working capital line, rather than paying cash on delivery, allowing them to maintain minimum stock levels for continuous operation and increase order sizes, thereby boosting their annual review by an average of 82%. These efforts help address the inventory finance needs of so-called “last-mile” distributors of fast-moving consumer goods.

Citi also disbursed a working capital facility to support Gradian Health Systems, a medical technology company that provides critical equipment to underserved hospitals and clinics across Africa. The loan will enable Gradian to manufacture and distribute anesthesia machines and ventilators to low-resource hospitals and clinics in sub-Saharan Africa.

According to the World Bank, an estimated 1.7 billion adults – nearly one-third of the global population – weren’t included in the formal financial system in 2017.¹ Citi estimates that an additional 700 to 800 million adults will be banked for the first time by the end of 2022, compared to 2017. This staggering change will reduce the total unbanked population to just 15%. (Learn more about the unbanked in our Global Perspectives & Solutions (Citi GPS) report, *Banking the Next Billion*.)

Increasing access to digital financial tools is also critical to improving inclusive financial pathways in communities where there are still significant gaps in banking technology. In Mexico, for example, Citibanamex, PepsiCo Alimentos México and Amigo PAQ recently partnered to provide digital financial tools to small, underbanked retailers who are part of the PepsiCo distribution network.

The retailers will gain access to bank accounts, digital payments, collections, working capital facilities and a credit line. The model has already proven to be successful in Peru, where Citi and PepsiCo have worked together since 2018 to expand digital access for retailers. By the end of 2020, more than 4,000 neighborhood stores had registered with the program in Peru. As a result, participating businesses increased their sales by 30% and reduced their use of cash by 15%.

Financial Inclusion

In 2020, Citi developed a \$100 million ESG-linked revolving line of credit for BlueOrchard Microfinance Fund, one of the world’s first microfinance funds, which lends to 150+ banks and microfinance institutions in emerging markets. BlueOrchard reaches more than 870,000 micro and small businesses – about 80% of them run by women.

The credit facility, which has embedded social impact key performance indicators, will help BlueOrchard continue its focus on lending to financial institutions that expand access to finance to underserved, low-income entrepreneurs in emerging and frontier markets, delivering stable and attractive financial returns while fostering financial inclusion.

In Uganda, Citi distributed two loans, disbursed in Ugandan shillings, which have enabled BRAC Uganda Bank and Opportunity Bank to provide microloans to nearly 20,000 small businesses, 92% of which are run by women. These transactions helped boost financial access and support economic stability for low-income communities in Uganda, which are especially vulnerable to financial shocks due to COVID-19.

In India, Citi provided a \$30 million term facility to Credit Access Grameen to support lending to more than 130,000

"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. Through this annual campaign, Citi’s Markets business donates a portion of its proceeds traded electronically. In 2020, the campaign donated a record \$9.4 million to 10 nonprofit organizations in a year that saw widespread disruption in the education sector due to the pandemic.

¹ The Global Findex Database 2017; 2017 data is the most recent available.

female small business owners. This builds on Citi’s long-time collaboration with one of the largest microfinance institutions in India and the world, supporting Credit Access Grameen’s female client base with access to loans with an average size of \$225. In total, Citi’s \$50 million in facilities supports more than 220,000 small business loans to women.

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 **8.3**, which encourages **productive activities, decent job creation, entrepreneurship, creativity and innovation, and the formalization and growth of micro-, small- and medium-sized enterprises through access to financial services**.

Our approach also supports 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, facilitating integration into value chains and markets**.

And our work on catalyzing the distribution of small loans in emerging markets – which typically benefits women – directly contributes 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



SDG Goal 8: Decent Work and Economic Growth



SDG Goal 9: Industry, Innovation and Infrastructure

Preparing Youth for Tomorrow’s Jobs

Youth unemployment is a persistent global issue – one that has been further exacerbated by the severe economic impacts of COVID-19. Citi and the Citi Foundation’s Pathways to Progress initiative aims to build job skills and equip young people, particularly those from underserved communities, with the skills and networks they need to succeed in today’s rapidly changing economy.

Between the program’s launch in 2014 and the end of 2019, the Citi Foundation invested approximately \$200 million in workforce development globally. In September 2020, Citi and the Citi Foundation announced an expansion of the initiative, led by a Citi Foundation investment of \$100 million over three years to provide economic opportunities for young people – for a total investment of \$300 million impacting over 1 million youth by 2023. In the latest iteration of the program, the Foundation is doubling down on its efforts to improve economic and employment opportunities for young people in underserved communities around the world and for young people of color in the U.S.

As part of the new commitment, Citi is strengthening our in-house work experience programs, from summer internships and full-time analyst and associate roles

International Inclusive Finance by the Numbers



Supported

\$289M

in social/inclusive finance debt transactions to fund inclusive businesses and microfinance institutions

Issued

415,000+

new loans to women globally



Supported

3.9M

unbanked and underbanked small businesses in emerging markets to date

3.45M

of which are women-owned

140

transactions to 101 institutions across 34 countries

\$293

average loan size

Pathways to Progress



North America

Citi Foundation’s Pathways to the Arts initiative connects underrepresented students with paid internship programs at reputable arts and cultural institutions across the U.S., such as Brooklyn Museum, Park Avenue Armory and Perez Art Museum. Since 2018, nearly 100 interns from Historically Black Colleges and Universities, community colleges and public universities have participated in the program, and in 2020, the initiative expanded to include Los Angeles County Museum and Cincinnati Museum Center.



Europe, Middle East and Africa

In Russia, the Citi Foundation works with the World Wildlife Fund (WWF) to offer training to low-income youth interested in entering the green job market through the Environmentally Conscious Employment Programme. In 2020, the program expanded to Kazakhstan, reaching and equipping more young people with the skills they need to build sustainable, future-proof careers.



Latin America and the Caribbean

In Jamaica, the Citi Foundation and Trust for the Americas launched the Democratizing Innovation in the Americas Urban Labs for Youth Innovation Project to empower youth to solve challenges in their community. Last year, to respond to COVID-19, over 100 young people participated in a virtual competition to develop prototypes and pitch ideas that address economic relief, education, access to information, health and security.



Asia Pacific

Co-created in 2017 by the United Nations Development Program and the Citi Foundation, Youth Co:Lab empowers youth to advance the Sustainable Development Goals through leadership, social innovation and entrepreneurship. In 2020, the program launched the Youth Action Challenge in Singapore in partnership with the National Youth Council, in which more than 50 teams of young people competed for funding to implement their social innovations.

to on-campus programs and opportunities with Citi® University Partnerships in Innovation & Discovery (CUPID) Program, which engages diverse students on a range of innovation projects across the company. Over the next three years, these efforts will provide 10,000 young adults with the opportunity to gain work experience and develop their careers at Citi. (Read more about our diversity and inclusion work at Citi in the [Talent & Diversity](#) section.)

Our expanded commitment will also engage thousands of Citi employee volunteers who lend their time and talent to serve as mentors, coaches and role models to many young people globally. By 2023, we expect 10,000 Citi colleagues to volunteer to mentor and coach youth on their paths to economic success.

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

Read more in our [Pathways to Progress impact report](#).



SDG Goal 8: Decent Work and Economic Growth



New York City:

Launched: May 2013
Trips since launch: 110M
Miles traveled: 196M
Annual members: 167K



Miami:

Launched: Dec. 2014
Trips since launch: 9.1M
Miles traveled: 27.2M
Annual members: 6K



Jersey City:

Launched: Sept. 2015
Trips since launch: 1.7M
Miles traveled: 2.2M
Annual members: 2K

* All figures are through December 31, 2020

Citi Bike® Program Hits Milestone

The Citi Bike Program has been one of our longest running and largest scale efforts to enhance urban quality of life. In 2020, the program achieved two milestones: its 100 millionth ride and the installation of its 1,000th station.

This program supports **SDG 11**, which aims to **make cities and human settlements inclusive, safe, resilient and sustainable**. The bike share program contributes to target **11.2**, which has several aims including providing **access to safe, affordable, accessible and sustainable transport systems for all**.



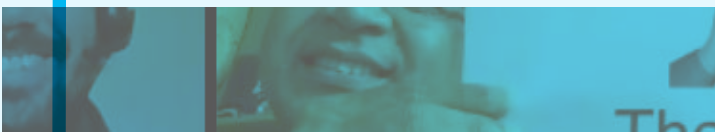
SDG Goal 11: Sustainable Cities and Communities



In This Section

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Talent & Diversity



The year 2020 was unlike any other, requiring us to shift our ways of working to navigate the global pandemic, which also put a spotlight on the need to create a more equitable and inclusive society. As we continue to manage through these twin challenges, we remain focused on four critical areas that are impacting our nearly 200,000 colleagues, their families and our communities: protecting their health and safety; advancing racial equity; strengthening our ongoing talent and diversity priorities; and using our corporate voice to drive change.

Despite the many challenges of the year, we continued to make progress on our commitment to a diverse and inclusive workforce. Throughout 2020, we deepened our efforts around our longer-term strategies for recruiting, developing and retaining talent while rolling out leading-edge benefits such as expanding our Paid Parental Leave Policy across all regions in which we operate.

In early 2021, we launched a new set of Leadership Principles that reflect the behaviors and expectations we have for ourselves in line with our transformation

to become a better, stronger bank. Each of us is a leader, representing Citi and playing an integral role in how we adapt to create a winning culture - a culture that drives client excellence, internal controls excellence and operational excellence. These Principles provide the framework for how each of us can take initiative, lead with confidence and drive change.

As part of Citi's firm-wide effort to transform the way we think, how we work together, and what we deliver to our clients, we are creating a culture of excellence in which we hold ourselves

accountable. We all share a responsibility to uphold the highest standards of ethics and professional behavior, act with integrity in everything we do, and hold ourselves accountable for our actions as individuals, as team members and as an organization. To that end, Citi's Accountability Framework links conduct and risk management performance to year-end performance evaluation and compensation decisions. This framework applies to all Citi employees, including senior leadership.





Protecting the Health and Safety of Our People During COVID-19

From the outset of the COVID-19 pandemic, our foremost priority has been protecting the health and safety of our people. In the early months of 2020, we adjusted our regional operations to prioritize colleague safety, applying learnings from region to region as the virus spread. In China, for example, our technology teams upgraded our network over a single weekend to enable more than 6,000 Citi employees to work remotely.

We aimed to provide more flexible work options to support our employees, understanding that many of them were juggling family and caregiving responsibilities alongside their work. As the “new normal” set in, we looked for ways to make things easier, expanding benefits and introducing new programs that emphasized our colleagues’ well-being. (Learn more in sidebar on the following page.)

When we transitioned to working remotely in the early months of the pandemic, one of our biggest concerns was that our connections to each other

would suffer. Instead, working from home pushed us to rethink how we engage with our colleagues and clients, often yielding creative and unexpected benefits.

Physical distancing in many ways taught us how to be better collaborators and better leaders – lessons that we plan to build upon when we are eventually back together in person at our Citi locations.

Throughout the year, we stayed in close communication with our colleagues, distributing more than 2,800 internal communications and hosting regular virtual Town Halls to answer questions, provide support, share resources and

encourage colleagues to reach out to their team leaders and managers for additional assistance.

We firmly believe that we are better when working together, and we intend to bring most of our people back to the office once it is absolutely safe to do so. Our plans to return people to our offices have been determined locally and driven by data, not dates.

Our employees have told us that they value the flexibility we offered – and we are exploring ways to continue to provide such flexibility after we are able to return to our offices. In fact, we saw record increases in employee satisfaction in our annual employee survey, with many team members expressing a preference to continue to work from home. Read more on the [Voice of the Employee](#).

Expanding Benefits in a Pandemic

The health and safety of our colleagues and their families, as well as our clients and the communities that we serve, have been our top priority throughout the pandemic. We recognize that our colleagues are managing a wide range of challenges and our focus is providing support where we can.

With mental well-being and physical health coming to the forefront of everything we do, we shifted our mental and physical health programming to a virtual format to enhance access. We saw increased employee engagement in the wellness programming designed specifically to help colleagues cope and adapt to the realities of a new virtual world, whether that be fitness plans, healthy cooking lessons, meditation sessions and more.

We encouraged and empowered managers to work with employees to balance their work and life commitments.

We continued to provide opportunities for flextime, compressed workweeks, job sharing and reduced schedules, boosting employee satisfaction and retention while increasing productivity.

We responded to the global pandemic with a suite of new and expanded benefits that built on our existing programs and initiatives. Several of the new benefits were developed to give Citi employees an opportunity to refresh and recharge. In the U.S. and Canada, our new and enhanced benefits include the following:

Expanded Parental Leave Policy

Our Paid Parental Leave Policy, which we expanded in 2020, applies to every kind of family and includes a 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.

New Benefits

- A 12-week sabbatical program for employees who have been at Citi for at least five years – at any level – to pursue personal interests or education, take extended travel or simply take time off. Employees will be limited to two sabbaticals and will receive 25% of their base pay.
- A program that allows employees who have been with Citi for five years or more to spend two to four weeks working with a charitable institution while still receiving 100% of their base Citi pay
- A vacation purchase program that allows employees to buy up to five additional days of vacation/planned time off each year
- Reimbursement of up to \$30,000 to help with the expenses of adoption or surrogacy parenting

Expanded Support and Benefits

- A special compensation award equivalent to \$1,000 USD to more than 75,000 employees globally who make \$60,000 or less in base salary to help ease the financial burden of COVID-19
- 40 days of subsidized back-up child care, an increase of 20 days
- Nanny placement services and waived membership fees and discounts for babysitting services in the U.S.
- Access to academic support/group learning for children of employees in the U.S.
- An extra personal day in 2020 and 2021, and the ability for colleagues to extend carryover vacation days from 2019 to the end of 2020
- Telemedicine visits with in-network providers at no charge and medical prescriptions delivered at no charge
- Virtual wellness programs such as meditation and stress management, ergonomic home office set-ups, healthy eating and exercise programs
- Mental health resources, including an increase in the number of confidential telemedicine-based behavioral health sessions
- College planning guidance for teenage Citi dependents

[Learn more about our global benefits.](#)



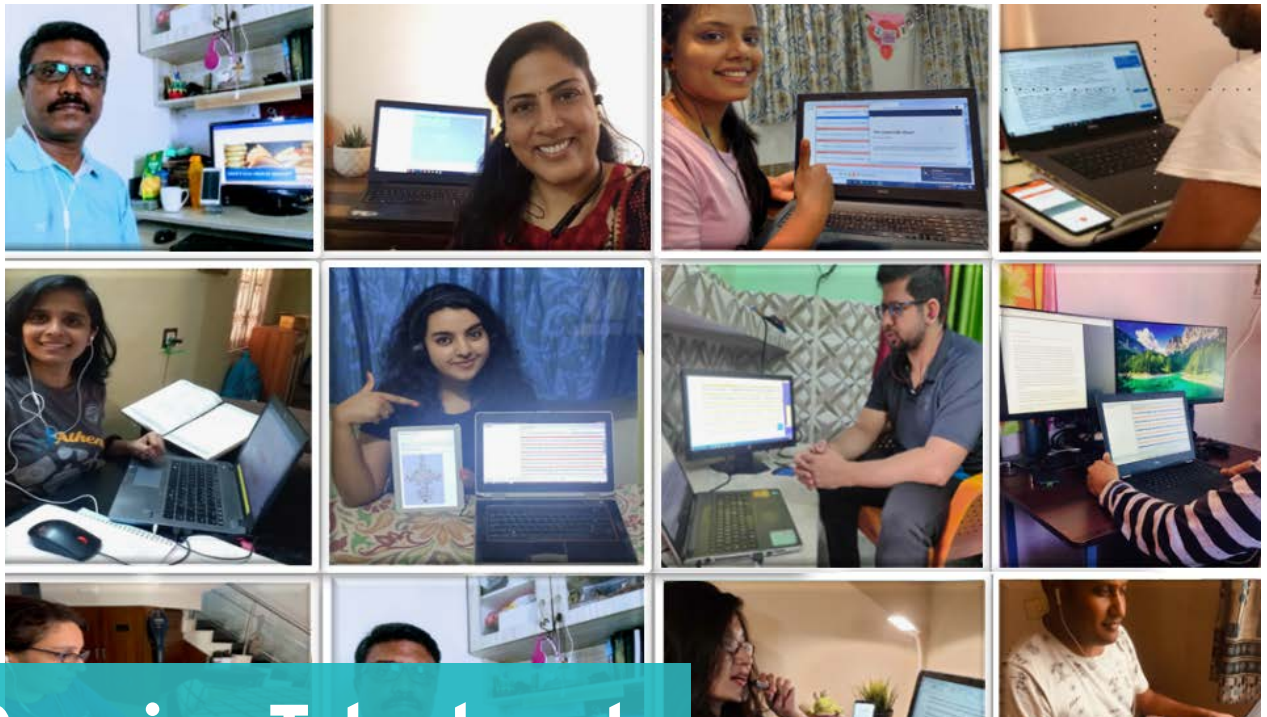
Advancing Racial Equity

Racism is antithetical to Citi’s values and something our company and our leaders will always unequivocally condemn. Following the murder of George Floyd in Minneapolis and the call for radical change and racial justice across the U.S. and around the world, Citi took a visible stand in condemning such racist acts of violence. In September, we created our *Action for Racial Equity* plan to help close the racial wealth gap and increase economic mobility in the United States, and we committed to work differently and to change the way we do business. Read more in the [Equitable & Resilient Communities](#) section.

We want to ensure that our commitment to racial equity is embedded in everything we do and in every business unit and function. We not only consider diverse representation among team members, but also work to ensure all colleagues feel a sense of belonging and inclusion. Moreover, we want to ensure that we are a company where the best talent wants to work – and where people can achieve success regardless of race, ethnicity or any other background.

In the weeks and months following George Floyd’s murder, we held internal events, conversations and education forums that focused on the history of racism and the Black experience. This included a global town hall – hosted by Citi’s most senior leaders to publicly condemn racism and take a stand against racism in all its forms – and employee conversations with former Chairman of the Board, Dick Parsons, and current Board Member Peter Henry. Read a [conversation](#) between Parsons and Mark Mason, our CFO.

We continued our work to understand and tackle unconscious bias, training managers on how to recognize and mitigate bias in talent decisions. We shared ways for employees to become stronger allies and advocates for change. We ran several pilot programs on how to have meaningful conversations on race to equip senior managers with the tools that will allow them to engage their teams with empathy in challenging, yet constructive, dialogues.



Our Ongoing Talent and Diversity Priorities

Although the conversation around race changed in 2020 and COVID-19 altered how we physically do our work, Citi maintained our ongoing talent strategy and our three-pronged approach of targeted recruitment, retention and development, and promotion.

We are committed to a diverse and inclusive workforce built on the foundation that all employees treat one another with respect and dignity and that everyone feels comfortable coming to work as their whole self each day. While progress has been slower than we would like it to be, we continue to set short-term goals to increase representation of diverse talent across our firm.

Recruiting

We believe that diversity makes us stronger, and we actively work to ensure that our team is inclusive and representative of our customers and

clients. To make progress, we must focus on evolving the way we bring new colleagues into Citi.

We have been accelerating the use of diverse slates in our recruiting, with a focus on having at least one woman or U.S. minority in our interviews for U.S. hires and at least one woman in our interviews for global hires. Beginning in January 2020, Citi expanded the standard for a qualified diverse slate of candidates from Managing Director and Director level hires to add the Assistant Vice President, Vice President and Senior Vice President levels. In 2020, 86% of roles that were posted globally within a qualified slate included a diverse slate

of candidates with at least one woman and/or U.S. minority. In 2021, we are expanding this standard to include not one, but at least two women or U.S. minorities in our interviews for U.S. hires and at least two women in our interviews for global hires. The interview panels for these roles should also meet these same criteria.

We also launched a new Global Talent Acquisition Diversity Effectiveness team to provide guidance, tools and expertise to our recruiting team and hiring managers to promote more effective inclusive hiring practices across Citi. We will leverage data, introduce new standards and deploy training and technology to optimize inclusive hiring processes that drive greater diversity, including interview training for all recruiters and hiring managers and new recruitment platforms.

Campus Recruiting

Our campus recruiting program is another important way for us to diversify our employee base, and we have a robust pipeline of talent from Historically Black Colleges and Universities (HBCUs) and other leading universities. 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 diverse talent from leading universities. In 2020, we held our second annual HBCU Innovation and Leadership Symposium, which brought together 92 first- and second-year students from 17 HBCUs for an introductory, virtual experience focused on helping them understand financial services, gain technical skills and kickoff their career planning process. While we would like the students to consider the possibility of a future with Citi, our primary goal is to provide them with helpful tools on their path to professional success, without regard for industry or profession.

Our Early Insights Programs target freshmen and sophomores, focusing on identifying, mentoring and hiring top diverse talent for summer analyst programs across the firm. We are

providing early exposure to and education about Citi's businesses, technical training, mentorship and Citi's culture through these programs. Our Freshman Discovery Day is a two-day exploratory program that helps educate underrepresented minority college freshmen on the various roles in financial services. Our Early Identification Program focuses on mentorship, interview preparation and best-in-class training to identify diverse talent for our summer analyst programs over a

five-week period, while our Sophomore Leadership Program provides hands-on work experience, mentorship, peer networking and necessary skills over a 10-week summer internship to pipeline into our full-time analyst programs.

We continue to partner with Jopwell and WayUp, U.S.-based recruiting platforms that attract diverse students, enabling our recruiters to communicate and engage with students to promote our opportunities.

2020 Gender Diversity Highlights

50.8%
of our total employees globally are female
(106,781 women)

21.5%
of our managing directors are female
(633 women)

“It’s time to kill the notion that there’s a tradeoff between diversity and meritocracy. The talent pool of diverse candidates exists, and we all want a fair and level playing field that rewards the best ideas and the hardest work. We want diverse candidates to see Citi as a place where they can thrive and advance their careers.”

– CEO Jane Fraser

Our goal is for the composition of our analyst and associate programs to be 50% female globally and 30% Black and Hispanic/Latino in the U.S. In 2020, female representation in full-time analyst and associate roles increased from 45% in 2019 to 46%, while our Black and Hispanic/Latino representation in the U.S. jumped from 18% in 2019 to 26% in 2020. Our 2020 summer intern class was our most diverse ever, both in terms of gender and race/ethnicity. Women in summer analyst and associate roles increased from 47% to 52% in the U.S. and from 48% to 50% globally in 2020, while Black and Hispanic/Latino representation in our summer class increased from 26% to 27% over the same timeframe.

Another first for the majority of the 2020 summer intern class was completing their internships remotely. To help relieve some of the stress of interning remotely during a pandemic, we offered

most summer interns full-time jobs before the program began, as long as they met the minimum requirements of the abbreviated program. In doing so, we wanted to give interns a measure of reassurance about their roles at Citi and our commitment to them.

Retention and Development

We believe there are two keys to retaining diverse talent: ensuring that compensation is equitable; and ensuring that U.S. minorities and women are provided opportunities and viable pathways for entry into mid-level and senior roles.

Pay Equity

Four years ago, Citi was the first bank to disclose adjusted pay results, and in 2019 we became one of the first companies to disclose our unadjusted or “raw” pay

gaps for both women and U.S. minorities. Our commitment to that transparency continues today.

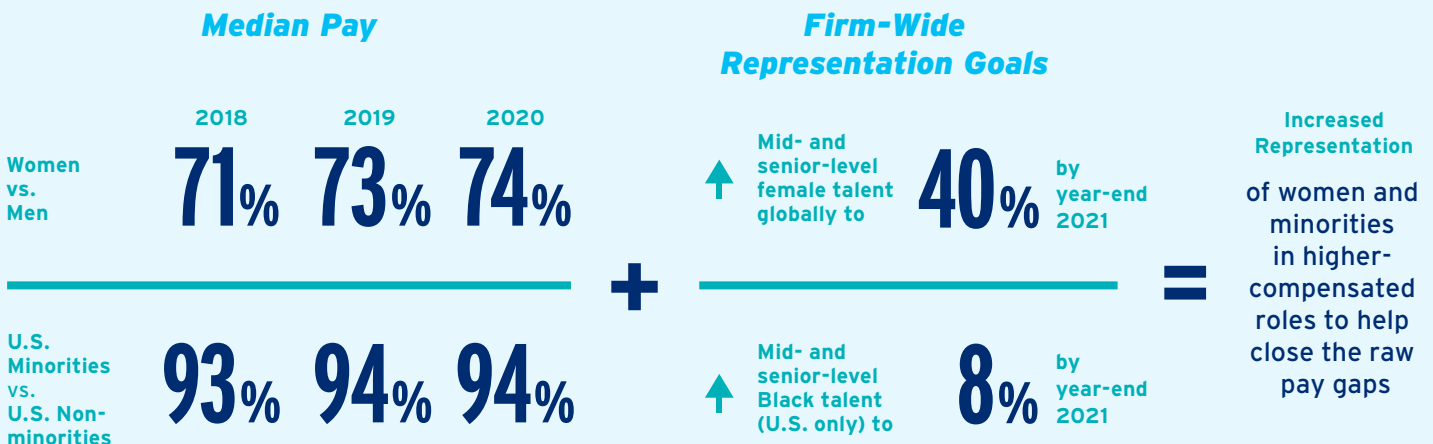
These disclosures hold us accountable for the progress we want to make in being a diverse and inclusive company. They also send an important signal to our colleagues, clients and partners about how we are continuously working to get this right.

The adjusted pay gap is a measure of “like for like” – comparing the compensation of women to men and U.S. minorities to non-minorities when adjusting for factors such as job function, level and geography. The raw gap measures the difference in median total compensation when we don’t adjust for any factors.

The existence of our raw pay gap reflects a need to increase representation of women and U.S. minorities in senior and higher-paying roles.

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. non-minorities) across all employees regardless of role.



We looked at both numbers again this year and found that, on an adjusted basis, women globally are paid, on average, more than 99% of what men are paid at Citi, and there was no statistically significant difference in adjusted compensation for U.S. minorities and non-minorities. Following our review, we made appropriate pay adjustments as part of this year's compensation cycle.

The raw gap analysis showed that the median pay for women globally is better than 74% of the median for men, up from 73% last year and 71% in 2018, and that the median pay for U.S. minorities is just under 94% of the median for non-minorities, which is similar to last year and up from 93% in 2018. Continuing to reduce our raw pay gap requires that we increase representation of women and U.S. minorities in senior roles across the firm.

These pay equity reviews represent a "moment in time" snapshot of our employee base, which is constantly changing as people come in and out of the firm, as colleagues are promoted and as market dynamics change. We're continuing to innovate how we recruit and develop talent and use data more effectively to help us increase diversity at more senior levels at Citi. Our philosophy is that every member of Citi's team is responsible for progress in making Citi an even more inclusive and equitable workplace.

This work to understand pay equity extends beyond Citi's walls. In 2020, we collaborated with The Female Quotient to develop a free digital tool that provides companies with a snapshot of their raw pay gap. We view it as a way to further equality across all types of companies and see it as a concrete measure to increase diversity efforts more

broadly. For more information, visit [The Female Quotient's Advancing Equality Calculator™](#).

Representation Goals

We continued our commitment to improve the representation of women globally and Black talent in the U.S. in Assistant Vice President to Managing Director level roles. We are focused on increasing female representation to at least 40% globally, up from 37% when we established our goals in 2018, and to boost the representation of Black employees in those same roles in the U.S. to at least 8%, up from the 2018 baseline of 6%.

These interim goals are part of a broader and enduring effort to increase diversity at Citi. More than 200 company leaders are measured on our company's progress

Jane Fraser: An Industry First

Jane Fraser made history when she took the helm as Citi's Chief Executive Officer in early 2021. Not only is she Citi's first female CEO – she's the first woman to lead a major U.S. financial institution.

Jane did not come into this role by accident or coincidence. As part of our deep and extensive succession planning process, Jane held a series of roles that made her the most qualified person to serve as CEO. During her tenure, she's served as Global Head of Strategy and Mergers & Acquisitions, CEO of our Global Private Bank, CEO of our U.S. Consumer Bank, CEO of Citigroup Latin America, and, most recently, CEO of our Global Consumer Bank and President of Citi.

Intentionality in talent development is essential if we're going to elevate more women and minorities to high-level positions at Citi – and across our industry as a whole.

Twenty-nine percent of our Citi Country Officers (our country business heads) are female, and our goal is to increase this to 50%. In December 2020, for example, we named Elissar Farah Antonios as the new head of our Middle East and North Africa operation, making her the first woman to lead the region. She had previously been the Citi Country Officer for the United Arab Emirates.



The Importance of Self-Identification

We want all of our employees to feel comfortable disclosing all aspects of their identity so that we may continue to honor what makes them diverse and unique while also strengthening a culture that encourages and promotes diverse perspectives. 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.

In 2020, we expanded our efforts to collect self-ID data beyond the U.S., encouraging global employees to self-identify through a new human capital management and reporting technology. Depending on country, employees can self-identify race, gender, sexual orientation, gender identity, military and/or disability status. Unlike our previous system, which only allowed employees to self-ID as a single race or with a generic category of “two or more races,” Citi’s new technology enables our people to report their racial and ethnic identity across as many categories as they like. The Self-ID campaign also allowed us to collect additional demographic information in countries where we did not centrally collect this information, allowing global colleagues to voluntarily share more detailed information about themselves.

By better understanding the full range of our diverse talent, we can better measure our progress toward our representation goals while simultaneously creating new strategies to build a more inclusive culture. See our employee data for more information about our workforce composition.

against the goals, just as they are for other critical business priorities. We have gained much insight and perspective about our progress and our opportunities since 2018, which will inform how we expand additional representation goals.

Our ongoing analyses help us understand the pipeline of diverse talent at Citi and how we can achieve our representation goals. The pipeline analysis is a data-driven process that helps us assess the availability and flow of talent at Citi. To help inform our continued work to reach our representation goals by the end of 2021, more than 200 executives assessed the hiring, promotion and retention pipelines of women globally and Black talent in the U.S. in Assistant Vice President to Managing Director roles.

Pipeline analysis is also an important part of succession planning at Citi, ensuring that we have the right mix of talent who are ready for promotion now, and that we have

appropriate development plans for those who would be ready for promotion in several years. Learn more on previous page.

Our 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

Read how we’re supporting women-owned businesses in our supply chain.

Promotion Paths and Processes

To help solve the two-pronged issues of representation and pay equity, we must have more women and minorities in senior, high-paying roles. Career development is one of our topmost priorities, and we promote from within to continue developing our existing talent. In 2020, 33% of open positions at Citi were filled with internal candidates.

We invest in career development and planning for diverse talent through mentorship, networking and rotational programs. “Owning My Success,” for example, is a group coaching program for Black colleagues that provides exposure to Citi’s senior leadership and supports professional and personal development. The program began with roughly 50 participants in 2018 and expanded to nearly 300 members in the 2020 class.

Voice of the Employee

Our annual Voice of the Employee (VOE) survey is a useful tool to understand employee engagement and perceptions about our firm – our successes as well as our pain points. The 2020 results, which drew record participation rates, demonstrated how Citi team members went above and beyond to support each other in their professional and personal lives during a year of adversity.

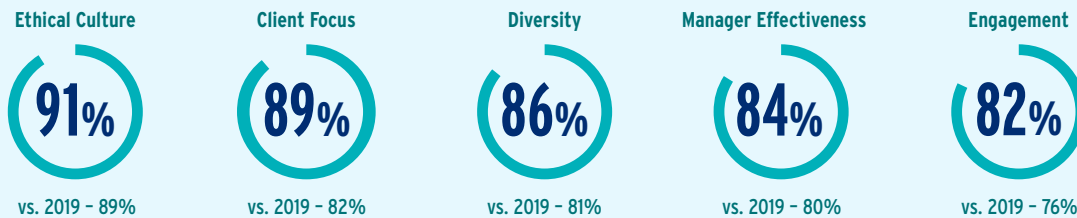
In a year when Citi made major investments in racial equity, both inside and outside the firm, our people signaled that they see a greater acceptance of diverse backgrounds within the organization. They said that they can be their true selves at work, knowing it's safe to challenge the status quo and that their good ideas will be adopted based on their merits. As a result, our employees said they have greater pride in our company.

The metrics for the VOE survey increased in every single category – in some cases by as many as six or seven points. In past years, a single point increase in a category was cause for celebration.

Given the extraordinary factors behind the 2020 VOE results, we realize it's unlikely we will keep improving at such an accelerated rate. But the VOE offers lessons that we can carry forward to make Citi an even more rewarding and fulfilling place to work.

2020 Voice of the Employee Highlights

Incredible progress in a year of adversity



Building a stronger, better Citi

I would recommend Citi as a great place to work.	86% (+7 since 2019)
Good ideas are adopted here regardless of who suggested them or where they came from.	85% (+6 since 2019)
We focus our innovation efforts on the needs that are most important to our clients.	83% (+5 since 2019)
Leaders do what they say they are going to do.	82% (+10 since 2019)
Stress levels at work are manageable.	77% (+11 since 2019)
I am satisfied with my involvement in decisions that affect my work.	76% (+9 since 2019)

Record Participation

88% 179,277 responses

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. See our [website](#) for information on our Citi Volunteers, and see the [Equitable & Resilient Communities](#) section of this report.



Over the course of several months, participants join group coaching circles, led by an external executive coach and a senior leader at Citi, where they talk about the Black experience and how it relates to topics ranging from developing one's personal brand, to taking risks, to managing through performance conversations. Managers of the participants also take part in group coaching to better understand the experience of Black colleagues in the workplace and increase their effectiveness in managing Black talent.

Our Role-Based Assessment Program assesses individuals to identify talent gaps to better support the development and readiness of successors while fostering career mobility of top talent. In 2020, 25 high performing Black Managing Directors and Directors were selected for the program, and will be matched with an executive coach. We also launched the Black Managing Director Engagement initiative, a quarterly small group gathering of

Executive Management Team members and Black Managing Directors who get to know each other, share ideas on ways to enhance Citi's strategy and discuss opportunities for personal and professional growth.

Learning and Evaluation

In 2020, we continued to provide development opportunities to all Citi employees, pivoting and transforming many of our in-person experiences into virtual learning. With many of our colleagues working remotely the majority of the year, we focused on offering flexible solutions that enable learning and address colleagues' key areas of need. In addition to the information provided on racial equity and ally-ship, we created a one-stop resource providing access to additional resources on how to welcome new colleagues to the team while working remotely.

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 Citi Women's Leadership Development Program was held for the 10th year in a row, albeit remotely in 2020, bringing together a group of Senior Vice Presidents and Directors from around the world to network and develop leadership skills. In our Global Consumer Bank, we piloted a career advocacy program that aims to build stronger advocacy for underrepresented talent by pairing each participant with senior leaders outside of their functional areas to provide career advice and serve as an advocate for that colleague. Our consumer bank also piloted UMOVE (Upward Mobility of Valued Employees), a program focused on identifying, developing and sponsoring underrepresented minorities early in their career for advancement into more senior roles.

Black Leaders for Tomorrow, a program within our Institutional Clients Group, was created to increase representation of Black colleagues at senior levels through attraction and retention initiatives at all levels. In Mexico, our Women's Virtual Development Program continues to be one of our most valued in the region, with 1,500 participants in 2020 alone. Across Asia Pacific, and in partnership with Ernst & Young, we launched a new program called ASCENT focused on providing Senior Vice Presidents with the sponsorship and growth opportunities that are critical for career progression.

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 plans that consider the skills, strategic development opportunities and behaviors needed to enhance current performance and prepare for future roles. These plans are discussed as part of midyear and year-end reviews, and employees are encouraged to use stretch assignments and other development programs and resources available to execute their development plans and enhance their skills. 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.





Our Affinities and Networks in Action: 2020

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. Each of our nine Affinities is co-chaired by a member of our CEO's leadership team. In 2020, the number of our global employee network chapters increased to 198 chapters (from 179 in 2019) with approximately 44,000 colleagues globally.

On this page, we highlight a few examples of the efforts in 2020, when the COVID-19 pandemic forced most activities to be virtual or remote. Many of the programs focused on issues of racial justice.

Asian Heritage condemned the rise in anti-Asian violence and racism toward the Asian American and Pacific Islander (AAPI) community since the start of COVID-19 on behalf of the Executive Management Team. The Affinity also launched a new series of virtual lunches with Affinity leaders for high-performing Asian talent at the Vice President level.

Black Heritage led the first "Let's Talk About Racism" global event featuring CEO Mike Corbat and CFO Mark Mason, a series of candid discussions that focused on race, Citi's representation goals and

what employees can do to take an active role in fighting injustice and inequality.

Pride hosted its first ever Leadership Development Program for LGBTQ+ colleagues, in collaboration with Out & Equal Workplace Advocates, with over 300 colleagues participating globally and open to all, regardless of level, location or job.

Disability established an accountability team dedicated to providing increased access to assistive technologies for Citi colleagues, including tools related to vision, hearing, neurodiversity, learning, mobility and mental health.

Families Matter offered webinars and resources focused on supporting families during the pandemic and balancing work and life while working from home.

Hispanic/Latino Heritage hosted a groundbreaking virtual roundtable on race that explored topics such as colorismo (colorism), intersectionality and the disparate impact of COVID-19 on the Latino community. The discussion provided a platform for members of the Affinity Steering Committee, Hispanic/Latino Heritage Networks and allies to the Hispanic/Latino community at Citi to share their experiences in a safe and welcoming environment.

Citi Salutes® created a spotlight series for Citi National Guard members and reservists who were deployed for COVID-19 relief efforts. The Affinity also hosted the 10th annual Veterans on Wall Street (VOWS) symposium in November, with more than 1,400 attendees participating virtually.

Citi Women collaborated with Black Heritage to better support and empower Black female employees, hosting a Black Women's Empowerment session and launching a series of smaller group sessions.

Employee Networks by Region

104

North America

48

Europe, Middle East and Africa

20

Latin America

29

Asia Pacific



Using Our Corporate Voice to Drive Change

At Citi, we believe we can use our power as a global bank to effect social change, and we continue to take a stand on a wide range of issues, including racial and gender equity, immigration, gun violence and climate change. This past year’s confluence of COVID-19 and racial inequity have further highlighted that corporations must be a part of the solution to create meaningful positive change in the workplace and beyond.

For example, we have long been an outspoken advocate for the LGBTQ+ community, explicitly calling for job candidates and employees to have access to a safe, inclusive and diverse workplace. In 2020, we took our support one step further by introducing the “True Name” feature for credit card

customers in the U.S. Transgender and non-binary people can now request a new Mastercard credit card with their self-identified chosen first name.

We want all of our customers to feel recognized, accepted and empowered to be their true selves. We signed an

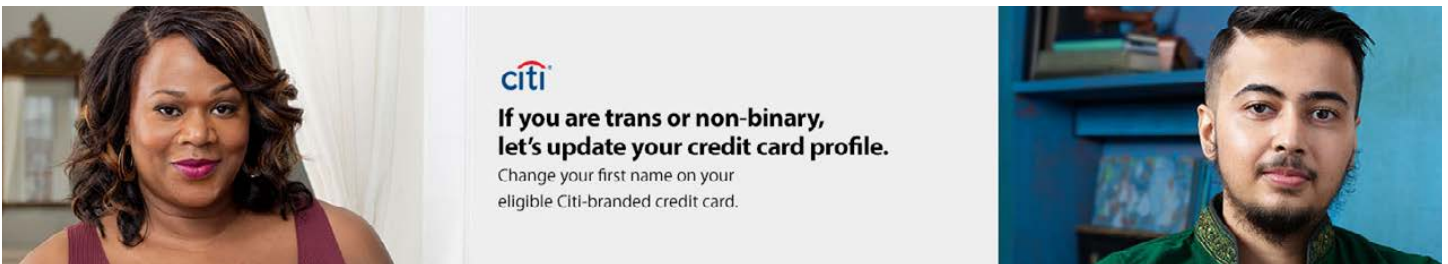
amicus brief urging the Supreme Court to prohibit workplace discrimination on the basis of sexual orientation and gender identity in the U.S. and joined a letter to the Prime Minister in the United Kingdom, advocating for transgender equality.

In 2020, we penned an op-ed for Fast Company that criticized current U.S. law that allows businesses to pay individuals with disabilities less than minimum wage. As of January 1, 2020, more than 1,200 employers nationwide were certified to employ 300,000+ workers with disabilities in subminimum wage jobs, despite the passage of the Americans with Disabilities

Act 30 years ago. We believe it's time to end such discriminatory pay practices.

Also this past year, we joined a group of U.S. companies in signing an amicus brief in support of adoption of the Equal Rights Amendment (ERA), underscoring our commitment to gender equality and its importance to our business and to society. At Citi, we believe we all have a role to play in creating a more equitable and inclusive global society. [Learn more.](#)

For 16 consecutive years, Citi has received a perfect score on the Human Rights Campaign Foundation's Corporate Equality Index, a national survey that benchmarks corporate policies and practices for LGBTQ+ workplace quality.



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 opportunities and comply with the letter and spirit of all laws regarding fair employment practices and nondiscrimination. For more information, see the Human Rights section of this report, our [Code of Conduct](#) and our website for policies around [fair employment](#) and [compensation](#). More information can also be found in the [GRI Index](#) of this report.

Citi's Global Workforce

Employees by Region



66,971

North America

11,216

New Employee Hires

7,051

Employee Turnover

30,054

Europe, Middle East and Africa

4,805

New Employee Hires

2,532

Employee Turnover

44,442

Latin America

8,676

New Employee Hires

7,563

Employee Turnover

68,686

Asia Pacific

12,047

New Employee Hires

6,161

Employee Turnover

Citi's Global Workforce (continued)

By Employment Type



210,153

Total Workforce

207,400

Full-Time Employees

2,753

Part-Time Employees

Total*



210,153

Total Employees

36,744

New Employee Hires

23,307

Employee Turnover

By Gender



106,781

Female

16,987

New Employee Hires

11,443

Employee Turnover

103,245

Male

17,457

New Employee Hires

11,580

Employee Turnover

* Total employees include the entire direct staff population, including 127 individuals whose gender is unknown.

2020 Consolidated U.S. Employer Information Report (EEO-1)

Table A*

Advocacy Statement and Multiple Identity Breakdowns

While certain regulatory reports such as our EEO-1 filings will continue to require that each Citi colleague be designated as shown in Table A, our internal tracking has evolved to appropriately capture the reality of who our people are, as detailed below in Table B.

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	5	46	3	0	11	1	1	104
	Female	4	30	1	0	2	0	0	
	Subtotal	9	76	4	0	13	1	1	
First/Mid-Level Managers	Male	769	3,923	262	6	1,567	13	56	11,130
	Female	730	2,648	371	9	718	12	46	
	Subtotal	1,499	6,571	633	15	2,285	25	102	
Professionals	Male	1,660	6,612	899	16	3,668	24	161	23,745
	Female	1,590	5,419	1,110	17	2,392	18	159	
	Subtotal	3,250	12,031	2,009	33	6,060	42	320	
Technicians	Male	54	68	24	0	16	0	3	314
	Female	35	85	13	0	11	1	4	
	Subtotal	89	153	37	0	27	1	7	
Sales Workers	Male	852	2,630	208	6	794	7	54	7,408
	Female	696	1,110	208	7	796	7	33	
	Subtotal	1,548	3,740	416	13	1,590	14	87	
Administrative Support Workers	Male	1,589	3,156	816	13	401	22	92	23,120
	Female	4,121	8,493	2,973	51	1,012	69	312	
	Subtotal	5,710	11,649	3,789	64	1,413	91	404	
Total	Male	4,937	16,446	2,212	41	6,457	67	367	65,858
	Female	7,179	17,791	4,676	84	4,931	107	554	
	Subtotal	12,116	34,237	6,888	125	11,388	174	921	

Multiple Identity Breakdowns

Table B

Race/Ethnicity	Total Hispanic or Latino	Hispanic/Latino Only	White	Black or African American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native
Hispanic or Latino	12,115	9,363	1,818	405	213	119	197

Race/Ethnicity	Total Multi-Racial	Hispanic or Latino in Combination With Other Race(s)	White and Other Race(s)	Black or African American and Other Race(s)	Native Hawaiian or Pacific Islander and Other Race(s)	Asian and Other Race(s)	American Indian or Alaskan Native and Other Race(s)
Multi-Racial (or two or more races)	920	N/S (see above)	613	381	65	307	163

* 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.

Note: For our EEO-1 U.S. headcount, regulatory logic is applied as specified and enforced by the U.S. Department of Labor's Equal Employment Opportunity Commission (EEOC).

Risk Management & Responsible Business

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Risk Management

Prudent management of risk is the foundation of our license to do business and requires constant vigilance to ensure we live up to the high standards our stakeholders rightly expect of us. We are embarking on a transformation to achieve excellence in our management of risk and control, including modernization of our data infrastructure and operations, and evolving our culture. Transforming our risk and control environment is a strategic priority that will not only strengthen our safety and soundness as a bank, but will also allow us to compete effectively in the digital age.

Transforming Our Risk and Control Environment

In 2020, we accelerated our investments to transform our risk and control environment, spending \$1 billion more in this area than in the previous year. This work is a strategic priority for Citi and will add value for all our stakeholders.

Our transformation is an interconnected, enterprise-wide effort. Instead of a fragmented approach to remediating issues, we are looking to solve the root cause of our challenges. We are redesigning our key processes from end-to-end, automating them and ensuring we have the proper controls in place while eliminating complexity. All Citi employees are

responsible for taking part in this transformation. We aspire to create a culture of excellence and accountability, and we encourage our employees to embrace the strategic importance of having a top tier risk and control environment.

We created the role of Chief Administrative Officer (CAO) and hired Karen Peetz to work with our CEO in leading this transformation. To better integrate efforts across the company, there are representatives from all regions, businesses and functions who are working closely with the CAO Office.

Regulatory Consent Orders

In 2020, we entered into consent orders with the Federal Reserve Board. The consent orders focus on four areas that impact our risk and control environment: risk management, data quality and governance, internal controls and compliance. What ties these areas together is the need to modernize our infrastructure, governance and banking processes. These orders do not impact our ability to serve our clients.

While we have made progress on our remediation efforts, the consent orders made it clear that we are not where we need to be. We are disappointed that we fell short of our regulators' expectations, and we are working hard to thoroughly address the issues identified in the consent orders.

The work we have put in since the financial crisis, whether it was to de-risk our balance sheet or improve our efficiency and business performance to close the gap with our competitors, has put us in a position for our transformation to succeed. Our foundation is sound, stable and secure, and our performance during this global pandemic shows the progress we have made. Achieving excellence in our risk and control environment is necessary for Citi to take the next step forward and is particularly critical to our ability to compete in a digital world. We are determined to provide an excellent client experience that leverages our global scale, and our transformation supports that objective.

Transformation Steering Committee and Core Program Areas

As part of our work to transform our risk and control environment, we have established a Transformation Steering Committee. Our CEO chairs the committee, which sets the overall direction for our transformation efforts. In addition, one or more members of our executive management team lead program groups that are central to our transformation.

These groups oversaw a gap analysis to review the issues raised in the consent orders and to define the gap between Citi's current state and regulatory expectations. The program groups are also responsible for designing the target state for each designated area and developing an action plan to get there.

Our Data Quality Program

Data quality is one of the areas of focus for transforming our risk and control environment. To lead this effort, we have established a Data Quality Program team to track the flow of data within the company and to improve our technology and processes.

During 2020, the team began mapping the flow of data across different parts of the organization from end-to-end to better facilitate process improvements that unify our approach. The result of this work will be more streamlined systems that improve the quality of our data, as well as the speed with which we can gather and track data – helping us to better measure risk across the business by providing a more transparent, seamless and consistent approach to accessible data. Improved data governance and data quality will create new opportunities, innovation and business value.

To encourage enterprise-wide engagement, each of these groups includes team members from across our businesses and functions. The executives in charge of these programs are held accountable for their group’s success, and compensation will be linked to results achieved in these areas.

Accountability, Culture and Talent

Our transformation is underpinned by a fundamental reset of our culture and talent model to strengthen risk management and our control environment. We believe this will allow us to build a culture of excellence in which we each take ownership for managing

risk and controls and where we continue to take pride in working together to always do the right thing for our clients, colleagues and communities.

To achieve this, we have defined a set of Leadership Principles that will enable us to deliver excellence, and we are embedding the behaviors and conditions we need in order to sustain it. We are prioritizing strong governance and decision-making and requiring our colleagues to speak with candor and welcome challenges from each other, as well as make decisions with the whole enterprise in mind. Our focus is on seeking out diverse perspectives to help us spot new opportunities and manage risks.

We are working to ensure that we have the right number of employees with the right skills in place to achieve risk and control excellence, and that we use our employee development programs, promotion and performance management processes and compensation to reinforce and incentivize that excellence.

We will continue to invest in employees from all backgrounds and show empathy for our clients, colleagues and communities. As we make these changes and build on our strengths, we’ll reinforce our reputation as a firm that is safe and sound, but also disruptive and innovative in support of our mission to enable economic progress.



Ethics and Culture at Citi

Each of our employees shares a common responsibility to earn and maintain our clients' trust by applying our values and principles every day, to everything they do, wherever Citi operates. We expect our employees to provide our products, services and expertise in a systemically responsible manner while complying with all applicable laws, regulations and Citi policies. To reinforce this, we establish and communicate our core values and principles through our Mission and Value Proposition, Citi's Code of Conduct, our Leadership Principles, various training and development opportunities, employee engagement initiatives and communications from our senior leaders.

Tone From the Top

We foster a culture of ethics through our governance framework, programs and efforts that embed our culture and expectations for behavior throughout the

organization. Our approach begins with a strong "tone from the top" starting with our Board of Directors. With oversight from the [Ethics, Conduct and Culture Committee of the Board](#), our senior leaders consistently reinforce a culture of ethics and empower our employees to make ethical decisions and adhere to Citi's standards of conduct.

Empowering Employees

We empower our employees to do what's right by setting clear expectations through our Mission and Value Proposition, Code of Conduct and Leadership Principles, as well as by providing the tools our employees need to act ethically and clear information about the various resources available to escalate concerns.

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.

Our Code reinforces for employees their responsibility to live our values, promote a culture of integrity and promptly escalate concerns about actual or potential misconduct. It also 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 Principles.

Citi's Code of Conduct applies to all directors, officers and employees of Citi worldwide. Upon joining Citi, employees must acknowledge that they have read and will comply with our Code. To best serve our global workforce, we publish our Code of Conduct in 21 languages and make it publicly available on our Investor Relations website. Individuals performing services for Citi may also be subject to our Code by contract or agreement. As explicitly stated in our Code, violations can result in disciplinary action up to and including termination of employment or other relationship with Citi.

We provide Code of Conduct training to new hires globally when they join Citi, as well as to nonemployee contingent workers performing services for Citi at their time of onboarding. In addition, we ask employees and contingent workers to periodically reaffirm their commitment to our Code through required Code of Conduct training. Following an update to our Code of Conduct in 2019, we launched new training in early 2020 that uses hypothetical work-related ethical scenarios to help our workforce apply the principles in Citi's Code of Conduct, Mission and Value Proposition, applicable laws

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

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

These three tests help our colleagues to responsibly 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 with integrity, to do everything possible to create the best outcomes for our clients, and to prudently manage risk.

and Citi policies to common workplace situations. The training also emphasizes each individual's obligation to promptly report actual or suspected misconduct and provides information about the various resources available to do so.

Leadership Principle

In early 2021, we launched a new set of Leadership Principles that reflect the behaviors and expectations we have for ourselves in line with our transformation to become a better, stronger bank. We encourage all employees to demonstrate the Leadership Principles in all that they do. These are the measurable skills, abilities and knowledge that all of us at Citi should exhibit as part of a culture that drives client excellence, controls excellence and operational excellence.

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 managing 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. Managers are expected to reinforce the importance of following our Leadership Principles, Code of Conduct

and Mission and Value Proposition, as well as encourage employees to speak up and raise any concerns about potential legal or ethical issues. Managers must properly resolve or promptly escalate

Assessing Our Culture of Ethics

Hearing from employees is one important way we assess the strength of ethics and accountability across our company. As part of Citi's annual Voice of the Employee survey, we include an Ethical Culture Index to gather feedback from employees about the following 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 improved in 2020 with 91% responding positively to the index items compared with 89% the prior year. Although the score is improving, there is still an ongoing need to listen to our employees and to continue to raise the bar in this area.

Staying on Top of Your Ethical Game

Our global Ethical Fitness Challenge, led by our executive management team, provides employees with the equipment they need to get in their best ethical shape. Through this campaign, we are releasing a series of modules that incorporate senior leader videos, case studies and knowledge checks, as well as support to help managers guide conversations around each topic. Each part in the series highlights a different element of ethical fitness, such as behavior rationalization, the importance of speaking up, misplaced loyalty and finding clarity in ethical situations. The first module was released in late 2019, with four more following in 2020. This campaign will continue through 2021, including a consolidated module to reinforce key themes presented over the course of the campaign.

concerns through appropriate channels, promote awareness of all resources available for reporting concerns and neither engage in nor tolerate retaliation of any kind.

Escalating Business and Ethical Concerns

Each member of our workforce plays a critical role in escalating business and ethical concerns so that they can be addressed quickly and effectively. Citi's [Code of Conduct](#) emphasizes that, when in doubt, employees should always err on the side of escalation. Our Code provides an overview of the types of misconduct that require escalation and the resources available to employees for prompt escalation of concerns, as well as a link to the full Citi Escalation Policy, which provides even more information for

employees about escalation requirements and resources.

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 contacts to the Ethics Office and Ethics Office 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 regarding ethics, discrimination or harassment matters, as well as against anyone who participates in a subsequent investigation. Employees who engage in retaliation against a colleague because he or she raised a concern or question, 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.

Transparency for Employees

Annual Ethics Hotline Summary

Each year, the Citi Ethics Office provides all employees with a summary of the types of concerns received through the Ethics Hotline and the types of corrective actions that may arise from substantiated concerns. This summary demonstrates that the Ethics Hotline process is used by our colleagues globally and that raising concerns to the Citi Ethics Office leads to meaningful action within our organization, such as disciplinary action, termination of vendor relationships, referrals to law enforcement or governmental authorities, employee communications, additional training, control enhancements, and changes to Citi policies, business processes and procedures.

Spotlight on Ethics

Citi shares the results of ethics investigations, including a summary of corrective actions, with employees through a quarterly communication called the Spotlight on Ethics. This communication reinforces for employees that their concerns are investigated and highlights commonplace areas in which ethical lapses can occur. In 2020, the Spotlight on Ethics focused on select risk areas such as Citi's nonsolicitation policy, the importance of transparency and cooperation with internal audits and investigations, and conflicts of interest that may arise from personal relationships.

Industry Collaboration

We partner with key stakeholders to collectively identify challenges faced by the banking industry with regard to culture, behavior and ethics, and develop collaborative solutions to address them. In 2020, for example, we contributed to a series of ethics-related case studies for the [Education and Industry Forum on Financial Services Culture](#). The [case studies](#) can be used either in classrooms or in workplaces across our industry to promote understanding and to advance discussions related to strengthening ethics within financial services.

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 and 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.

Managing Corruption and Tax-Related Risks

Anti-Corruption Activities

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 Chief Compliance Officer, who reports directly to our CEO, provides regular reports

on the performance of the compliance program, in regard to Anti-Bribery, AML and Sanctions, to our Board of Directors or a committee of the Board, as appropriate.

Citi is a member of United for Wildlife's Financial Taskforce, a collaboration between financial institutions and nongovernmental organizations to fight illegal wildlife trafficking (IWT). We have been working to increase employee awareness of this issue, so we can better identify red flags and enhance our AML program at multiple touch points – including client onboarding, transactional review and investigations – to disrupt the flow of income generated by IWT. In addition, we worked closely with The Royal Foundation and other financial institutions during 2019 to develop a long-term strategic plan to mobilize the Financial Taskforce and develop goals for 2020 and beyond.

In 2020, as part of our ongoing engagement in public-private partnerships, Citi joined Operation Stolen Promise – a partnership with U.S. Homeland Security Investigations (HSI) and the National Intellectual Property Rights Coordination Center (IPR Center). Operation Stolen Promise focused on thwarting fraud and criminal activity related to COVID-19.

Leveraging trusted partnerships with law enforcement, Citi’s AML Program (led by our Global Investigations Unit), the Citi Fraud Fusion Center and Citi Security and Investigative Services collaboratively worked to identify red flags and transactional indicators of fraudulent criminal activity perpetrated by individuals exploiting the global pandemic for

financial gain. In November 2020, Citi was recognized during the Private Sector Award Ceremony, a virtual ceremony hosted by HSI and the IPR Center. This award reflects our strong commitment to maintaining public-private partnerships in an effort to combat intellectual property theft and protect consumers from fraud.



Anti-Corruption Programs and Training

Anti-Bribery Program

Citi has policies, procedures and internal controls to comply with anti-bribery laws, and we conduct an annual bribery risk assessment of all global business lines. We provide our staff with anti-bribery training annually and supplement it with targeted training and communications as needed. For more information, see the [Citi Anti-Bribery Program Statement](#) – which is updated at least annually – and Citi’s [Code of Conduct](#), which summarizes our Anti-Bribery Policy.

Anti-Money Laundering Program

Citi’s AML Program protects our clients, our franchise and the global financial system from the risks of money laundering and terrorist financing. The program includes more than 5,700 employees globally, including 207 designated AML Country 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. For more information, visit our [AML Program website](#).

Sanctions Program

Citi complies with applicable sanctions, laws and regulations in the countries where we operate and maintains a robust, risk-based Independent Compliance Risk Management Sanctions Program that applies globally. 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 Sanctions 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.

Number of Employees and Contingent Workers Who Completed Citi’s 2020 Anti-Money Laundering, Sanctions and Anti-Bribery Training (By Region)*

63,343

North America

21,116

Latin America

26,820

Europe, Middle East and Africa

69,553

Asia Pacific

* This combined online training incorporates multiple anti-corruption efforts, including AML, sanctions and anti-bribery training. Numbers include all Citi staff who completed the 2020 training as of February 2021. (Employees and contingent workers generally have 30 days to complete it.)

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 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 transactions where there is a high degree of certainty that any tax aspects will be accepted by the respective taxing authorities.

For more information on how taxation impacts Citi, see page 126 of our [2020 Form 10-K](#).

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 customer privacy are top priorities for Citi and for our stakeholders and are among our most material environmental, social and governance (ESG) issues. In 2020, the COVID-19 pandemic led to an even greater reliance on digital technologies, which made safeguarding data and customer information that much more important.

Cybersecurity

Citi's Chief Information Security Office (CISO) organization ensures that an appropriate level of cybersecurity governance, capabilities and controls are in place to protect Citi's and our clients' information assets, with end-to-end accountability across the firm. Our approach rests on ensuring we have the right architecture, technology, policies, processes and talent in place to prevent, detect, respond to and recover from cyber threats quickly.

Our Cybersecurity Program is overseen by Citi's Board of Directors and is regularly reviewed by regulators, as well as by internal and external auditors. The program is managed by the Chief Enterprise 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 requirements. Annually, we provide our employees with training on how to properly handle and maintain the security and privacy of Citi's and our clients' information.

During 2020, Citi's cybersecurity team organized a series of preparedness

exercises for employees, including cybersecurity scenarios for global functions and lines of business across both our Institutional Clients Group and Global Consumer Banking divisions. Due to COVID-19, we shifted these exercises from in-person to remote. This transition proved beneficial because the remote nature of the exercises enhanced our cyber preparation, enabling us to rehearse our incident response under COVID-19 work conditions. It also allowed us to conduct more exercises and drills than we normally would. Approximately 2,000 Citi employees in more than 50 countries participated in at least one of the more than 30 exercises. Citi's Cybersecurity Fusion Center participated in each exercise and conducted over 20 additional drills dedicated to its operations.

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. In addition, our Citi Payment Outlier Detection solution 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 cybersecurity risk assessments and has internal controls to defend against cybersecurity 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 safeguards information from data breaches

and misuse by maintaining strong networks to protect our systems and databases, but we remain vigilant because we know that such threats persist.

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

- Review 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
- Notify 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 in 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 cybersecurity challenges across industries to learn how to strengthen our internal practices and respond to problems quickly. For example, in 2020, Citi joined a public-private partnership with U.S. Homeland Security Investigations and the National Intellectual Property Rights Coordination Center, called Operation Stolen Promise, to help fight fraud and criminal activity related to COVID-19. Learn more in the [Anti-Corruption Activities section](#).

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

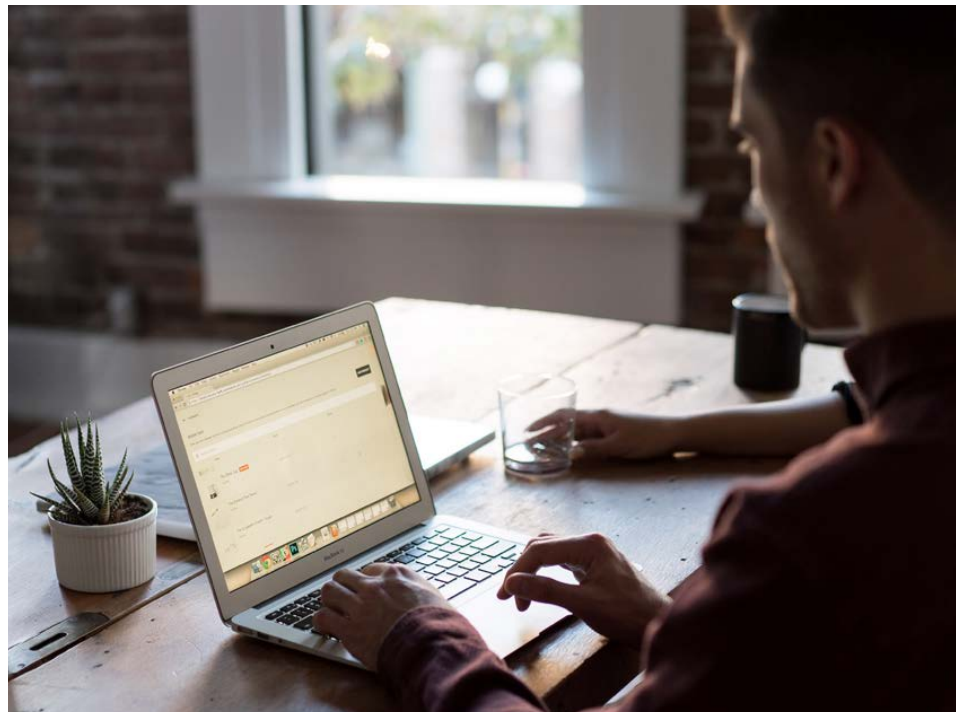
Privacy Office team led by a global Chief Privacy Officer. The Chief Privacy Office, part of our Independent Compliance Risk Management team, manages the Citi Global Privacy Program, which is overseen by the Citi Global Privacy Governance Council. The program provides a framework for managing privacy 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

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, we engage with clients, partners and industry experts to discuss the trends, challenges and opportunities related to digital identity and to explore cutting-edge technologies that have the potential to meet our customers' needs.

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 identify theft and other security risks.



Serving Our Customers and Clients Responsibly

We have policies and systems in place to help ensure we always treat customers responsibly and fairly, such as our [Code of Conduct](#) and the internal checks-and-balances processes we employ when creating new products.

Responsible Marketing

We are committed to offering clients an array of products and services based on their needs, wants and preferences while adhering to our internal policies and procedures as well as applicable laws and regulations. We work diligently to clearly disclose all features and terms and conditions, including applicable fees and charges, for the products and services offered so that clients can select and use the products or services best suited to them.

As part of our customer-centric approach to communicating in a simple, straightforward manner, our U.S. Branded Cards business continues to deliver videos to heighten customer comprehension of key topics. The videos are designed to be fully accessible, including real-time descriptive transcripts, embedded closed captions and content readability in line with

applicable law, such as the Americans with Disabilities Act. New cardmembers receive welcome videos to ensure that users have a clear understanding of features.

In addition, 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. The typical representation of women and girls in various types of media, from advertising to entertainment, doesn't fully represent the vast range of ages, races, body types and other aspects of women's identities that exist in the world. Through this work, we're collaborating with the ANA to increase accurate portrayals of women and girls in media, using our scale to influence positive change so that women and girls see themselves more fully represented. Through a related campaign, #SeeHerHearHer, we are using our influence to enable progress for gender equality in the music industry. Music is central to Citi Entertainment, Citi's award-winning global entertainment access program, and we now require the inclusion of female artists as part of the music search criteria for all TV spots. Citi also supports

SeeHer In Sports, a campaign devoted to addressing the underrepresentation of women athletes in sports media coverage.

As part of Citi's [Action for Racial Equity](#) goals, we are also collaborating with our agency partners to increase the percentage of people of color working on Citi accounts and to increase representation of people of color within our marketing. By the end of 2023, we aspire to achieve the following:

Aim to increase representation in the agencies we work with

- People of color making up at least 25% of the agency teams working on Citi accounts
- People of color comprising at least 8% of senior agency leadership, in line with Citi's own commitment

Aim to increase representation in our marketing

- People of color making up at least 25% of casting for Citi marketing
- Aim for at least 25% of brand stories highlighting minority-owned businesses and organizations annually

These initiatives are just some examples of our firm-wide commitment to advance activities that 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, our Independent Compliance Risk Management team and other relevant units, supported by specialists from Consumer Fairness, as needed. Citi marketing materials are reviewed by our Compliance and Legal departments to help ensure that we communicate clearly and fairly and comply with applicable laws, regulations and Citi policies. Citi also does periodic testing or monitoring of such materials and disclosures. In addition, Citi's Global Consumer Bank has a global approach for how we handle customer complaints and concerns in a timely and

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.

effective manner, in line with our commitment to responsibly provide financial services and treat customers fairly.

Treating Customers Fairly

Through Citi's commitment to our Treating Customers Fairly principles and our Global Consumer Fairness Policy, we strive to earn and maintain the public's trust by adhering to high ethical standards in conducting our business.

The Global Consumer Fairness Policy provides a framework for reviewing consumer fairness concerns and a sustainable model for managing emerging risks. The policy covers all aspects of the consumer product and services life cycle, 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 the Reputation Risk Committee that

facilitates 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 Treating Customers Fairly 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 complete annual Treating Customers Fairly training to ensure they understand how to identify issues of fairness and how fairness

influences real-world results. In 2020, more than 58,000 Citi employees globally completed the course.

We also have measures in place to monitor sales practices, including auditing and metrics that assess client risk profiles. When appropriate, we proactively contact delinquent clients, using their credit risk profile and previous payment performance to determine how quickly and how often to contact them. 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 fair and equitable access to products and services. Our U.S. Fair Lending Standard 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. In addition, we continually work to understand evolving discrimination risks and update our approach to preventing such risks in our business strategies, as well as in the design and delivery of our products and services.

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, consumer fairness and accessibility. Despite the impact of COVID-19, we were able to hold this event virtually in 2020.

Citi's Treating Customers Fairly Principles

We aim to deliver products and services that provide value, clarity and dependability, guided by the Treating Customers Fairly principles that define the standards for our products and services. These principles include:

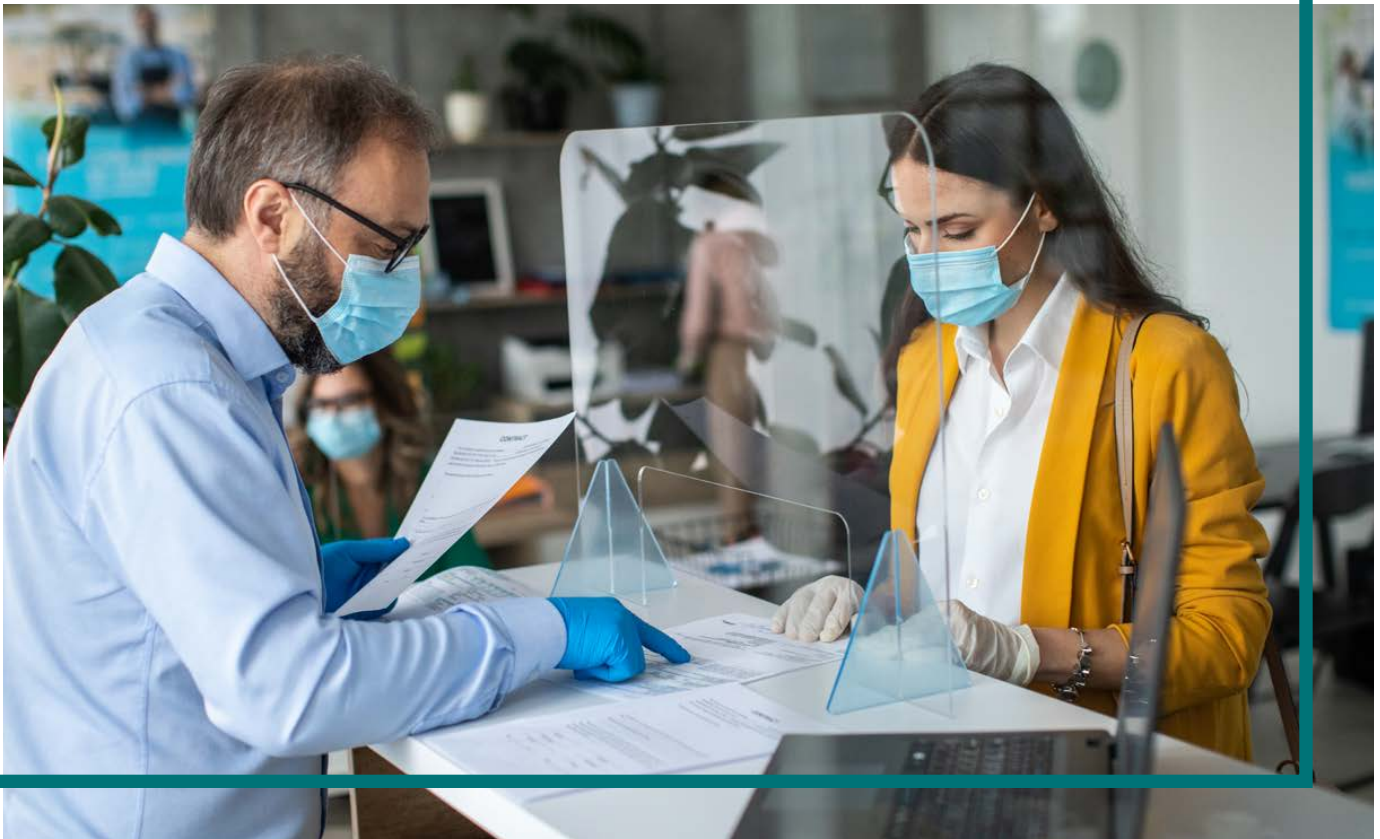
- 1) Works as described:** Consumers can predict how products and services will work.
- 2) Appropriate:** Consumers can rely on Citi to offer appropriate products and services that meet their needs.
- 3) Value:** Consumers receive value that is reasonably related to the cost of the products and services.
- 4) Ease of understanding:** Consumers understand the terms and conditions of the products and services (particularly limitations and exclusions).

Focus on Customer Well-Being and Financial Access During COVID-19

The global pandemic disrupted many aspects of daily life, including the ways our customers conducted their banking activities. At the outset of COVID-19, we increased communications with our customers, assuring them that our bank, as an essential service, was available to help them navigate a challenging time. To keep our colleagues and our customers safe, our physical branches in the U.S. implemented new safety measures and cleaning protocols. We also closed some branch locations and temporarily reduced the operating hours of others in response to changes in customer traffic and to help slow the spread of the virus.

Many of our U.S. customers chose to do their banking online rather than visit a physical branch location, either to comply with the stay-at-home orders that were issued in many communities or based on their comfort level with in-person interaction. To aid this shift, we sent communications to educate our customers on the convenience and ease of online banking and provided links to help them quickly set up online access to their accounts, as well as shortcuts and how-to videos for key digital tools. We saw a significant adoption of digital channels from our U.S. customers, with a 25% increase in digital banking logins between January and December of 2020.

In response to the needs of our U.S. credit cardholders, we created a seamless online enrollment process to make it easier to request assistance. Also during 2020, to provide another option for cardholders to make payments, we introduced a temporary point redemption option, enabling U.S. cardholders to use cash rewards and ThankYou Points to pay the minimum due on their credit cards.



Environmental and Social Risk Management

Citi finances billions of dollars in transactions worldwide in a wide variety of sectors, including for projects and clients with environmental and social risks. Our Environmental and Social Risk Management (ESRM) Policy helps us identify those potential risks and ensure our clients are properly managing risk to avoid negative impacts to their own long-term interests, the communities in which they operate, and to Citi.

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 environmental and social risks and best practices. The ESRM Policy covers a broad scope of financial products and client sectors and guides how we assess client impacts on air quality, water quality, climate change, biodiversity, local communities, labor, human rights and other environmental and social issues. Our internal policies and procedures reference international industry standards, such as the International Finance Corporation Performance Standards and Environmental Health and Safety Guidelines, the Roundtable on Sustainable Palm Oil and the Forest Stewardship Council.

We established our comprehensive ESRM Policy in 2003, and we continue to evolve our approach in response to emerging risks and new product development. During 2020 and early 2021, we made several updates to further strengthen our ESRM Policy. For example, we updated our coal sector standard to include new commitments and targets to reduce

our credit exposure to the thermal coal mining industry. We also expanded our existing commitment to further restrict financing for coal-fired power generation. For more information, see the [Climate Risk section](#). In 2020, we also established a policy prohibition against financing the production, distribution or sale of cluster munitions (see the [Human Rights section](#) for more information).

In addition, we codified our long-standing practices in two areas by formalizing ESRM Policy prohibitions against project-related financing of oil and gas exploration and production in the Arctic Circle and of projects that negatively impact the Outstanding Universal Value of UNESCO World Heritage Sites. During 2020, we put these commitments into action. For instance, after review by our ESRM team, we declined to participate in a mining project in the South Pacific that would have had negative impacts to a UNESCO World Heritage Site, as well as Indigenous Peoples concerns. These decisions contribute to **SDG 11**, which aims to **make cities and human settlements inclusive, safe, resilient and sustainable**, and in particular target **11.4**, which seeks to **strengthen efforts to protect and safeguard the world's cultural and natural heritage**.



SDG Goal 11: Sustainable Cities and Communities

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. 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 with our [ESRM Champions](#) and shares information and best practices during bimonthly calls that help support and strengthen the entire network.

At the marketing stage, when the viability of a deal is first explored, our ESRM team works with Citi bankers to evaluate the magnitude of potential environmental and social impacts associated with the transaction and to determine what action, if any, is needed to comply with our ESRM Policy prior to final approval of the transaction. If Citi receives a mandate to move forward with a transaction that includes such risks, the ESRM team continues to work with the banking team to conduct due diligence commensurate to the risks faced.

Higher-risk, project-related transactions may receive in-depth reviews by independent environmental and social consultants to benchmark against international standards. If gaps are found between a client's environmental and 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 by specifying covenants in the loan agreement, and we monitor progress over time. In some cases, we 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.

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

Due Diligence in Action

For many years, we worked with a client to address environmental and social concerns in the lead up to the potential project financing of a major industrial development in Latin America. These concerns included encroachments on the rights of Indigenous Peoples and potentially significant biodiversity impacts in a RAMSAR international wetlands site that includes a critical habitat for endangered species such as the hawksbill sea turtle and the reddish egret. We were able to work with the client to create a biodiversity action plan to meet international standards, achieve net positive gain and protect these sensitive ecosystems and species. However, in 2020, we ultimately declined to proceed with the financing because the company had not taken sufficient actions to address the concerns of the Indigenous community in alignment with our ESRM standard.

to thematic risks. The responsibility and activities of our ESRM team have expanded in recent years to account for increasing attention and concern related to climate risk. For information about our approach and management activities in this area, see the [Climate Risk section](#).

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, and provides additional detail about our risk screening practices and categories, independent reviews and action plans. The Framework also includes an overview of our Areas of High Caution, sector-specific standards and policy prohibitions.

Ongoing engagement with our clients is an important part of our ESRM process. When we first established our ESRM policy, our engagements were tied to specific, project-related financial transactions and their associated environmental and social risks and mitigation efforts. However, as we have developed sector-specific standards and Areas of High Caution 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 and guide our clients toward better sustainability practices.



Engagement Leads to Improved Client Practices



In 2017, Citi exited our relationship with Grupo HAME, a palm plantation and palm oil refining company based in Guatemala. Our ongoing monitoring of transactions and enhanced due diligence based on our sustainable palm oil policy revealed environmental and social risks in the company’s operations – particularly related to the rights of Indigenous Peoples, water contamination and biodiversity concerns – that did not align with our ESRM Policy and ultimately led us to walk away from the relationship. We understood at the time we exited the relationship that Grupo HAME was aware of these issues and was undergoing a major restructuring of its sustainability management systems, personnel and practices, and we were hopeful that this would lead to future alignment of the company’s practices with our standards. However, given the company’s ongoing gaps with our ESRM Policy, we decided it would be best to leave the relationship and reevaluate their performance at a later date in line with our commitment to the United Nations Guiding Principles on Business and Human Rights.

Our relationship managers stayed connected with Grupo HAME to continue constructive engagement and evaluate the company’s progress. Once Grupo HAME demonstrated a track record of tangible improvements in these areas, including a preliminary action plan and reforms to their environmental and social management system as well as strong commitments by their senior managers and board of directors, our ESRM team began conducting due diligence to determine whether to reestablish the company as a client. This due diligence consisted of direct conference calls with Grupo HAME’s sustainability team, environmental managers and plantation managers and review of policy documents, management plans, monitoring reports and various independent due diligence reports.

After finding positive indicators that the company was committed to meeting Citi’s standards and had sufficient resources to do so, we conducted a week-long site visit to the company’s headquarters and the Reforestadora de Palmas AC (REPSA) plantation where the incidents of concern had occurred that led to our exit of the relationship three years previously. After that visit, we proceeded to work with Grupo HAME over the course of several months to develop a robust action plan that all parties agreed to in 2020. The Citi action plan compliments Grupo HAME’s other environmental and social requirements and commitments that were developed through engagement with customers, nongovernmental organization reviews, communities, and government agencies, and incorporates findings of internal progress audits of its overarching sus-

tainable progress strategy. This process further cemented the company’s commitment to address previous gaps with international standards. Grupo HAME is now an active client and is providing Citi with quarterly updates against its action plan, as well as reporting on a number of the items in its regular sustainability reporting.

In 2020, the company reported action plan achievements in its Sustainable Progress Report, including the registration of high-conservation value forested land (or areas designated for reforestation and restoration) with the Guatemalan Institute of Protected Areas. They also published maps of these newly protected areas online. Citi was pleased to learn about the company’s organic pest control research laboratory and application procedures, which are greatly reducing the company’s dependency on chemical pesticides. In addition, the company’s organic compost process is decreasing reliance on chemical fertilizers. These practices, along with other initiatives, are having a positive impact on water quality and riverine biodiversity. We also noted progress with the deployment of an enhanced multi-lingual grievance mechanism and enhanced worker training to prevent violence and promote productive relations with the surrounding communities.

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, engagement with our regional ESRM Champions, collaboration with others in our industry, and the use of third-party environmental and social data, we monitor relevant developments in high-risk industries and stakeholder concerns to flag emerging issues.

Proactive monitoring enables us to identify issues and the interrelated impacts of various sectors, so we can be responsive to evolving risks, raise awareness within Citi about emerging issues and identify clients that might be impacted for further engagement. For example, one area of increasing concern is how the convergence of forestry, agribusiness, mining, and oil and gas exploration in the Amazon rainforest contributes to rapid deforestation and a web of related issues ranging from decreased climate resilience and biodiversity loss to violation of the rights of Indigenous Peoples. In response to this, we have increased our monitoring and due diligence for transactions with potential impacts on the Amazon biome to ensure that effective biodiversity management is addressed and clients are implementing policies that respect free, prior and informed consent for Indigenous communities.

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 with bank regulatory guidance or requirements for banks to develop environmental and social risk policies and procedures – such as Bangladesh, Brazil, Colombia, Ecuador, Honduras, Nigeria, Pakistan, Paraguay and Peru – our ESRM Champions help us understand the local context, so we can more effectively execute due diligence processes and align our implementation.

Industry Collaboration

Engagement with others in our industry improves our knowledge and risk monitoring efforts and gives us an opportunity to contribute to advancements in practices and standards for better management of environmental and social risks more broadly. In 2020, for instance, Citi was one of several dozen financial institutions to join the Informal Working Group tasked with creating a work plan for the [Taskforce on Nature-related Financial Disclosures](#) (TNFD). With plans to launch in 2021, the TNFD will explore recommendations for data analysis and reporting standards related to nature-related risks such as biodiversity loss and negative impacts on ecosystems. [Learn more](#). Citi also participated in the pilot phase of the ENCORE tool, which equips banks with information on natural capital inputs into industrial processes.

In early 2020, we joined an International Chamber of Commerce pilot project with other global financial institutions to better understand biodiversity and labor issues in agricultural commodity supply chains and opportunities for sustainable supply chain finance risk evaluation. Through this initiative, we worked with other banks to evaluate and enhance the [Global Map of Supply Chain Risks in Agro-Commodity Production](#) tool, a supply chain finance tool, which identifies

key biodiversity and labor risks within the supply chains for specific combinations of commodities and geographies (for example, soy in Brazil). It also helps risk managers and bankers identify sustainability certifications that might help address the common risks summarized by the tool. This work also contributed to the development of an environmental and social risk questionnaire that is now embedded in the Society for Worldwide Interbank Financial Telecommunication Know Your Customer (SWIFT KYC) tool. We hope this will expand the amount of environmental and social data available about agricultural supply chains for banks who rely on the SWIFT KYC tool for their own Know Your Customer processes.

In 2020, the Equator Principles (EP) released an updated version of the Principles (EP4) along with updated guidance. Related to this update, Citi worked in close alignment with other EP Financial Institutions to make changes that enhance protections for the rights of Indigenous Peoples (see more in the [Human Rights section](#)). To support global conservation efforts, Citi led an initiative to include the sharing of project-related biodiversity data with the Global Biodiversity Information Facility as part of the EP4 update.

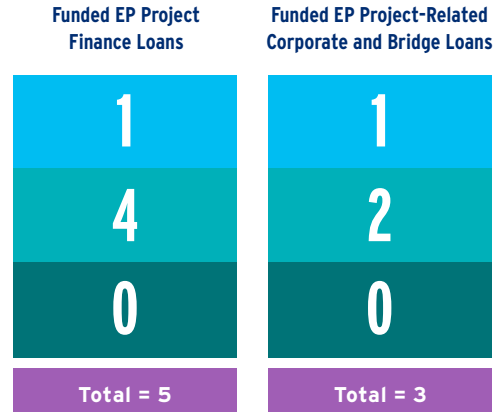
ESRM Training

Each year, we train key risk and banking personnel on our ESRM Policy to help them identify triggers for engagement with our ESRM specialist team. Topics include environmental and social risks relevant to certain regions and sectors, implementation of the Equator Principles and Citi's Sector Standards, as well as specific topics such as human rights, biodiversity and emerging climate risk analysis. In total, 382 Citi employees underwent ESRM training during 2020.

2020 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 Project Finance Loans Breakdown

By Sector	A	B	C	Total
Infrastructure	1	1	-	2
Power – Wind	-	1	-	1
Power – Solar	-	2	-	2
By Region	A	B	C	Total
Asia Pacific	-	-	-	0
Europe	-	-	-	0
Latin America	-	-	-	0
Middle East and Africa	-	-	-	0
U.S. and Canada	1	4	-	5
By Country Designation	A	B	C	Total
Designated*	1	4	-	5
Non-designated**	-	-	-	0
By Independent Review	A	B	C	Total
Yes	1	4	-	5
No	-	-	-	0

Funded Project-Related Corporate and Bridge Loans Breakdown

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

In 2020, EP released an updated version of the Principles, expanding covered products to include the Acquisition and Refinancing of EP covered projects. Citi had no EP Project Finance Advisories, Acquisitions or Refinancings in 2020.

* Designated Countries as defined by EP are high-income OECD countries. See the [Equator Principles website](#) for more information.

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

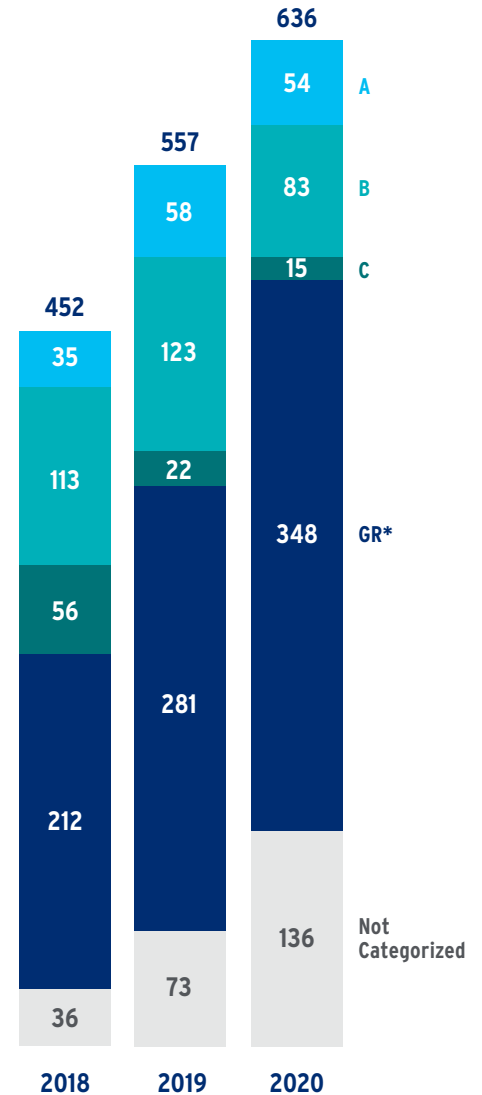
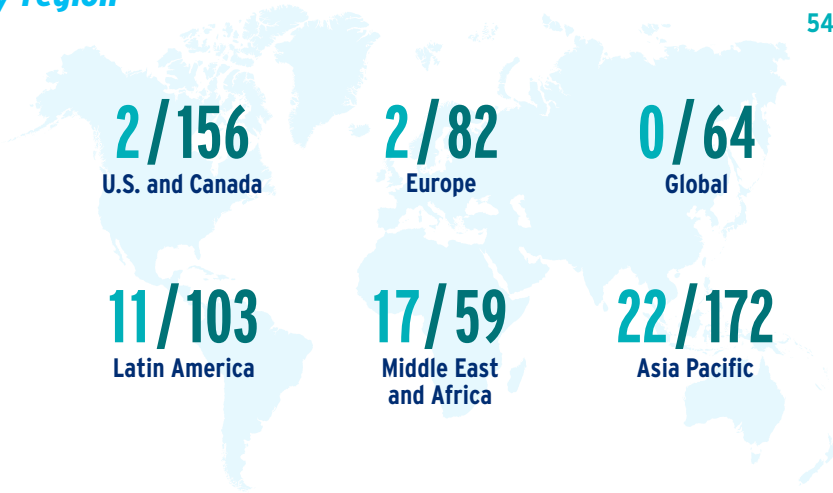
Transactions Receiving ESRM Review

The ESRM team is consulted in the early stages of potential transactions, as well as during annual credit reviews when required. These numbers show transactions and client relationships screened by the ESRM team, regardless of whether a transaction proceeded to financial close.

By region

Category A | Total
54 | 636

Total transactions receiving ESRM review



By sector

of Category A | Total

Forestry, Palm Oil, Pulp and Paper	7	48
Infrastructure and Transportation	8	49
Manufacturing and Industrials	1	31
Metals and Mining	16	142
Oil, Gas and Petrochemicals	8	163
Power (Including Renewables)	14	96
Other	0	107

By product type

of Category A | Total

Advisories	3	12
Annual Credit Reviews	0	131
Corporate or Government Loans	15	172
Debt and Equity Underwriting	14	155
EP Covered Projects and Corporate Loans	14	35
Letters of Credit and Guarantees	1	54
Other (e.g., Equity, Derivatives, etc.)	7	77

* 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

We work to consistently uphold the human rights of our employees, customers, suppliers' employees and those affected by the projects we finance. Our rigorous policies, standards and due diligence practices guide our business and lending decisions. We also engage with stakeholders to understand and respond to concerns, working with our peers and industry experts to advance the protection of human rights.

Our Commitment to Respect Human Rights

We are 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 Citi has endorsed, such as those in the UN Universal Declaration of Human Rights and the International Labour Organization's Core Conventions. To illustrate our implementation of the UN Guiding Principles, we have mapped how this ESG Report aligns with the UN Guiding Principles Reporting Framework (see [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 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.

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

During 2020, we made two updates to our ESRM Policy related to the protection of human rights:

- We formalized environmental justice as a specific risk within the Areas of High Caution section of our ESRM Policy that triggers enhanced due diligence. Citi has recognized for many years the right to a healthy environment and the need to evaluate the potential environmental risks to communities surrounding the industrial developments we finance. Social risk assessment of local communities has always been an important part of our ESRM Policy, as have elevated concerns of vulnerable communities. By formally identifying environmental justice concerns within the ESRM Policy, we hope to strengthen our commitment to this type of risk assessment and escalation of environmental justice issues.
- We strengthened our military equipment policy prohibition against financing for cluster munitions, moving from a specific prohibition against directly financing or facilitating the production or shipment of cluster munitions to a broader prohibition against doing any business with companies involved in the production, distribution or sale of cluster munitions. Cluster munitions have a disproportionate impact on civilians and are banned in many countries through international treaty.

Our Salient Human Rights Risks

Citi has spent more than a decade seeking to understand and mitigate 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.

The most severe potential risks posed to people by our clients' activities, particularly in the context of project finance, are identified under our ESRM

Policy. Our work to address these risks began in 2003 when we helped to found and govern the Equator Principles framework to enhance and standardize risk management across the banking sector, established an internal ESRM team, and began developing our risk identification and mitigation policies and procedures. While our formal ESRM processes give us leverage when we are directly financing a project, we also identify and address salient human rights risks that could arise in other areas of our value chain such as our supply chain, our workforce and our consumer banking activities. For a full list of our salient human rights risks and the stakeholders impacted by each, see the table on the following page.

Efforts to achieve racial equity and promote diversity and inclusion relate directly to the protection of human rights as these efforts seek to remedy disparities and protect individuals from discrimination on the basis of essential characteristics. In 2020, Citi launched our Action for Racial Equity commitments to close the racial wealth gap and increase economic mobility in the U.S. We have identified several salient human rights risks for our company related to this area, including discrimination in the provision of financial services and diversity and inclusion. You can learn more about Citi's Action for Racial Equity and additional inclusion initiatives related to our supply chain, our workforce and



the communities we serve throughout this report.

Citi recognizes that we can also have a positive impact on the enjoyment of human rights and has identified the right to adequate standard of living and right to property as salient issues in this regard. Citi has been the leading provider of affordable housing in the U.S. for more than a decade, and in 2020, Citi announced the issuance

of a \$2.5 billion Affordable Housing Bond – the largest-ever social bond from an issuer in the private sector. The proceeds from this bond will finance the construction, rehabilitation and preservation of quality affordable housing for low- and moderate-income populations in the U.S. Learn more in the Equitable & Resilient Communities section.

Our handling of salient human rights risks is regularly communicated to senior

management. For more information about our governance of ESG issues, including human rights, see the ESG Governance at Citi section.

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. Light blue rows indicate risks related to the Areas of High Caution defined in our ESRM Policy and trigger additional due diligence for project transactions. Additional context about our approach to mitigate these risks and related due diligence processes 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				●

Using Our Influence to Protect the Rights of Indigenous Peoples

When our due diligence processes uncover a risk of human rights violations in potential or established client relationships, we investigate further and engage with our clients as needed to better understand their approach to managing the risk. Depending on the circumstances, we might also work with them to identify corrective action in alignment with international best practices.

In 2020, during our due diligence for a potential transaction with an oil and gas client in the Amazon region, we uncovered business practices that were generating resistance from local Indigenous Peoples. With this knowledge, we made our participation in the transaction contingent on the client both 1) developing a policy that conforms with best practices related to free, prior and informed consent and 2) making the policy public on the company's website. The client has since begun exiting operations in locations where they deemed it was not possible to achieve free, prior and informed consent. In places where the company has productive dialogue with local Indigenous communities, we are supporting the client's development of management systems to properly implement their policy and report on progress against their commitment. This example highlights the opportunity we have to use our influence to raise awareness and improve client practices for the purposes of better protecting the human rights of those affected by the projects we finance.

Respecting the Human Rights of Our Employees

We expect every Citi employee 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. As stated in our Code of Conduct, Citi expects all employees, as well as suppliers, clients and community partners globally to respect the principle of non-discrimination.

Citi has identified workplace discrimination and threats to diversity and inclusion as salient human rights risks for our company. As such, respect for diversity and inclusion is a high priority wherever we operate. It 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.

One way we increase the diversity of our workforce is by using diverse slates in our recruiting. We aim to have at least two women and/or U.S. minorities in our interviews for U.S. hires and at least two women in our interviews for global hires. In 2020, we expanded the standard for a diverse slate of candidates from Managing Director and Director level hires to also include the Assistant Vice

President, Vice President and Senior Vice President levels. Learn more about diversity in our recruiting and Citi's broader efforts for employees in the [Talent & Diversity section](#).

Freedom of Association

Citi has employees who are represented by unions and works councils in a number of countries where we operate. In addition, a portion 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 knowingly provide funding to organizations that discriminate on the basis of personal characteristics, such as gender, race and sexual orientation, among others. In addition to taking a stand against discrimination, we pursue supplier diversity as a way to empower marginalized communities around the world. 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 issues, including human rights issues.

Building on our prior efforts, we have updated and expanded our CRQ to improve supplier engagement and operational evaluation. In 2020, we rolled out the updated assessment to all of Citi's approved suppliers. With this update, we also expanded on our previous questions in the areas of modern slavery, supplier diversity, environmental sustainability, corporate responsibility, labor rights and

workplace safety. In addition, we have introduced additional screening related to modern slavery for suppliers in high-risk sectors and countries. We expect to begin sharing results of this expanded assessment in our 2021 ESG report. For more information about our supplier engagement and evaluation practices, see the [Responsible Sourcing section](#).

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

Respecting Human Rights in Our Financing Decisions

Effectively evaluating human rights risks related to our clients and the projects we finance is challenging. We work diligently to

meet this challenge and respect the human rights of the individuals and communities impacted by the projects we finance.

We have established policies and practices that help us influence the protection of human rights. For instance, our [anti-money laundering](#) efforts 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.

Additionally, under our U.S. Commercial Firearms Policy, adopted in 2018, 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.

While these examples illustrate our ability to proactively avoid certain business transactions with adverse human rights impacts, there are other situations in which the link between our financial services and 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

Modern Slavery Disclosures

Each year, we [disclose](#) our approach to identifying and mitigating the risks of modern slavery in our operations – including client transactions – and in our supply chain. The disclosures cover information about our governance and policies related to modern slavery, risk assessment and due diligence processes, and training.

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 our ESRM systems and corrective action plans.

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 UN Guiding 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 to evaluate client projects and activities against a common set of standards grounded in international

best practice, including human rights norms and the International Finance Corporation’s (IFC’s) Performance Standards. Our ESRM team screens transactions covered by our ESRM Policy during the initial marketing phase to identify client activities that 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.

If, during our initial screening or more extensive due diligence for a transaction, we find a risk of adverse impacts, we evaluate the client’s commitment and capacity to avoid, mitigate and/or manage those impacts in accordance with international industry best practices and human rights norms and the client’s willingness to continuously improve.

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 decline involvement in the transaction. In severe circumstances, where we cannot otherwise effectively influence different human rights outcomes despite our best efforts of sustained engagement, we will end the client relationship. This is a move we take very seriously since we recognize it 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

Assessing Risks Related to Artisanal Small-Scale Mining

The mining sector in Central and Western Africa is prone to increased risks related to security, health and safety, and the protection of human rights as the result of informal artisanal small-scale mining (ASM) operations. This kind of mining is typically unmechanized and often occurs without proper permits or safety standards. Because ASM is frequently performed by untrained laborers in areas with high unemployment and poverty, many people are put in harm’s way even as they depend on ASM for their livelihoods. The practice of ASM also increases risks for established mining companies because it often takes place within or adjacent to the established companies’ official mining concessions without their permission.

In 2020, Citi’s ESRM team undertook due diligence reviews of clients that trade metals sourced from Central and Western Africa. Using questionnaires and direct engagement, we evaluated the practices of individual mines from which metals were sourced and determined whether the operators had adequately addressed the risks of ASM within their concessions. Based on this due diligence process, we were able to approve trade financing of metals sourced from the mines we determined had adequate controls while excluding mines we determined not to have satisfactorily addressed safety and security concerns.

Identifying Human Rights Risks in Transactions

In 2020, the ESRM team screened 636 total transactions. This includes general corporate-level financing, often on a recurring basis, and episodic project-related opportunities. The ESRM team reviewed 16 clients for general corporate financing and annual reviews and 25 project-related opportunities that presented human rights risks. The specific types of risks we uncovered are outlined in the table below (in the table, one review may uncover more than one human rights risk).

Over the course of the year, Citi declined to participate in two project-related financing opportunities due to human rights concerns. These included a mine expansion with community opposition that subsequently led to violent protests and an infrastructure project expected to cause large-scale resettlement and impacts to cultural heritage sites. When human rights risks are discovered for a project through our due diligence reviews, we benchmark the project’s development and performance against the IFC Performance Standards. In circumstances where a project is not aligned with applicable international standards, we will not approve financing until we are satisfied that the client has appropriate plans and capacity to mitigate project risks.

For general corporate-level transactions (e.g., renewing revolving credit facilities, issuing corporate bonds) that have elevated human rights risks, we leverage strong relationships with our clients through regular engagement calls with sustainability teams, sector-specific or company-specific questionnaires and setting expectations for enhanced disclosures of human rights risks when issuing securities.

Human Rights Risks	General Client Reviews in 2020	Project-Related Reviews in 2020
Conflict Risk: Project-induced conflict risk, which may be tied to competition for resources or land	4	3
Indigenous Peoples: Concerns regarding the extent to which Indigenous communities are consulted during project development and have consented to impacts to their land, livelihood and cultural heritage	8	8
Labor Risks: Risks related to labor forces used in the construction of projects or other operations, including those associated with forced labor, child labor and human trafficking by project operators and their subcontractors	4	8
Resettlement: Resettlement of local communities, including Indigenous groups, as necessary for project implementation; requires resettlement action plans and should include efforts to gain the free, prior and informed consent of Indigenous communities	2	6
Security Practices: Concerns about how project sponsors engage with public or private security forces protecting project sites	4	6
Water: Project-related impacts that hinder access to water or negatively affect water quality for local communities	2	5

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.

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 clients must follow up on allegations and have established processes to offer remedy or cooperate with authorities to make sure effective remedy is provided.

Learning and Engagement

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. For instance, in 2020, we updated our ESRM Policy to include a prohibition against financing for oil and gas exploration and production in the Arctic Circle. Although Citi has not engaged in financing of this kind before, we decided to formalize our commitment through a policy prohibition. In addition to long-standing concerns

related to the operational feasibility and environmental impacts of such projects, we took this action, in part, as the result of engagement with Indigenous Peoples over their concerns about the need to protect the Arctic National Wildlife Refuge, as a way of respecting their traditional ways of life and cultural survival.

Also in 2020, Citi continued to help lead the work of the Equator Principles Association's Social Risk Working Group. This included contributing to a guidance document for implementation of the Equator Principles' new EP4 requirements on consultation with Indigenous Peoples and co-drafting a guidance document for implementing the new requirements on human rights impact assessment processes and documentation. Both of these documents are now publicly available for all Equator Principles Financial Institutions, clients and project consultants globally to learn from and implement.

In addition to these specific engagements, we continued paying close attention to human rights issues raised by stakeholders regarding specific industries. In 2020, concerns were raised by stakeholders relating to the energy sector, palm oil and agribusiness. We engage with these industries directly through client relationships, stakeholder meetings and active participation in relevant initiatives. For instance, our participation in the Roundtable on Sustainable Palm Oil enables us to engage with multiple stakeholders connected to the palm oil value chain to improve the collective effort to reduce human rights risks related to this commodity.

Although banks are often under 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. As a result, addressing requests for transparency is 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 2020, 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 and a coalition of organizations and investors concerned with infrastructure development on public lands in the United States.

Reporting Mechanisms for Stakeholders

Our Ethics Hotline provides a way for our employees, suppliers and other external stakeholders, including the public, to report concerns about unethical behavior to Citi's Ethics Office. 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 project-related finance, we apply the Equator Principles to assess and manage environmental and social risks. This 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 and began providing it to our Resource Management Organization (our employees responsible for procurement and supply chain activities). We finished this rollout in 2020, having reached 1,625 employees in total. We are now working to update the training and expand it to other functions globally.



Responsible Sourcing

The goal of Citi’s Supply Chain Development, Inclusion and Sustainability (SCDIS) team is to have a positive impact on people, the environment and the economy through our decisions and activities influencing our supply chain. We seek out suppliers that share our values and set high standards for performance and measurement related to resource use and responsible business practices across our global supply chain.

For many years, Citi has been committed to providing more opportunities for certified diverse businesses to partner with us as we deliver products and services to our clients. Our SCDIS Program provides the framework and governance for Citi employees involved in supplier sourcing and selection decisions to foster inclusive processes and increase our roster of

diverse suppliers. Additionally, the SCDIS Program works across our supply chain to enhance sustainability practices and mitigate social and environmental risks for all suppliers.

In 2020, we made strides toward greater supplier diversity, including its relationship to our company’s Action

for Racial Equity commitments. We continued our supplier capability building efforts despite the impact of COVID-19 on in-person events, and we rolled out an improved and expanded Corporate Responsibility Questionnaire (CRQ), a supplier assessment tool that helps us evaluate the performance of suppliers in a range of areas.

Supplier Policies

Citi has detailed standards and policies to guide our teams as we implement our responsible sourcing initiatives. These standards and policies, which we update on a regular basis, also communicate our expectations related to environmental and social issues to our suppliers:

- The [Citi Statement of Supplier Principles](#) outlines the foundational guidelines for our sustainable supply chain initiatives, including those related to human rights in the workplace, ethical business practices, implementation of required management systems and environmental sustainability.
- The [Citi Requirements for Suppliers](#) provides detailed processes and procedures our suppliers must follow for contractual compliance and facilitates awareness of other key Citi policy obligations.
- We also ask suppliers to abide by the [Citi Statement on Human Rights](#). For more information about our approach in this area, see the [Human Rights section](#).

Citi also complies with applicable modern slavery regulations and publishes [disclosures](#) outlining our approach to identifying and mitigating the risks of modern slavery in our operations and supply chain.

Supplier Diversity

Our SCDIS team sets clear supplier diversity goals and embeds them in our supplier selection processes. Every bid over \$250,000 requires the consideration of diverse suppliers. Promoting the inclusion of diverse suppliers in the bidding process helps us to build a supply base that more fully represents the communities we serve.

One of the commitments in Citi's *Action for Racial Equity* is investment in Black entrepreneurship, which includes a goal to increase our business procurement spend with certified diverse suppliers from \$700 million to \$1 billion annually, including \$250 million with Black-owned firms. We aim to reach that \$1 billion annual spending goal by 2023.

Another of Citi's *Action for Racial Equity* commitments is to strengthen Citi's policies and practices in order to become an anti-racist institution. In support of this, we have committed to expand

Seeking Out Diverse Suppliers

As part of our racial equity work and in support of the related procurement goals, we host meetings with diverse suppliers every other week. These meetings include current, past and potential new suppliers. The sessions don't focus on a specific body of work already out for bid, but rather provide broader opportunities for suppliers to meet with Citi leaders from across our firm, present their companies' capabilities and explore possibilities for relationships and mentoring.

Citi's capital market activities with minority-owned broker-dealers, assisting with their business and franchise development. Citi has a history of working with diverse 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 for at least one transaction each year. We also host an annual

broker-dealer breakfast to give our diverse broker-dealers an opportunity to share best practices and network with Citi leaders. Despite the COVID-19 pandemic, we were still able to host this event in 2020 by shifting to a virtual environment. Examples of our work with diverse broker-dealers during 2020 and in early 2021 include:

- During 2020, we worked exclusively with women-, veteran- and minority-owned broker-dealers for the issuance of our Affordable Housing Bond. (Learn more about this social bond in the [Equitable & Resilient Communities](#) section).
- To commemorate Women’s History Month in 2020, we worked with women-owned firms as lead managers of a \$4 billion bond issuance. In the deal, which priced on March 24, Citi hired nine women-owned broker-dealers to assist in the distribution of the bonds to investors.
- In January 2021, Citi worked exclusively with four Black-owned firms to syndicate a \$2.5 billion bond issuance, reinforcing the firm’s commitment to increasing racial equity in the capital markets and broader financial services industry.

We have established a Racial Equity Task Force that meets weekly to drive our progress in these areas. For more information about our *Action for Racial Equity* commitments across the company, see the [Equitable & Resilient Communities](#) section.

Citi is committed to procuring goods and services from women-owned businesses.

We measure the impact of our spend with women-owned businesses globally, and our team works with various colleagues around the world, who serve as connections between their businesses and supply chain sustainability and diversity efforts, to identify opportunities for certified women-owned businesses with an emphasis in developing markets. During 2020, we procured \$155 million in goods and services from women-owned businesses.

During 2020, we worked to expand our base of women-owned businesses globally. For example, we introduced women-owned suppliers to [WEConnect International](#), an organization that certifies diverse suppliers. Joining WEConnect helps these businesses be more easily identified by companies seeking their services. In 2020, we held a virtual feedback-sharing session with WEConnect in Mexico to review suppliers that were invited to bid on Citi opportunities and to explore a strategy for identifying additional suppliers for upcoming opportunities.

During the year, we also contributed to a white paper sponsored by WEConnect

International titled *How to Rebuild Global Business for Good*, which highlights the importance of women-owned businesses in the global economy and the actions needed to remove barriers while supporting the success and growth of these businesses. We also participated in a series of virtual roundtables hosted by Chatham House that led to the development of a paper entitled *The COVID-19 Gender Gap: How Women’s Experience and Expertise Will Drive Economic Recovery*. This paper outlines an inclusive action plan to spur economic recovery in the wake of the COVID-19 pandemic.

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**.



Collaborating to Build Supplier Diversity

The SCDIS team provides U.S.-based women-, veteran-, disability-, LGBT+- and minority-owned businesses and small firms access to business opportunities, training and mentoring. Our team identifies diverse suppliers, including small businesses that can meet our supply chain needs, then subsequently works to build their capabilities and capacities.

In addition, SCDIS works to support supplier diversity efforts more broadly through memberships with various mission-centric organizations in the U.S. and globally, such as the Canadian Aboriginal and Minority Supplier Council, the National LGBT Chamber of Commerce, the National Minority Supplier Development Council (NMSDC) and several of its global affiliates, the South African Supplier Diversity Council, WEConnect International and the Women’s Business Enterprise Council. The team also engages with UN Women and the Sustainable Purchasing Leadership Council, an organization dedicated to sustainable purchasing efforts.

We also work with organizations and certifying agencies at the local level. For example, in 2020, Citi worked with the Women’s Business Development Council of Florida and the Florida State Minority Supplier Development Council to connect diverse suppliers with our lines of business and sourcing representatives.

2020 Spending with Tier 1 Diverse Suppliers

\$875M

spent with Tier 1 diverse suppliers*

\$354M

spent with Tier 1 Black-owned suppliers

\$155M

spent with Tier 1 women-owned suppliers

* This includes spending with many types of diverse suppliers, including Black-owned and women-owned firms.

Building Capabilities of Diverse Suppliers

Outreach programs that engage, educate, develop and train our diverse suppliers and partners are integral to our diversity efforts. These programs continued throughout 2020, despite the impact of COVID-19, as we successfully transitioned many of our events from in-person to virtual meetings and training sessions.

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 have focused on building capacity and

Support for Suppliers During COVID-19

During 2020, Citi offered various avenues of support for our suppliers who might have been affected by COVID-19. We hosted roundtables for suppliers to share adaptation strategies designed to keep their businesses afloat during the global pandemic. In addition, we provided relief by temporarily adjusting the commercial terms of some supplier agreements, which allowed earlier or faster payment for some contracts and helped mitigate the financial impacts of COVID-19.

knowledge in the area of sustainability so that diverse suppliers can effectively complete our global supplier assessment and meet other requirements for working with Citi. We also host events to share information and best practices for doing business with Citi and other large companies. In 2020, this included sessions for minority- and women-owned businesses in our Asia Pacific; Europe, Middle East and Africa; and North America regions.

In addition, Citi provided mentorship and coaching as part of the first Center of Excellence Certified Program cohort, a one-year program with several NMSDC Councils that led to the certification of 31 diverse suppliers in 2020. Citi also supported the Columbia Community Business Program, a two-year executive education program that leads discussions on navigating the procurement process and contracting with anchor institutions (community-based organizations that often hire and purchase from the local area).

During 2020, we collaborated with the New York & New Jersey Minority Supplier Development Council to host the tenth annual Sustainability Symposium. During the symposium, Citi led a session about measuring ESG metrics and the impacts of COVID-19 on business growth.

Supplier Engagement and Evaluation

Since 2013, the SCDIS team has used a Corporate Responsibility Questionnaire (CRQ) to gauge how effectively our suppliers are managing critical issues, such as human rights, environmental management, health and safety, labor practices and diversity. In 2020, we rolled out an updated version of this assessment tool, which now includes all of Citi's suppliers globally and expands on our previous questions in the areas of modern slavery, supplier diversity, environmental sustainability, corporate responsibility, labor rights and workplace safety. We are continuing to enhance the way we monitor and assess performance, which will enable the SCDIS team to provide critical support where needed.

The rollout of this expanded version of the CRQ for all suppliers will bring more rigor to our supplier assessment process. It is also raising the bar on our ESG practices across Citi's supply chain over time.

The goal is for suppliers to complete the CRQ every two years. This helps improve environmental and social practices across our supply chain and

builds the capabilities of our suppliers in these important areas. We are currently enhancing the protocols we have in place to engage suppliers whose performance doesn't meet our expectations.

Given Citi's global footprint, we rely on a strong network of 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 our CRQ to local cultures and business norms. We also translate the CRQ into 13 languages to make it easier for suppliers to complete and to enable productive follow-up conversations. In addition, the SCDIS team provides training and support to employees and suppliers regarding the CRQ to ensure consistency and comprehension.

2020 Corporate Responsibility Questionnaire (CRQ): Surveys Completed

667

North America

276

Mexico

192

Europe, Middle East and Africa

179

Latin America

13 languages in which the CRQ is available

- Arabic
- English
- French
- German
- Hungarian
- Japanese
- Korean
- Portuguese
- Russian
- Spanish
- Turkish
- Simplified Chinese
- Traditional Chinese

795

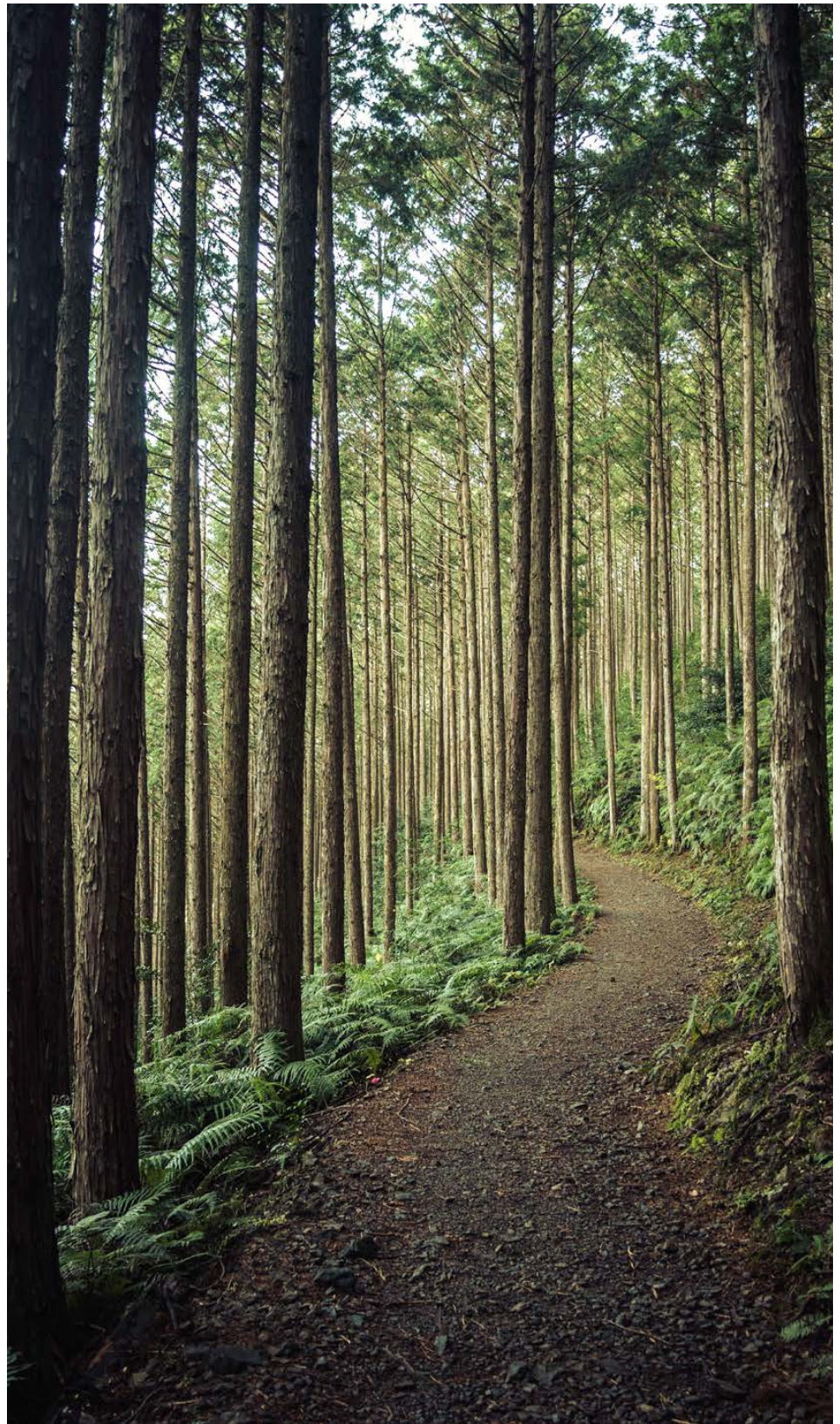
Asia Pacific

Supply Chain Sustainability Focus Areas

Citi has three sustainability focus areas for our supply chain: paper and paper products, IT 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. During 2020, we continued to make progress in these areas. Successes include the following:

- Using a lighter-weight paper for printing statements reduced carbon emissions by approximately 17% and resulted in cost efficiencies of approximately 13%.
- In support of responsible forestry, we transitioned to Forest Stewardship Council Chain of Custody-certified paper for the outer envelopes we use for statements and customer communications.
- We established consistent language for all Requests for Proposals related to IT hardware sustainability, which prioritizes the purchase of IT products that are sustainably designed and manufactured.
- As a result of choosing EPEAT-certified options for 96% of our deployed servers, desktop computers and laptops, we estimate an energy savings of 131.4 million kilowatt hours and a greenhouse gas reduction of more than 28,600 metric tons of CO₂ over the life cycle of the products.

We also include questions related to these three areas in our [CRQ assessment for suppliers](#) to better measure progress across our entire supply chain and reduce environmental impact more broadly.

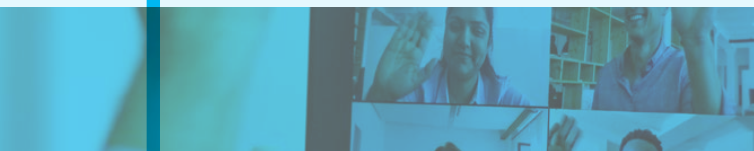


Appendices



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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. All disclosures are reported fully.

Please visit the [GRI website](#) for the full text of the disclosures and other information on the GRI reporting framework.

Disclosure Number and Title	Report Section or Other Documentation
GRI 102: General Disclosures 2016	
102-1 Name of the organization	Citigroup Inc.
102-2 Activities, brands, products, and services	<ul style="list-style-type: none"> • Citi at a Glance • 2020 10-K pages 4-5, 18, 20, 22, 24, 26 and 31
102-3 Location of headquarters	388 Greenwich Street, New York, NY 10013
102-4 Location of operations	<ul style="list-style-type: none"> • Citi at a Glance • Citi Website - Countries and Jurisdictions
102-5 Ownership and legal form	<ul style="list-style-type: none"> • 2020 10-K page 4
102-6 Markets served	<ul style="list-style-type: none"> • Citi at a Glance • 2020 10-K pages 4-8
102-7 Scale of the organization	<ul style="list-style-type: none"> • Citi at a Glance • 2020 10-K pages 4-8
102-8 Information on employees and other workers	<p>Citi may engage external service providers who may be responsible for performing noncore business activities or engage 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"> • Citi's Global Workforce • 2020 10-K pages 62-63
102-9 Supply chain	<ul style="list-style-type: none"> • Action for Racial Equity • Responsible Sourcing
102-10 Significant changes to the organization and its supply chain	<ul style="list-style-type: none"> • 2020 Annual Report
102-11 Precautionary Principle or approach	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	<ul style="list-style-type: none"> • Environmental and Social Policy Framework pages 7-8
102-13 Membership of associations	<ul style="list-style-type: none"> • Stakeholder Engagement at Citi • A Bold Commitment • Sustainable Operations > Meeting Our Renewable Electricity Goal: Challenges and Opportunities • Risk Management > Industry Collaboration • Citi Political Activities Statement Trade Associations

Disclosure Number and Title	Report Section or Other Documentation
102-14 Statement from senior decision-maker	<ul style="list-style-type: none"> • Letter from Our CEO, Jane Fraser
102-15 Key impacts, risks, and opportunities	<ul style="list-style-type: none"> • Letter from Our CEO, Jane Fraser • ESG Governance at Citi • Our Material ESG Issues: Citi in a Global Context • Financing the Low-Carbon Transition • Climate Risk • Human Rights > Our Salient Human Rights Risks • 2020 10-K pages 49-61
102-16 Values, principles, standards, and norms of behavior	<ul style="list-style-type: none"> • About This Report • Risk Management • Citi Corporate Governance
102-17 Mechanisms for advice and concerns about ethics	<p>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. 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.</p> <ul style="list-style-type: none"> • Risk Management > Ethics and Culture at Citi • Citi Code of Conduct • Ethics Hotline
102-18 Governance structure	<ul style="list-style-type: none"> • ESG Governance at Citi • Citi Corporate Governance • 2021 Proxy Statement pages 27-36
102-19 Delegating authority	<ul style="list-style-type: none"> • ESG Governance at Citi • Citigroup Board of Director’s Committee Charters • 2021 Proxy Statement pages 32-36
102-20 Executive-level responsibility for economic, environmental, and social topics	<ul style="list-style-type: none"> • ESG Governance at Citi • 2021 Proxy Statement pages 45-49
102-21 Consulting stakeholders on economic, environmental, and social topics	<ul style="list-style-type: none"> • ESG Governance at Citi • Stakeholder Engagement at Citi • Climate Risk > Reducing Climate Risk in Our Financing • Risk Management > Public Policy • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Learning and Engagement • 2021 Proxy Statement pages 45-49
102-22 Composition of the highest governance body and its committees	<ul style="list-style-type: none"> • 2021 Proxy Statement pages 32-36
102-23 Chair of the highest governance body	<p>The Chair of the Board is a nonexecutive, independent director.</p> <ul style="list-style-type: none"> • 2021 Proxy Statement page 27
102-24 Nominating and selecting the highest governance body	<ul style="list-style-type: none"> • Nomination, Governance and Public Affairs Committee Charter • 2021 Proxy Statement pages 45-49
102-25 Conflicts of interest	<ul style="list-style-type: none"> • 2021 Proxy Statement pages 24, 40 and 100

Disclosure Number and Title	Report Section or Other Documentation
102-26 Role of highest governance body in setting purpose, values, and strategy	<ul style="list-style-type: none"> • ESG Governance at Citi • 2021 Proxy Statement page 20
102-27 Collective knowledge of highest governance body	<ul style="list-style-type: none"> • ESG Governance at Citi • 2021 Proxy Statement pages 10-11
102-28 Evaluating the highest governance body's performance	<ul style="list-style-type: none"> • Corporate Governance Guidelines page 6 • 2021 Proxy Statement pages 45-49
102-29 Identifying and managing economic, environmental, and social impacts	<ul style="list-style-type: none"> • ESG Governance at Citi • Stakeholder Engagement at Citi • Risk Management > Environmental and Social Risk Management • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions • Nomination, Governance and Public Affairs Committee Charter • Risk Management Committee Charter • 2020 10-K pages 118-119 • 2021 Proxy Statement pages 27-36
102-30 Effectiveness of risk management processes	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Environmental and Social Risk Management • Human Rights > Respecting Human Rights in Our Financing Decisions • Risk Management Committee Charter • Nomination, Governance and Public Affairs Committee Charter • 2020 10-K pages 66-68
102-31 Review of economic, environmental, and social topics	<ul style="list-style-type: none"> • ESG Governance at Citi • 2021 Proxy Statement page 34
102-32 Highest governance body's role in sustainability reporting	Executive Vice President, Global Public Affairs
102-33 Communicating critical concerns	<ul style="list-style-type: none"> • ESG Governance at Citi > ESG Governance • Citi Code of Conduct • 2021 Proxy Statement page 41-42
102-35 Remuneration policies	<p>We compensate our executives fairly, based on individual and company performance, competitive benchmarking and support of our Mission and Value Proposition. We apply our Compensation Philosophy through our Executive Compensation Framework, which enables incentive compensation awards to closely reflect our pay-for-performance approach.</p> <ul style="list-style-type: none"> • Personnel and Compensation Committee Charter • 2021 Proxy Statement pages 66-69
102-36 Process for determining remuneration	<p>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.</p> <ul style="list-style-type: none"> • Personnel and Compensation Committee Charter • 2021 Proxy Statement pages 66-69
102-37 Stakeholders' involvement in remuneration	<p>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.</p> <ul style="list-style-type: none"> • Personnel and Compensation Committee Charter
102-40 List of stakeholder groups	<ul style="list-style-type: none"> • Stakeholder Engagement at Citi

Disclosure Number and Title	Report Section or Other Documentation
102-41 Collective bargaining agreements	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees
102-42 Identifying and selecting stakeholders	<ul style="list-style-type: none"> • Stakeholder Engagement at Citi • Human Rights > Learning and Engagement
102-43 Approach to stakeholder engagement	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Stakeholder Engagement at Citi • Climate Risk > Reducing Climate Risk in Our Financing • Risk Management > Environmental and Social Risk Management • Human Rights > Learning and Engagement • Responsible Sourcing > Supplier Engagement and Evaluation
102-44 Key topics and concerns raised	<ul style="list-style-type: none"> • Stakeholder Engagement at Citi • Climate Risk > Reducing Climate Risk in Our Financing • Risk Management > Environmental and Social Risk Management • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting Human Rights in Our Financing Decisions • Responsible Sourcing > Supplier Engagement and Evaluation
102-45 Entities included in the consolidated financial statements	<ul style="list-style-type: none"> • 2020 10-K pages 4-5, 146
102-46 Defining report content and topic Boundaries	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context
102-47 List of material topics	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context
102-48 Restatements of information	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > Environmental Impact Report
102-49 Changes in reporting	There are no significant changes from the previous reporting period.
102-50 Reporting period	This report covers fiscal and calendar year 2020.
102-51 Date of most recent report	April 2020
102-52 Reporting cycle	Annual
102-53 Contact point for questions regarding the report	<p>Global Public Affairs Citigroup Inc. 388 Greenwich Street New York, NY 10013 sustainability@citi.com</p>
102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55 GRI content index	<ul style="list-style-type: none"> • GRI Content Index
102-56 External assurance	<p>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.</p> <ul style="list-style-type: none"> • Assurance

Disclosure Number and Title	Report Section or Other Documentation
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	<ul style="list-style-type: none"> • 2020 10-K pages 6-9
201-2 Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> • Financing the Low-Carbon Transition > Transforming Our Business to Support a Low-Carbon Economy • Climate Risk • Sustainable Operations > Managing Climate Risk in Our Operations • Finance for a Climate-Resilient Future II • 2020 10-K pages 54-55, 118-119
201-3 Defined benefit plan obligations and other retirement plans	<ul style="list-style-type: none"> • Citi Benefits Handbook • 2020 10-K pages 172-182
GRI 202: Market Presence 2016	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	<p>We offer competitive salaries based on our Compensation Philosophy, which includes ensuring that entry-level employees receive competitive wages within the industry. 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.</p>
202-2 Proportion of senior management hired from the local community	<p>Most employees are hired locally. When hiring for senior management, we may consider qualified candidates from across the globe.</p>
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	<ul style="list-style-type: none"> • Financing the Low-Carbon Transition > Transforming Our Business to Support a Low-Carbon Economy • 2020: An Unprecedented Year > Investing in Our Communities • Action for Racial Equity > Citi Impact Fund • Long-Term Community Priorities
203-2 Significant indirect economic impacts	<ul style="list-style-type: none"> • Citi's Value Proposition: A Mission of Enabling Growth and Progress • Financing the Low-Carbon Transition > Transforming Our Business to Support a Low-Carbon Economy • COVID-19: Responding to Vulnerable Communities
GRI 205: Anti-corruption 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Risk Management > Managing Corruption and Tax-Related Risks
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Managing Corruption and Tax-Related Risks
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Managing Corruption and Tax-Related Risks
205-1 Operations assessed for risks related to corruption	<ul style="list-style-type: none"> • Risk Management > Managing Corruption and Tax-Related Risks • Anti-Bribery Program Statement
205-2 Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> • Risk Management > Managing Corruption and Tax-Related Risks • Anti-Bribery Program Statement • Anti-Money Laundering Program • Citi Code of Conduct

Disclosure Number and Title Report Section or Other Documentation

GRI 206: Anti-competitive Behavior 2016

103-1 Explanation of the material topic and its Boundary • [Our Material ESG Issues: Citi in a Global Context](#)

103-2 The management approach and its components • [ESG Governance at Citi](#)
• [Citi Code of Conduct](#)
• [2020 10-K pages 59-61, 291-298](#)

103-3 Evaluation of the management approach • [ESG Governance at Citi](#)
• [2020 10-K pages 59-61, 291-298](#)

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices • [2020 10-K pages 59-61, 291-298](#)

GRI 302: Energy 2016

103-1 Explanation of the material topic and its Boundary • [Our Material ESG Issues: Citi in a Global Context](#)

103-2 The management approach and its components • [ESG Governance at Citi](#)
• [Financing the Low-Carbon Transition](#)
• [Sustainable Operations > Operational Footprint Goals](#)
• [Citi's 2025 Sustainable Progress Strategy](#)

103-3 Evaluation of the management approach • [Financing the Low-Carbon Transition > Transforming Our Business to Support a Low-Carbon Economy](#)
• [Sustainable Operations > Operational Footprint Goals](#)

302-1 Energy consumption within the organization • [Sustainable Operations > Environmental Performance for Operations](#)
• [Sustainable Operations > Environmental Impact Report](#)

302-3 Energy intensity • [Sustainable Operations > Environmental Impact Report](#)

302-4 Reduction of energy consumption • [Sustainable Operations > Environmental Performance for Operations](#)
• [Sustainable Operations > Environmental Impact Report](#)

GRI 304: Biodiversity 2016

103-1 Explanation of the material topic and its Boundary • [Our Material ESG Issues: Citi in a Global Context](#)
• [Financing the Low-Carbon Transition > Addressing Biodiversity Loss](#)
• [Risk Management > Environmental and Social Risk Management](#)

103-2 The management approach and its components • [ESG Governance at Citi](#)
• [Financing the Low-Carbon Transition > Addressing Biodiversity Loss](#)
• [Risk Management > Environmental and Social Risk Management](#)

103-3 Evaluation of the management approach • [Risk Management > Monitoring the Changing Risk Landscape](#)

304-2 Significant impacts of activities, products, and services on biodiversity • [Financing the Low-Carbon Transition > Addressing Biodiversity Loss](#)
• [Risk Management > Environmental and Social Risk Management](#)
• [Risk Management > Monitoring the Changing Risk Landscape](#)

304-3 Habitats protected or restored • [Risk Management > Engagement Leads to Improved Client Practices](#)

Disclosure Number and Title	Report Section or Other Documentation
GRI 305: Emissions 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Finance for a Climate-Resilient Future II
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Climate Risk > Citi's Commitment to Net Zero • Sustainable Operations > Operational Footprint Goals • Citi's 2025 Sustainable Progress Strategy
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Sustainable Operations > Operational Footprint Goals
305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > Environmental Impact Report
305-2 Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > Environmental Impact Report
305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Impact Report
305-4 GHG emissions intensity	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Impact Report
305-5 Reduction of GHG emissions	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > Environmental Impact Report
GRI 306: Waste 2020	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Sustainable Operations > Operational Footprint Goals
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Sustainable Operations > Operational Footprint Goals • Citi's 2025 Sustainable Progress Strategy
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Sustainable Operations > Operational Footprint Goals
306-2 Management of significant waste-related impacts	<ul style="list-style-type: none"> • Sustainable Operations > Operational Footprint Goals • Sustainable Operations > Sustainable Building Principles in Action
306-3 Waste generated	<p>Citi did not generate any hazardous waste during the reporting period.</p> <ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > Environmental Impact Report
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> • Responsible Sourcing > Supplier Engagement and Evaluation

Disclosure Number and Title	Report Section or Other Documentation
GRI 401: Employment 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Our Ongoing Talent and Diversity Priorities
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Our Ongoing Talent and Diversity Priorities
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Our Ongoing Talent and Diversity Priorities
401-1 New employee hires and employee turnover	<ul style="list-style-type: none"> • Citi's Global Workforce
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> • Protecting the Health and Safety of Our People During COVID-19 > Expanding Benefits in a Pandemic • Citi Benefits Handbook
GRI 403: Occupational Health and Safety 2018	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Protecting the Health and Safety of Our People During COVID-19
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Sustainable Operations > Sustainable Building Principles in Action • Protecting the Health and Safety of Our People During COVID-19 • Human Rights > Freedom of Association
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Protecting the Health and Safety of Our People During COVID-19
403-3 Occupational health services	<ul style="list-style-type: none"> • Protecting the Health and Safety of Our People During COVID-19
403-4 Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> • Protecting the Health and Safety of Our People During COVID-19 • Human Rights > Freedom of Association
403-6 Promotion of worker health	<ul style="list-style-type: none"> • Protecting the Health and Safety of Our People During COVID-19
GRI 404: Training and Education 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Our Ongoing Talent and Diversity Priorities > Retention and Development
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Our Ongoing Talent and Diversity Priorities > Retention and Development
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Our Ongoing Talent and Diversity Priorities > Retention and Development
404-2 Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> • Our Ongoing Talent and Diversity Priorities > Retention and Development
404-3 Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> • Our Ongoing Talent and Diversity Priorities > Learning and Evaluation

Disclosure Number and Title Report Section or Other Documentation

GRI 405: Diversity and Equal Opportunity 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Advancing Racial Equity • Our Ongoing Talent and Diversity Priorities • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting the Human Rights of Our Employees
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Advancing Racial Equity • Our Ongoing Talent and Diversity Priorities • Human Rights > Our Commitment to Respect Human Rights • Human Rights > Respecting the Human Rights of Our Employees
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Advancing Racial Equity • Our Ongoing Talent and Diversity Priorities
405-1 Diversity of governance bodies and employees	<ul style="list-style-type: none"> • Citi's Global Workforce • Board of Directors • 2021 Proxy Statement page 28

GRI 407: Freedom of Association and Collective Bargaining 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • ESG Governance at Citi • Human Rights > Respecting the Human Rights of Our Employees
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<ul style="list-style-type: none"> • Human Rights > Respecting the Human Rights of Our Employees

GRI 408: Child Labor 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • 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	<ul style="list-style-type: none"> • ESG Governance at Citi • Human Rights > Respecting Human Rights in Our Financing Decisions • Citi Statement of Supplier Principles • Citi Statement on Human Rights
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
408-1 Operations and suppliers at significant risk for incidents of child labor	<p>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.</p>

Disclosure Number and Title Report Section or Other Documentation

GRI 409: Forced or Compulsory Labor 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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 • Responsible Sourcing > Supplier Engagement and Evaluation • Citi Statement of Supplier Principles • Citi Statement on Human Rights • Citi Modern Slavery Disclosures
103-3 Evaluation of the management approach	<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 • Responsible Sourcing > Supplier Engagement and Evaluation
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<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, we do not directly source high-risk agricultural commodities, conflict minerals or other raw materials in significant amounts from suppliers in high-risk jurisdictions.</p> <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 • Responsible Sourcing > Supplier Engagement and Evaluation

GRI 411: Rights of Indigenous Peoples 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
411-1 Incidents of violations involving rights of indigenous peoples	<ul style="list-style-type: none"> • Human Rights > Identifying Human Rights Risks in Transactions

GRI 412: Human Rights Assessment 2016

103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Human Rights > Our Commitment to Respect Human Rights • Responsible Sourcing
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Disclosure Number and Title	Report Section or Other Documentation
103-2 The management approach and its components	<ul style="list-style-type: none"> • 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 • Citi Modern Slavery Disclosures
103-3 Evaluation of the management approach	<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 • Responsible Sourcing > Supplier Engagement and Evaluation
412-1 Operations that have been subject to human rights reviews or impact assessments	<ul style="list-style-type: none"> • Risk Management > Environmental and Social Risk Management • Human Rights > Identifying Human Rights Risks in Transactions • Responsible Sourcing > Supplier Engagement and Evaluation
412-2 Employee training on human rights policies or procedures	<ul style="list-style-type: none"> • Risk Management > ESRM Training • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Employee Training
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<ul style="list-style-type: none"> • Human Rights > Respecting Human Rights in Our Financing Decisions
GRI 413: Local Communities 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • 2020: An Unprecedented Year • Risk Management > Environmental and Social Risk Management
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • 2020: An Unprecedented Year • Risk Management > Our ESRM Policy
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • 2020: An Unprecedented Year • Risk Management > Policy Implementation
413-1 Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> • Stakeholder Engagement at Citi • Action for Racial Equity > Citi Impact Fund • Long-Term Community Priorities • Risk Management > Environmental and Social Risk Management • Human Rights > Learning and Engagement • Responsible Sourcing > Supplier Engagement and Evaluation
413-2 Operations with significant actual and potential negative impacts on local communities	<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 • Risk Management > Environmental and Social Risk Management • Responsible Sourcing > Supplier Engagement and Evaluation
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	<ul style="list-style-type: none"> • Responsible Sourcing > Supplier Engagement and Evaluation

Disclosure Number and Title	Report Section or Other Documentation
GRI 415: Public Policy 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Risk Management > Public Policy
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Public Policy • Citi Political Activities Statement
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Risk Management > Public Policy • Citi Political Activities Statement
415-1 Political contributions	<ul style="list-style-type: none"> • Citi U.S. Political Contributions
GRI 417: Marketing and Labeling 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Risk Management > Serving Our Customers and Clients Responsibly
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Serving Our Customers and Clients Responsibly
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Risk Management > Serving Our Customers and Clients Responsibly
417-1 Requirements for product and service information and labeling	<ul style="list-style-type: none"> • Risk Management > Serving Our Customers and Clients Responsibly
GRI 418: Customer Privacy 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context • Risk Management > Safeguarding Data and Protecting Customer Information
103-2 The management approach and its components	<ul style="list-style-type: none"> • Risk Management > Safeguarding Data and Protecting Customer Information • Citi Code of Conduct • Citi Online Privacy Statement • Citi Security Center
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Risk Management > Safeguarding Data and Protecting Customer Information
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> • Risk Management > Safeguarding Data and Protecting Customer Information
GRI 419: Socioeconomic Compliance 2016	
103-1 Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Our Material ESG Issues: Citi in a Global Context
103-2 The management approach and its components	<ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Managing Corruption and Tax-Related Risks • Risk Management > Serving Our Customers and Clients Responsibly • 2020 10-K pages 66-69
103-3 Evaluation of the management approach	<ul style="list-style-type: none"> • Risk Management > Managing Corruption and Tax-Related Risks • Risk Management > Serving Our Customers and Clients Responsibly • 2020 10-K pages 66-69

Disclosure Number and Title	Report Section or Other Documentation
419-1 Non-compliance with laws and regulations in the social and economic area	<ul style="list-style-type: none"> • 2020 10-K pages 66-69, 116-117 • 2020 Annual Report
Financial Services Sector Supplement	
FS6 Percentage of the portfolio for business lines by specific region, size (e.g., micro/SME/large) and by sector	<ul style="list-style-type: none"> • 2020 10-K pages 6-31
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	<ul style="list-style-type: none"> • Financing the Low-Carbon Transition > Transforming Our Business to Support a Low-Carbon Economy • Financing the Low-Carbon Transition > Environmental Finance in Action
FS13 Access points in low-populated or economically disadvantaged areas by type	<ul style="list-style-type: none"> • Action for Racial Equity • COVID-19: Responding to Vulnerable Communities • Long-Term Community Priorities
FS14 Initiatives to improve access to financial services for disadvantaged people	<ul style="list-style-type: none"> • Action for Racial Equity • COVID-19: Responding to Vulnerable Communities • Long-Term Community Priorities

Sustainability Accounting Standards Board Index

This index was prepared in accordance with Industry Standards Version 2018-10 issued by the Sustainability Accounting Standards Board (SASB). The disclosures below relate to three sector standards aligned to our mix of businesses: Commercial Banks, Consumer Finance and Investment Banking & Brokerage. Unless otherwise noted, data and descriptions apply to our entire company, not just the businesses relevant to that sector. We do not yet disclose all metrics included in the sector standards, but we will continue to evaluate their relevance to our business and our ability to improve, and we will consider increasing the number of metrics we include in the future. All data is as of and for the year ended December 31, 2020, unless otherwise noted.

Commercial Banks

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	FN-CB-230a.1	<p>Citi has a robust program that addresses the cybersecurity life cycle of preparedness and prevention, detection, response, mitigation, lessons learned and training. Cybersecurity incidents, including any data breaches, are reported to consumers, regulators, business partners and others as legally required and otherwise appropriate. For security reasons, Citi generally does not publicly reveal further details regarding the security incidents we may encounter in a particular year. Citi provides a general discussion of cybersecurity incidents with regard to Operational Risk in its 10-K.</p> <ul style="list-style-type: none"> • 2020 10-K page 55
	Description of approach to identifying and addressing data security risks	Discussion and Analysis	FN-CB-230a.2	Risk Management > Safeguarding Data and Protecting Customer Information
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	FN-CB-240a.1	<p>In the U.S., small business lending exceeded \$10 billion in addition to more than \$3 billion administered through the Small Business Administration’s Paycheck Protection Program.</p> <p>Citi engages in community development efforts by equity investment through the Citi Impact Fund and financing affordable housing and community development projects through our Citi Community Capital group. Key statistics and the impacts of these efforts can be found in our 2020 Environmental, Social and Governance (ESG) Report.</p> <ul style="list-style-type: none"> • 2020: An Unprecedented Year > Investing in Our Communities • Action for Racial Equity • COVID-19: Responding to Vulnerable Communities • Long-Term Community Priorities > Affordable Housing Impact • Long-Term Community Priorities > International Inclusive Finance by The Numbers
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	FN-CB-240a.2	Citi does not report this information.
	Number of no-cost retail checking accounts provided to previously unbanked or under-banked customers	Quantitative	FN-CB-240a.3	<p>In 2014, Citi launched the Access Account – a simple, checkless bank account with low or no monthly fees and no overdraft fees, which provides customers with a straightforward way to save money and manage their finances. As of December 31, 2020, there were 289,634 active Access checking accounts. This figure excludes high-yield savings accounts. Citi does not track if account holders were formerly unbanked/underbanked.</p> <ul style="list-style-type: none"> • Citi 2017 Global Citizenship Report page 106 • Access Account webpage

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	FN-CB-240a.4	<p>Programs supporting underbanked individuals and small businesses are discussed in our ESG Reports.</p> <ul style="list-style-type: none"> • Long-Term Community Priorities > International Inclusive Finance by the Numbers • Citi 2019 ESG Report pages 37-39
Incorporation of ESG Factors in Credit Analysis	Commercial and industrial credit exposure, by industry	Quantitative	FN-CB-410a.1	<ul style="list-style-type: none"> • 2020 10-K page 78
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Discussion and Analysis	FN-CB-410a.2	<ul style="list-style-type: none"> • Risk Management > Environmental and Social Risk Management • Environmental and Social Policy Framework
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	FN-CB-510a.1	<p>Citi discloses all material legal and regulatory proceedings in its 10-K, including when a suit was filed, the court, the parties involved, the allegations and the relief sought. Citi also discloses information regarding material inquiries or investigations by regulators, including any legal and regulatory proceedings associated with such business ethics matters.</p> <ul style="list-style-type: none"> • 2020 10-K page 291
	Description of whistleblower policies and procedures	Discussion and Analysis	FN-CB-510a.2	<ul style="list-style-type: none"> • Human Rights > Reporting Mechanisms for Stakeholders • Citi Code of Conduct pages 6-9
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	Quantitative	FN-CB-550a.1	<ul style="list-style-type: none"> • 2020 10-K pages 34-35 • 2020 Systemic Risk Report (FR Y-15)
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	FN-CB-550a.2	<ul style="list-style-type: none"> • 2020 10-K pages 35-36
Activity Metric	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Quantitative	FN-CB-000.A	<p>Citi discloses the number of end-of-period retail banking and credit card accounts by region. Citi does not disaggregate personal and small business accounts.</p> <ul style="list-style-type: none"> • 4Q20 Quarterly Financial Data Supplement pages 7, 9, 12 and 14
	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Quantitative	FN-CB-000.B	<p>Citi discloses the value of outstanding consumer and corporate loans in its 10-K. Consumer loans are reported as consumer mortgages and credit card loans, while personal, small business and other loans are aggregated.</p> <ul style="list-style-type: none"> • 2020 10-K pages 69 and 78

Consumer Finance

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
Customer Privacy	Number of account holders whose information is used for secondary purposes	Quantitative	FN-CF-220a.1	Citi does not report this information.
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Quantitative	FN-CF-220a.2	Citi discloses all material legal and regulatory proceedings in its 10-K, including when a suit was filed, the court, the parties involved, the allegations and the relief sought. Citi also discloses information regarding material inquiries or investigations by regulators. Citi did not include any material matters associated with customer privacy in its 2020 10-K. <ul style="list-style-type: none"> • 2020 10-K page 291
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	FN-CF-230a.1	See response to FN-CB-230a.1.
	Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	Quantitative	FN-CF-230a.2	Citi describes overall credit losses in its 10-K, but does not disaggregate fraud losses. <ul style="list-style-type: none"> • 2020 10-K page 83
	Description of approach to identifying and addressing data security risks	Discussion and Analysis	FN-CF-230a.3	See response to FN-CB-230a.2.
Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Quantitative	FN-CF-270a.1	Citi does not track this information.
	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	Quantitative	FN-CF-270a.2	Citi does not disclose its approval rates for its credit card and pre-paid products. Citi provides a FICO score distribution of outstanding North America Citi-Branded and Citi Retail Services card receivables in its 10-K. The disclosure distribution is disaggregated by scores above and below 680 and does not include pre-paid products. <ul style="list-style-type: none"> • 2020 10-K pages 78 and 207
	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	Quantitative	FN-CF-270a.3	Citi does not track this information.
	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	Quantitative	FN-CF-270a.4	Citi does not report this information.

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Quantitative	FN-CF-270a.5	Citi discloses all material legal and regulatory proceedings in its 10-K, including when a suit was filed, the court, the parties involved, the allegations and the relief sought. Citi also discloses information regarding material inquiries or investigations by regulators associated with selling and servicing of products. <ul style="list-style-type: none"> • 2020 10-K page 291
Activity Metric	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	Quantitative	FN-CF-000.A	Citi discloses the number of end-of-period retail banking and credit card accounts by region. Citi does not disaggregate credit card and pre-paid debit card accounts nor report unique consumers. <ul style="list-style-type: none"> • 4Q20 Quarterly Financial Data Supplement pages 7, 9, 12 and 14
	Number of (1) credit card accounts and (2) pre-paid debit card accounts	Quantitative	FN-CF-000.A	Citi discloses the number of end-of-period retail banking and credit card accounts by region. Citi does not disaggregate credit card and pre-paid debit card accounts. <ul style="list-style-type: none"> • 4Q20 Quarterly Financial Data Supplement pages 7, 9, 12 and 14

Investment Banking & Brokerage

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Quantitative	FN-IB-330a.1	<ul style="list-style-type: none"> • Our Ongoing Talent and Diversity Priorities > 2020 Gender Diversity Highlights • Citi's Global Workforce
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry	Quantitative	FN-IB-410a.1	Citi does not report this information.
	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	Quantitative	FN-IB-410a.2	<ul style="list-style-type: none"> • Risk Management > Transactions Receiving ESRM Review • Financing the Low-Carbon Transition Citi also incorporates environmental criteria for transactions that contribute to our \$250 Billion Environmental Finance Goal.
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	Discussion and Analysis	FN-IB-410a.3	<ul style="list-style-type: none"> • Risk Management > Environmental and Social Risk Management • Environmental and Social Policy Framework pages 12-22
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	FN-IB-510a.1	See response to FN-CB-510a.1.
	Description of whistleblower policies and procedures	Discussion and Analysis	FN-IB-510a.2	See response to FN-CB-510a.2.

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation
Professional Integrity	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Quantitative	FN-IB-510b.1	Citi does not report this information.
	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	Quantitative	FN-IB-510b.2	Citi does not report this information.
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	Quantitative	FN-IB-510b.3	Citi discloses all material legal and regulatory proceedings in its 10-K, including when a suit was filed, the court, the parties involved, the allegations and the relief sought. Citi also discloses information regarding material inquiries or investigations by regulators associated with professional integrity, including duty of care. • 2020 10-K page 291
	Description of approach to ensuring professional integrity, including duty of care	Discussion and Analysis	FN-IB-510b.4	• Risk Management > Serving Our Customers and Clients Responsibly • Citi Code of Conduct
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	Quantitative	FN-IB-550a.1	See response to FN-CB-550a.1.
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	FN-IB-550a.2	See response to FN-CB-550a.2.
Employee Incentives & Risk Taking	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	Quantitative	FN-IB-550b.1	Citi discloses the percentage of variable remuneration for the Executive Management team in its Proxy Statement. • 2021 Proxy Statement page 81
	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	Quantitative	FN-IB-550b.2	Citi discloses the percentage of variable remuneration subject to clawback provisions for the Executive Management team in its Proxy Statement. • 2021 Proxy Statement page 81
	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	Discussion and Analysis	FN-IB-550b.3	• 2020 10-K pages 123 and 259

Topic	Accounting Metric	Category	Code	Report Section or Other Documentation												
Activity Metric	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions	Quantitative	FN-IB-000.A	<p>Per Dealogic, our transaction volumes for 2020 were:</p> <table border="1"> <thead> <tr> <th>Transaction Type</th> <th>Volume (\$ M)</th> <th>Deals (#)</th> </tr> </thead> <tbody> <tr> <td>Underwriting</td> <td>798,749.99</td> <td>3,124</td> </tr> <tr> <td>Advisory (completed)</td> <td>435,028.24</td> <td>207</td> </tr> <tr> <td>Securitized</td> <td>91,405.57</td> <td>271</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Dealogic press view standards were used to run the league tables. • Values include Dealogic Rank Eligible transactions only. • Citi volume for Mergers and Acquisitions is Equal Credit to Target and Acquirer Advisors. • Citi volume for underwriting is Full to Book Manager, Equal if Joint Books. • Underwriting is inclusive of equity and equity-linked securities, debt capital markets issuances, and syndicated loans. • Securitizations consist of asset and mortgage-backed securities. • Derivatives are not accounted for in the table above. 	Transaction Type	Volume (\$ M)	Deals (#)	Underwriting	798,749.99	3,124	Advisory (completed)	435,028.24	207	Securitized	91,405.57	271
	Transaction Type	Volume (\$ M)	Deals (#)													
	Underwriting	798,749.99	3,124													
Advisory (completed)	435,028.24	207														
Securitized	91,405.57	271														
(1) Number and (2) value of proprietary investments and loans by sector	Quantitative	FN-IB-000.B	<p>Through Citi's Impact Fund, we make equity investments in companies that are addressing societal challenges, including workforce development, sustainability, infrastructure, financial capability, and access to capital and economic opportunity.</p> <ul style="list-style-type: none"> • Action for Racial Equity > Citi Impact Fund 													
(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	Quantitative	FN-IB-000.C	Citi does not report this information.													

Principles for Responsible Banking Index

The Principles for Responsible Banking (PRB) are a framework for ensuring that signatory banks’ strategy and practice align with Sustainable Development Goals (SDGs) and the Paris Climate Agreement (Paris Agreement). The Principles encourage a sustainable banking system and help the industry demonstrate how it makes a positive contribution to society. They embed sustainability at the strategic, portfolio and transactional levels and across all business areas.

In 2020, we became the first major U.S. bank to endorse and become a signatory to the PRB. Following the guidance provided by UN Environment Programme Finance Initiative (UNEP FI), we mapped the Principles to our core activities and are reporting on our progress. The results are outlined in the index below.

Reporting and Self-Assessment Requirements	High-Level Summary of Bank’s Response	References
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals’ needs and society’s goals, as expressed in the SDGs, the Paris Agreement and relevant national and regional frameworks.</p>		
<p>1.1 Describe (high-level) your bank’s business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Citi is a global diversified financial services company whose businesses provide consumers, corporations, governments and institutions with a broad, yet focused, range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, trade and securities services and wealth management. Citi has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions.</p> <p>Citi currently operates, for management reporting purposes, via two primary business segments: Global Consumer Banking (GCB) and Institutional Clients Group (ICG).</p>	<p>2020 Environmental, Social and Governance (ESG) Report:</p> <ul style="list-style-type: none"> • Citi at a Glance <p>External References:</p> <ul style="list-style-type: none"> • About Citi • Consumer Businesses • Institutional Businesses • 2020 10-K, pp. 4-5

Reporting and Self-Assessment Requirements	High-Level Summary of Bank's Response	References
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1.2 Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the SDGs, the Paris Agreement, and relevant national and regional frameworks.

Many of our activities support the SDGs, including sustainable finance such as renewable energy project finance and public sector finance, corporate philanthropy, Citi Impact Fund investments, inclusive finance activity, and employee diversity programs. Citi is also part of the Global Investors for Sustainable Development (GISD) Alliance, which is committed to accelerating the financing of the SDGs.

We believe that global financial institutions like Citi have the opportunity and responsibility to play a leading role in helping to drive the transition to a net zero global economy and support the goals of the Paris Agreement. We voiced continued support by signing the "We are Still In" Declaration and have directed numerous efforts towards addressing climate change:

In 2021, we announced our commitment to net zero emissions by 2050. We intend to publish an initial plan within the next year and will include interim 2030 emissions reduction targets for the Energy and Power sectors. Under this plan, we are also targeting net zero greenhouse gas (GHG) emissions for our own operations by 2030.

Climate change is the focus of our 2025 Sustainable Progress Strategy, announced in 2020. Under this strategy, we have started to analyse our carbon-intensive portfolios to evaluate decarbonization pathways to align with the Paris Agreement. We strengthened our sector standards for thermal coal mining, coal-fired power and Arctic oil and gas, and included a commitment to eliminate our exposure to thermal coal mining companies by 2030. We also established new teams within our businesses to help clients with their own low-carbon transitions.

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, the 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. Citi currently chairs the Steering Committee of the Poseidon Principles Association, the governing body of the Poseidon Principles.

Citi also recognizes that loss of biodiversity globally is an increasing emergency. In 2020, Citi was one of several dozen financial institutions to join the Informal Working Group tasked with creating a work plan for the Taskforce on Nature-related Financial Disclosures (TNFD). With plans to launch in 2021, the TNFD will explore recommendations for data analysis and reporting standards related to nature-related risks such as biodiversity loss and negative impacts on ecosystems. It is designed to steer finance toward outcomes that are nature-positive, in alignment with the Paris Agreement, the Convention on Biological Diversity (CBD) Post-2020 Global Biodiversity Targets and the SDGs.

In addition to the examples above, Citi has adopted or publicly endorsed a large number of external principles and standards that inform our approach to sustainable finance and risk management and allow us to provide innovative financial services that enable growth and economic progress while meeting our responsibilities to people and the planet. Please refer to our Environmental and Social Policy Framework for a full list.

- 2020 ESG Report:**
- [Citi and the Sustainable Development Goals](#)
 - [A Bold Commitment](#)
 - [Climate Risk](#)
 - [Equitable & Resilient Communities](#)
- External References:**
- [2025 Sustainable Progress Strategy](#)
 - [Action for Racial Equity](#)
 - [Environmental and Social Policy Framework pages 7-8](#)
 - [Poseidon Principles](#)

Reporting and Self-Assessment Requirements

High-Level Summary of Bank's Response

References

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

a) **Scope:** The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.

b) **Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.

c) **Context & Relevance:** Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/regions in which it operates.

d) **Scale and intensity/salience of impact:** In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.

Show that building on this analysis, the bank has

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

Citi continues to refine its methodology for impact analysis and understands that this is an iterative process that will grow in scope and depth. As an initial step towards impact analysis, we reviewed our products, services and core businesses across our main geographies, with a particular focus on our Retail Banking in North America under GCB and global corporate lending activities under ICG.

To identify areas of greatest impact, we leveraged our stakeholder engagements, research reports conducted by peer organizations, and we took into account trends and issues that arose in light of the COVID-19 pandemic. Our findings were further reinforced by the results of our most recent materiality analysis and research conducted by our thought leadership group, Citi Global Perspectives & Solutions Group (Citi GPS), which analyses the global economy's most demanding challenges and identifies future themes and trends.

The process identified our biggest positive and negative impacts for the relevant core businesses. For both GCB and ICG, this was racial equity. For ICG, we also identified climate change as one of the most significant impacts, particularly our potential contributions due to corporate lending to carbon-intensive sectors.

Climate Change

In 2019, we engaged in a half-day stakeholder engagement session hosted by Ceres and met with clients, nongovernmental organizations (NGOs), and nonprofits to discuss Citi's sustainability strategy and goals. Citi's responsibility for addressing climate change was a key topic discussed during this session, and in 2020, we announced that climate change would be the primary focus of our 2025 Sustainable Progress Strategy, embedded among the three pillars of the strategy.

The salience of climate change is evident: 2020 tied for the warmest year on record, and during 2020, we experienced devastating wildfires on the west coast of the U.S. and in Australia, and one of the most active hurricane seasons in the Atlantic. To assess the scale and intensity, we have begun piloting tools to measure climate change impacts. For corporate lending to carbon-intensive sectors, we are piloting the Paris Agreement Capital Transition Assessment (PACTA) methodology, developed by the 2nd Investing Initiative to assess the alignment of certain sectors' carbon intensity with specific climate scenarios. We have also joined the Partnership for Carbon Accounting Financials (PCAF), which is developing a standard to measure and disclose the underlying emissions associated with the entities that financial institutions invest in or lend to. We anticipate that our application of the PCAF methodology will begin in 2021 for key sectors.

To mitigate the negative impacts associated with climate change, we will work with our clients in high impact sectors to identify viable low-carbon transition opportunities to address climate change and strengthen our policies towards financing of carbon-intensive sectors.

Racial Equity

For over 20 years, Citi has been investing in organizations and partnerships that support financial inclusion and the expansion of economic opportunities for low-income families and communities of color, such as the Asset Building Policy Network. Through engagement with these and other stakeholders, including Minority Depository Institutions (MDIs), we have enhanced our understanding of the structural inequities that fuel the racial wealth gap and their impact on communities. Over the last year, the disproportionate impact of COVID-19 on communities of color and growing demand for racial justice across the U.S. further highlighted the impacts of racial inequity.

Numerous publications and research reports, including some produced by Citi partners, articulate the scale, intensity, and salience of racial equity; links are included under the External References. Additionally, the Citi GPS report Closing the Racial Inequality Gaps articulates the economic impacts of the racial wealth gap.

To help close the racial wealth gap, Citi is leveraging its core business capabilities. In addition, the Citi Foundation is engaging in grant making to help address the racial wealth gap. These efforts are a comprehensive approach that includes retail products and services that target consumers, institutional efforts that engage MDIs and others that support communities of color and a firm-wide focus on policies and practices.

2020 ESG Report:

- [Our Material ESG Issues: Citi in a Global Context](#)
- [A Bold Commitment](#)
- [Climate Risk](#)
- [Action for Racial Equity](#)

External References:

- [Action for Racial Equity](#)
- [Banking in Color](#)
- [Closing the Racial Inequality Gaps](#)
- [Finance for a Climate-Resilient Future II](#)
- [The devaluation of assets in Black neighborhoods](#)
- [The Racial Wealth Gap](#)
- [2020 Ties 2016 as Hottest Yet, European Analysis Shows](#)
- [2025 Sustainable Progress Strategy](#)

For our impact analysis, we have taken initial steps and have identified impacts associated with our core businesses and their portfolios. We expect to further refine this process and increase the scope of our impact analysis as we explore different methodologies in subsequent reporting.

Reporting and Self-Assessment Requirements **High-Level Summary of Bank's Response** **References**

2.2 Target Setting

Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate SDGs, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.

Building on our initial analysis, we developed targets for each of the impact areas:

Climate Change

In 2021, we announced our commitment to net zero GHG emissions by 2050. We will release our initial plan within the next year. The plan will include emissions reduction targets for carbon-intensive sectors, and we will be setting interim 2030 emission targets for our Energy and Power portfolios. Additionally, for our own operations we are targeting net zero GHG emissions by 2030. After an initial implementation period, we will review the scope of our plan to assess which additional sectors to include.

In 2020, we developed our 2025 Sustainable Progress Strategy, which is integrated into our Environmental and Social Policy Framework. The strategy focuses on three key areas of activity over five years: financing the low-carbon transition, deepening climate risk assessment and disclosure, and reducing the environmental impacts of our own operations. At the core of our strategy is a new \$250 Billion Environmental Finance Goal to finance and facilitate environmental solutions over five years in support of renewable energy, clean technology, sustainable transportation, energy efficiency, green buildings, water quality and conservation, circular economy and sustainable agriculture and land use.

In 2020, we established targets as we work to reduce our exposure to thermal coal mining. Additionally, in early 2021, we expanded our commitment related to coal-fired power. For more information, see "Citi's Commitment to Reduce Financing Coal" on page 42 of our 2020 ESG Report.

These goals will drive alignment with SDGs 7 (Affordable and Clean Energy), 9 (Industry, Innovation, and Infrastructure) and 13 (Climate Action).

Racial Equity

As part of our Action for Racial Equity, we have committed \$1 Billion in strategic initiatives through 2023 to help close the racial wealth gap. Our pledge focuses on four key goals and outcomes:

- Expand banking and access to credit in communities of color
- Invest in Black entrepreneurship
- Invest in affordable housing and promote the growth of Black homeownership
- Strengthen Citi's policies and practices in order to become an anti-racist institution

These goals will drive alignment with SDGs 8 (Decent Work and Economic Growth) and 11 (Sustainable Cities and Communities).

2020 ESG Report:

- [A Bold Commitment](#)
- [Climate Risk](#)
- [Action for Racial Equity](#)

External References:

- [Action for Racial Equity](#)
- [Environmental and Social Policy Framework](#)
- [2025 Sustainable Progress Strategy](#)

We have established a firm-wide target for net zero emissions, established a new target for environmental finance, updated our sector standards related to our exposure to the coal industry, and established goals under a racial equity initiative. We believe these are in line with the requirements of the Principles.

Reporting and Self-Assessment Requirements	High-Level Summary of Bank's Response	References
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2.3 Plans for Target Implementation and Monitoring

Show that your bank has defined actions and milestones to meet the set targets.

Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.

Measures and actions we plan to put in place include:

Climate Change

- Enacting effective policies and processes regarding: financing the low-carbon transition, engaging clients on their low-carbon transitions, and deepening climate risk assessment and disclosure.
- Engaging with companies in key sectors to identify alternative approaches and appropriate low-carbon transition pathways.
- Increasing financing of sectors/activities with positive environmental and socioeconomic impacts, as well as finance for low-carbon transition plans/pathways to support our clients.

Sustainability and other ESG-related goals are incorporated into certain executive scorecards, which are key elements of performance management tied to the determination of incentive compensation for these executives. Progress on our \$250 Billion Environmental Finance Goal by 2025 and oversight of Citi's Net Zero Plan are included in the scorecards for Citi's CEO and for the CEO of our Institutional Clients Group. Similarly, oversight of the development and publication of Citi's Net Zero Plan is included in the scorecard for Citi's Head of Global Public Affairs.

Moreover, climate change strategy and risk management performance goals are incorporated into annual goals and performance review processes for a number of our senior executives and their teams who are responsible for developing and implementing our approach to climate change. These executives include the Chief Sustainability Officer, Head of Environmental and Social Risk Management (ESRM), Head of Climate Risk and Head of Facilities Management, whose team is responsible for our environmental footprint goals.

Racial Equity

- Implementing initiatives that help close the racial wealth gap and expand economic mobility in communities of color.
- Enhancing policies and practices that advance anti-racist practices in the financial services industry.

Key performance indicators:

Citi will report progress towards our targets annually using the key performance indicators listed below:

Climate Change

Net Zero Commitment

- Emissions associated with key carbon-intensive sectors
- Emissions associated with our operations

\$250 Billion Environmental Finance Goal

- Financial performance in alignment with our \$250 Billion Goal broken down by region, environmental criteria, and business
- Impacts of our \$250 Billion Goal broken down by environmental/climate and social impacts

Thermal Coal Mining Credit Exposure

- Credit exposure to thermal coal companies (reduced 50% by 2025 and to zero by 2030)

Racial Equity

Action for Racial Equity

- Growth in banking and access to credit in communities of color
- Amount of equity investments in Black-owned firms
- Amount of equity investments in MDIs
- Growth of consumer lending capabilities that increase access to mortgage products and services

2020 ESG Report:

- [A Bold Commitment](#)
- [Financing the Low-Carbon Transition](#)
- [Climate Risk](#)
- [Action for Racial Equity](#)

External References:

- [Action for Racial Equity](#)
- [Environmental and Social Policy Framework](#)
- [2025 Sustainable Progress Strategy](#)

Citi has established strategies and initiatives to implement the identified targets. Through our annual ESG reporting and recent net zero announcement, we have identified key performance indicators that we will report annually to monitor progress towards these targets. While the provided indicators are not an exhaustive list, we anticipate that these metrics will evolve as we move further towards implementation.

Reporting and Self-Assessment Requirements	High-Level Summary of Bank's Response	References
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2.4 Progress on Implementing Targets

For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target.

Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.

Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)

Climate Change

Net Zero Commitment:

This goal was announced in 2021, and we will develop an implementation plan over the next year.

\$250 Billion Environmental Finance Goal:

2020 was the first year of tracking towards this goal, and the target completion date is 2025. Initial progress towards this goal is highlighted in the 2020 ESG Report.

Thermal Coal Mining Exposure:

The baseline for our credit exposure to thermal coal mining is year-end 2020. As such, we will continue to report on progress towards our exposure reduction, particularly with regard to the target of 50% reduction by 2025.

Racial Equity

Action for Racial Equity:

The four key goals of this initiative were established in 2020, and initial progress is highlighted in 2020 ESG Report.

2020 ESG Report:

- [Financing the Low-Carbon Transition](#)
- [Climate Risk](#)
- [Action for Racial Equity](#)

External References:

- [Action for Racial Equity](#)

We have recently set the targets described above and are in the early stages of implementing the measures we have put in place. We will report on progress made towards achieving our targets in our subsequent reporting.

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.

We have policies and systems in place to ensure we treat customers responsibly and fairly, such as the guidance offered in our Code of Conduct and the internal checks-and-balances processes we employ when creating new products.

Through Citi's commitment to Treating Customers Fairly principles and our Global Consumer Fairness Policy, we strive to earn and maintain the public's trust by adhering to high ethical standards in conducting our business. As part of the program, GCB employees complete annual Treating Customers Fairly training to ensure they understand how to identify issues of fairness and how fairness influences real-world results.

Fair lending practices are a key component of our commitment to treating customers fairly. Our Global Financial Access Policy and U.S. Fair Lending Standard establish the guiding principles and minimum standards for fair, equitable and nondiscriminatory access to credit. Further, they prohibit 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. In addition, we continually work to understand evolving discrimination risks and update our approach to preventing such risks in our business strategies, as well as in the design and delivery of our products and services.

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 inclusive banking issues.

2020 ESG Report:

- [Risk Management > Serving our Customers and Clients Responsibly](#)

External References:

- [Citi Code of Conduct](#)

Reporting and Self-Assessment Requirements **High-Level Summary of Bank's Response** **References**

3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.

The flagship of our 2025 Sustainable Progress Strategy is the \$250 Billion Environmental Finance Goal, a pledge to finance and facilitate \$250 billion in activities that accelerate the transition to a low-carbon economy. We focus on helping clients across all sectors, no matter where they are in their own sustainability journeys, to transition to more sustainable business models and practices that will advance progress toward a low-carbon future. To facilitate these transitions, we have established dedicated teams embedded across our businesses to offer strategic sustainability and ESG services and solutions. Our business groups, including Banking, Capital Markets and Advisory, Markets and Securities Services, Private Banking and Treasury and Trade Solutions, all have dedicated bankers or teams focused on advising clients and offering customized ESG-themed products and services.

Furthering our commitment to transitioning to a low-carbon economy, under our net zero commitment, we will build off the work of our 2025 Sustainable Progress Strategy and will engage clients in carbon-intensive sectors that have low-carbon transition opportunities. For our interim 2030 emission targets, we will focus on clients in the Energy and Power sectors.

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 environmental and social risks and good practices. Ongoing engagement with our clients is an important part of our ESRM process. When we first established our ESRM policy, our engagements were tied to specific, project-related financial transactions and their associated environmental and social risks and mitigation efforts. However, as we have developed sector-specific standards and Areas of High Caution 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 and guide our clients toward better sustainability practices.

2020 ESG Report:

- [A Bold Commitment](#)
- [Financing the Low-Carbon Transition](#)
- [Risk Management > Environmental and Social Risk Management](#)
- [Risk Management > Engagement Leads to Improved Client Practices](#)

External References:

- [Environmental and Social Policy Framework](#)
- [2025 Sustainable Progress Strategy](#)

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

As a signatory to the Business Roundtable's Statement on the Purpose of a Corporation, Citi is committed to ongoing and extensive engagement with our stakeholders. We subscribe to a broad stakeholder capitalism approach, believing that we are best able to drive business value when we serve the interests of a wide array of stakeholders, including our shareholders. This approach is critical to our success as a business and to building long-term value for society as a whole. We made a deliberate effort to continue stakeholder engagement in a pandemic environment.

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

In 2020, we engaged the following stakeholder groups: clients and customers, employees, suppliers, communities and NGOs, shareholders, government and regulators and other financial institutions.

Topics addressed included fossil fuel finance, climate change, diversity, ESG governance, sustainable development, inclusion, supplier capacity and sustainability efforts, volunteer engagement, training, sustainability-linked finance and sustainable supply chain finance, materiality assessment for ESG reporting and financial disclosure practices.

Noteworthy outcomes:

- In 2021, we announced our commitment to net zero emissions by 2050.
- In 2020, we released our second standalone Taskforce on Climate-related Financial Disclosures (TCFD) report, Finance for a Climate-Resilient Future II, highlighting our work to date to implement the TCFD recommendations and assess Citi's exposure to climate risk.
- In 2020, Citi joined the Informal Working Group tasked with creating a work plan for the TNFD. With plans to launch in 2021, the TNFD will explore recommendations for data analysis and reporting standards related to nature-related risks.
- In 2020, our Chief Sustainability Officer joined the board of Net Impact.

2020 ESG Report:

- [Stakeholder Engagement at Citi](#)
- [Climate Risk](#)
- [Risk Management > Environmental and Social Risk Management](#)

External References:

- [Finance for a Climate-Resilient Future II](#)
- [Statement on the Purpose of a Corporation](#)
- [Task Force on Nature-related Financial Disclosures](#)

Reporting and Self-Assessment Requirements **High-Level Summary of Bank's Response** **References**

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

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.

Our Board plays a role in providing oversight of our efforts to ensure responsible business practices. For example, the Nomination, Governance and Public Affairs Committee (NGPAC) oversees Citi's global ESG activities and performance. This committee's responsibilities include reviewing our policies and programs for sustainability, climate change, human rights, diversity and other ESG issues, as well as advising on engagement with external stakeholders. The Board and NGPAC receive reports from Citi's Chief Sustainability Officer and the Head of Community Investing and Development on Citi's progress and key issues on a periodic basis.

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.

The Risk Management Committee provides oversight of Citi's Risk Management function and reviews Citi's risk appetite framework, including reputational risk appetite, and reviews key risk policies, including those focused on environmental and social risk. The Risk Management Committee also receives updates on climate risk. For more information, see the Risk Management section of our TCFD report, Finance for a Climate-Resilient Future II.

Citi also has a Global Sustainability Steering Committee, which is a senior-level committee formed to advise on our sustainability and climate change strategy.

2020 ESG Report:

- [ESG Governance at Citi](#)

External References:

- [Audit Committee Charter](#)
- [Ethics, Conduct and Culture Committee Charter](#)
- [Finance for a Climate-Resilient Future II](#)
- [Nomination, Governance and Public Affairs Committee charter](#)
- [Risk Management Committee Charter](#)

5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

We expect every Citi employee 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. As stated in the Code of Conduct, Citi expects all employees, as well as suppliers, clients and community partners globally to respect the principle of nondiscrimination.

Each year, we train key risk and banking personnel on our ESRM Policy to help them identify triggers for engagement with our ESRM specialist team. Topics include environmental and social risks relevant to certain regions and sectors, implementation of the Equator Principles and Citi's Sector Standards, as well as specific topics such as human rights, biodiversity and emerging climate risk analysis.

During 2019, we developed a comprehensive training module on modern slavery and began providing it to our Resource Management Organization (our employees responsible for procurement and supply chain activities). We finished this rollout in 2020, having reached 1,625 employees in total. We are now working to update the training and expand it to other functions globally.

Citi's Anti-Money Laundering (AML) Program protects our clients, our franchise and the global financial system from the risks of money laundering and terrorist financing. The program includes more than 5,700 employees globally, including 207 designated AML Country 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.

Citi has policies, procedures and internal controls to comply with anti-bribery laws, and we conduct an annual bribery risk assessment of all global business lines. We provide our staff with anti-bribery training annually and supplement it with targeted training and communications as needed.

Sustainability and other ESG-related goals are incorporated into certain executive scorecards, which are key elements of performance management tied to the determination of incentive compensation for these executives. For more information, see "Remuneration" on page 13 of our 2020 ESG Report.

2020 ESG Report:

- [ESG Governance at Citi](#)
- [Risk Management > Ethics and Culture at Citi](#)

External References:

- [Citi Code of Conduct](#)
- [Environmental and Social Policy Framework](#)
- [Equator Principles](#)
- [Ethics, Conduct and Culture Committee Charter](#)

Reporting and Self-Assessment Requirements	High-Level Summary of Bank's Response	References
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5.3 Governance Structure for Implementation of the Principles

Show that your bank has a governance structure in place for the implementation of the PRB, including:

- a) target-setting and actions to achieve targets set
- b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.

Our Sustainability & ESG team, in collaboration with partners across the bank, is responsible for developing targets, monitoring progress towards their achievement to ensure we are on track, and identifying and addressing any unexpected negative impacts. Our Chief Sustainability Officer, Head of Community Investing and Development, and other senior executives have oversight over target-setting, measures put in place to achieve the targets, and determining remedial action where targets are not on track, or where measures need to be put in place to address unforeseen negative impacts.

We will track our progress towards achieving our targets via reports to the NGPAC. The Chief Sustainability Officer and Head of Community Investing and Development will regularly report to the Board on progress made with achieving our targets and any remedial action taken to ensure achievement of targets and/or how negative impacts were addressed.

2020 ESG Report:

- [ESG Governance at Citi](#)
- [Risk Management > Ethics and Culture at Citi](#)

We have progressed substantially in fulfilling this requirement. The firm has a governance structure with oversight of ESG issues and will ensure that the Principles are implemented, managing significant impacts and setting and monitoring targets. The Sustainability & ESG team has been assigned to lead day-to-day implementation of the Principles in concert with other teams throughout the organization.

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Progress on Implementing the Principles for Responsible Banking

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.

In 2020, we implemented significant changes that better reflect the Principles:

- Established the 2025 Sustainable Progress Strategy
- Strengthened our ESRM Policy sector standards for thermal coal mining, coal-fired power, and Arctic oil and gas
- Updated our ESRM Policy to better protect human rights (connecting environmental justice issues to the protection of human rights and prohibiting financing for cluster munitions)
- Embedded climate risk into Citi's Material Risk Inventory, Emerging Risks Framework, and Risk Governance Framework

We have joined and helped to pilot several relevant frameworks and methodologies pertaining to climate change. This includes the PACTA methodology for climate scenario analysis of corporate lending portfolios and the PCAF framework for measuring and disclosing the emissions of lending portfolios and creating a global carbon accounting standard for financial institutions. In late 2020, we partnered with Oliver Wyman and S&P Global Market Intelligence to lay the groundwork for a 2021 road test of their new Climate Credit Analytics tool, a climate scenario analysis and credit analytics model suite.

Citi is also part of the GISD Alliance, which is committed to accelerating the financing of the SDGs. In 2020, under the leadership of Citi's Vice Chairman of Banking, Capital Markets and Advisory, the Alliance produced a report entitled *Renewed, Recharged and Reinforced: Urgent Actions to Harmonize and Scale Sustainable Finance*.

In 2020, Citi launched *Action for Racial Equity* to help close the racial wealth gap and increase economic mobility in the United States. We have identified several salient human rights risks for our company related to this area including discrimination in the provision of financial services.

In October 2020, we announced the issuance of our first Affordable Housing Bond. At \$2.5 billion, it's the largest-ever social bond from an issuer in the private sector. The use of the proceeds from the bond will finance the construction, rehabilitation and preservation of quality affordable housing for low- and moderate-income populations in the U.S., building on our record as the largest financier of affordable housing development in the U.S. As part of the transaction, Citi worked exclusively with women-, veteran- and minority-owned broker-dealers. In conjunction with the \$2.5 billion bond offering, Citi unveiled a new Social Bond Framework for Affordable Housing to detail how projects and assets will be selected. Developed in line with the International Capital Market Association Social Bond Principles 2000, the new framework includes four key components: use of proceeds, process for project evaluation and selection, management of proceeds and reporting.

Citi was an active book runner on NRG Energy Inc.'s issuance of a \$900 million sustainability-linked bond – the first such offering from a North American issuer and the first by any energy company outside of Europe.

As Citi continues to implement the Principles, we maintain our engagement with UNEP FI working groups to assist with developing guidance for implementing and reporting on the Principles while learning about industry-wide best practices for further implementation.

2020 ESG Report:

- [ESG Governance at Citi](#)
- [Citi and the Sustainable Development Goals](#)
- [Action for Racial Equity](#)
- [Long-Term Community Priorities](#)
- [Risk Management > Ethics and Culture at Citi](#)

External References:

- [Action for Racial Equity](#)
- [Citi Social Bond Framework for Affordable Housing](#)
- [Environmental and Social Policy Framework](#)
- [Renewed, Recharged and Reinforced: Urgent Actions to Harmonize and Scale Sustainable Finance](#)
- [2025 Sustainable Progress Strategy](#)

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. In addition, see our [Finance for a Climate-Resilient Future II](#) report, which includes detailed information in response to TCFD requirements.

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"> • Finance for a Climate-Resilient Future II • Nomination, Governance and Public Affairs Committee Charter, page 4
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> • Climate Risk > Citi’s Approach to Managing Climate Risk • Finance for a Climate-Resilient Future II
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"> • Financing the Low-Carbon Transition • Climate Risk • Citi’s Environmental and Social Policy Framework • Finance for a Climate-Resilient Future II
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"> • A Bold Commitment • Financing the Low-Carbon Transition • Climate Risk • Sustainable Operations • Citi’s Environmental and Social Policy Framework
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"> • Climate Risk • Sustainable Operations > Managing Climate Risk in Our Operations • Finance for a Climate-Resilient Future II
Risk Management a) Describe the organization’s processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> • Climate Risk • Risk Management > Environmental and Social Risk Management • Citi’s Environmental and Social Policy Framework
b) Describe the organization’s processes for managing climate-related risks.	<ul style="list-style-type: none"> • Climate Risk • Sustainable Operations > Managing Climate Risk in Our Operations • Risk Management > Environmental and Social Risk Management • 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"> • Climate Risk • Sustainable Operations > Managing Climate Risk in Our Operations • Risk Management > Environmental and Social Risk Management • 2020 10-K pages 118-119 • 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"> • Financing the Low-Carbon Transition > Our \$250 Billion Environmental Finance Goal • Sustainable Operations > Operational Footprint Goals • Risk Management > Environmental and Social Risk Management • Citi’s Environmental and Social Policy Framework • Finance for a Climate-Resilient Future II
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	<ul style="list-style-type: none"> • Sustainable Operations > Environmental Performance for Operations • Sustainable Operations > 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"> • Financing the Low-Carbon Transition > Our \$250 Billion Environmental Finance Goal • Climate Risk > Citi’s Commitment to Reduce Financing Coal • Sustainable Operations > Operational Footprint Goals • Sustainable Operations > Environmental Performance for Operations

United Nations Global Impact Index

This report serves as our 2020 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 to report on activities related to human rights, labor issues, the environment and anti-corruption.

“Citi’s ongoing support and participation in the United Nations Global Compact reinforce our ESG agenda and work to support our clients, colleagues and communities. From enabling the transition to a net zero economy, to supporting the equitable growth of underserved communities around the world, we’re committed to continue playing our part to build a better world.”

– Jane Fraser, Chief Executive Officer

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"> • Risk Management > Environmental and Social Risk Management • 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 Statement on Human Rights
Principle 4: the elimination of all forms of forced and compulsory labor;	<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 • 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 > Respecting Human Rights in Our Financing Decisions • 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"> • Action for Racial Equity > The Four Goals of Citi’s Action for Racial Equity • 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 of Supplier Principles • Citi Statement on Human Rights • Citi U.S. Equal Employment Opportunity & Affirmative Action Policy

UNGC Principle	Report Section or Other Documentation
Environment	
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p>	<ul style="list-style-type: none"> • Climate Risk • Risk Management > Environmental and Social Risk Management
<p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p>	<ul style="list-style-type: none"> • Financing the Low-Carbon Transition • Sustainable Operations • Responsible Sourcing > Supplier Engagement and Evaluation • Responsible Sourcing > Supply Chain Sustainability Focus Areas
<p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> • Financing the Low-Carbon Transition
Anti-corruption	
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> • Risk Management > Managing Corruption and Tax-Related Risks • Anti-Bribery Program • Citi Code of Conduct • Citi Requirements for Suppliers • Citi Statement of Supplier Principles

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"> • Risk Management > Code of Conduct The following documents, which state Citi’s commitment to respect human rights and our expectations about the commitment of others, are posted publicly: <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"> • ESG Governance at Citi • Risk Management > Safeguarding Data and Protecting Customer Information • Risk Management > Policy Implementation • Human Rights > Due Diligence in Client Transactions • Responsible Sourcing
	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"> • Risk Management > Code of Conduct • Human Rights > Respecting the Human Rights of Our Employees • 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"> • 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 • Responsible Sourcing > Supplier Engagement and Evaluation • 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"> • Action for Racial Equity > The Four Goals of Citi’s Action for Racial Equity • Advancing Racial Equity • Human Rights

Section of the Framework	Report Section or Other Documentation
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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 > Identifying Human Rights Risks in 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 and sector level for purposes of fulfilling the transparency requirements of the Equator Principles.</p> <ul style="list-style-type: none"> • Human Rights > Identifying Human Rights Risks in Transactions • Risk Management > 2020 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"> • Risk Management > ESRM Training • Human Rights > Respecting the Human Rights of Our Employees • Human Rights > Employee Training • Responsible Sourcing > Supplier Engagement and Evaluation • Citi Code of Conduct • Citi Requirements for Suppliers • Citi Statement of Supplier Principles

Section of the Framework		Report Section or Other Documentation
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"> • 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 > 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 > Engaging Stakeholders
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? <ul style="list-style-type: none"> • 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? <ul style="list-style-type: none"> • ESG Governance at Citi • Risk Management > Environmental and Social Risk Management • 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? <ul style="list-style-type: none"> • Risk Management > Policy Implementation • Human Rights > Respecting Human Rights in Our Financing Decisions
	C4.3	During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue? <ul style="list-style-type: none"> • Action for Racial Equity > The Four Goals of Citi's Action for Racial Equity • Long-Term Community Priorities > Expanding Affordable Housing • Advancing Racial Equity • Our Ongoing Talent and Diversity Priorities • Risk Management > Safeguarding Data and Protecting Customer Information • Human Rights > Using Our Influence to Protect the Rights of Indigenous Peoples • Human Rights > Extending Respect for Human Rights Through Our Suppliers and Partners • Human Rights > Assessing Risks Related to Artisanal Small-Scale Mining • Human Rights > Identifying Human Rights Risks in Transactions

Section of the Framework	Report Section or Other Documentation	
Tracking performance	C5	How does the company know if its efforts to address each salient human rights issue are effective in practice?
	C5.1	<p data-bbox="428 296 883 369">What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?</p> <p data-bbox="935 296 1487 422">In 2020, we identified risks of impacts to ethnic minorities in global supply chains. We took steps to mitigate the risks of our involvement in such impacts by limiting the scope of our financing to clients in some cases and ceasing business relationships in others. In addition, see the case studies below.</p> <ul data-bbox="935 436 1511 548" style="list-style-type: none"> • Human Rights > Using Our Influence to Protect the Rights of Indigenous Peoples • Human Rights > Assessing Risks Related to Artisanal Small-Scale Mining
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	<p data-bbox="428 667 915 716">Through what means can the company receive complaints or concerns related to each salient issue?</p> <ul data-bbox="935 667 1511 758" style="list-style-type: none"> • Risk Management > Escalating Business and Ethical Concerns • Human Rights > Reporting Mechanisms for Stakeholders • Citi Code of Conduct
	C6.2	<p data-bbox="428 793 899 842">How does the company know if people feel able and empowered to raise complaints or concerns?</p> <ul data-bbox="935 793 1422 814" style="list-style-type: none"> • Risk Management > Assessing Our Culture of Ethics
	C6.3	<p data-bbox="428 877 862 926">How does the company process complaints and assess the effectiveness of outcomes?</p> <ul data-bbox="935 877 1511 1031" style="list-style-type: none"> • Risk Management > Assessing Our Culture of Ethics • Risk Management > Escalating Business and Ethical Concerns • Human Rights > Providing Access to Remedy • Human Rights > Reporting Mechanisms for Stakeholders • Citi Code of Conduct
	C6.4	<p data-bbox="428 1066 883 1167">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?</p> <ul data-bbox="935 1066 1422 1178" style="list-style-type: none"> • Our Approach to Driving Positive Impact • Action for Racial Equity • Human Rights > Identifying Human Rights Risks in Transactions
	C6.5	<p data-bbox="428 1213 899 1314">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?</p> <ul data-bbox="935 1213 1365 1234" style="list-style-type: none"> • Human Rights > Providing Access to Remedy

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Greenhouse Gas and Environmental Data Verification Statement Number UK.PRS.VOL.INV.0100.2020/2021/04/25

The inventory of greenhouse gas emissions and environmental data in the period
1st January 2020 – 31st December 2020 for

Citigroup, Inc.

388 Greenwich Street
New York, NY, 10013

has been verified in accordance with ISO 14064-3:2006

To represent a total amount of:

21,236 tCO₂e of GHG emissions Scope 1
505,224 tCO₂e of GHG emissions Scope 2 (location based)
61,063 tCO₂e of GHG emissions Scope 2 (market based)
526,459 tCO₂e of total GHG emissions Scopes 1 and 2, based on Scope 2
location-based emissions
21,829 tCO₂e of GHG emissions Scope 3

1,180.04 GWh of electricity consumption
28.87 GWh of district heating and cooling
64.66 GWh of natural gas
0.64 GWh of LPG
0.06 GWh of fuel oil
29.75 GWh of diesel
6,251 metric tonnes of waste diverted from landfill
27,404 metric tonnes of total waste
3,444,961 cubic meters of potable water consumed
337,431 cubic meters of non-potable water consumed

The inventory of Greenhouse Gas emissions has been verified as meeting the requirements of the **WRI/WBCSD GHG Protocol – A Corporate Accounting and Reporting Standard** and the **GHG Protocol – Scope 2 Guidance – Amendment to the GHG Protocol Corporate Standard**.

For the following activities
Banking and Finance
Lead Assessor: Clare Robertson
Technical Reviewer: Paulomi Raythatha

Signed: Pamela Chadwick
Business Manager
SGS United Kingdom Ltd
Verification Statement Date: 24/03/2021

This Statement is not valid without the full verification scope, objectives, criteria and conclusion available on pages 2 to 5 of this Statement.

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Member of SGS Group
(Société Générale de Surveillance)

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GP5024 Issue

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Schedule Accompanying Greenhouse Gas and Environmental Data Verification Statement Number UK.PRS.VOL.INV. 0100.2020/2021/04/25

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 2020 – 31st December 2020. 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 November 2020 to March 2021.

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.

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LEVEL OF ASSURANCE

The level of assurance agreed is a limited level of assurance.

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 and its amendments 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 the WRI/WBCSD GHG Protocol and its amendments..

- 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 (rail travel is restricted to only trips which are booked via Citi's primary Travel Management Company))
- 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.

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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.

CRITERIA

Criteria against which the verification assessment is undertaken are the requirements of the WRI/WBCSD GHG Protocol (for CO₂ equivalent emissions only) and its amendments, 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 and its amendments, 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 2020 – 31st December 2020 disclosing:

- 21,236 tCO₂e of GHG emissions Scope 1
- 505,224 tCO₂e of GHG emissions Scope 2 (location based)
- 61,063 tCO₂e of GHG emissions Scope 2 (market based)
- 526,459 tCO₂e of total GHG emissions Scopes 1 and 2, based on Scope 2 location-based emissions
- 82,299 tCO₂e of total GHG emissions Scopes 1 and 2, based on Scope 2 market-based emissions
- 21,829 tCO₂e of GHG emissions Scope 3
- 1,180.04 GWh of electricity consumption
- 28.87 GWh of district heating and cooling (steam & chilled water)
- 64.66 GWh of natural gas
- 0.64 GWh of LPG
- 0.06 GWh of fuel oil
- 29.75 GWh of diesel
- 6,251 metric tonnes of waste diverted from landfill
- 27,404 metric tonnes of total waste
- 3,444,961 cubic meters of potable water consumed, and
- 337,431 cubic meters of non-potable water consumed

Assurance



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.

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 2020 – 31st December 2020 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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SGS REPORT ON CITIGROUP INC.'s "CITI'S 2020 ESG REPORT", SECTION "2020 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 2020 ESG Report", section "2020 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 2020 ESG 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 2020 ESG 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 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.

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 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 2020 ESG Report", section "2020 Projects Covered by the Equator Principles", we did not observe any circumstance that made us believe that the information and data contained within is inaccurate, unreliable, or does not provide a fair and balanced representation of Citigroup Inc.' activities in 2020. 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.

Assurance



CONCLUSIONS WITH REGARDS TO EQUATOR PRINCIPLES REPORTING DATA FOR 2020

In our opinion the “Citi’s 2020 ESG Report” reported information of the Equator Principles, as detailed at the section “2020 Projects Covered by Equator Principles” and is presented in accordance with:

- Equator Principles III, Annex B “Minimum Reporting Requirements” for projects prior to October 2020.
- Equator Principles IV (EP4), Annex B “Minimum Reporting Requirements” for projects after 1st October 2020.

SGS based this opinion in the review of Citi’s internal documents 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, Bridge Loans and Project-Related Refinance and Project-Related Acquisition Finance. There were only Project Finance Loans and PRCL in 2020.
- 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 (2020)
- 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.
- 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 Project Capital Cost required in the Equator Principles III and IV for project finance loans, and
 - Over 100 million USD for Project-Related Corporate Loans in the Equator Principles III
 - Over 50 million USD for Project-Related Corporate Loans (total aggregate loan amount and the EPFI’s individual commitment) in the Equator Principles IV
- Citi is reporting on the implementation of EP4, providing an overview of the incorporation of the Equator Principles in its credit and risk management policies and procedures

RECOMMENDATION:

To report of implementation of EP4 for the topics:

- The mandate of the Equator Principles Reviewers (e.g. responsibilities and staffing);
- The respective roles of the Equator Principles Reviewers, business lines, and senior management in the transaction review process;
- Provide details of its internal preparation and staff training.

Assurance



Lead Sustainability Report Assuror: Ursula Antunez de Mayolo Corzo
Date: 24th March of 2021
www.sgs.com

Forward-Looking Statements

The disclosures included in this report are being provided to the public in an effort to provide transparency into our environmental, social and governance (ESG) initiatives to respond to stakeholder requests, and to further enhance our collective understanding of ESG issues. Our approaches to the disclosures included in this report are different from those included in mandatory regulatory reporting, including under SEC regulations. Certain statements in this report may contain “forward-looking statements.” These statements speak only as of the date they are originally made and are based on management’s current expectations and are subject to known and unknown risks, uncertainties, changes in circumstances, and assumptions that are difficult to predict and are often beyond our control. These statements are not guarantees of future results, occurrences, or performance. Actual results and financial outcomes may differ materially from those expressed in or implied by any of these forward-looking statements due to a variety of factors, including, among others, global socio-demographic and economic trends, climate-related conditions and weather events, legislative and regulatory changes, and other unforeseen events or conditions. You should not place undue reliance on any forward-looking statement. Factors that could cause actual results to differ materially from those described in forward-looking statements can be found in this report, in Citi’s filings with the SEC, and disclosures available on our corporate website. Citi does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made. This report contains statements based on hypothetical or severely adverse scenarios and assumptions, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk. While future events discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality of the disclosures required under U.S. federal securities laws.



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