

Statement on Human Rights

Updated April 2018

Introduction

Citi supports the protection and elevation of human rights around the world and is guided by fundamental principles of human rights, such as those in the United Nations Universal Declaration of Human Rights¹ and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration").² Citi is also a signatory to the United Nations Global Compact. Citi supports the United Nations Guiding Principles on Business and Human Rights³ ("UN Guiding Principles") including the corporate responsibility to respect human rights. Our support for these fundamental principles is reflected in our policies and actions towards our employees, suppliers, clients, communities and the countries where we do business.

As a global financial institution, Citi can impact human rights as an employer and can have an influence on human rights through our business relationships with clients and suppliers. We have established a set of policies and standards, described below, which reflect Citi's [Mission and Value Proposition](#). Through these policies and standards and related due diligence, Citi seeks to implement our responsibility to respect human rights with regard to our employees, suppliers, clients, communities and host countries.

Our Employees

Citi believes that our employees should be treated with respect and dignity and work in an environment that is free from harassment and unlawful discrimination. We are guided by principles such as those in the ILO Declaration.

Citi's commitment to respect human rights in the workplace is manifested in our [Code of Conduct](#) and human resources policies and practices. These policies state, among other things, that we value and promote workforce diversity and do not tolerate unlawful discrimination or harassment. We maintain an ethical work environment that reflects the core values of our company, and we provide a safe and secure workplace. We also communicate Citi's position on human rights to our employees, and our employees are expected to uphold these standards.

Our employees have access to an [Ethics Hotline](#), through which concerns, questions and grievances can be raised and resolved effectively. Employees are strongly encouraged to raise ethics, discrimination or harassment matters, and to report suspected violations of applicable laws, regulations and policies. Retaliation for raising these concerns in good faith is prohibited.

¹ The Universal Declaration of Human Rights was adopted by the United Nations in 1948 and is widely regarded as the international community's fundamental human rights framework.

² The ILO Declaration includes eight core conventions related to freedom of association and collective bargaining, elimination of forced and compulsory labor, elimination of discrimination and abolition of child labor.

³ The UN Guiding Principles provide guidance on implementing the United Nations' "Protect, Respect, and Remedy Framework": The State duty to protect human rights; the corporate responsibility to respect human rights; and access to remedy.

Our Suppliers

Citi strives to respect human rights through its supply chain by encouraging actions that are consistent with and further the objectives of the [Citi Statement of Supplier Principles](#), and by using suppliers whose corporate values are consistent with ours. Specifically, Citi encourages suppliers to follow best practices in the areas of freely chosen employment; child labor avoidance; working hours; respect in the workplace; wages and benefits; and health and safety. We see relationships with our suppliers as an opportunity to share best practices and to promote continual learning and improvement with respect to human rights.

Our Clients

Citi seeks to do business with clients who share our values with respect to human rights. We strive to carry out appropriate due diligence on clients to maintain high ethical standards and to protect our franchise. Through our client relationships we have an ability to share best practices, which we believe will help further the respect of human rights around the world.

Citi is subject to numerous laws and regulations that require us to know our clients, and we have instituted policies and processes to prevent our services from being used for improper purposes such as money laundering, which can be associated with fundamental human rights abuses such as human trafficking. Citi is also subject to laws and regulations prohibiting commerce with certain countries, organizations and individuals. These laws, regulations and Citi's internal policies help us determine whether it is appropriate or permissible to enter into client relationships and transactions.

Citi's status as a global bank affords us opportunities to promote environmental and social responsibility around the world, and we respect human rights through our client engagements and through the due diligence we perform related to transactions. Citi has developed internal policies such as the [Environmental and Social Risk Management \(ESRM\) Policy](#), which contains environmental and social standards including the Equator Principles and is an important component of our human rights approach. The ESRM Policy contains certain human rights due diligence requirements that are consistent with the due diligence framework set forth in the UN Guiding Principles.

Communities and Stakeholders

Under our ESRM Policy and the Equator Principles, community and human rights related issues are addressed, where relevant, in a client's Environmental and Social Assessment documentation.⁴ Specific community issues that may arise during our transactional due diligence include the protection of community health, safety and security; the protection of cultural property and heritage; land acquisition and involuntary resettlement; stakeholder engagement with, and grievance mechanisms for, affected stakeholders, including disadvantaged or vulnerable groups. We also look at the potential for project-related conflict risk and treat transactions with extra caution and conduct enhanced due diligence (which may require Independent Review by a qualified social expert) when a company's assets may pose adverse effects to Indigenous Peoples. In particular, globally in project-related lending for projects involving involuntary resettlement of indigenous communities, significant impacts on land and natural resources traditionally used by the community, or significant impacts on critical cultural heritage, project sponsors are expected to have engaged in meaningful consultation with directly

⁴ In limited high risk circumstances, it may be appropriate for the client to complement its Environmental and Social Assessment documentation with specific human rights due diligence.

affected Indigenous Peoples, with the goal of achieving Free Prior and Informed Consent (FPIC).⁵

In relevant ESRM-covered transactions, we work with clients through our due diligence processes to ensure that access to grievance mechanisms and a process for seeking effective remedy are available. In addition to certain safeguards related to the above issues, Citi's ESRM Policy has a specific prohibition on harmful or exploitative forms of forced labor and child labor.⁶

Host Countries

With operations in close to 100 countries, Citi is well positioned to be a constructive influence for human rights in the countries where we do business. We recognize that the laws of some countries where we do business differ from some of the global standards of human rights noted above. In such cases, we seek ways to promote respect for human rights in a manner consistent with our own global internal policies and standards while remaining mindful of the local context. At the same time, we know that our example can help elevate the local standards in the markets where we do business. We carefully evaluate the strategy in each country in which we operate so that Citi can do business while maintaining high ethical standards.

We review this Statement on Human Rights periodically to reflect ongoing learning and emerging best practice. We communicate internally and externally on human rights, and we conduct trainings for employees as needed on our human rights approach and related policies. We engage with a variety of stakeholders on human rights related issues, and we report on our progress in our annual Global Citizenship Report and on our [website](#). Citi's Statement on Human Rights is approved by senior management and reviewed by the Nomination, Governance and Public Affairs Committee of Citi's Board of Directors, which receives reports from and advises management on the company's sustainability policies and programs, including human rights.

⁵ While there is no universally accepted definition of FPIC, it is well-accepted that it comprises both a process and an outcome through which governmental authorities and project sponsors engage in good faith negotiations with project-affected indigenous communities to ensure their meaningful participation in decision making regarding project impacts that affect them, with a focus on achieving agreement. FPIC does not require unanimity among entire communities nor does it confer veto rights to individuals or sub-groups or require the client to agree to aspects not under their control.

⁶ For additional detail on implementation of our ESRM Policy, see our [Environmental and Social Policy Framework](#).