



2017 Corporate Responsibility Report





Colleagues

17,600



Total Assets

\$152.3
BILLION



Deposits

\$115.1
BILLION



Branches

1,150



ATMs

3,300

About Citizens Financial Group, Inc.

Citizens Financial Group, Inc. is one of the nation's oldest and largest financial institutions, with \$152.3 billion in assets as of December 31, 2017. Headquartered in Providence, Rhode Island, Citizens offers a broad range of retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions. Citizens helps its customers reach their potential by listening to them and by understanding their needs in order to offer tailored advice, ideas and solutions.

In Consumer Banking, Citizens provides an integrated experience that includes mobile and online banking, a

24/7 customer contact center and the convenience of approximately 3,300 ATMs and approximately 1,150 branches in 11 states in the New England, Mid-Atlantic and Midwest regions. Consumer Banking products and services include a full range of banking, lending, savings, wealth management and small business offerings.

In Commercial Banking, Citizens offers corporate, institutional and not-for-profit clients a full range of wholesale banking products and services, including lending and deposits, capital markets, treasury services, foreign exchange and interest rate products and asset finance.

Company data as of December 31, 2017.

A Letter from Our Chairman and Chief Executive Officer

The Citizens Credo calls for us to “perform our best every day so we can do more for our customers, colleagues, communities and shareholders.” These are not just words to us — they represent the core of who we are as a company.

We are also guided by our vision to be a top-performing bank that delivers well for all of our stakeholders. I am proud of the tremendous progress we have made since going public in September 2014. This first Citizens Financial Group Corporate Responsibility Report provides an overview of how we’re putting our commitment to work in serving our customers well, providing our colleagues with a great place to work and build a career and helping strengthen the communities where we live, work and play.

Customers are at the heart of everything we do, and we have made great strides in offering tailored advice, ideas and solutions that enable our customers to succeed on life’s journey and reach their potential. Putting strong data security and fraud prevention capabilities in place goes hand-in-hand with this effort, in order to protect our customers’ privacy. In this report, we also outline some of the steps we have taken to help improve the financial literacy of individuals, families and small businesses, giving them the confidence in their finances that inspires them to pursue new and greater goals.

It’s the strength and commitment of our colleagues that create great customer experiences, and this report addresses the meaningful steps we have taken to create the kind of diverse, ethical and high-performing culture that is critical to guiding our customers through their life’s financial journey. We have improved training and skills development opportunities at all levels and are implementing new and agile ways of working. In 2017, we also enhanced our Diversity & Inclusion initiatives to further strengthen our culture, ensuring that we continue to grow as a place where all of our customers and colleagues are respected, valued and heard.

A key element of our commitment to corporate responsibility is strengthening our communities. This commitment is rooted in our belief that good citizens help each other and that when our communities prosper, we all thrive. We continue to play an active part in fostering the well-being of our communities

and in creating more opportunities for our neighbors and neighborhoods. Our report shares some of the ways we bring others together in partnership to build local capabilities and make a direct impact on the overall health and vibrancy of our communities. It also shows how our colleagues are rolling up their sleeves to work alongside others and share their skills to make a difference.

Another area where we have made strides is Environmental Sustainability, where we have implemented a comprehensive policy designed to reduce our environmental impact and are working with external partners to strengthen our environmental performance. We are committed to better managing our energy and other environmental impacts, and will build upon the foundation we have created to continue to advance this important work. The highly-efficient design of the fully modern corporate campus we are constructing in Johnston, RI, is just one tangible sign of our commitment in this area.

Since 1828, our commitment to good corporate citizenship has been unwavering — a way of thinking and acting that is woven into the fabric of our business. I’m pleased by the work we have done in this area, and excited by the opportunities before us. Doing our best to help our customers, colleagues and communities reach their potential is a privilege and a right that must be earned every day. And when this commitment is kept front and center, we gain and keep the trust of our stakeholders. When that happens, we all win.

Thank you for your interest in Citizens and in our efforts to further strengthen our corporate responsibility initiatives.

Kind regards,



Bruce Van Saun
Chairman and Chief Executive Officer
Citizens Financial Group, Inc.



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Chairman and Chief Executive Officer
Citizens Financial Group, Inc.



Customers

In our increasingly complex world, financial management has real and direct consequences for everyone from individuals to global corporations. We are aware that our customers entrust us with their financial well-being every day. It's a privilege to walk this path with them and a right we must earn every day. For customers to truly trust us, they must believe that their information is secure, and we are committed to continuously investing in and enhancing our data security and fraud prevention infrastructure. We also know that money doesn't come with instructions, so we provide tools to help individuals and businesses improve their financial acumen.

Data Security

We are committed to protecting our customers' data against constantly changing threats. We have developed strong Cybersecurity and Business Resilience programs, with effective controls in place to safeguard our customers' information and their privacy. We have developed partnerships with law enforcement agencies, industry experts and other organizations to help us prepare for emerging threats. We have also developed and supported programs within the public and private sectors to not only enhance our own efforts, but also to help the business community best prepare for emerging threats.

We continue to hire top industry talent within our Corporate Security and Resilience (CS&R) organization and are continuously training and developing our CS&R colleagues to build our capability. We also partner with local universities to help develop the upcoming cyber workforce. We help to tailor curriculum, offer internships and hire recent graduates.

We are committed to making sure that our customers are educated about emerging cyber threats and fraud trends. We utilize branch signage, our online banking platform and our social media channels to provide our customers with information and tips to help protect themselves from current threats.



We are a founding member company of the "Rhode Island Alliance for Business Resilience," which is a voluntary effort designed to facilitate communication and coordination between Rhode Island businesses and government agencies before, during and following manmade or natural events that could disrupt operations.

Fraud Prevention

Citizens has invested heavily in Fraud Prevention and Authentication capabilities. Our comprehensive Fraud Prevention and Authentication programs leverage a layered technology approach to protect our customers. With an ever-growing concern regarding fraud and data breaches in the industry, we have developed new authentication practices, monitoring tools and early identification practices to protect our customers.



Our layered technology approach has resulted in a 25% reduction in ATM/Debit Card and Credit Card fraud losses between 2016 and 2017.

While we diligently take measures to protect our customers, we also continue to invest in our customer experience as it relates to fraud interactions. Technologies that reduce friction, such as two-way text, One-Time Password texts and email communication are staples to ensure a positive and efficient experience. As the industry evolves, so does fraud. Citizens Bank is committed to continuous investment in fraud prevention in order to protect our customers.

Financial Literacy

Citizens Helping Citizens Manage Money is our comprehensive program that gives our fellow citizens the tips and tools they need to gain financial knowledge and confidence. The more people understand about budgeting, savings and borrowing, the more likely they are to improve their financial well-being. This, in turn, helps strengthen our neighborhoods and communities.

In 2017 we provided more than \$1.5 million in contributions to 91 nonprofit organizations in our communities that are providing financial education programs for individuals, families and small businesses. The programs we funded helped to improve the financial acumen of more than 310,000 Americans seeking a better understanding of financial topics ranging from basic budgeting to building short- and long-term financial plans.

We also have a corps of colleague volunteers that we call “Community Ambassadors,” who are trained to deliver interactive, informative financial education sessions using the FDIC Money Smart curriculum. Money Smart is a comprehensive financial education curriculum designed to help low- and moderate-income individuals outside the financial mainstream enhance their financial skills and create positive banking relationships.

More than 100 of our ambassadors participated in Volunteer Income Tax Assistance (VITA) sites across the footprint, working with other volunteers to assist low- and moderate-income individuals with their tax returns which channels federal and state funds back to our local communities through tax refunds, and helps to stabilize and grow local economies.

In 2017:



Our ambassadors participated in

817 FINANCIAL EDUCATION EVENTS



volunteering more than

4,700 HOURS



reaching nearly

20K PARTICIPANTS



Myles, Relationship Banker
Providence, RI

Teaching Financial Literacy

Because Myles was taught financial literacy in high school, he started working in the banking industry and now pays it forward as a Citizens Community Ambassador. One tip he always gives his students:

“It doesn’t matter how little or how much money you have, it all comes down to what you choose to do with it.”



Colleagues

A strong culture is key to our long-term success. It defines how we operate and execute our strategy. We are committed to a diverse, inclusive, ethical, high-performing and customer-centric culture throughout the company. We strive to be a destination for top talent to ensure that we have the workforce to support our vision of being a top-performing bank, and we want Citizens to be a place where every one of our colleagues can learn, grow and contribute to our success. We are continuously working to build and enhance our culture. That work never ends; however, it is an area in which we have focused our efforts and made significant progress.

Measuring Our Progress

As we work toward our goal of becoming a top-performing bank with a customer-centric culture, we use the Organizational Health Index (OHI) as a tool to measure how colleagues feel about a wide range of factors that drive long-term success.¹ The OHI data provides us with insights into what's working and what's not and enables us to create a roadmap for how to improve our organizational health. The OHI is one way we measure our progress in strengthening our culture and, through that, our performance.

We have focused on five topics in addressing our OHI results over the past two years: leadership, simplification, recognition, development and innovation. We have aligned our efforts, engaged our leaders and our colleagues on these topics and strengthened our communications — all with a consistent focus. The result has been steady improvement over time in almost all areas.

In Q4 2017, we completed our 2017 OHI pulse survey, achieving an overall organizational health score that puts us at the top of the second quartile compared to peer organizations. We achieved a 4-point increase over the 2016 full OHI survey and a 10-point increase over the last pulse survey conducted in 2015. We also saw increases in eight of the nine key survey categories.

¹ The Organizational Health Index is a McKinsey™ survey.

² Chris Gagnon, Elizabeth John, and Rob Theunissen. "Organizational health: A fast track to performance improvement." *McKinsey Quarterly*, September 2017.

We are extremely pleased with our progress, but know that there is still room for improvement. Top quartile companies outperform those in the bottom quartile 3 to 1.² We aspire to achieve a first quartile score and are continuing our work to further enhance our culture.



Engaging Our Colleagues

In 2017, our Let's Connect program brought together more than 5,000 colleagues in 343 sessions with senior leaders for candid conversations. We use the feedback to refine strategies and drive progress.

Training & Development

We equip our colleagues with the training and tools they need to be successful in their jobs and in their careers. Knowing that our leaders and managers set the tone and are key levers in driving our culture and our performance, we have invested in building strong leaders. In 2017, we delivered four signature leadership programs designed to create a cadre of enterprise leaders to enable growth, innovation and agility across Citizens. Nearly 1,800 leaders participated in these sessions throughout the year. Seventy-nine percent of our leaders participated in this leadership programming in 2017.

More than 2,000 colleagues took on new roles within Citizens throughout 2017, giving them new opportunities to build their skills and careers, and also providing them with a broader perspective on our business, which enables them to better serve our customers.

Colleagues across the organization completed more than 500,000 hours of training through a variety of programs.

We delivered our first “Career Development Month,” which provided 28 different learning sessions to help our colleagues build personal and professional skills that enhance their ability to perform and enjoy meaningful careers. More than 2,400 colleagues participated in the sessions.

Diversity & Inclusion

In 2016, Citizens launched three Business Resource Groups (BRGs) — Citizens Pride (LGBT), PRISM (Multicultural) and WIN (Women’s Impact Network) — to help create value for our customers and strengthen

connectivity among colleagues. In 2017, we launched our fourth BRG, Citizens Veterans. There are currently more than 1,700 total BRG memberships across the four BRGs. In 2018, we will expand with two additional BRGs. We strongly believe that BRGs serve as catalysts for change and create value for all our stakeholders.



Award-winning TV journalist Soledad O'Brien.

In 2017, we launched a D&I Speaker Series, to create colleague awareness around the importance of diversity. Our inaugural D&I speaker was award-winning TV journalist Soledad O'Brien, who spoke to several hundred colleagues at our Cranston, RI, facility about her personal and professional journey.

Business leaders, BRG members and others from around the company attended our first Diversity & Inclusion Conference in November 2017, which highlighted how diversity and inclusion can drive growth and innovation, helping our customers and colleagues reach their potential.



Colleagues participate in Boston's Pride Parade.

“Doing the right thing and working together are at the heart of our Credo. I’m very proud of the way Citizens colleagues come together every day to do their best for all of our stakeholders, and embracing diversity and inclusion is a critical element of the way we work.

Creating this kind of culture takes effort and an ongoing commitment. The reason we do it is simple and clear. It’s not just because it makes good business sense as our customer base becomes more diverse and multicultural, or because harnessing our collective backgrounds and experiences helps bring forward innovative ways to serve those customers. We do it because treating customers and colleagues fairly, equally and with the utmost respect is core to our values.”

*Susan LaMonica,
Chief Human Resources Officer*



Community

Citizenship is at the heart of who we are, rooted in the belief that when people and communities reach their potential, we all thrive. We build partnerships and help create connections between public, private and community interests so that, together, we can develop neighborhoods, transform lives and help stimulate economic renewal. And we roll up our sleeves to work alongside our neighbors to build stronger and more secure communities.

Corporate Giving

Our Citizens Helping Citizens comprehensive community engagement program provides the essential vehicle through which we are strengthening our communities and creating more opportunities for our neighbors and neighborhoods. In 2017, Citizens Bank and the Citizens Charitable Foundation provided \$14 million to support community programs and events across our footprint. Our corporate giving program is focused on specific areas we believe will fortify the economic vitality of our neighborhoods: fighting hunger, managing money and strengthening communities.



Ohio colleagues volunteering with the Second Harvest Food Bank of the Mahoning Valley's mobile pantry program.



Rhode Island colleagues lend a hand to renovate a local park.

Citizens Helping Citizens Fight Hunger is our program dedicated to reducing food insecurity and hunger in our local communities. In 2017, our funding through this program provided 3.9 million meals to our neighbors through local food banks and other food service programs.

Through our Citizens Helping Citizens Manage Money initiative, our financial support enabled 91 nonprofit organizations to reach 310,000 individuals, families and small businesses to improve their financial knowledge and stability.

Our Citizens Helping Citizens Strengthen Communities program seeks to provide resources and create solutions to some of the toughest challenges in our neighborhoods. Across the footprint, we provided \$2.3 million in 2017 to support programs that offer services in the areas of economic development, affordable housing, workforce development, job training, small business development and neighborhood revitalization.

As 2017 was nearing its close, federal tax legislation gave us an opportunity to contribute \$10 million to the Citizens Charitable Foundation to further the impact we have on our communities. We also were able to further recognize the role our colleagues have played in our success by granting one-time bonuses to more than 70% of our workforce.

Volunteerism

Our colleagues bring our community commitment to life through their volunteer service. In 2017, our colleagues volunteered more than 114,000 hours with community groups, a 28% increase over 2016. We also saw a 55% increase in the number of colleagues giving their time. Our colleagues were active members on nearly 600 community boards and committees across our footprint.



increase in
volunteer hours
over 2016



increase in number of
colleagues volunteering
their time

Community Captains

In order to increase colleagues' participation in our community activities, we developed and piloted the Community Captains program in 2016 in a few of our Operations Centers. Based on its initial success, the program was expanded across our footprint in 2017. Our Community Captains are volunteers who work to create and execute opportunities to give back in our local communities and also help our colleagues to understand how they can get involved as volunteers. By the end of 2017, we had Community Captains in more than 20 of our facilities.



Business Banking Operations Support Manager Meghan is deeply involved in her community and regularly gives back by organizing volunteer events with her colleagues. She recently took her commitment to the next level by becoming a Community Captain.



Colleague TJ, a Senior Application Developer, talks to a student at the CS4RI Summit about career opportunities in computer science.

CS4RI

Citizens Bank was one of the early leaders in supporting Rhode Island Governor Gina Raimondo's CS4RI (Computer Science for Rhode Island) initiative. This initiative aims to have computer science taught in every K-12 public school in Rhode Island by 2018.

For the past two years, dozens of Citizens colleagues have volunteered at the CS4RI Summit, where more than 1,500 students gathered at the University of Rhode Island to learn more about college and career paths in computer science. Our colleague volunteers brought their on-the-job skills to these students to demonstrate how their skills could be used in a day-to-day business setting.



Rendering of the affordable housing development being built with a construction loan from Citizens Bank.

Affordable Housing

We provided an \$11.9 million construction loan to Villa San Bernardo for the adaptive reuse of two historic buildings into 59 new units of affordable housing in a residential neighborhood located in the historic city of Bedford, OH. The development is located near opportunities for education, employment, shopping, recreation and entertainment. It is adjacent to the Cleveland Metroparks Bedford Reservation and has access to major freeways and public transportation. Medical offices, social services and public safety offices are all within one mile. All of the units are affordable to tenants making less than 60% of the Area Median Income (AMI), and 25 of the units (40%) will be preserved for the very low-income population earning less than 50% of AMI.

On-Site Guide to Volunteerism

In 2017, we implemented a new program to engage more of our colleagues in volunteerism by offering colleagues on-site volunteer opportunities. Our On-Site Guide to Volunteerism gives colleagues a self-service resource to volunteer activities they can work on as teams at Citizens' offices or branch locations. Throughout the year, our colleagues made paracord bracelets for deployed military members, made cards and banners for hospitalized children, and wrote thousands of thank you letters to our troops.



Rochester, NY colleagues volunteered, making cards for hospitalized children during a break at a training class.

Military Warriors Support Foundation

For the third year in a row, Citizens Bank proudly supported the Military Warriors Support Foundation (MWSF) by donating a renovated, mortgage-free home to a disabled military veteran.

The donation was arranged through the MWSF, and the home outside of Pittsburgh was donated to retired U.S. Army Staff Sergeant Shawn Jones.



Consumer Banking vice-chairman Brad Conner welcomes retired U.S. Army Staff Sergeant Shawn Jones to his new home.

Community Development Lending

We know that it takes resources to move communities forward. That's why we partner with organizations, businesses and individuals who are developing plans for a better future. We help to provide access to the critical financial resources needed to execute these plans. We make loans to support community services, affordable housing construction and community revitalization and economic development projects.

\$400 Million

in loans originated in 2017 to support community development efforts

Those loans helped create or preserve 1,200 housing units and more than 80,000 square feet of commercial space in our communities.

Community Development Investment

In addition to loans, we support the development and preservation of affordable housing, as well as broader economic revitalization efforts, through equity investments. We consider investment opportunities sponsored by Community Development Corporations, Community Development Enterprises, Community Development Financial Institutions and other public welfare investments leveraging tax-advantaged tools like Low Income Housing and New Markets Tax Credits.

In 2017, we invested more than \$270M which helped develop or preserve more than 2,500 safe and affordable apartment units for low- to moderate-income neighbors in our communities.

Enabling Informed Home Ownership

Attaining home ownership is an important goal for many individuals and families. We are here to serve as a trusted advisor, providing customers with a world-class home loan experience — with clear terms and sound advice. Our Citizens for Homes program, which is committed to sensible lending, is an important part of this effort. We help people determine if home ownership is right for them, obtain a loan to fit their budget and make an informed decision on credit and debt.

Our focus is on doing what's right for the customer by offering solutions to support the needs of all borrowers.

Citizens Bank provides an array of mortgage products that are helpful for first-time home buyers and low- to moderate-income families. These include Federal Housing Administration (FHA) and U.S. Department of Veterans Affairs (VA) home loans as well as Citizens Bank's Portfolio program. In addition to providing innovative and flexible market-leading loan programs, we help address a key element of the affordability gap by providing closing cost assistance (CCA) grants to eligible low- and moderate-income home buyers.

Our Portfolio Loan Program provides first-time home buyers with lower rates and more flexible underwriting requirements. The program allows a low down payment with no mortgage insurance and can be combined with approved community seconds, which are grants and subsidies provided by local organizations or agencies. To qualify, borrowers must be low- to moderate-income and/or purchasing a home in a low- to moderate-income neighborhood.

Through our CCA grant program, we provide eligible borrowers with a grant of 3% of the purchase price for a maximum of \$3,000 to help defray the upfront costs associated with a home mortgage loan. In 2017, we provided more than \$1.2M in CCA grants to 457 borrowers.

With these products, we're helping to build solid communities, home by home. In 2017, we provided more than 5,600 loans totaling more than \$1 billion for home purchases and home refinances to low- to moderate-income borrowers or for residences in low- and moderate-income census tracts.

Small Business Lending

Small and medium-sized businesses play a critical role in our communities. We understand the needs of business owners and the importance of their contributions to the health and vibrancy of our communities. We work with small businesses to help position them for success and growth.

In 2017:



We made more than

8,000 LOANS



totaling more than

\$234 MILLION

to businesses with sales of less than \$1 million



Environment

Our Environmental Sustainability program governs how we mitigate our impact on the environment. We are working to reduce our environmental footprint by understanding our environmental impacts, reporting on them and taking strategic actions to reduce them. By better managing our energy and other environmental impacts, we are able to re-invest these financial and operational efficiencies into a more competitive offering for our customers.

Operational Sustainability

The bank has a robust environmental policy requiring measurement, tracking and continuous improvement related to environmental sustainability. Citizens has a comprehensive data-gathering program spanning energy, water, paper, waste/recycling, business travel and greenhouse gas emissions. The bank disclosed its baseline performance as a stand-alone company through our 2017 CDP response.

Bank Footprint

As part of our business strategy, we are revitalizing our branch network, and sustainability is a key part of the plan. We're focusing on the reduction of our operational footprint through a smaller redesigned branch concept, which aligns with customer trends, such as increased mobile banking and a desire for companies to have a smaller physical footprint. From LED lighting to high-efficiency mechanical systems, our new branch concept is improving our environmental footprint every day. We calculated the impact of our first 35 redesigned branches and found that the sustainability

initiatives we implemented resulted in the equivalent of 1,400 trees saved through reduced wood usage and sustainable forestry and the equivalent of 364 cars off the road every year through energy-efficient lights, heat and appliances.¹

Investing in Renewable Energy

Through Citizens Asset Finance, we provided equity investment in renewable energy initiatives totaling \$335 million at the end of 2017. This is a growing investment platform for the bank, up from \$119 million at the end of 2015. We have participated in the funding of six U.S. wind farm projects since mid-2015 with a total onshore capacity of approximately 1GW. The energy produced is capable of generating enough electricity to power more than 350,000 homes, while avoiding more than 3.08M metric tons of new greenhouse gas emissions per year.

¹ Impact equivalents calculated through <https://www.epa.gov/energy/green-house-gas-equivalencies-calculator>



Rendering shows the rain garden feature at our new corporate campus, currently under construction in Johnston, RI.

Our New Johnston, RI, Campus

In 2016, we broke ground on our new corporate campus in Johnston, RI, and project occupancy by August 2018. This new campus will bring together more than 3,000 of our colleagues in a highly collaborative setting, raising our effectiveness in better serving our customers.

- The grounds will feature sports fields and 2.5 miles of trails that will be available for use by our colleagues and the local community. The buildings will feature an on-site wellness center and a fitness center for our colleagues.
- Nearly 50% of the 123-acre site was preserved and protected including significant wetlands and natural forest.
- Energy-efficient building materials used for the campus are expected to save more than 1.3 million kWh annually and avoid 1.81 million pounds of carbon emissions annually compared with standard building materials.
- Our smart sensor technology will automatically adjust lighting levels throughout the day, taking advantage of natural sunlight and reducing electricity use. All of our colleagues will be within approximately 45 feet of natural light inside our buildings.
- The entire campus was built as a miniature model and put in a wind tunnel to test how the building would “breathe” or take in air. Changes were made to the design as a result of those tests, ensuring the freshest possible air would be brought into the building.
- The site has a 1-acre rain garden designed to mitigate moisture runoff from hard surfaces, encouraging natural water filtration while improving riparian habitat.
- The roadway into the site includes a “critter crossing” to allow wildlife to safely cross campus roadways, helping to maintain biodiversity across the campus.
- Pollinator habitat (birds, bees, butterflies and more) on the campus has been given special consideration to encourage propagation of native species.
- The new café will have a composting program as well as waste oil recovery, allowing cooking oil to be reused as bio-diesel.
- The recycling/shredding/waste receptacles will be centralized, giving colleagues a chance to take “micro-breaks” and move throughout the day while improving our recycling performance at the same time.



Corporate Governance

Our vision is to be a top-performing bank distinguished by its customer-centric culture, mindset of continuous improvement and excellent capabilities.

Our credo brings to life our internal values. These values drive our performance and help us perform our best every day, delivering more for all stakeholders and serving clients with a broad range of products and services.

Citizens is committed to developing and maintaining a strong corporate governance framework grounded in its Board of Directors.

Our successful business operation depends not only on the competence of our employees, officers and directors, but also upon having a reputation for honesty, integrity and lack of bias in the conduct of our business affairs.

Our Board has adopted Corporate Governance Guidelines, which set forth a framework within which our Board, assisted by Board committees, oversees our affairs. The Guidelines address, among other things, the composition and functions of the Board, director independence, compensation of directors, Board and

Board committee evaluations, management succession and review, Board committees and selection of new directors.

Our Board has also adopted a Code of Business Conduct and Ethics, which establishes the core standards of ethical conduct for our company and is applicable to all of our directors, officers and employees.

Our key corporate governance documents, including our Bylaws, Certificate of Incorporation, Corporate Governance Guidelines and Code of Business Conduct and Ethics are available on the corporate governance section of our investor relations website www.citizensbank.com/investor-relations.



In 2017, we received recognition for having 25% women on our Board from the Organization 20/20 Women on Boards, which has a mission of having 20% women on corporate boards in the U.S. by the year 2020.

Risk Management

We are subject to a number of risks potentially impacting our business, financial condition, results of operations and cash flows. As a financial services organization, certain elements of risk are inherent in our transactions and operations and are present in the business decisions we make. We, therefore, encounter risk as part of the normal course of our business and we have designed risk management processes to help manage these risks.

We have an independent Risk Management Division, led by a Chief Risk Officer who reports directly to the Risk Committee of the Board of Directors. The Risk Division ensures that all risks are fully understood and managed within the firm's risk appetite. In addition, to ensure

that our code of conduct is understood and adhered to throughout the firm, there is a Chief Conduct Officer who reports directly to the Chief Risk Officer and provides regular updates to the Audit Committee of the Board. Customers can be assured that their interests are put first at Citizens, and our governance structures reinforce this core part of our Credo.

We value our brand and our reputation and dedicate intensive effort to understanding and resolving customer complaints. We believe a strong risk culture can be a competitive advantage in ensuring our colleagues "do the right thing" for our customers.

We ensure the risks we encounter as a result of dealing with suppliers and other third parties are managed rigorously. We focus heavily on the resilience and security of our technology platforms and safeguarding our customer data. We train our people to comply with the law and all banking rules and regulations and have developed a strong ethics program. We encourage escalation of risk issues and take seriously all violations of the code of conduct.

Our lending and compliance practices consider who we lend money to and the impact to our environment. We have a very robust Anti-Money Laundering program in place and various policies to ensure we are not lending to sanctioned countries or individuals. We monitor for suspicious activity and ensure we report that to authorities as required. All of our colleagues take our Anti-Bribery and Corruption training each year. Our Fair Banking Program ensures we understand exactly how our products and services work and that we disclose that to our customers so that they understand too. And our real estate lending policy and practices ensure we understand the environmental status of the properties on which we make loans.

Our Credo and Values

We perform our best every day so we can do more for our:



Customers



Colleagues



Communities



Shareholders

We strive to always:

- Exceed customer expectations
- Do the right thing
- Think long-term
- Work together

We are Citizens helping citizens reach their potential.



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