

## WORLD'S BEST BANK FOR CORPORATE RESPONSIBILITY

## CITI

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As corporate responsibility comes to be regarded as just regular bank business by shareholders, employees and clients, it is interesting to see which banks are simply ticking boxes and which are sincerely seeking to use their powerful positions to serve society.

Citi falls firmly into the latter category. Through its internal policies, its public statements on key global issues and the use of its capital and philanthropic dollars to shore up the financial industry and local economies in which it operates, Citi has consistently demonstrated its commitment to work alongside communities and support their growth.

Within that commitment, chief executive Mike Corbat, supported by Ed Skyler, executive vice-president of global public affairs, is unafraid to be the industry's first mover on challenging topics, making the bank the deserved winner of Euromoney's award for the world's best bank for corporate responsibility.

The focus on improving economies for everyone is something that runs deep at Citi, and Corbat points to the history of the firm being one of enabling economic progress through financing big projects like the Panama Canal, the Eerie Canal and, more recently, New York's La Guardia airport. That approach has deepened to include lending to microfinance organizations around the world, and, in the US, the financing of affordable housing – an area where the bank leads its peers.

In this regard, it goes beyond its role as financier, by working to create community land trusts in rapidly gentrifying cities that will prevent land from being converted to premium market housing use.

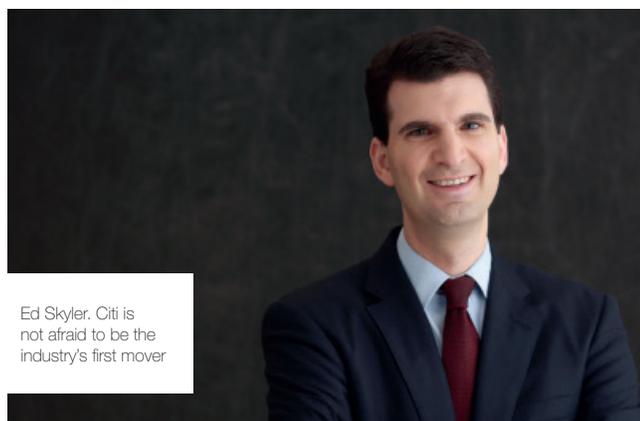
This long-term view is where the bank excels. Long engaged in financial inclusion under the leadership of Bob Annibale, global director of inclusive finance and community development, Citi has understood in a way that no other large US bank has that the financial industry needs to be diverse. Citi supports many minority-owned banks and credit unions in the country by giving 400,000 of their clients access to its nationwide ATM network.

"We need banks of all sizes – community, regional, national, global," says Corbat. "If any one of those went away, there wouldn't be a natural fit to fill the space."

In the US, the bank offers a no- or low-cost checkless bank account – Access – aimed at the elderly, recent immigrants and low-income individuals.

Outside the US, the bank applies the same level of detailed long-term commitment. In Kuala Lumpur, for example, the bank is transforming green spaces for low-income communities. In South Korea, it has created a mobile app for vulnerable populations. Through Banamex in Mexico, it has brought financial services to millions of formerly unbanked people.

Responsibility and caring for community is deeply embedded among the bank's employees, who must also take credit for this award. Graduate hires, for example, are given a year off before starting at the bank to work in a non-profit of their choosing. Indeed, employees volunteer in such numbers it is difficult to see how Brandee McHale, global head of Citi Foundation and corporate citizenship, finds time to manage all the work being done.



Ed Skyler. Citi is not afraid to be the industry's first mover

For example, some 1,800 Citi employees provided call-centre support after hurricanes Irma, Harvey and Maria, answering 15% of the American Red Cross calls from people seeking financial help or looking for loved ones.

The bank backed up its volunteer support by donating to the American Red Cross and waiving or refunding any late fees on its cards and loans, and deferring minimum payments due for those impacted.

Citi Foundation's impact is vast, focusing on sustainable and thriving cities and youth employment – the latter through its Pathways to Progress initiative (also developed and run by McHale). Last year, the bank doubled its support with a new three-year \$100 million commitment. Citi was one of the first banks to respond to the refugee crisis. In 2017, it partnered with the International Rescue Committee to invest in training and placement for young refugees in Nigeria, Jordan and Greece.

Its own employees see similar levels of support, with heads of business leading affinity groups, such as its LGBT group headed by Jamie Forese, president of Citigroup, and a firm-wide commitment to equality through specialist training for women in trading and tech, for example.

Citi was also the first bank in the US to disclose its pay gap for minority and female employees publicly; and Corbat was fast to respond to US immigration reform and Charlottesville's white supremacist rally to ensure Citi staff knew the bank supported its immigrant workers and its employees of colour.

Finally, the bank must be praised for some difficult stands it has made over the last year. After hosting the people of Standing Rock at its offices, Citi took the decision to increase diligence on human rights and indigenous people's rights in pipeline financing. You won't find the bank in the controversial Trans Mountain Pipeline deal, for example.

It also created a firearms policy this year after a spate of mass shootings – including at the Marjory Stoneman Douglas High School in Parkland, Florida, in which several of its own employees were affected. Such topics are not easy for financial institutions to address, yet increasingly, given their enormous size and financial clout, they are being asked to do so.

Skyler and Corbat deserve personal credit for leading the industry in embracing corporate responsibility even when the conversations become challenging.

