

A light blue world map is visible in the background of the slide.A vertical bar on the left side of the title text, consisting of 17 small colored squares, each representing one of the Sustainable Development Goals (SDGs).

Banking on 2030: Citi & the Sustainable Development Goals



About this Report

As a global bank, Citi believes it is important for us to take a leading role in contributing to the United Nations Sustainable Development Goals (SDGs). Through Citi's core business, we directly contribute to a number of specific SDGs and targets. We have identified seven goals on which we can have the greatest impact, and we explore these in detail in this report.

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Creating the Future We Want

No poverty. Zero hunger. Access to healthcare, education, clean water, sanitation and clean energy. Gender equality and lower inequality. Thriving aquatic and terrestrial ecosystems. These are the visions presented by the United Nations Sustainable Development Goals (SDGs), also known as the Global Goals. This comprehensive set of 17 interrelated goals aims to address development challenges to end poverty, protect the planet and ensure prosperity for all are underpinned by a set of 169 targets to be achieved by 2030. The role of business is fundamental, both to transition away from practices that undermine the goals' achievement and to proactively create solutions that solve existing challenges.

Adopted by world leaders in 2015, the SDGs build on the Millennium Development Goals and represent a new, 15-year sustainable development agenda to create "the future we want." Though nonbinding, signatories are expected to adopt national SDG frameworks that work toward achieving the goals through collaboration among the public, private and nongovernmental sectors.

Message to Our Stakeholders

Over the past year, we've seen increased momentum and energy galvanizing the private sector to consider the role it plays in advancing the United Nations Sustainable Development Goals. This is well-aligned with our mission and vision at Citi.

We believe that Citi, as the world's global bank, has a role to play across all 17 Global Goals. For several of them, we are well-positioned to drive significant progress based on our core business and specialized citizenship initiatives, so it's here that we place our emphasis.

We're thinking about how we can deploy services and products to address some of the world's biggest social and economic challenges in an intentional way, and how we can influence others to do the same. We believe private-sector leadership on this is essential, and the risk of not acting is a costly proposition with potentially detrimental consequences for our communities and our planet. According to the Business and Sustainable Development Commission, achieving the SDGs can unlock at least \$12 trillion a year by 2030 and generate 380 million jobs, much of this in developing countries.¹

We are proud of the work we have underway, yet we realize there is still a lot to do. The SDGs set out an agenda through 2030 that is ambitious, urgent and compelling. We consider our current level of engagement as a solid starting point, upon which we must build and innovate quickly to meet the challenges of this coming decade – whether it's combating climate change or tackling youth unemployment or one of the many other areas on which we seek to have a positive and lasting impact.

This report provides a look into the ways in which we're delivering on the Global Goals and the areas where we will continue to invest.

In the months ahead, we will also continue to seek more direct input from a wide range of stakeholders to better understand how we can improve both our actions and communications in support of the global sustainable development agenda.

In this spirit of ongoing engagement and of embracing the challenges head-on, I invite your feedback on our work to date. You can reach our team at citizenship@citi.com.




Brandee McHale

Director, Corporate Citizenship, Citi & President, Citi Foundation

¹ Business & Sustainable Development Commission, [Better Business Better World: The Report of the Business & Sustainable Development Commission](#), January 2017.

Citi & the SDGs



Citi's 200 years of experience in meeting the world's toughest challenges is even more relevant today, as sufficient financing will be critical to achieving the SDGs.

Global investment needs for the SDGs are on the order of \$5 trillion to \$7 trillion per year,² and the public sector will require the help of business and the private sector to achieve the goals. With substantial investment required to realize the SDGs, we are committed to facilitating private investment and access to capital around the world.

We are well-positioned to contribute to several of the SDGs. The energy and climate goals (SDGs 7 and 13), for example, are aligned with our progress toward our \$100 Billion Environmental Finance and operational footprint goals. Improving cities continues to be a central tenet of our work and is also central to the resilient infrastructure and sustainable cities goals (SDGs 9 and 11). Promoting economic progress—the emphasis of another one of the goals (SDG 8)—ties directly to our efforts to boost economic and job growth. Gender equality (SDG 5) is also a focus of our engagement efforts, both with our own workforce and in the communities that we support. And we do all of this work through partnerships (SDG 17) with our clients and other stakeholders.

For Citi, the SDGs underscore a continuation of the work we've been doing for more than 200 years: innovating financing solutions to help clients meet the world's toughest challenges. Through our core business, we have already helped to mobilize billions from the capital markets to support environmental and social progress, areas we have been publicly reporting on since 2000.³

In the years leading up to 2030, we will continue to innovate and partner to achieve these ambitious goals. While we do not underestimate the challenge, we look forward to embracing it head on to do our part in contributing to this important global agenda.

² United Nations Conference on Trade and Development, [World Investment Report 2014: Investing in the SDGs – An Action Plan](#), April 2014.

³ For more information on Citi's environmental, social and overall citizenship efforts, please see our annual [Global Citizenship Report](#).

United Nations Sustainable Development Goals



Mapping the SDGs to Citi Initiatives

\$100 Billion Environmental Finance Goal

GOAL 7

AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

GOAL 13

CLIMATE ACTION

Take urgent action to combat climate change and its impacts

Citi for Cities

GOAL 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialization and foster innovation

GOAL 11

SUSTAINABLE CITIES AND COMMUNITIES

Make cities inclusive, safe, resilient and sustainable

Pathways to Progress

GOAL 8

DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Inclusive Finance

GOAL 8

DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

GOAL 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialization and foster innovation

Women's Economic Empowerment

GOAL 5

GENDER EQUALITY

Achieve gender equality and empower all women and girls

Open Innovation

GOAL 9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialization and foster innovation

Partnerships

GOAL 17

PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalize the global partnership for sustainable development

\$100 Billion Environmental Finance Goal

7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



Financing the Future We Want

Ten years, \$100 billion. Citi has pledged to lend, invest and facilitate \$100 billion toward activities that reduce the impacts of climate change and create environmental solutions in collaboration with our clients.

From renewable energy and energy efficiency projects to green buildings, sustainable transportation and green bonds, we're working together with clients in both the private and public sectors to address the challenges of climate change and the increasing global pressures on natural resources.

At the start of 2015, Citi's \$100 Billion Environmental Finance Goal was announced publicly by our CEO Mike Corbat at a stakeholder meeting that launched our Sustainable Progress Strategy. The 10-year goal, which begins with our 2014 environmental finance activity, was achieved at the start of 2017 – in under four years – thanks largely to the unprecedented growth of renewable energy finance and green bonds. We decided to challenge ourselves, however, by reexamining the way we account for our environmental financing activities on behalf of our clients. As a result, we adopted a new methodology based on league table accounting that counts Citi's share of a given transaction, rather than the total deal value.

Based on our new approach, Citi's share of environmental financing activities totaled \$41.2 billion from 2014 through 2016.⁴

This approach better captures the current scale of the opportunity and the direct economic impact of our work. It also reflects our unwavering commitment to addressing climate change through our business as well as our willingness to learn and adapt as the field of environmental finance evolves.

OUR SUSTAINABLE PROGRESS STRATEGY

Our \$100 Billion Environmental Finance Goal is the flagship initiative of our Sustainable Progress Strategy, which organizes our work into three pillars – Environmental Finance, Environmental and Social Risk Management; and Operations and Supply Chain. Our environmental footprint goals for 2020 include a 30 percent reduction in energy use, a 30 percent reduction in water use, a 60 percent reduction in waste, and to have 33 percent of our global real estate portfolio LEED certified, all against a 2005 baseline. In September 2017, we announced a new goal to become carbon neutral and use 100 percent renewable energy to power Citi's global energy needs across our 12,000 facilities by 2020.⁵

⁴ For more information on Citi's \$100 Billion Goal, please see [our website](#).

⁵ For more information on our Sustainable Progress Strategy, please see [our website](#).

Citi's \$100 Billion Environmental Finance Goal reinforces our ongoing commitment to environmental finance and sustainable growth

ENVIRONMENTAL CRITERIA

- Renewable Energy
- Clean Technology
- Sustainable Transportation
- Energy Efficiency
- Green Building
- Water Quality & Conservation



Finance renewable energy projects globally, including the Block Island Wind Farm, the first offshore wind project in the U.S.; Solar Star, the largest solar installation in the world at the time of development; and a recent geothermal energy project in Iceland



Raise capital for sustainable transportation projects in cities around the world, including Seattle and New York City in the U.S.; Panama City, Panama; and Hyderabad, India



Help grow the green bond market by working with clients to issue green bonds in new markets, including the first green bond in Brazil and the first sustainability bond in Turkey

Delivering on the SDGs

FOCUS SDGs

GOAL 7

Ensure access to affordable, reliable, sustainable and modern energy for all

GOAL 13

Take urgent action to combat climate change and its impacts

Curtailing greenhouse gas emissions through greater investments in energy-efficient buildings, transportation infrastructure and clean energy sources will be a crucial part of global commitments to climate action, including the Sustainable Development Goals and the Paris Agreement to keep the average global temperature increase below 2°C compared to pre-industrial levels.

There is a large need for financial solutions to fulfill these commitments, and Citi and our clients play an important role in bringing such solutions to fruition. We're helping clients access new sources of capital for environmentally positive activities, from renewable energy projects to sustainable transportation and more. Through the ambitions of our clients, our projects will contribute to two key targets required to achieve SDG 7: target 7.2 – **increase the share of renewable energy in the global energy mix by 2030** – and target 7.3, which aims to **double the global rate of energy efficiency improvements by 2030**.

Two examples of Citi's leadership in environmental finance – and in SDG goals 7 and 13 – are our engagement in alternative energy finance and the growth of green bonds. For alternative energy, we provide a range of financing solutions for environmental projects, including wind, solar, geothermal, biomass, energy efficiency and other clean technologies. We offer construction financing, commodities hedging and tax equity, giving clients multiple services and a "one-stop shop" for their projects. And we're continuing to explore new innovations in sustainable finance that will help our clients tackle climate change challenges.

RELATED SDGs

- GOAL 6: Ensure availability and sustainable management of water and sanitation for all
- GOAL 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation
- GOAL 11: Make cities inclusive, safe, resilient and sustainable
- GOAL 12: Ensure sustainable consumption and production patterns

Our \$100 Billion Goal also supports environmental solutions beyond green buildings, with impact criteria such as water quality and conservation.

Our investments in infrastructure projects, from mass transit to green buildings, also contribute to more resilient, inclusive and sustainable cities, another key element of the SDGs.

Our investments and efforts to improve our operational efficiency demonstrate Citi's strong commitment to responsible consumption and sustainable practices.

Citi for Cities



Enhancing Urban Progress and Sustainability

By 2050, nearly 70 percent of the global population will live in cities.⁶ The related infrastructure needs arising from this urbanization are both physical and digital and require investment in a broad range of services – including schools, hospitals, transportation, water systems and communications networks – that facilitate the quality of life, strength of commerce and overall resilience of cities.

Globally, an estimated \$59 trillion in infrastructure investment will be needed over the next 15 years to replace aging facilities and keep up with population growth and economic development.⁷ Citi's success in financing solutions to urban problems – from long-standing leadership in municipal finance and affordable housing lending to recent innovations in green bonds – positions us well to help public institutions around the world meet today's needs while also planning for a changing future.

We partner with governments, businesses and communities to identify and implement innovative solutions that help cities thrive during this period of unprecedented urban transformation. This approach, which we call Citi for Cities, leverages the powerful combination of our expertise in a wide range of areas such as bond issuances, digital payments and risk management to help urban leaders secure financing for infrastructure projects, find internal efficiencies to free up valuable resources, and leverage new technologies to automate and streamline service delivery.⁸

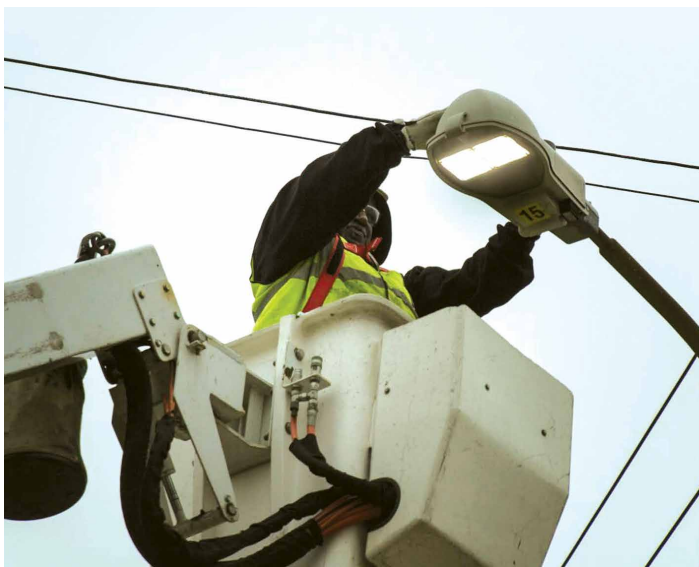
Nearly
70%
of the global population to
live in cities by 2050

\$59T
in global infrastructure
investment needed over
the next 15 years

⁶ United Nations Department of Social and Economic Affairs Population Division, [2014 Revision of World Urbanization Prospects](#), July 2014.

⁷ Citi GPS: Global Perspectives & Solutions, [Infrastructure for Growth: The Dawn of a New Multi-Trillion Dollar Asset Class](#), October 2016.

⁸ For more information on Citi for Cities, please see [our website](#).



Installing new LED streetlights in Detroit

FINANCING AND ADVISORY

Citi provides financing and advisory support to municipalities and their partners to help create sustainable, safe and equitable cities with more economic opportunities for residents.

In Panama, for example, Citi arranged nearly \$600 million in financing for the construction of a new metro line that traverses the country's congested capital city. The Panama Metro is not only more sustainable, but also reduces commuting times and connects Panama City residents to jobs and other economic activities.

In the U.S., Citi helped Detroit – whose bankruptcy complicated its urban revitalization plans – to repair and replace its entire streetlight system with new, more energy efficient and brighter LED streetlights. Citi committed the initial \$60 million of capital from our own balance sheet to get the project off the ground and then raised \$185 million in long-term financing for the full project, enabling Detroit to install over 65,000 LED streetlights, improving public safety and encouraging businesses to open in areas that had previously felt unsafe.

EFFICIENCY OPTIMIZATION

Citi provides financing for digital solutions and other technologies that enable cities to create efficiencies, address resource scarcity and reduce costs, creating more economically inclusive, resilient and sustainable cities.

In Dubai, for example, Citi worked with the government to introduce a smart payment solution that improved the efficiency of their payment and procurement processes. This allows suppliers to get paid more quickly, enabling Dubai to incorporate smaller and more diverse suppliers as government vendors.

In Barbados, Citi provided the government with a loan to install smart water meters so that the Barbados Water Authority can automatically track and manage water usage throughout the country, including in its urban areas, and help address the nation's water scarcity issue.

DIGITIZATION OF SERVICES

As the world becomes more digital, Citi is keeping apace by offering clients a range of digital solutions and services to meet their evolving financial needs.

For example, when Peru's estimated 1 million urban and rural microentrepreneurs needed access to additional banking services to help them integrate into the global economy, Peru's Cajas Municipales de Ahorro y Credito (CMACs), a network of 12 municipality-owned financial institutions, partnered with Citi to develop international trade solutions for their customers using Citi's electronic banking platform. This enabled the microentrepreneurs to expand their businesses for greater financial stability and to contribute to Peru's economic growth and development.

In Washington, D.C., Citi helps the D.C. Public Schools and the Office of the State Superintendent of Education minimize the risk of manual cash payments and, ultimately, improve services for students and parents by providing a payments portal to accept electronic payments for school fees.

Delivering on the SDGs

FOCUS SDGs

GOAL 9

Build resilient infrastructure, promote sustainable industrialization and foster innovation

GOAL 11

Make cities inclusive, safe, resilient and sustainable

Citi provides financing to city governments and companies around the world to deliver products and services that enhance quality of life for urban residents and enable cities to be more sustainable and equitable. The challenges presented by rapid urbanization around the world are the focus of SDG target **9.4**, which seeks to **upgrade industrial infrastructure**, as well as SDG target **11.2**, which includes an aim of **providing access to safe, affordable, accessible and sustainable transport systems for all**.

Rapidly expanding cities face challenges beyond the realm of physical infrastructure. Municipal leaders need to improve the overall efficiency of government services to make increasingly scarce public resources more effective and to meet the pressures of expanding populations. Here, too, the private sector has an opportunity for impact. Citi works in partnership with governments and local networks to develop technology-driven solutions to these challenges, thereby directly contributing to SDG target **9.3: increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets**.

Pathways to Progress



Reducing Youth Unemployment

The next generation of global leaders faces an enormous challenge: The unemployment rate for young people ages 16-24 is three times higher than it is for adults,⁹ with an estimated 71 million youth around the world looking for work in 2017.¹⁰ The needs are even greater among low-income and minority youth who encounter even bigger hurdles accessing education, skills training opportunities and jobs.

At Citi, we recognize that youth employment is intrinsically linked to the financial success of young people and to the future vitality of our cities and communities. Left unaddressed, youth unemployment will continue to have significant negative ripple effects on the economy. In response to this challenge, Citi and the Citi Foundation have been focused on preparing today's young people to be the most employable generation yet.

In 2014, the Citi Foundation launched Pathways to Progress, a three-year, \$50 million commitment to boost the employability of 100,000 young people in 10 major U.S. cities. After meeting that goal in 2016, the Citi Foundation expanded the commitment with an additional \$100 million to reach 500,000 youth worldwide by 2020. This latest investment, announced in early 2017, is the largest philanthropic commitment in the history of the Citi Foundation.¹¹

To reach the goal, the Citi Foundation is partnering with a range of organizations – from nonprofits to universities to municipalities – to help young people build skills, expand their networks and become career-ready through first jobs, internships, and leadership and entrepreneurship training. And as part of Pathways to Progress, we're leveraging the time and talents of 10,000 Citi employee volunteers.

GAUGING ECONOMIC PROSPECTS

We know that young people are optimistic and entrepreneurial, with strong ideas of what they need to succeed. To better understand these ideas, the Citi Foundation asked 7,000 young people in 45 cities across 32 countries the following questions: "What do you need to reach your economic goals?" and "What do your prospects look like?" These questions are explored in the [2017 Global Youth Survey](#), which examines the careers young people want to pursue, the resources available to them, and the obstacles that stand in their way. The most cited needs include on-the-job experience (48 percent), followed by more professional connections (41 percent). The insights are guiding the Citi Foundation's approach to investing in our future leaders.

⁹ International Labour Organization, [World Employment Social Outlook: Trends 2015](#), January 2015.

¹⁰ International Labour Organization, [World Employment Social Outlook: Trends for Youth 2016](#), August 2016.

¹¹ For more information on Citi Foundation and Pathways to Progress, please see [our website](#).

There are more than 1.2 billion young people around the globe – more than ever before. Of those, 156 million are working, yet living in poverty.¹² And an estimated 71 million are unemployed – a figure that is three times higher than the global adult unemployment rate.¹³

OUR COMMITMENT

\$100M Citi Foundation investment
TO REACH
500k young people
AND MOBILIZE
10k Citi volunteers

“The playing field isn’t level for young people, and Citi wants to change that. Mentors, internships and other career opportunities help young people create the foundations of their careers. We hear young people say they want to contribute to society, and I firmly believe that Pathways provides this chance.”

– Michael Corbat, Chief Executive Officer, Citi

INTERNATIONAL LABOUR ORGANIZATION PLEDGE

In 2017, as part of its Pathways to Progress initiative, the Citi Foundation became the first foundation to sign on to the Global Initiative on Decent Jobs for Youth (Global Initiative), which is aligned with the SDGs. The Citi Foundation is committed to support the operationalization of the The International Labour Organization’s Global Initiative and to report the outcomes of our work and how it contributes to the provision of decent jobs for youth.

“The Global Initiative on Decent Jobs for Youth provides a unique platform to deliver on the Sustainable Development Goals by scaling up action and impact on youth employment. Only by joining forces with multiple actors, such as the Citi Foundation, from the public and private sectors, social partners, civil society and beyond can we envision a world in which young women and men have access to decent jobs everywhere.”

– Ms. Susana Puerto, Senior Youth Employment Specialist, International Labour Organization

¹² United Nations Department of Social and Economic Affairs Population Division, [Population Facts](#), May 2015.

¹³ International Labour Organization, [World Employment Social Outlook: Trends for Youth 2016](#), August 2016.

Reducing Global Youth Unemployment

Youth unemployment is an issue that requires the work of a wide range of stakeholders to effectively solve. Citi and the Citi Foundation partner with municipal and community leaders in cities worldwide to help young people secure jobs, engage in the formal economy and contribute positively to their communities. Of the Citi Foundation's new \$100 million commitment, half is being invested in the U.S. and half in major cities around the globe. The Citi Foundation supports programs that include the following:

CITIES FOR FINANCIAL EMPOWERMENT FUND

Working in collaboration with mayors across eight U.S. cities to create summer jobs and financial empowerment opportunities for young people.

NETWORK FOR TEACHING ENTREPRENEURSHIP

Empowering young people across the U.S. to develop an entrepreneurial mindset, which is in high demand in the modern workforce and crucial for those starting their own business ventures.

LABORATORIA

Identifying low-income young women with high potential and giving them access to careers in tech to transform their futures.

YOUTH BUSINESS INTERNATIONAL

Providing thousands of aspiring young entrepreneurs across Europe with entrepreneurship training, access to capital and business mentoring, allowing them to turn their business ideas and startups into sustainable enterprises.





TECHNOSERVE

Working in Africa to help entrepreneurs connect to training, capital and mentoring in order to start or scale businesses that employ young people from their local communities.

INTERNATIONAL RESCUE COMMITTEE

Providing young urban refugees and internally displaced people in targeted communities across Europe, the Middle East and Africa with tailored employment and entrepreneurship training to help them secure and sustain employment.

BN VOCATIONAL

Helping young people in China from impoverished migrant families connect to vocational education and find skill-based jobs after graduation.

PRATHAM EDUCATION FOUNDATION

Connecting young migrants in India to vocational training, digital and financial education, and job placement services, while providing them with a support system for urban living.

BROTHERHOOD OF SAINT LAURENCE

Equipping disengaged youth in Australia with the skills essential to gaining employment and connecting them with opportunities to participate in experiential learning sessions to learn about various career trajectories.

Delivering on the SDGs

FOCUS SDG

GOAL 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

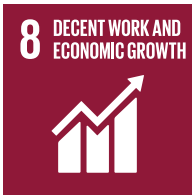
This particular SDG focuses on youth and has even more accelerated timelines than the overall 2030 framing: Target 8.6 aims to **substantially reduce, by 2020, the proportion of youth not in employment, education or training**. The Citi Foundation's Pathways to Progress initiative intends to do just that – and the Citi Foundation is already seeing positive results from these efforts. There is no one-size-fits-all solution to tackling rising youth unemployment. It will take a big, intentional commitment by the private and public sectors – and the right mix of partners working together – to expand opportunities for young people and remove the barriers that stand in the way of their progress. It is crucial to work with experts at the local, country and regional levels to identify the unique challenges and opportunities that align with the economic aspirations and expectations of the young people we are committed to supporting.

RELATED SDG

GOAL 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The Citi Foundation's focus on youth unemployment also directly contributes to SDG 4 – particularly target 4.4, which aspires, by 2030, **to substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship**.

Inclusive Finance



2B

adults around the world
are outside the formal
banking sector

9%

fewer women than men
hold bank accounts

Promoting Access to Finance for All

While the rise of mobile technology has expanded access to financial products and services, there are still 2 billion adults globally outside of the formal banking sector.¹⁴ According to the United Nations, the problem of financial exclusion disproportionately affects women and poorer populations. Specifically, 9 percent fewer women than men hold bank accounts, while the proportion of account holders among the poorest 40 percent of households is 14 percent lower than that of the richest 60 percent.¹⁵

At the individual or household level, lack of access to basic financial tools means families may be unable to weather disruptions in income or achieve savings goals. The realities of financial exclusion also have national and global economic ramifications. Small and micro-businesses are key drivers of economic growth and job creation in many regions, but oftentimes these businesses face hurdles in accessing traditional financing. Equitable and inclusive access to financial services works hand-in-hand with sustainable development.

Citi employs a range of approaches to develop tailored solutions for these markets – an area we know we need to continue to expand. Our dedicated Inclusive Finance team works across Citi’s businesses globally to identify solutions to expand financial access.¹⁶ For example, we deploy mobile payment platforms that allow individuals and small and micro-business owners to better manage cash flows and improve financial outcomes. We also invest in companies and initiatives that expand access to finance in underserved markets around the world and support the financial integration of migrants and immigrants in the U.S.

¹⁴ World Bank, [The Global Findex Database 2014](#), April 2015.

¹⁵ United Nations Economic and Social Council, [Progress Towards the Sustainable Development Goals: Report of the Secretary-General](#), June 2016.

¹⁶ For more information on the work of Citi’s Inclusive Finance team, see [our website](#).

Financing Inclusive and Sustainable Economic Growth

Citi works globally to develop solutions that enable the bank, its clients and partners to expand access to financial services and advance economic progress in underserved markets of the world.

GLOBAL

Partnered with the U.S. government’s Overseas Private Investment Corporation to provide more than \$431 million to 47 microfinance institutions in 25 countries, reaching over 1.2 million borrowers, 92 percent of which were women.



\$431M+

provided to 47 microfinance institutions in 25 countries



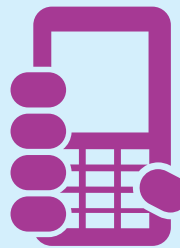
Citi: World’s Best Bank for Financial Inclusion

Euromoney Awards for Excellence

In 2017, Euromoney magazine awarded its inaugural World’s Best Bank for Financial Inclusion Award to Citi.

KENYA

Partnered with One Acre Fund – a social enterprise that provides bundles of farming inputs to small-holder farmers – to digitize loan repayments by introducing a mobile money service. This service boosted transparency and efficiency and increased farmer income by 48 percent, compared to peer groups.¹⁷

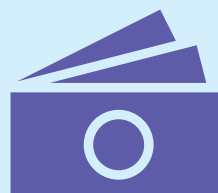


48%

increase in farmer income due to a partnership that digitizes loan repayments through a mobile money service

ASIA-PACIFIC

Signed an agreement with the Asian Development Bank in 2016 to facilitate up to \$100 million of local currency loans to microfinance institutions in the Asia-Pacific region.



Facilitate up to

\$100M

of local currency loans to microfinance institutions in Asia-Pacific

¹⁷ Better Than Cash Alliance, How Digitizing Agricultural Input Payments in Rural Kenya Is Tackling Poverty: The Case of One Acre Fund, May 2017.

MEXICO

Created the Citibanamex Financial Inclusion unit, dedicated to bringing the country's 38 million unbanked adults into the formal banking sector.

Co-created Transfer – a joint venture between Citi and America Móvil, the largest telecommunications company in Latin America – to leverage mobile banking technology to expand access to financial products to all segments of the population in Latin American countries, particularly among low-income, rural communities. As of 2017, there are 7.7 million active Transfer accounts, 80 percent of which belong to previously unbanked customers.

Successfully priced Mexico's first ever Social Bond, a \$229 million bond issued to finance a range of projects across Mexico, from job creation to small enterprise development to investments in energy efficiency that will reduce utility costs for low-income households.



\$229M

Social Bond issued to finance a range of projects across Mexico

UNITED STATES

Partnered with the City and County of San Francisco and the San Francisco Unified School District to create Kindergarten to College (K2C), the nation's first publicly funded universal youth savings account program.

Provide more than 300,000 customers of participating minority-owned banks and credit unions with the ability to withdraw cash with no surcharge fee at 2,400 Citibank® branch ATMs through the Citi ATM Community Network. Participating banks can be found in Chicago, Los Angeles, Miami, New York, San Francisco and Washington, D.C.

Created the Access Account, a checkless bank account with no or low monthly fees, no overdraft fees, the ability to link to a savings account and access to Citi's digital banking network and retail and ATM locations. One of Citi's fastest-growing products within the Global Consumer Bank in 2016, the Access Account is one example of how we are building viable solutions for often-overlooked segments of the U.S. market, including low-income individuals, senior citizens and recent immigrants.



300K+

customers of participating minority-owned banks and credit unions have the ability to withdraw cash at Citi ATMs with no surcharge fee

Delivering on the SDGs

FOCUS SDGs

GOAL 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

GOAL 9

Build resilient infrastructure, promote sustainable industrialization and foster innovation

The United Nations Secretary-General states that “while economic growth and employment are important for economic security, access to financial services is an essential component of inclusive growth.”¹⁸

Citi’s work with our clients and partners to develop technology-driven solutions that expand access to safe, appropriate financial services to unbanked and underbanked micro and small business owners around the world aligns with SDGs 8 and 9, which highlight the need to expand financial access to all. In particular, Citi’s Inclusive Finance efforts support SDG target **9.3**, which seeks **to increase the access of small-scale enterprises, particularly in developing countries, to financial services to facilitate integration into value chains and markets** – as well as 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**.

RELATED SDGs

- GOAL 1: End poverty in all its forms everywhere
- GOAL 5: Achieve gender equality and empower all women and girls

Access to finance is a crucial element of raising the economic status of poor and traditionally marginalized groups. Citi’s Inclusive Finance work aligns closely with target 1.4, to **ensure that all men and women, particularly the poor and vulnerable, have equal rights to economic resources, as well as appropriate new technology and financial services** – and target 5.A, which emphasizes the need to **give women equal rights to economic resources and access to financial services**.

¹⁸ United Nations Economic and Social Council, [Progress Towards the Sustainable Development Goals: Report of the Secretary-General](#), June 2016.

Women's Economic Empowerment



Leveling the Playing Field for Greater Growth

Gender inequality is more than just a social or ethical issue—it is an economic problem felt across all aspects of society. By increasing women's participation in the labor force, productivity rises while the skill mix across the global economy improves, yet the labor force participation of women continues to lag behind that of men in both developing and developed countries. Closing the labor force gender gap could add 12 percent to the GDP of countries within the Organisation for Economic Co-operation and Development in the next 15 years, while some developing countries could see increases of over 20 percent in the same period.¹⁹

At Citi, we approach the issue of gender equality and women's economic empowerment through a range of programs that dovetail with our work on other development issues. For example, Citi's Inclusive Finance team addresses access to finance (see page 23) for women entrepreneurs, while the Citi Foundation's Pathways to Progress program (see page 18) works with partners to accelerate access to quality job opportunities and provide financial and leadership training to the next generation of female leaders.

Diversity and inclusion are strategic priorities for Citi, and gender diversity is a key focus. We are working to promote greater gender equality within our company and in our supply chain through dedicated leadership and diversity programs. Currently, only 1 percent of corporate procurement contracts globally are awarded to women-owned businesses.²⁰ Citi has an inclusive supplier program that is working to increase our spend at women-owned businesses. We recently partnered with UN Women to publish a corporate guide to gender-responsive procurement called [The Power of Procurement: How to Source from Women-Owned Businesses](#), a publicly available resource that shares knowledge and best practices on how corporations can increase the procurement of goods and services from women-owned businesses, with practical tools and techniques to develop more diverse supply chains.

As an extension of our partnership with UN Women, Citi has been invited to participate in a public-private coalition launching September 2017 at the United Nations General Assembly called the [Global Innovation Coalition for Change](#). This 20-member coalition is being created to better leverage the full potential of innovation, technology and multi-stakeholder partnerships to catalyze change for women and girls across the globe. Yolande Piazza, Global Head of Citi FinTech, will represent Citi during the inaugural term.

¹⁹ Citi GPS: Global Perspectives & Solutions, [Women in the Economy: Global Growth Generators](#), May 2015.

²⁰ UN Women, [The Power of Procurement: How to Source From Women-Owned Businesses](#), 2017.

CITI'S TINA FORDHAM APPOINTED TO UN SECRETARY-GENERAL'S HIGH-LEVEL PANEL ON WOMEN'S ECONOMIC EMPOWERMENT

Tina Fordham, Citi's Chief Global Political Analyst, spearheaded and coauthored the 2015 Citi GPS report [Women in the Economy: Global Growth Generators](#). Off the back of this report, she was appointed by Secretary-General Ban Ki-moon to the United Nations' first-ever High-Level Panel on Women's Economic Empowerment (HLP), the only appointee from the financial sector. Fordham was a prominent member of the panel and served as co-chair of the HLP's working group on Changing Business Culture and Practice, which produced a value chain approach-based self-audit model for government entities and companies seeking to reduce gender inequality.

Having addressed the United Nations General Assembly (UNGA) in 2015 and 2016, attesting to Citi's commitments as part of the HLP's work, Fordham will again present at the UNGA in September 2017 at the Group of Champions meeting. Her forthcoming GPS report, expected in October 2017, will update the information in the Women in the Economy report and feature the HLP's work prominently.

Through a range of development and empowerment initiatives, Citi is working to bring women's economic inclusion to the forefront of the global discussion.

ACCESS TO FINANCE

More than one in eight women in the U.S. live in poverty.²¹ Entrepreneurship can be a key tool to escape the cycle of poverty, yet the total dollar value of loans to women entrepreneurs account for only 4 percent of all conventional small business loans.²² Novel solutions are needed to bring accessible financial products to the unbanked and underbanked.

In 2008, the international finance organization Grameen Bank opened its first Grameen America branch and, with the help of specially designed Citi savings accounts, has grown the number of active accounts to over 12,000 as of June 2017. Grameen also provides small loans for the creation of micro-enterprises by its members, the majority of whom are Hispanic women in the U.S. new to traditional banking. In 2017, Citi and Grameen America announced plans to expand its reach through improved digital access.

²¹ National Women's Law Center, [National Snapshot: Poverty Among Women & Families, 2015](#), September 2016.

²² U.S. Senate Committee on Small Business and Entrepreneurship, [21st Century Barriers to Women's Entrepreneurship](#), July 23, 2014.

ACCESS TO MARKET OPPORTUNITIES

While the number of women-owned firms in the U.S. has increased dramatically over recent years – growing as much as five times faster than the national average – there is still a gap to close for women entrepreneurs to reach parity with men. Access to market opportunities and contracts is a crucial part of maintaining that growth and ensuring long-term financial success.

Citi provided funding and guidance to Interise, a nonprofit organization, to scale its Streetwise MBA curriculum, an initiative focused on enabling minority- and women-owned businesses to find long-term contracts with large organizations. Thanks in part to this scaled-up curriculum, Interise businesses have secured \$1.4 billion in government, corporate and institutional contracts since 2014.

Within Citi, we also strive to directly work with more women-owned businesses. Through our Citi Supply Chain Development, Inclusion and Sustainability Program, we provide access to business opportunities, mentorship, education and training to qualified diverse businesses, including women-owned companies.

INCREASING GENDER DIVERSITY WITHIN CITI

We continue to work to increase female representation across all levels of the firm. We started Citi Women in 2006 as a global initiative to advance women's representation in leadership roles across the business. This year, we've enhanced this work by appointing members of our CEO's leadership team to co-chair Citi Women and other affinity groups across the firm. These affinity groups are designed to ensure that we understand, appreciate and leverage the uniqueness of our entire employee base.

For our hiring practices, we use diverse slates for managing director and director level hires to ensure that qualified women globally and/or racial and ethnic minorities in the U.S. are interviewed and considered for our open roles. In 2016, 71 percent of interview slates for managing director and director positions included at least one diverse candidate. We also launched diverse interview panels in 2016 to ensure the diversity of our interviewers who represent Citi. In our inaugural year, 74 percent of managing director level hires were interviewed by a panel with at least one diverse panel member. These practices are important levers for us to ultimately achieve our goal of increasing diversity and the representation of women. Thanks to these programs, women at Citi have made solid progress over the past few years, and now account for 24 percent of managing directors and directors globally.

We recognize that we must continue working to promote female leadership within Citi and the financial services industry. Citi recently signed on to the U.K. Treasury's Women in Finance Charter, which is working to create permanent and sustainable change in gender diversity at senior levels across the financial services industry in the U.K.

51%

of our workforce
is female

24%

of our managing directors
and directors globally
are female

Delivering on the SDGs

FOCUS SDG

GOAL 5

Achieve gender equality and empower all women and girls

When women and girls are given the tools they need to realize their economic potential, and when the door to economic opportunities is open to them, they will be overall less vulnerable to gender inequality issues and unequal power dynamics.

Citi takes a tactical approach to gender equality through a range of initiatives and directly contributes to SDG target **5.A**, which focuses on giving **women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources.**

RELATED SDG

GOAL 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Citi's efforts in gender diversity and equality also directly contribute to target 8.5 of SDG 8, which strives **to provide full and productive employment and decent work for all women and men, and equal pay for work of equal value.**



United Nations High-Level Panel on Women's Economic Empowerment
(Photo credit: UN Women/Ryan Brown)

Open Innovation



Quickening the Pace of Change

Citi's Open Innovation Programs – a series of global, virtual accelerator competitions aimed at boosting digital transformation in different industries – offer high-impact programs to accelerate the bank's access to disruptive digital business models. Some of our programs include: Citi Mobile Challenge, Data Scientist Challenge, Smarter Worklife Challenge, HK Fintech Challenge and Citi Tech for Integrity Challenge.

The rapid rise of digital technologies in recent years presents a valuable opportunity to create efficiencies and increase transparency and accountability, while providing greater financial access and inclusion. By working with fintech startups, tech innovators, legacy corporations, technology providers, developers, universities and public institutions, our Open Innovation Programs bring solutions to both Citi and our clients.

CROWDSOURCING DIGITAL SOLUTIONS FOR BETTER GOVERNANCE

One often-overlooked area of concern in the quest for inclusive growth is government integrity and corruption. Estimates vary, but the World Economic Forum puts the cost of corruption at 5 percent of global GDP, or about \$3.7 trillion,²³ affecting an estimated 1.6 billion people globally.²⁴

In 2017, Citi focused on the issue of government integrity through our Open Innovation Programs and launched the Citi Tech for Integrity Challenge (T4I).²⁵ T4I invited a global community of tech innovators to develop cutting-edge solutions aimed at issues that governments and many private and public institutions face, such as financial crimes, corruption, crisis management and aid, and bureaucracy. During six regional Demo Days around the world, T4I identified companies with game-changing technological capabilities and matched those companies to governments' needs. Participants received a targeted curriculum, access to developer tools and mentorship from our network of allies.

Supporting organizational infrastructure for government integrity is not only a huge market opportunity, but also helps the many public-sector clients with which Citi works to achieve other interconnected goals, such as urban resilience and financial inclusion.

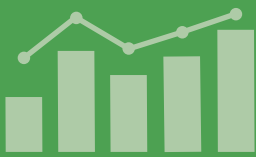
²³ The Organisation for Economic Co-operation and Development, [The Rationale for Fighting Corruption](#), 2014. Calculated using World Bank GDP figures.

²⁴ Richard Rose and Caryn Peiffer, [Paying Bribes for Public Services: A Global Guide to Grass-Roots Corruption](#), March 2015.

²⁵ For more information on the Citi Tech for Integrity Challenge, please see [our website](#).

The Tech for Integrity Challenge drew small- and large-scale innovators from countries around the world, including many developing nations, and provided material business support resources.

FINALISTS THAT EXHIBITED AT REGIONAL DEMO DAYS INCLUDED:



A machine-learning startup based in India that can provide analytics and visualization to address the challenges of financial crimes and lack of transparency



A video reporting app that crowdsources information about infrastructure and public service issues in Mexico to enhance government services and promote ethics and engagement



A cashless solution for public transit in Nigeria that will improve the efficiency of government transactions and reduce the risks associated with the use of cash

T4I PARTICIPANTS TARGETED EIGHT AREAS OF GOVERNMENT INTEGRITY

- Government Transactions
- Culture, Ethics & Engagement
- Information, Security & Identity
- Procurement
- Crisis Management & Aid
- Paper, Cash & Manual
- Analytics, Reporting & Transparency
- Financial Crimes & Illicit Activities

“By harnessing new technologies through open innovation and applying them to integrity issues, we will facilitate solutions that will increase transparency and support the fight against corruption. We hope that this challenge will not only change the integrity paradigm, but demonstrate the power of scaled global public-private partnerships.”

– Jay Collins, Vice Chairman of Corporate and Investment Banking, Citi

Delivering on the SDGs

FOCUS SDG

GOAL 9

Build resilient infrastructure, promote sustainable industrialization and foster innovation

Despite ongoing progress, developing countries still lag developed nations in spending on research and development. In addition, they face a credit gap of between \$3.2 trillion and \$3.9 trillion for small and medium-sized enterprises.²⁶

For this reason, investments in innovation, particularly in the developing world, which are a key focus of our Open Innovation Programs, are important to achieving progress toward several Global Goals. SDG target 9.5, for example, includes a mandate to **enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries and encourage innovation.**

RELATED SDG

GOAL 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Citi's T4I Challenge also directly impacts SDG 16, including targets **16.5, substantially reduce corruption and bribery in all their forms,** and **16.6, develop effective, accountable and transparent institutions at all levels.**

Corruption costs trillions of dollars every year. New information and communication technologies have helped expose the extent of corruption worldwide, and collaborative and innovative efforts like the T4I Challenge support progress toward achieving this critical Global Goal.

²⁶ United Nations Economic and Social Council, [Progress Towards the Sustainable Development Goals: Report of the Secretary-General](#), June 2016.

Partnerships

Our diverse and wide-ranging partnerships strengthen our business and our ability to innovate and drive progress. We see the same potential in partnerships to collectively achieve the SDGs.

Our impact and reach would not be possible without the commitment, expertise and resources of partner organizations – from our clients and suppliers to non-governmental organizations (NGOs) and other sectors of society.²⁷

Citi participates in a range of partnerships – with clients, governments, NGOs, academic institutions, companies ranging from startups to large multinational corporations, etc. – to succeed on the initiatives described in more detail throughout this report.

Through Pathways to Progress (see page 18), the Citi Foundation partners with universities, municipal leaders, community organizations, youth and Citi employees, while in Citi for Cities (see page 14) success depends on our partnerships with local, subnational and national governments. For our Open Innovation Programs (see page 31), we actively collaborate with startups and other companies, public-sector clients, venture capitalists, aid and development organizations who – together – develop innovative fintech solutions to real-world challenges.

These partnerships, among many others, highlight how our work enables SDG target 17.3, which seeks to **mobilize additional financial resources for developing countries from multiple sources, including the private sector, and ensure sufficient financing is available to achieve the SDGs.**

Together we are working to enable progress around the globe and realize the future we want.

²⁷ For more details on our stakeholder engagement and partnerships, please see our [2016 Citizenship Report](#).

GOAL 17

Strengthen the means of implementation and revitalize the global partnership for sustainable development

“Goal 17 provides Citi with a high ambition that leverages our unique approach to partnerships. We see partners as fundamental to our success as a business, and we also believe they are critical to developing working solutions to the challenges that the SDGs present.”

– Brandee McHale, Director, Corporate Citizenship, Citi & President, Citi Foundation



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