

An abstract graphic on the left side of the page consists of numerous lines of varying lengths and thicknesses radiating from a central point. The lines are colored in white, black, and a vibrant green, creating a dynamic, sunburst-like effect against the dark green background.

Creating a Brighter Tomorrow

Corporate Responsibility
Report 2021



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Creating a Brighter Tomorrow: A letter from our Chairman and CEO



Welcome to Citizens’ fifth annual Corporate Responsibility Report.

The Citizens Credo calls for us to perform our best every day so that we can do more for all of those we serve — today and over the long term. This commitment extends to every aspect of our agenda, fueling a purpose-driven culture that has helped propel our success during a highly disruptive period. Just as this approach has enabled us to build a stronger, more diversified business that consistently delivers strong operational and financial results, so too has it enabled us to make meaningful progress on critical environmental, social and governance (ESG) initiatives that will shape the future for our business, our society, and our planet.

Our strategic execution and commitment to deliver a strong ESG agenda are inextricably linked. By making this commitment a guiding factor in how we run our business, we create an opportunity to use our reach, innovation, and insights to create a positive and lasting impact on the environment, society, and economy.

Our Responsibility Journey

Any effort to create a more sustainable and inclusive future must include meaningful action on climate change. Such action is an important extension of our Credo, which has helped us serve our customers, colleagues, shareholders, and communities with integrity throughout our history. Across the bank, we are working to reduce our operational impact on the environment. Last year we adopted targets to reduce our Scope 1 and 2 greenhouse gas (GHG) emissions 30% by 2025 and 50% by 2035, based on our 2016 baseline. These reductions align with the recommendations of the Paris Agreement, which aims to limit increases in average global temperature. We have made year-over-year progress and are on track to meet our targets.

To help shape a consistent approach to the measurement and disclosure of financed emissions and to accelerate our own efforts, we recently joined the Partnership for Carbon Accounting Financials (PCAF). We have also joined the Risk Management Association Climate Risk Consortium through which we are collaborating with industry partners to advance best practices in climate risk management.

In addition to addressing our own impact, we see a critical role for banks in accelerating the overall transition to a lower-carbon economy. This includes financing green technologies and businesses, such as renewable energy and sustainability-linked products and solutions, and supporting clients as they work to reduce their GHG emissions, thereby becoming greener.

We will also put the power of innovation to work in the service of our customers as they navigate this transition. For example, in 2021, we introduced a deposits offering that enables corporate clients to direct their cash reserves toward companies and projects expected to create a positive environmental impact. Citizens’ role as a trusted advisor will be critical to ongoing efforts to decrease emissions across industries and we look forward to sharing more about this in our first TCFD-aligned climate report, which will be published later this year.

Another key aspect of this responsibility journey is our commitment to creating a diverse, equitable and inclusive world, which is woven into the very fabric of our bank. Our social impact extends beyond our walls to encompass all the ways we serve our colleagues, customers and the communities where we live and work. This commitment makes us stronger in all aspects, enabling us to do even more to address critical economic needs, build resilient communities and catalyze positive change. By living our commitment to a world where everyone is seen, heard and respected, we are helping all of those we serve be ready for the best possible tomorrow.

Across the enterprise, we are focused on increasing diversity in our workforce, fostering a culture of inclusion and belonging, and promoting equity through our business delivery and community partnerships. We expanded colleague learning resources to increase DE&I capabilities among our colleagues, expanded community partnerships to grow our talent pipeline, improved our internal mobility and leadership coaching efforts, and implemented an internal diversity scorecard to measure our progress across multiple DE&I metrics.

In recognition of these and other ongoing efforts focused on diversity and inclusion we recently were included in DiversityInc’s Noteworthy Companies for Diversity list, received a perfect score on the Human Rights Campaign Corporate Equality Index, and were included on the Forbes Best Employers for Diversity list for the third year running. Our focus on providing an inclusive work environment also earned us a spot in the 2022 Bloomberg Gender Equality Index.



2nd Year in a Row
Citizens named a best place for work for LGBTQ equity by the Human Rights Campaign



Top 50
of DiversityInc’s Noteworthy Companies for Diversity



Military Friendly Employer status as a company that is “Better for Veterans”



Index Score of 90
Best Places to Work for People with Disabilities



Citizens recognized for first-time on **Bloomberg Gender Equality Index**



3rd Year in a row on the Forbes list of America’s Best Employers for Diversity

Additionally, we continued Citizens’ longtime commitment to strengthening the communities we serve. This included continued progress on our 2020 \$10 million social equity commitment and our incremental \$500 million commitment to providing access to capital for small businesses, housing and other developments in predominantly minority communities. We also continued to deliver on our commitment to provide \$300 million in enhanced Low-Income Housing Tax Credit developments located in predominantly minority census tracts.

Further, our colleagues demonstrated their commitment to strengthening the communities we serve by volunteering a record 154,000 hours of service during 2021, supporting more than 2,000 organizations.

We also continued to invest in programs to equip our colleagues for the dramatic transformation of our industry, and in programs to promote overall colleague wellness. In this dynamic environment we were pleased to maintain an Organizational Health Index* score of 74 in 2021, a 16-point increase over the six years we have been using this important tool.

Our efforts to advance a robust ESG agenda extend to maintaining the highest standards of strong corporate governance. We believe that a strong governance framework strengthens board and management accountability and creates long-term value for shareholders. It is central to delivering on the promise of the Citizens Credo to be at our best so that we can do more for all we serve.

Looking Forward

While we are proud of the progress we have made across ESG issues, we recognize that we have significant work ahead to meet both our own expectations and those of our stakeholders. The ESG materiality assessment we conducted in 2020 provides important ongoing direction as we continue to unite our values and purpose to pursue our business agenda, and we look forward to sharing progress as we continue this journey.

While there is a lot of work ahead, we are committed to additional meaningful progress and to providing transparency around our efforts as we seek to help create a brighter tomorrow for all of those we serve. Thank you for your interest and engagement in this critical area.

Kind regards,



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

* The Organizational Health Index (OHI) is a McKinsey & Company OrgSolutions survey.



\$188 billion assets
\$154 billion deposits
\$128 billion loans & leases
17,500 colleagues

Data as of 12/31/21

About Citizens Financial Group

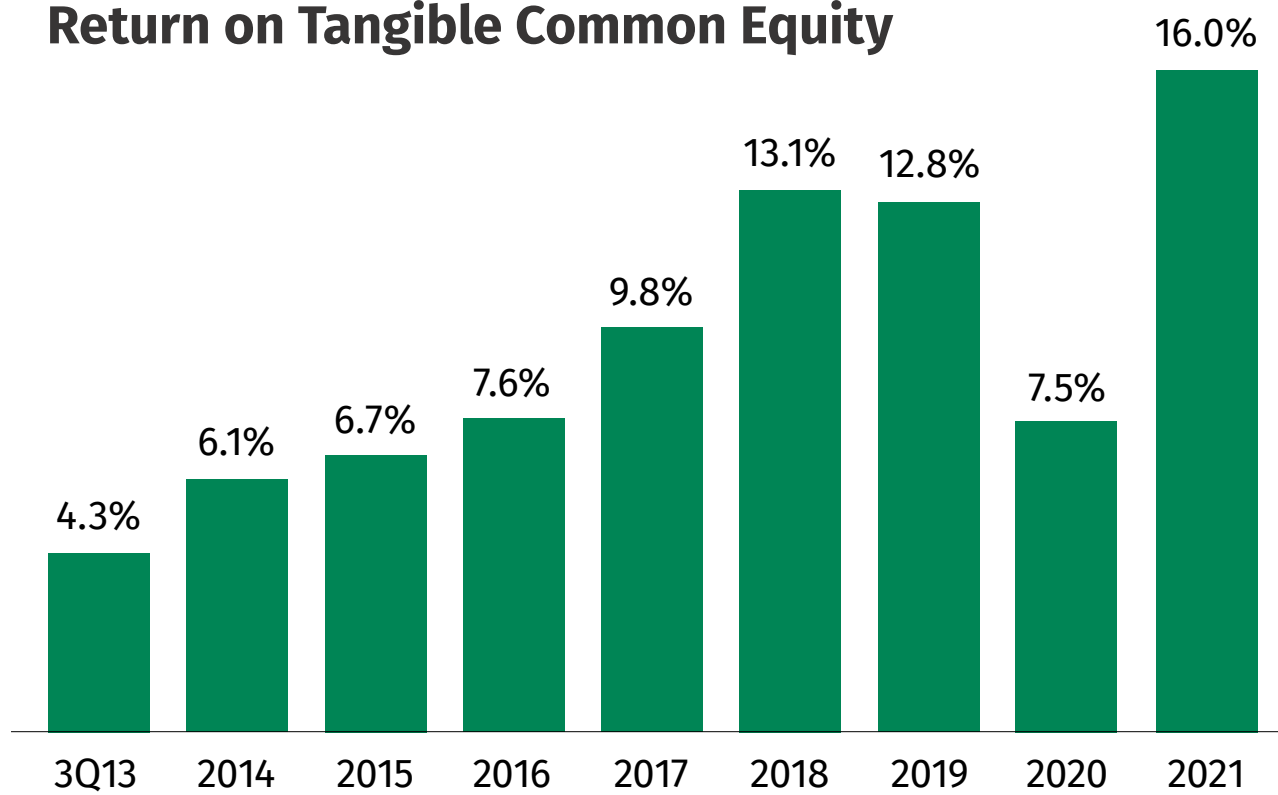
Citizens Financial Group, Inc. is one of the nation's oldest and largest financial institutions, with \$188.4 billion in assets as of December 31, 2021. Headquartered in Providence, Rhode Island, Citizens offers a broad range of retail and commercial banking products and services to individuals, small 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 full-service customer contact center and, including the acquisition of HSBC East Coast branches in February 2022 and Investors Bancorp, Inc. in April 2022, the convenience of approximately 3,300 ATMs and more than 1,200 branches in 14 states in the New England, Mid-Atlantic, Midwest regions, and the District of Columbia. Consumer Banking products and services include a full range of banking, lending, savings, wealth management and small business offerings.

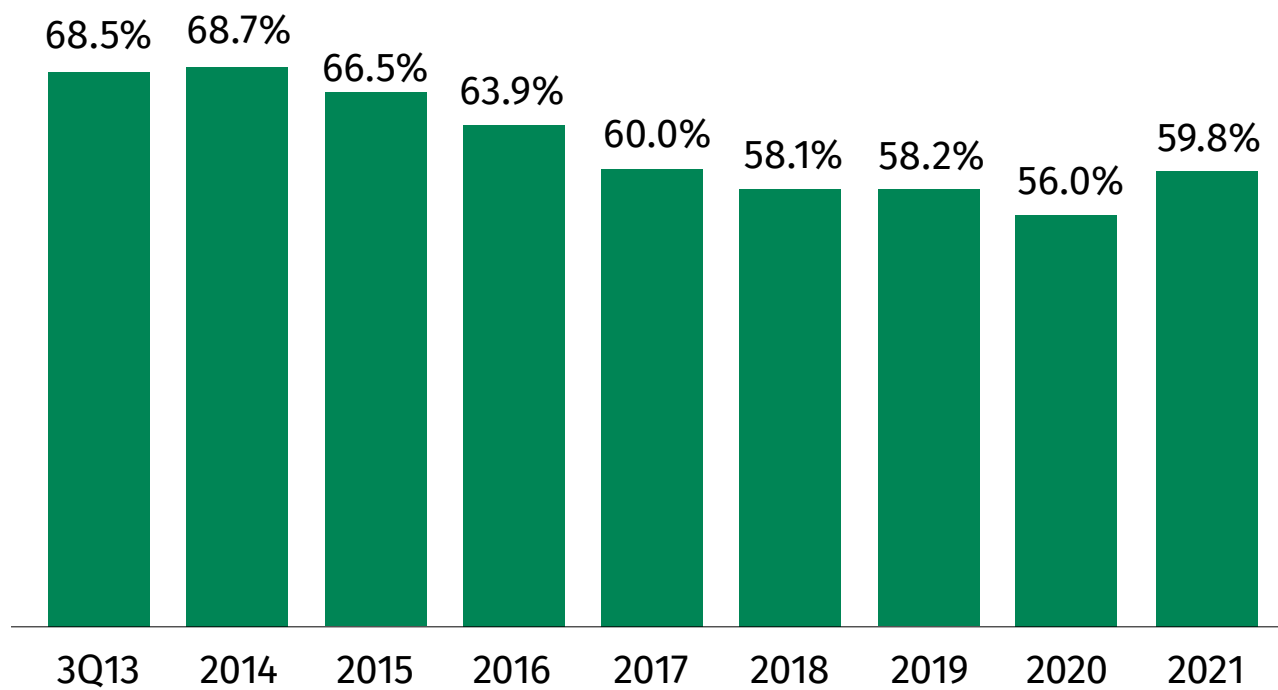
In Commercial Banking, Citizens offers a broad complement of financial products and solutions, including lending and leasing, deposit and treasury management services, foreign exchange, interest rate and commodity risk management solutions, as well as loan syndication, corporate finance, merger and acquisition, and debt and equity capital markets capabilities.

More information is available at citizensbank.com or visit us on [Twitter](#), [LinkedIn](#) or [Facebook](#).

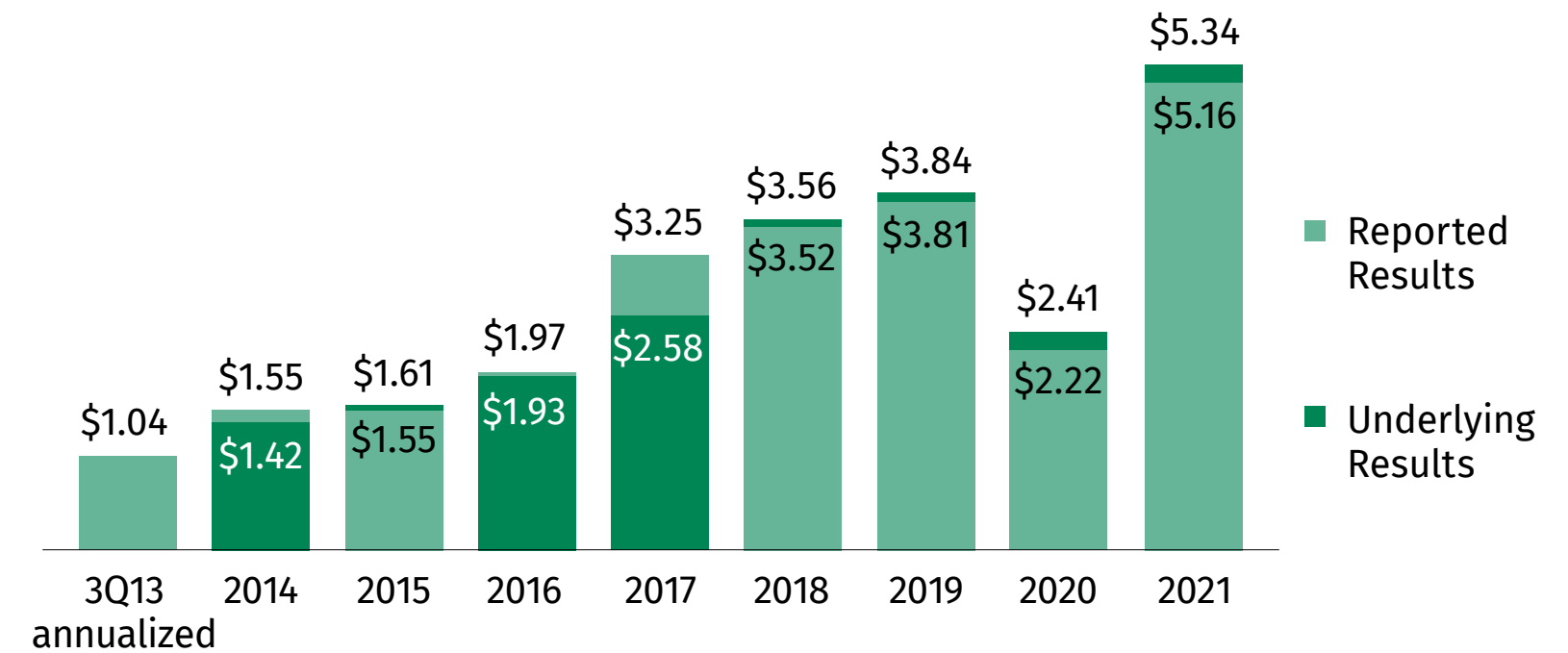
Return on Tangible Common Equity



Efficiency Ratio



Diluted Earnings Per Share



Results are presented on an Underlying basis, as applicable. Please refer to Non-GAAP Financial Measures and Reconciliations on page 52 for additional information on these measures.

Our Vision and Values

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.

Our Credo

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

CUSTOMERS | COLLEAGUES | COMMUNITIES | SHAREHOLDERS

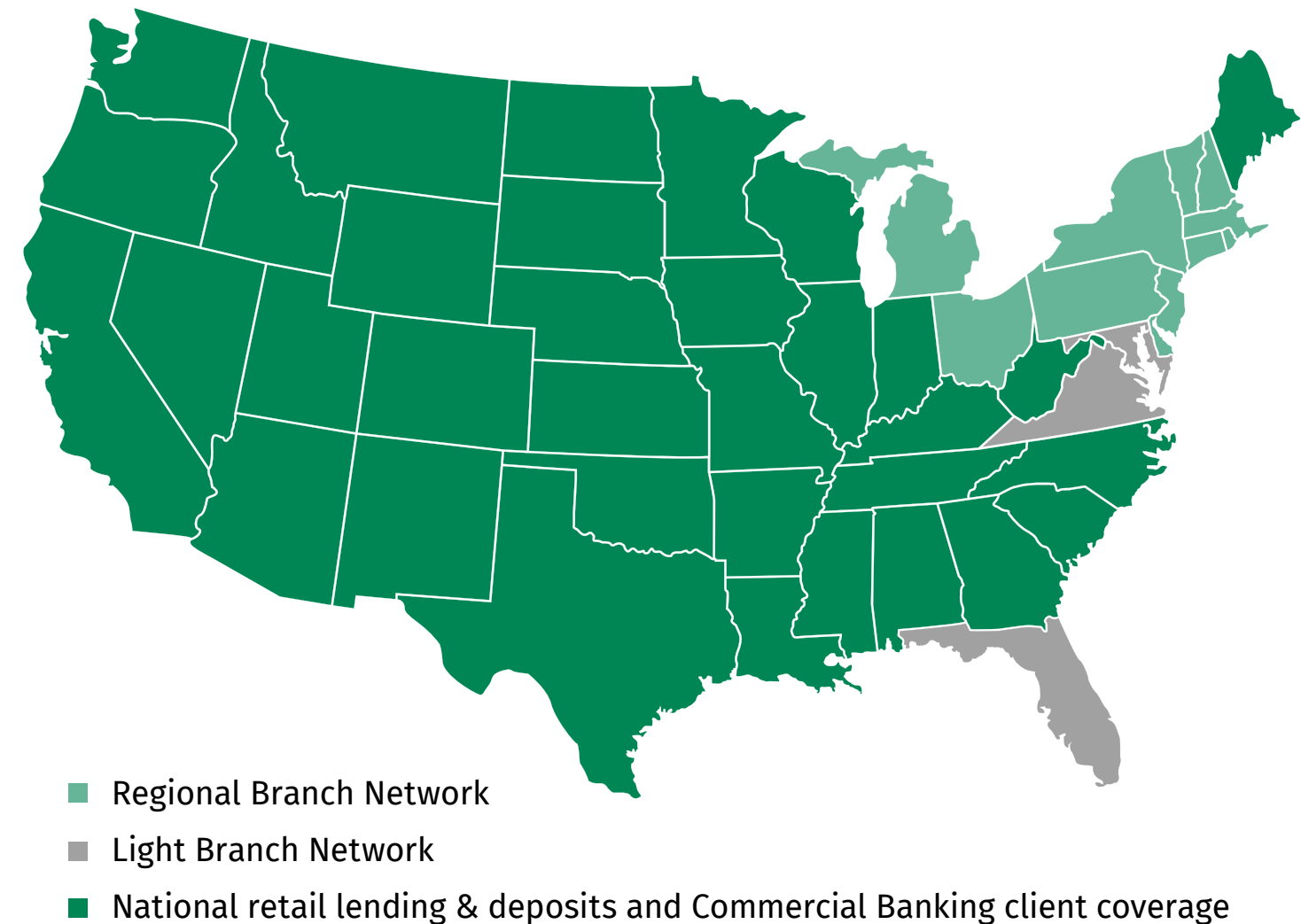
Our Values

We strive to always:

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

National Reach

- ✓ Deposits in all 50 states with Citizens Access®
- ✓ 5 million retail lending customers across all 50 states



Key 2021 ESG Accomplishments

Colleagues



100% score
on Human Rights Campaign’s Corporate Equality Index

80% participation
in the annual Organizational Health Index survey



369,000 hours
of learning and development

3,100 colleagues
belong to Business Resource Groups

New: More wellness benefits
additional mental & emotional health resources and emergency back-up child & adult care

Communities

\$4.6 billion
in loans for home purchases and home refinances to low- to moderate-income (LMI) borrowers or residences in LMI census tracts



Community Reinvestment Act Rating of “Outstanding”
from the Office of the Comptroller of the Currency for its most recent examination period

154,000 hours
of colleague volunteerism



\$7 billion
facilitated in 2020–2021 Paycheck Protection Program loans



\$1.1 billion
total equity & loan commitments to Community Development initiatives or qualified activities

\$16.6 million
from Citizens & Citizens Charitable Foundation to support programs & activities across our footprint

Nearly \$1 million in matching gifts
amplifying colleague generosity

Customers


New: Citizens Peace of Mind™
offers extra time to cover overdrafts and have fees rebated on all personal checking accounts

New: Citizens EverValue Checking™
provides a low-cost, low-fee account certified as meeting Bank On National Account Standards

Environment



\$429 million
total in tax equity investments in wind farm projects as of 12/31/21

 **YOY progress achieved**
on targets to reduce our Scope 1 & 2 GHG emissions 30% by 2025 and 50% by 2035, based on our 2016 baseline

New: Green Deposits for clients
utilizes deposit balances to support positive environmental impact

Corporate Responsibility at Citizens

About This Report

This is Citizens’ fifth Corporate Responsibility (CR) Report and our second prepared in accordance with the Global Reporting Initiative (GRI) Standards Core option and in alignment with the Sustainability Accounting Standards Board (SASB) Commercial Banks sector standard. We look forward to continuously improving our performance against these reporting standards as our CR strategy progresses.

Citizens’ 2021 CR Report covers the period of January 1 through December 31, 2021, unless specifically indicated. Prior to this report, our most recent CR Report was published in June 2021. Additional information about the company’s CR strategy and programs and an archive of past reports is available online at: citizensbank.com/corporateresponsibility

ESG Oversight and Governance

The Board is committed to overseeing our CR efforts. The Nominating and Corporate Governance Committee is responsible for providing oversight of the Company’s commitment to ESG matters, including the strategic direction on CR and reporting. However, each Board committee has oversight responsibilities for ESG matters that pertain to the committee’s directive. Board oversight is supported by a management governance structure that includes an executive steering council to guide our strategies, help integrate our efforts across lines of business, and monitor our progress.

Nominating and Corporate Governance Committee

Oversees our commitment to CR matters including implementation of our CR governance framework, completion of materiality assessments, development of our ESG strategy and monitoring the evolution of our ESG practices.

Compensation and HR Committee

Oversees compensation programs and policies, talent management and succession, and DE&I programs.

Audit Committee

Oversees the integrity of our financial reporting and the independence and performance of our independent auditors. Oversees the internal control environment applicable to material ESG disclosures. The Audit Committee also oversees the Conduct and Ethics Office, which has responsibility for identification and oversight of risks associated with our culture and conduct.

Risk Committee

Oversees risks associated with ESG-related matters through its oversight of the operation of the enterprise-wide risk management governance framework under which all risks are managed.

We have a management governance structure in place with an ESG Executive Steering Council to guide our strategies, help integrate our efforts across lines of business, and monitor our progress.



ESG Materiality Assessment

Citizens conducted our first materiality assessment in 2020 to understand and prioritize the ESG topics that matter most to our stakeholders and our business. The assessment allowed us to establish a strong foundation for our CR strategy and disclosure efforts moving forward.

Our materiality assessment reviewed a comprehensive set of ESG topics that intersect with our business. We interviewed external stakeholders and completed a landscape review of industry trends and research to understand the importance of each ESG issue. We also interviewed our executive team and surveyed internal subject matter experts to assess which topics have or may have the most significant impact on our business success. To ensure objectivity and a best practice approach, we engaged an independent firm to complete the assessment.

Through this process, we confirmed our priority issues — those deemed most critical to our business success and to the interests and expectations

of our key stakeholder groups. We also confirmed five important issues on which we aim to focus, all of which are increasing in visibility among our stakeholders.

Priority Issues

- Climate Change
- Data Privacy and Protection
- Diversity, Equity and Inclusion (DE&I)
- Ethics and Compliance
- Innovation and Technology
- Talent Attraction, Development, and Engagement

Important Issues

- Community Development
- Corporate Citizenship
- Fair and Responsible Banking
- Financial Access and Inclusion
- Responsible Investment

External Verification

We obtained third-party limited assurance on our Scope 1 and 2 GHG inventory and additional performance measures reported to CDP (formerly Carbon Disclosure Project). This assurance was provided by [Stantec](#) (see [GRI 102-56 on p. 44](#)).

Stakeholder Engagement

We are committed to helping to build a diverse, equitable, inclusive, and sustainable future for our stakeholders — the groups or individuals who may be impacted by our business or whose actions may affect our business. We seek to continuously develop stronger relationships with our stakeholders and to engage them in transparent and productive discussions in order to better understand their questions, priorities, and concerns. This approach is a core element of Citizens’ culture as formalized by our Credo, which guides us to perform our best every day so we can do more for our customers, colleagues, communities, and shareholders.

The table on the right describes our approach to engaging with our stakeholders throughout the year and the typical topics discussed.

Key Stakeholders	Method of Engagement Examples	Examples of Topics Discussed
Colleagues	<ul style="list-style-type: none">• Annual Organizational Health Index Survey• Colleague Let’s Connect sessions with executives; town hall meetings with CEO and executives• Intranet site• Pulse surveys• Business Resource Groups• Colleague volunteerism program & portal; matching gifts program• Credo Awards program; Credo Week celebration• Performance Enablement reviews and check-ins	Business strategy and performance, business transformation, performance and development, wellness and benefits, DE&I, community engagement, sustainability
Customers	<ul style="list-style-type: none">• Branch interactions and 1:1 banking relationships• Citizens Listens surveys and focus groups• Treasury Solutions Client Advisory Panel• M&A Outlook survey of CEOs/CFOs and private equity sponsors• Social media channels• Customer complaint program	Customer experience, banking needs, business lending and advisory services, financial education, community events
Community Nonprofit Organizations	<ul style="list-style-type: none">• Corporate giving support from Citizens and Citizens Charitable Foundation• Champions in Action program• Colleague Board engagement and volunteer support• Relationships with Regional Market Presidents• Regular contact with Public Affairs and Community Development Managers• Convene panel discussions with community partners and other shareholders	DE&I, local community needs, financial empowerment, workforce readiness, community development
Shareholders	<ul style="list-style-type: none">• Annual Shareholder meeting• Shareholder engagement calls• Investor Conferences• In-person meetings• Quarterly Earnings calls• Phone/email inquiries• SEC Form 10-K and 10-Q reports and other filings	Corporate strategy, financial performance, executive compensation, ESG, human capital management, corporate governance
Regulators, Policymakers, Legislators	<ul style="list-style-type: none">• Exams• In-person meetings with management• Regular engagement with Regulatory Affairs and Government Affairs teams• Trade associations• Quarterly call reports (CBNA) and FR Y-9C reports	Capital planning, liquidity management, governance, regulatory compliance, risk management, cybersecurity, workforce development, safety and soundness



Environmental Stewardship

We are committed to helping create a healthy and sustainable future for all our stakeholders and the communities where we operate. We view that commitment as an extension of our Credo and the values that guide our business.

We are focused on:

- reducing our operational impact on the environment
- understanding and managing the risks presented by climate change and resulting regulatory and market change
- supporting our clients and customers as they plan for and manage risks and opportunities intrinsic to the transition to a lower-carbon economy

As one of the ESG priority topics identified through our materiality assessment, addressing climate change is important to our business strategy and to many of our stakeholders. In the past year, we increased staff focus on climate work in our Risk, Commercial and Property divisions and added a Head of Sustainability role to our Corporate Strategy team. Later this year, we plan to publish our first Task Force on Climate-Related Financial Disclosures (TCFD) report that will serve as a companion to this CR Report and outline our climate strategy and associated work in more detail.

Reducing Our Operational Impact on the Environment

To reduce our impacts in the communities where we operate and limit global temperature increase, we set targets to reduce our Scope 1 and 2 GHG emissions 30% by 2025 and 50% by 2035, based on our 2016 baseline. These reductions align with the recommendations of the Paris Agreement, which aims to limit the average global temperature increase to well below 2° Celsius compared to pre-industrial levels. While our 2021 emissions bring us in line with our 2025 target, we need to sustain those reductions year-over-year as the pandemic recedes.

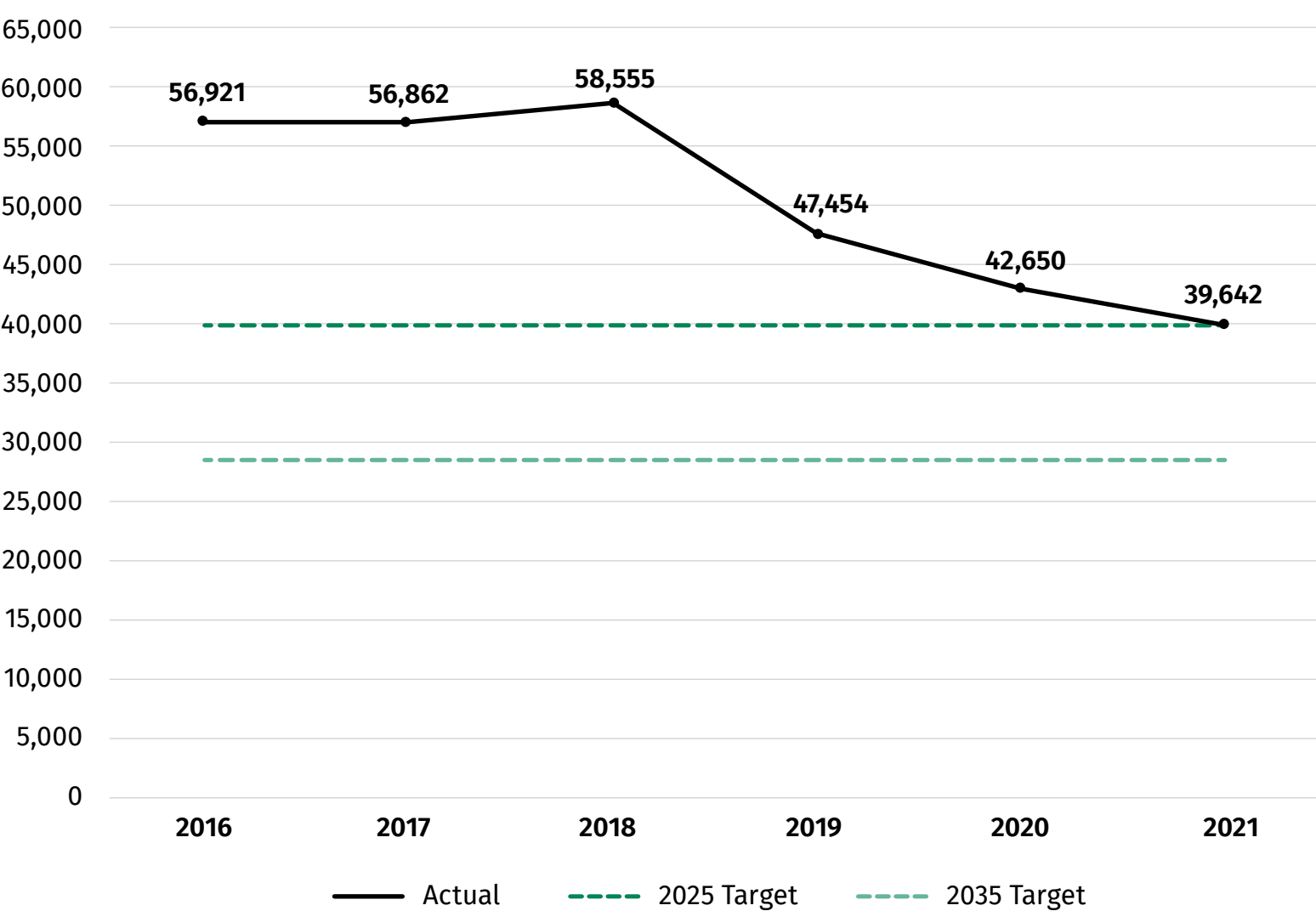
Our environmental policy requires that we measure and track our environmental performance on our journey of continuous improvement, using methods aligned with the Greenhouse Gas Protocol. As part of our public disclosures, we have our GHG inventory independently verified and we report our performance each year through CDP.

Our emissions reductions to date have been accomplished by investment in energy conservation measures including: LED lighting installations; heating, ventilation and air conditioning upgrades; and building management systems that allow us to adjust energy consumption given weather changes, occupancy, and regional energy demand. Additionally, consolidation of our overall physical footprint with energy conservation and the shifting preferences of our customers in mind has led to significant reductions in energy use and associated emissions. Where we are not able to further reduce energy consumption, we are exploring renewable energy as a key component of our overall emissions reductions and climate strategy.

Our most recent CDP response can be viewed [on our website](#) and includes a complete summary of our emissions, with data segregated by scope and intensity metrics.

CITIZENS GHG EMISSIONS AND CLIMATE TARGETS

Summary of our Scope 1 and 2* GHG emissions performance (mtCO2e, Actual + Estimates) and progress toward our stated targets.



* Scope 2 emissions included in this summary reflect market-based emissions.

Engaging Our Suppliers on Sustainability

Our [Supplier Code of Conduct](#) makes clear that our suppliers must comply with all applicable environmental laws and regulations and should strive to exceed those requirements by implementing policies and practices that reduce their carbon footprint, better protect and preserve the environment, and keep the rise in global temperature to well below 2° Celsius, in accordance with the Paris Agreement.

We expect suppliers to measure their GHG emissions, set goals for reducing those emissions, take meaningful action to do so, and disclose progress using widely accepted methods and disclosure frameworks. We aim to meaningfully engage our suppliers in support of these efforts and to work with our top suppliers to understand how their operations impact our emissions.

Engaging Our Colleagues on Sustainability

For the past 10 years, Citizens has hosted an Environmental Defense Fund Climate Corps Fellow to support research and implementation of environmental

sustainability initiatives. Our 2021 fellow developed an action plan for colleague engagement around climate change and our environmental initiatives. We are now implementing the plan and building on our existing colleague engagement programs to increase awareness, expertise, and innovation in environmental sustainability.

Addressing Climate-Related Risks

Climate change presents risk to our business and operations, which includes physical risks posed by changing temperatures and extreme weather events, as well as regulatory and/or market changes that emerge as part of the transition to a lower-carbon economy.

We have formed a Climate Risk Working Group to drive a coordinated approach to climate-related risk management and to arrive at a cohesive framework that enables the identification, measurement, monitoring, and control of physical and transition climate-related risks.

In 2022, we joined the Partnership for Carbon Accounting Financials, a collaboration among worldwide

financial institutions working to develop and implement a harmonized approach to assess and disclose GHG emissions associated with loans and investments. By doing so, we will help drive a consistent framework for these disclosures and commit to measure and disclose our financed emissions over time.

We also joined the Risk Management Association Climate Risk Consortium, a financial industry group dedicated to advancing best practices in climate risk management. Through our participation, we will collaborate with peers to advance and adopt practices, methodologies and policies to address climate risk within our company and in the industry.

More information on our climate strategy, governance, and risk management will be available in our forthcoming TCFD report.

Supporting Our Clients’ Sustainability Journeys

Day to day, we earn our role as a trusted advisor to our clients by consistently delivering clear and objective advice and providing products and services

that help them achieve their goals. Embedded in that role is our commitment to help our clients navigate the challenges and opportunities related to climate change.

We are building capabilities and expanding expertise to enable strong engagement with clients. Partnering with clients is a critical part of our climate strategy as we all work to consider our role in the lower-carbon transition. We are actively focused on identifying and supporting new, emerging growth sectors and companies whose products and services will be critical to a sustainable, lower-carbon economy. We believe this focus on sustainable growth enables us to better serve clients, and at the same time deliver attractive returns for our shareholders and address one of society’s greatest challenges.



[See page 30 of this report](#) to learn more about how we are expanding ESG-aligned investment solutions for our customers



CITIZENS SUPPORTS OUR CLIENTS’ TRANSITION TO A LOWER-CARBON ECONOMY

To meaningfully address the challenges of climate change, companies across sectors are transitioning their businesses to support a lower-carbon economy. At Citizens, we recognize that in addition to investing in green energy and new technologies, banks play an important role in supporting these transitions and we aspire to work with our clients as they lower their carbon footprints. Following are some 2021 examples of this work. We look forward to sharing more about this strategy in our forthcoming TCFD report.

Citizens was Joint Lead Arranger on the financing that supported the acquisition of Covanta Holding Corporation (NYSE: CVA) by EQT Infrastructure (NYSE: EQT), **one of the first-ever sustainability-linked buyout financings in the U.S.** Covanta is a leader in sustainable materials management providing environmental solutions to businesses and communities across North America. By leveraging its unique zero waste-to-landfill assets and negative carbon solutions, Covanta achieves value creation by partnering with municipal, industrial and commercial customers to help them reduce the impact of their difficult-to-manage materials by moving them up the waste

hierarchy. Both **EQT Infrastructure** and **Covanta** have set intensity targets for their businesses and disclose their environmental initiatives and progress publicly. Citizens is proud to support their efforts.

Also in 2021, Citizens served as co-manager for the first **sustainability-linked bond** in the oil and gas related water infrastructure industry which was issued by Aris Water Solutions, Inc. (NYSE: ARIS).^{*} Aris is a leader in developing and operating water handling and recycling infrastructure for oil and gas producers in the Permian Basin. The bond was

designed to increase the use of recycled water in oil and gas operations and reduce the use of groundwater, improving water sustainability in the areas Aris operates. It adheres to the company’s **sustainability-linked bond framework** and provides a target for Aris to increase the company’s percentage of recycled water sold to 60% by 2022, 85% by 2025 and 98% by 2030. Aris received a Second Party Opinion from ISS ESG on this issuance and the company continues to focus on the environmental sustainability of its operations.

^{*} Bond was issued by Solaris Midstream Holdings which is a subsidiary of Aris Water Solutions, Inc.

Green Deposits for Clients

Recognizing increased client interest for socially-responsible investing options — and in alignment with our own commitment to help create a healthy and sustainable future for all stakeholders — we launched a new deposit product where balances are utilized to support companies and projects that are expected to create a positive environmental impact.

Green Deposits^{*} balances are earmarked to fund our environmental finance commitments to projects in sectors such as energy efficiency; renewable energy; green transport; sustainable forestry, agriculture and food; waste reduction; and GHG reduction. As of year-end, our clients had invested over \$100 million in this new deposit solution.

Citizens developed its **Green Deposits Framework** to identify eligible activities within the bank’s portfolio and ensure

alignment with best practices and standards. The framework was co-developed with the support of Sustainalytics, a Morningstar company and leading provider of ESG research and data.

Renewable Energy Financing

To meet the unique needs and challenges of the renewable energy industry, we provide tax-equity

investments to support a greener and more independent energy future through Citizens Asset Finance. We have participated in the funding of nine U.S. wind farm projects since mid-2015, with our investments totaling approximately \$429 million at the end of 2021. We continue to explore opportunities to increase lending and investments in renewable energy and energy efficiency projects.

^{*} Green Deposit balances and eligible loans reported under the program are monitored daily to ensure the balance ratio is in line with the Green Deposits Framework. Due to timing differences the balance ratio may not be 1:1 on any given day.

CFG Corporate Responsibility Report 2021 – 16



Diversity, Equity and Inclusion

Our commitment to creating a diverse, equitable and inclusive organization is demonstrated by our integration of inclusion and belonging into all aspects of our business and people practices. It extends beyond our walls to encompass the ways we serve not only our colleagues, but also our customers and the communities where we live and work. Our DE&I commitment makes us stronger — enabling us to address critical economic needs — while fostering stronger communities.

Our DE&I strategy is focused on:

- ensuring people feel valued, respected, and heard; and that they belong
- increasing diverse representation in our workforce, particularly in senior leader roles
- developing a diverse talent pipeline to senior positions
- building inclusive, highly collaborative teams
- embedding DE&I capabilities and behaviors in our culture
- mitigating bias in our business decisions while promoting fairness and equity
- facilitating access to capital for small businesses and communities of color
- working with community partners focused on advancing social equity
- developing a robust pipeline of business opportunities and ensuring we have certified diverse businesses to compete for them

Our Board's Compensation and HR Committee directly oversees our DE&I program.

Fostering a Culture of Inclusion and Belonging in Our Workplace

Increased Transparency and Accountability

We continue to invest in the evolution of our culture and the development of our people through programs and processes designed to foster inclusion and belonging. To increase transparency and accountability across the enterprise we implemented an internal diversity scorecard in 2021. The scorecard measures progress on several key diversity and inclusion metrics with two-year diversity targets and action plans set by each business unit.

DE&I Education

We provide a multi-faceted DE&I learning journey. Colleagues of all levels can explore a variety of topics to enhance and modify the behaviors needed to foster an inclusive culture. We introduced a required DE&I learning program for all colleagues for the first time in 2021 — Ignite Inclusion — which focuses on valuing uniqueness, building belonging, and making fair decisions. Approximately 67% of colleagues participated in the required learning experience in 2021 and the remainder of our colleagues will participate by the end of 2022.

Additionally, to equip all of our managers with training to strengthen their skills in building diverse teams that value inclusion, we provide Inclusive Hiring and Inclusive Performance Reviews training.

Our Executive Leadership Group received a customized training session focusing on creating a psychologically safe work environment. The objectives of this program were to build team trust and empathy while mitigating microaggressions.

Business Resource Groups

Our Business Resource Groups (BRGs) continue to serve as catalysts for change within our organization. We currently have six BRGs — Citizens WIN (Women); Citizens Elev8 (Rising Professionals); Prism (Multi-cultural); Citizens Pride (LGBTQ+); Citizens Veterans; and Citizens Awake (Disability Awareness) — each of which is sponsored by a senior leader.

Approximately 3,100 of our colleagues were members of at least one BRG at year-end. The BRGs create communities in the organization that provide networking, build awareness and foster belonging. BRG members help inform our work by sharing insights on workforce expectations, perspectives on product development and multi-cultural marketing, and improvements on customer interactions. Throughout the year, our CEO held roundtable discussions with our BRGs to hear about topics on their minds and their perspectives on our business.

Our BRG members also furthered our commitment to community and participated in 35 volunteer events.

Measuring Colleague Sentiments on DE&I

We leverage our annual enterprise-wide Organizational Health Index (OHI) engagement survey ([see more on page 25](#)) to measure colleague sentiment on DE&I at Citizens. We also review findings between diverse segments to learn where we can close gaps in perception and continue to improve. We added four new questions to our survey in 2021 to assess colleagues’ sentiments on feeling valued and having a sense of belonging. Overall, DE&I scores on the 2021 OHI were among our highest across the full survey.



Citizens has a long-standing partnership with Year Up, an organization whose mission is to close the opportunity divide by ensuring that young adults gain the skills, experiences, and support that will empower them to reach their potential through careers and higher education. Ninety percent of Year Up students are Black, Indigenous, and people of color (BIPOC). This partnership has helped us hire students as interns, with the intent to convert them to full-time employees upon completion of the program. Citizens has hosted 240+ Year Up interns including 50+ in 2021. We have hired 100+ Year Up graduates since the inception of our partnership.

Increasing Diversity in Our Workforce

We continually look for ways to enhance our efforts as we build a more diverse workforce and inclusive culture. Despite our progress, we acknowledge that there is an opportunity to further increase the representation of women and people of color, particularly in senior roles. As a result, we have implemented several new recruiting, development and internal mobility initiatives to facilitate progress.

We continue to drive progress through our diversity hiring commitment, which sets forth guidelines to expand the diversity of our talent pools. The guidelines include a goal that at least 50% of the candidates who we interview for mid-to-senior openings are women and/or people of color.

Our Inclusive Hiring training program, designed to increase manager capabilities to mitigate bias and expand talent, reached more than 250 of our recruiters, HR Business Partners and hiring managers by year-end. We will continue to expand participation to even more hiring managers going forward.

To grow our talent pipeline from under-represented groups, we expanded business and community partnerships. Examples of these partnerships include the Association of Latino Professionals for America, Disability:IN, Four Block, the National Black MBA Association, and Out in Finance.

We are also piloting new hiring programs. In one of our business lines, we partnered with the Financial Women’s Association’s Back2Business program to pilot a “return to the workforce” initiative for women who have been out of the full-time workforce for more than 18 months due to personal priorities or challenges. We have partnered with Massachusetts General Hospital’s Aspire program to launch an “Autism at Work” initiative that provides employment opportunities to individuals who are neurodiverse.

We also made progress on mobility across the organization through role-specific career-pathing and leadership coaching for emerging talent. The chart below reflects our colleague demographics as of December 31, 2021. We remain committed to continuing our progress on diversity representation.

EEO Job Group	Male	Female	White	Black or African American	Hispanic or Latino	Asian	American Indian or Alaska Native	Native Hawaiian or other Pacific Islander	2 or more races
Executive/Senior Level Officials & Managers	68.5 %	31.5 %	88.0 %	2.8 %	4.6 %	4.6 %	—	—	—
First/Mid-level Officials & Managers	55.9 %	44.1 %	80.5 %	6.0 %	4.3 %	8.0 %	0.2 %	—	1.1 %
Professionals	53.7 %	46.3 %	74.0 %	4.7 %	4.6 %	14.9 %	0.2 %	0.1 %	1.7 %
All Other	32.9 %	67.1 %	66.9 %	14.2 %	10.2 %	5.4 %	0.2 %	0.1 %	2.9 %
Total Workforce	42.5 %	57.5 %	71.5 %	10.3 %	7.7 %	8.0 %	0.2 %	0.1 %	2.3 %

Source: December 31, 2021 data produced in a manner consistent with EEO-1 reporting. “All Other” is a combination of the following EEO-1 job categories: sales workers, administrative support workers, craft workers, and service workers.

Commitment to Pay Equity

Part of our commitment to building and fostering a diverse, inclusive, high-performing culture includes ensuring our compensation and benefits are fair and competitive for all colleagues. We continuously evaluate our practices and are committed to identifying opportunities to help ensure all colleagues have equal opportunity to maximize their potential.

We take the following steps to assess whether equal pay is received for equal work throughout our organization:

Pay for Performance
Compensation decisions are based on a “pay-for-performance” philosophy. This means annual compensation decisions are based on a blend of performance metrics: individual, business unit, and Citizens’ overall. Colleagues are assessed during an annual review process that considers performance across a number of dimensions including customer, risk and control, financial, and human capital.

Manager Training
Managers receive annual training that includes tools and resources to help them make appropriate compensation decisions during our annual pay process. Rating and compensation recommendations submitted by managers are reviewed to ensure they are fair and equitable.

Analyze Regularly
We engage an independent third party to annually review colleague pay to assess whether equal pay is received for equal work throughout our organization, regardless of gender or race. This review covers all of our operations and colleagues, and considers factors such as performance, experience, and time

in role in analyzing base salary, cash bonuses, and equity awards of colleagues serving in similar roles. In the case that job-related factors do not explain a disparity, a pay adjustment is made.

The results of our most recent analysis indicate that women are paid 99% of what men are paid and there is no pay disparity for people of color. Although these are strong results, we understand that the opportunity gap for women and people of color continues to exist. We remain committed to the programs we have in place to help facilitate, among other things, increasing the representation of women and people of color in senior and leadership roles over time.

Driving Business and Community Impact

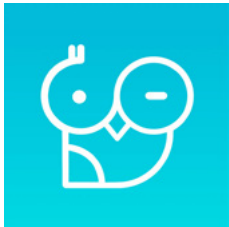
Investing in Greater Social Equity in Our Communities

Through our social equity partnerships and programs, we have implemented initiatives focused on increasing awareness and expanding opportunity. We provide funding and collaborate with our partners to provide a range of impactful and innovative services in our communities.

We continued our 2020 commitment to support nonprofit organizations focused on job creation and workforce advancement. We have supported five nonprofits with a total of \$500,000: 100 Black Men of America, United Negro College Fund, Posse Foundation, the NAACP Legal Defense and Educational Fund, and the National Urban League.



To eliminate the digital divide that is often a significant barrier for people of color, we expanded our existing partnership with **Local Initiatives Support Corporation** (LISC) to fund digital literacy programs in five key markets through their Financial Opportunity Centers. Through the program, LISC is deploying coaches to provide instruction on accessing technology and building and applying digital skills to job searches and career advancement. Throughout 2021, our partnership enabled LISC to build out this pilot program and, to date, the programming has reached over 540 clients to provide digital literacy coaching and instruction. More than 150 clients gained access to technology and devices.



We partnered with **Goalsetter** as one of its first ten corporate partners kicking off the One Stock, One Future campaign. Goalsetter is an app that encourages youth to save and invest. The campaign aims to increase generational wealth among Black and Latinx teenagers through financial education and investing. The goal of the campaign is to gift one million shares of stock to one million Black and Latinx youth.



Understanding the value of STEM education, we executed four virtual “Code Clubs” in partnership with **Black Girls CODE**. The Code Clubs are an introduction to technology and coding for middle and high school girls, making pathways toward careers in an ever-growing industry.




We supported the **EVERFI Black History Month Challenge**, a nationwide digital essay competition for high schoolers across the U.S. Learning modules were designed to educate and raise awareness about the Black experience, the significance of Juneteenth, the civil rights movement, and more. Students submitted an essay about what they learned for a chance to win college scholarship prizes.



To help with college education costs, the **Citizens Scholarship** awards a \$2,500 monthly scholarship prize. The monthly winners become eligible for a \$15,000 annual grand prize. Additionally, a student who meets the required criteria for the Minority Scholarship is eligible to win a \$2,500 quarterly prize.

Economic Opportunity Fund

We continued executing on our 2020 commitment to provide up to \$50 million to Community Development Financial Institutions (CDFIs) for working capital lines of credit, small business loans, microloans, and reconstruction loans to non-bankable Black- and brown-owned businesses. Through this program, eligible participating CDFIs also received operating funds for their training programs and partnered with a Citizens Business Banking Relationship Manager to engage in business and entrepreneur training programs for those they serve. We also continued to execute on our \$250,000 commitment in equity capital to minority entrepreneurs identified through CDFI partners, to enable the launch of new businesses or the growth of existing businesses in minority communities. Grantees are selected based on a business-pitch style competition in which Citizens colleagues serve on the evaluation panels.



*[See page 31 of this report](#)
to learn more about our Community Development initiatives*

Housing Opportunity Fund

We continued to deliver on our 2020 commitment of \$300 million in Low-Income Housing Tax Credit developments in predominantly minority census tracts at premium pricing. The premium we pay is used to help address the digital divide, at no cost to residents, by providing features such as technology centers with computer workstations and internet connectivity.

Supplier Diversity

We recognize that diverse businesses play a critical role in communities — providing jobs, building wealth and developing sustainable economic pathways toward equity. We are committed to developing a robust pipeline of business opportunities and ensuring we have certified diverse businesses to compete for them.

Through our [Supplier Code of Conduct](#), we set clear expectations that our suppliers share our commitment to DE&I and have standards in place that integrate strong DE&I policies and practices into their businesses to create a diverse and inclusive workplace free of discrimination and harassment. This includes maintaining talent recruitment and development programs. These expectations also include fostering a diverse supply chain within their companies.

Our goal is to achieve a supply chain that is diverse, inclusive, reflective of the markets we serve, and accessible and efficient for all suppliers with whom we work. We expect our suppliers to embrace this vision and approach to engaging their own third-party vendors.



Our Colleagues

Citizens' journey over the past few years has been one of accelerated progress and change, in step with rapidly evolving market and talent expectations. We have been on the path to digitization, transforming how we work, and establishing the necessary capabilities for the future, while at the same time facilitating continued evolution of our culture. Citizens' colleagues are at the heart of our Credo and our ultimate goal is to create an environment where colleagues feel valued, and can grow and thrive in their careers.

We are committed to supporting each colleague's unique journey — whether that is helping them pursue their objectives and reach their highest potential at work, or supporting them as they care for their family and pursue personal goals. We have a range of tools and resources to help our colleagues be resilient and thrive across all dimensions of their lives.

Health and Wellness

Our comprehensive total rewards package includes competitive pay and benefits designed to support physical, emotional, social and financial wellness. This offering is regularly evaluated to ensure it continues to meet the needs of our colleagues. Effective in 2022, we have extended medical benefits to all part-time colleagues working 20 or more hours per week. Through our comprehensive myWELLNESS hub, we provide incentives for completing wellness activities and resources to help our colleagues get and stay healthy.

Throughout the COVID-19 pandemic, we supplemented our program with several additional elements to support colleagues' wellness. Those programs included additional paid time off to address personal circumstances or COVID-19 quarantine and recovery, mental health and parental resources, and modifications to select compensation programs to take into consideration decreased production at the onset of the crisis. We continuously evaluate our programs and, in 2021, implemented



additional mental and emotional health resources as well as emergency back-up child and adult care in order to help alleviate the stress associated with unexpected circumstances.

Our commitment to colleague health and well-being has also driven our return-to-office strategy. While our branch staff have been serving customers in-person throughout the pandemic, we implemented a gradual return to office strategy for non-branch colleagues that incorporates flexibility based on unique needs.

For more detailed information on our health and wellness benefits, visit [our Careers page](#).

Growth and Career Development

369,000 total hours
of learning & development



More than 1,600 colleagues

completed leadership training

145,000 hours

of compliance training



224,000 hours

of professional or skill development

Changes in the skills and knowledge necessary to succeed in this rapidly evolving digital world require us to invest in building a highly skilled and adaptive workforce. We are engaged in a large-scale transformation agenda, part of the path to end-to-end digitization and transformation of how we work. We are enabling new mindsets, behaviors, and capabilities to ensure that we are well-positioned for the future. We invest significant resources in colleague development and offer programs aimed at equipping them with the skills to not only excel in their current roles, but also be highly valuable contributors in the future and align with market changes.

To deepen critical skills to ensure our future success, we expanded our learning academies which focus on Innovation, Agile, Next Gen Tech, and Data & Analytics. Through these academies, curated learning resources make it easy for colleagues to acquire the applicable bodies of knowledge and skills.

Through our Performance Enablement process, all colleagues participate in mid-year and year-end performance reviews — which include conversations about career development and progression — as well as ongoing check-ins, feedback and coaching. Regular “check-in” conversations extend beyond the work and are aimed at supporting colleagues’ goals and growth. In addition, an “anytime” feedback tool now allows colleagues to give and receive feedback, helping them understand where they excel and identify opportunities for improvement.

More than 13,300 of our colleagues engaged in the Citizens Learning Hub, a comprehensive and personalized tool with curated content that allows colleagues to direct their own education. The Hub fosters development of the skills and capabilities essential for colleague growth and the transformation of Citizens.



Colleague Engagement

Annual Organizational Health Index Survey

We know that our success depends on our colleagues’ motivation, engagement, and appreciation for how their work contributes to our mission and strategy. Each year, we use the McKinsey & Company OrgSolutions OHI survey to measure and track colleagues’ perceptions of Citizens. Eighty percent of our colleagues completed the survey in 2021 — an all-time high participation rate.

The OHI measures our progress on a number of factors that drive performance and growth including leadership, innovation, development, motivation and colleagues’ commitment to the organization. We adapt the OHI to measure both the central factors defined as organizational health by McKinsey, as well as other key aspects of work we feel are pertinent to our organizational effectiveness and colleague satisfaction. The OHI measures colleague engagement as well as colleague

observations on how well we align, execute and adapt. The survey results are confidential, and the findings provide insights on our strengths and opportunities for improvement.

For 2021, our overall health index score remained the same from 2020 and has risen by a total of 16 points over the previous six years. Among the elements that were highest rated by our colleagues were DE&I, workplace flexibility, and the meaningfulness of their work.

We continue to use the results of this annual survey to refine our focus, address any gaps, and strengthen our efforts to improve our organizational effectiveness and the way we serve all stakeholders.





Let's Connect Discussions With Senior Leaders

We used a variety of platforms and forums to facilitate open and direct communication with colleagues that included several “Let’s Connect LIVE” streaming sessions for all of our colleagues with our CEO and members of our Executive Committee. These sessions gave our colleagues the chance to hear from leaders, and to ask questions on wide-ranging topics. We also hosted more than 200 Let’s Connect sessions with senior leaders, and had over 3,000 colleagues register to discuss topics such as ESG, career development, moving forward from COVID-19, women in leadership, and more.

Recognizing Our Colleagues

Our Credo Awards program is a comprehensive, multi-layered approach to recognition and engagement across the organization. The program includes real-time recognition for living our values and delivering for our customers through awards sent by managers and fellow colleagues.

In 2021, we recognized 310 of our colleagues as Credo Champions. This select group of colleagues was honored at our annual Credo Champion celebration event for delivering their best for our customers, colleagues, communities and shareholders.

Our Customers

Our goal for all of our customers — from individuals to global corporations — is to provide them with an exceptional banking experience, one that exceeds their expectations. We keep the customer at the center of our efforts as we strive to continuously innovate to improve our products, processes and service. As articulated in our [Vision and Values](#), we know that a customer-centric culture is key to our success.



FICO is a registered trademark of Fair Isaac Corporation in the United States and other countries.

Making Banking More Transparent and Accessible

Citizens Peace of Mind™



To help our customers avoid the expense of unexpected overdraft fees, we introduced [Citizens Peace Of Mind](#), a new deposit feature that was added to all Citizens Checking accounts. Customers who unexpectedly overdraw their accounts have the ability to deposit or transfer enough funds to bring their account to a positive available balance prior to the close of business the following business day, which will automatically reverse all overdraft fees.

This feature complements the \$5 Overdraft Pass®, a customer protection that the bank has offered for several years on all checking and money market accounts. If a customer overdraws their account with a transaction of \$5 or less, Citizens does not charge an overdraft fee.

Citizens Peace of Mind also includes new technological capabilities that monitor and alert customers to overdraft withdrawals, keeping customers informed of their finances and helping them make better decisions.

Citizens EverValue Checking™



In March 2022, we announced a new, overdraft-free checking account designed to increase banking access for underbanked and underserved communities. [Citizens EverValue Checking](#) account offers protection from overdrafts, so that customers don't have to worry about over-spending their account.

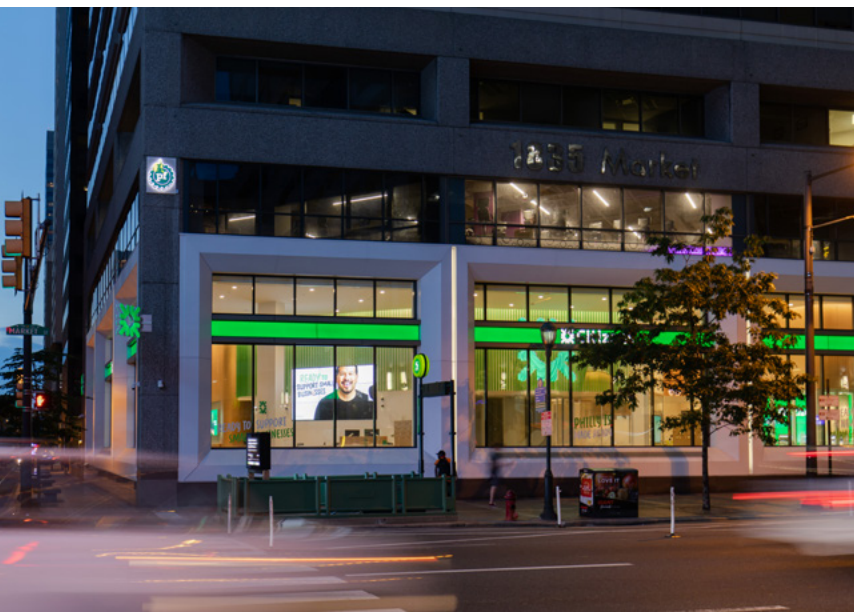
This new account, along with our Student Checking account, has been certified by the national Cities for Financial Empowerment Fund as meeting the Bank On National Account Standards. This certification verifies that the accounts meet more than 25 features for safe and affordable consumer transaction accounts that ensure low-cost, high-functionality, and consumer safety.

Citizens GoalBuilder™



Increasing lending in underserved communities is a priority for us. To expand borrowing options for low- to moderate-income homeowners, we offer Citizens [GoalBuilder](#) Home Equity Line of Credit. With lower credit limits and FICO® requirements, GoalBuilder provides an affordable borrowing option to a wider range of customers using equity in their homes.

Fair and Responsible Banking



Our Office of Fair Banking, which is part of our Compliance Department, is completely integrated into our product governance processes to ensure that our products are fair and inclusive; are communicated in all of our materials in a way that is accurate, comprehensive, and easy to understand; and are implemented equitably.

We have embedded strong governance routines in our product development and marketing processes to ensure a responsible, clear, and inclusive approach. Our policies that govern our commitment to fair and responsible lending are overseen by our Board’s Risk Committee. This Committee also oversees our compliance with Unfair, Deceptive, or Abusive Acts and Practices (UDAAP) requirements.

Our cross-functional product development process includes representation from both our Compliance and our Community Development teams to

ensure that we are considering products, and all communications about them, through these lenses. All new products or services, or changes to existing products or services are required to undergo a formal risk assessment to ensure compliance with fair banking requirements (and other areas). New products, or those with significant changes, are also overseen through risk governance and management forums.

Our commitment to fairness and responsibility continues through the product life cycle, as we work to ensure fair treatment in the ongoing servicing of our accounts. Our compliance team is fully integrated into our customer service processes to ensure a fair and equitable experience for our customers. All colleagues that interact with our customers, or who perform functions affecting them, are trained in UDAAP standards annually.

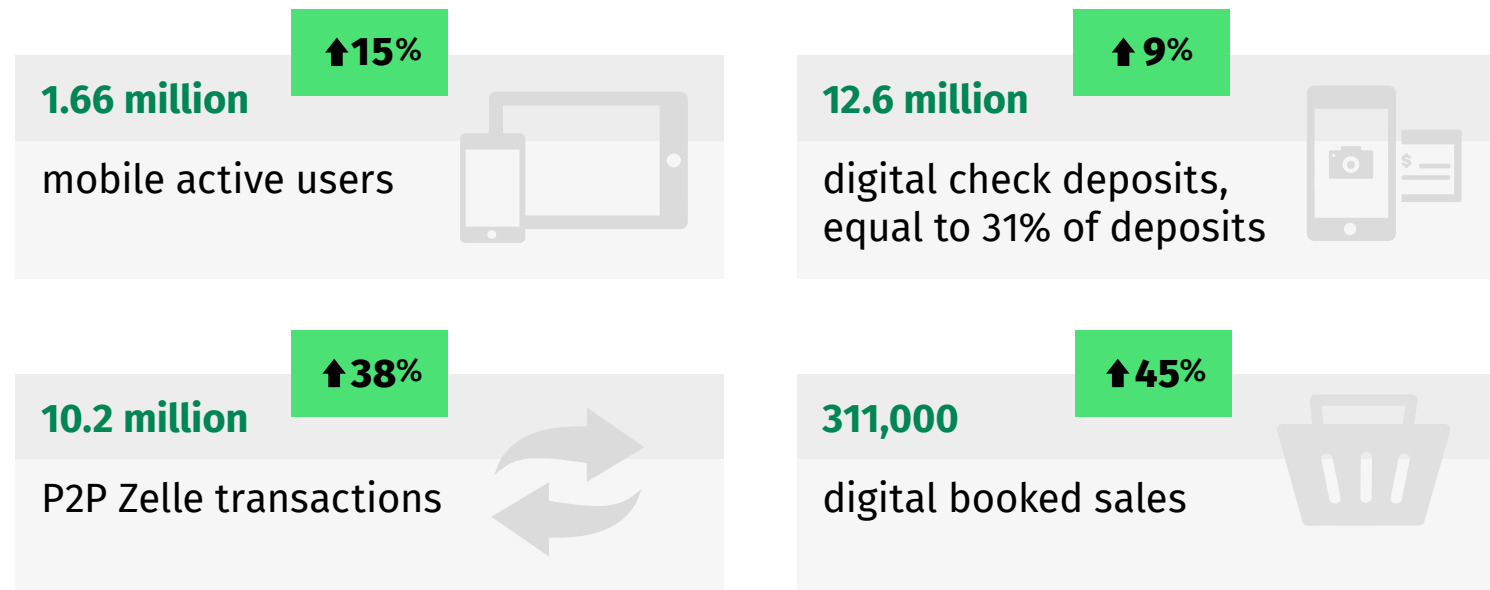
Managing Customer Complaints

We truly value customer feedback, including complaints, as opportunities to improve our products, processes, and services. Using both internal and external data to track, evaluate and enhance the customer experience, we are able to turn this valuable feedback into better ways to serve all of our customers. Feedback can be received through a variety of channels, verbally or in writing, through customer/colleague interactions, social media, our branch network, call centers and others. Customer complaints are handled by a dedicated team, centralized within the Office of the Chairman, as a feedback management process across the company. These customer service professionals act as advocates and a consistent point of contact for customers while guiding the process through to resolution. We strive to continuously improve and provide exceptional customer experiences.

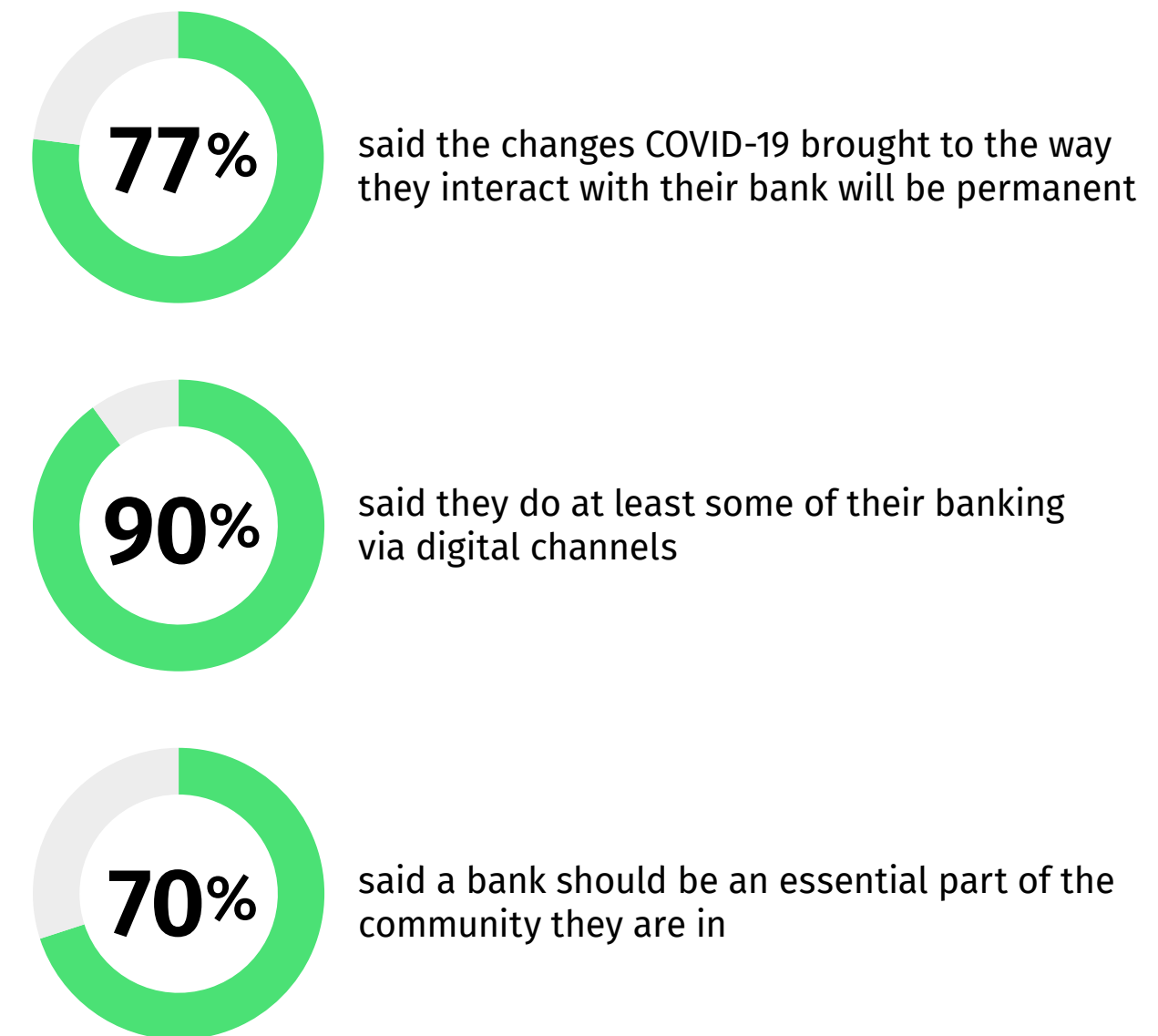
Investing in Innovation and Technology for Better Customer Experiences

In our 2021 [Banking Experience Survey](#), we found that the pandemic brought a rapid acceleration of the adoption of digital banking tools. The survey also showed that human expertise (in-person or virtual) remains essential for consumers when it comes to getting financial advice and for more complex transactions. We know it is important for financial institutions to find ways to serve people through their channel of choice and we are focused on providing a seamless experience across all channels, as consumers still look to receive advice in person.

Digital Banking Snapshot



Customers on Digital Banking



Innovation Forum and Fund

Our culture of innovation informs everything we do both inside and outside the company. We challenge individuals at every level of the organization to think and act with one imperative in mind: How can I do more today for Citizens’ customers? Our internal innovation community of practice — the Innovation Forum — has 1,200 colleague participants from across the organization. These colleagues engage regularly, either during the Forum’s monthly meeting and/or via our internal collaboration sites to discuss bank-wide initiatives, new product developments, and broader implications of innovation in the financial services industry.

At Citizens, we know that celebrating and recognizing innovation helps us further embed it into our cultural DNA. It’s why we enhanced our recognition program with new features to allow colleagues to acknowledge one another for going above and beyond to innovate. More than 4,000 innovation awards were shared with colleagues across the bank. Additionally, 10 colleagues made up our inaugural class of Chairman’s Innovation Award

winners; these individuals were selected by leadership and the award signifies outstanding achievements made with respect to innovation.

For those colleagues who want to continue strengthening their innovation muscle, we have launched the Innovation Academy, an internal, self-service, learning program focused on innovation. The Innovation Academy helps colleagues develop the critical skills necessary to experiment and translate new ideas into valuable solutions for our customers.

We have also implemented tools and enablers that help us to test and learn quickly. Our Innovation Fund makes targeted, venture capital-style investments in early-stage, strategically aligned colleague ideas that provide innovative solutions to pressing customer needs. The fund has incubated approximately 25 concepts since inception. In 2021, one of the first Innovation Fund concepts, [Green Deposits \(see page 16\)](#), was launched in the market to help commercial clients achieve their sustainability objectives.

Providing ESG Investing Options for Our Clients

ESG investing is of increasing importance to many of our clients. We continue to expand our ESG-aligned investment solutions comprised of funds regarded to have strong ESG characteristics.

We are diligent in our client discovery and financial planning conversations to better understand our clients’ preferences to ensure solutions align with their financial goals as well as their personal values. We are committed to increasing our expertise in this area and are investing in educating our financial advisors in socially responsible and ESG investing. We are supporting the achievement of sustainable investing credentials for members of our team.

We recognize that understanding ESG investing is important to many clients. We provide education on the topic. We’ve hosted forums shared through our social media channels and developed new website content to help clients understand the basics, allowing them to consider how ESG investments align with their preferences.

Integration of ESG in Credit Analysis


Our Commercial Credit Policy includes compliance with environmental laws and regulations as a factor in evaluating the creditworthiness of a client.

Our Communities

Community Development

We work to strengthen communities by providing financial resources that foster development. Our capital allows organizations to advance their plans to expand affordable housing and community services, revitalize communities, and fuel economic development. We provide support in the form of loans and equity investments. We support development opportunities sponsored by Community Development Corporations (CDCs), 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.

Through our Community Development group we provided \$982 million in total equity and loan commitments to Community Development initiatives (comprised of \$461 million in lending commitments and \$521 million in equity). This funding helped provide nearly 5,600 units of affordable housing and more than 61,500 sq. ft. of commercial space in our communities.



\$1.1 billion

total equity & loan commitments to Community Development initiatives or qualified activities

In addition, we made \$142 million in loans through our Commercial Lending team that supported Community Development qualified activities.

Citizens offers a product for nonprofit organizations that are engaged in the preservation of multi-family affordable housing stock by providing financing for up to 95% of the purchase price toward the acquisition of existing stabilized multi-family affordable housing developments. The product is intended to allow nonprofits — in highly competitive real estate markets — to compete more aggressively with market rate developers to acquire existing developments and preserve affordable housing opportunities in the community.



Citizens partnered with Pennrose Properties and the Delaware County Housing Authority to provide more than \$34.1 million of financing for Kinder Park Phase IV, a new affordable housing development in Philadelphia.

Our funding enabled new construction of 96 units of affordable housing, along with 23,000 sq. ft. of commercial space, to be owned by Delaware County Housing Authority. Six units are reserved for tenants ≤20% area median income (AMI); three units for tenants ≤30% AMI; 32 units for tenants ≤ 50% AMI; and 55 units for tenants ≤60% AMI.

Citizens partnered with Nuestra Comunidad Development Corporation to provide more than \$36 million of financing for Bartlett Place Building A, a development located in the Roxbury neighborhood of Boston.

Our funding enabled the new construction of 60 units of affordable housing and 11,600 sq. ft. of commercial space. Sixteen units are reserved for tenants ≤30% AMI; 12 units for tenants ≤50% AMI; 23 units for tenants ≤60% AMI; and nine units for tenants ≤80% AMI.

Enabling Informed Home Ownership

We recognize that homeownership is a key component in wealth building for the communities we serve. Through clear terms and sound advice, we help our customers determine if homeownership is right for them, obtain a loan to fit their budget, and make an informed decision. We focus on what’s right for each borrower and offer an array of mortgage products that are helpful for first-time home buyers and LMI families.

We provided nearly 22,000 loans totaling \$4.6 billion for home purchases and home refinances to LMI borrowers or for residences in LMI census tracts. Our portfolio affordable housing loan program, Destination Home Mortgage, provides first-time homebuyers with lower rates and more flexible underwriting requirements. LMI individuals, and/or those purchasing a home in LMI neighborhoods can qualify for the program, which allows a low down payment with no mortgage insurance. It can also be combined with approved community seconds, which are grants and subsidies provided by local organizations.

In addition to offering innovative loan programs, we also help address a key element of the home purchase affordability gap by providing closing cost assistance grants to eligible LMI homebuyers or those buying homes in LMI tracts. We provided more than \$2 million in closing cost assistance grants in 2021.

Preferred SBA Lender



and leading participant in the U.S. SBA loan programs, supporting the growth & development of small businesses

Supporting Small Businesses

We view small businesses as economic engines of our local communities, and we work to connect them with a variety of specialized tools and products. We work directly with each customer to understand their unique needs and provide them with relevant, useful products that will help them manage and grow their businesses.

In total, we made more than 33,000 loans to businesses with sales <\$1 million in 2021, totaling \$973 million.

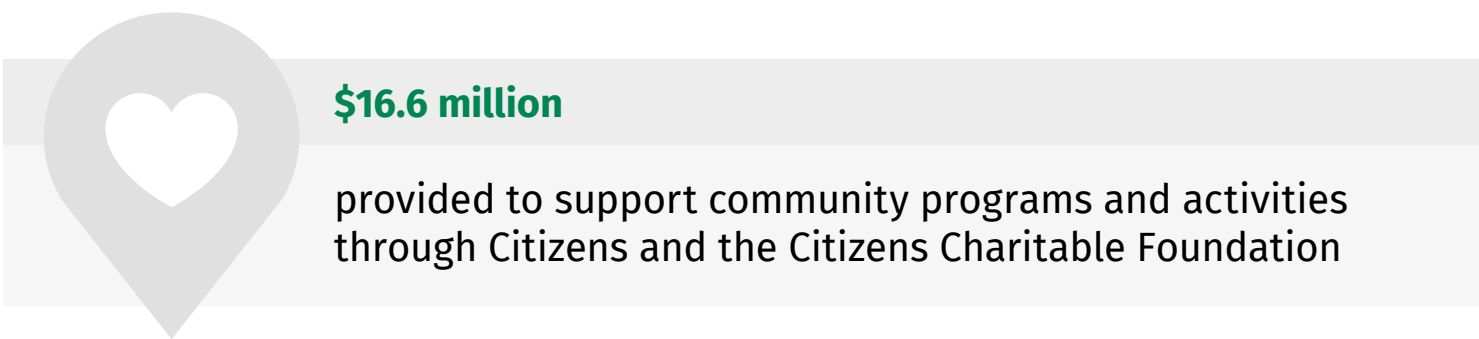
[Visit page 22 to learn more about our Economic Opportunity Fund](#) through which we committed \$50 million to CDFIs to provide working capital lines of credit, small business loans, microloans, and reconstruction loans to non-bankable Black- and brown-owned businesses.

To recognize the increasingly critical role small businesses play in our communities and economy, we expanded our annual Small Business Community Champion Awards. These awards recognize businesses for their efforts to strengthen our communities and meet the needs of their customers. We added ten awards each for women-owned and minority-owned businesses for a total of thirty small business owners from across our footprint that each received a \$10,000 prize.

Paycheck Protection Program

We continued to support customers with the implementation of the SBA’s Paycheck Protection Program (PPP). In 2021, during a second round of PPP funding, we processed approximately 36,000 loans totaling \$2.2 billion. In 2020 and 2021, we processed a combined total of approximately 86,000 loans, totaling approximately \$7 billion. We helped approximately 80,000 of these customers submit loan forgiveness applications.

Citizens Helping Citizens



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 believe that playing an active part in fostering the well-being of our neighbors and neighborhoods is key to each one of us realizing our potential. We build partnerships to develop neighborhoods, stimulate economic renewal and transform lives.

Through our corporate giving and volunteerism programs, we work alongside our neighbors to build stronger communities, focusing on three specific areas that we believe will fortify our communities:

- Fighting Hunger
- Financial Empowerment
- Strengthening Communities through Economic and Workforce Development

Fighting Hunger

More than 38 million people in the U.S., including 6 million children, are food insecure according to 2020 [USDA data](#). The pandemic disproportionately increased food insecurity among families with children and communities of color, which is why our commitment to address hunger issues in our communities is so critical. In 2021, Citizens, our colleagues, and our customers joined together to donate 16.3 million meals.



We have partnered with Feeding America® — the nation’s largest domestic hunger-relief organization — for four years to further our impact and deepen our efforts to eradicate hunger. Locally, we support a variety of programs that improve food access, advance support for nutritional education and propel the overall health of our communities.

Financial Empowerment

Working alongside community partners through our Citizens Helping Citizens Manage Money program, we help people become financially knowledgeable and

secure. We provided \$1.9 million to financial empowerment programs across our footprint that helped individuals, families, and small businesses improve their financial acumen.



Through our partnership with Junior Achievement — a national organization dedicated to preparing young people for economic success — we mobilize our colleagues as volunteers to bring their programs to life in classrooms across our communities. Throughout the year, we collaborated to provide critical financial literacy resources to approximately 5,500 students.

We leverage the expertise of our colleagues to deliver financial education to individuals and small businesses and help them gain financial confidence. Our colleagues volunteer their time to host workshops, provide income tax assistance, mentor individuals and more. Our colleague volunteers delivered nearly 900 financial empowerment sessions, impacting more than 14,000 individuals and businesses.

Strengthening Communities Through Economic and Workforce Development

We are committed to strengthening communities across our footprint through economic and workforce development, small business development, neighborhood revitalization and housing. Through our financial investments and colleague engagement, we strive to advance social equity, close opportunity gaps and revitalize our communities so all people can realize their potential.



Since 2015, we have partnered with the Military Warriors Support Foundation to award fully furnished, renovated, mortgage-free homes or new hybrid cars to combat-wounded veteran heroes and their families. In 2021, two veterans and one Gold Star widow each received a payment-free hybrid vehicle and a year of dedicated financial mentoring from Citizens.

Since 2002, our Champions in Action program has given more than \$10 million in unrestricted funds to 362 nonprofits that are making a difference in our communities. Our 2021 topics for this program focused on COVID-19 Relief and Social Equity and we awarded ten organizations a total of \$350,000 to advance their missions and have a lasting impact on our local communities.

WORKFORCE DEVELOPMENT

As the gap between emergent jobs and skilled workers expands, we are preparing the workforce of tomorrow through partnerships and programs that train, reskill, and upskill workers to help them acquire critical competencies to attain employment and advance their careers. Through our economic development and job training efforts, we are actively engaged in ensuring our communities reach their potential and gain equitable access to meaningful careers.

In partnership with Education Design Lab, we launched the Citizens Community College Accelerator with Bunker Hill Community College and the Community

College of Philadelphia. This innovative program is designed to accelerate education-to-workforce learnings and create new micro-credentialing pathways for learners. These pathways are aligned to local labor market needs and help learners gain relevant skills to successfully progress into the workforce, leading to earnings at, or above, the median wage in high-demand industries.

Through national partnerships with Girls Who Code, LISC and Year Up, Citizens funds programs designed to help close the opportunity gap and provide the skills needed to secure and maintain a meaningful career. With LISC, we helped increase digital skills and access to technology for individuals across our footprint, helping them find work, advance in their careers and build lifelong financial sustainability. Through Year Up, Citizens hosts interns, mentors students, provides career development opportunities and invests in digital inclusion programs. In supporting Girls Who Code’s Summer Immersion Program, we helped girls learn computer science and explore careers in technology.

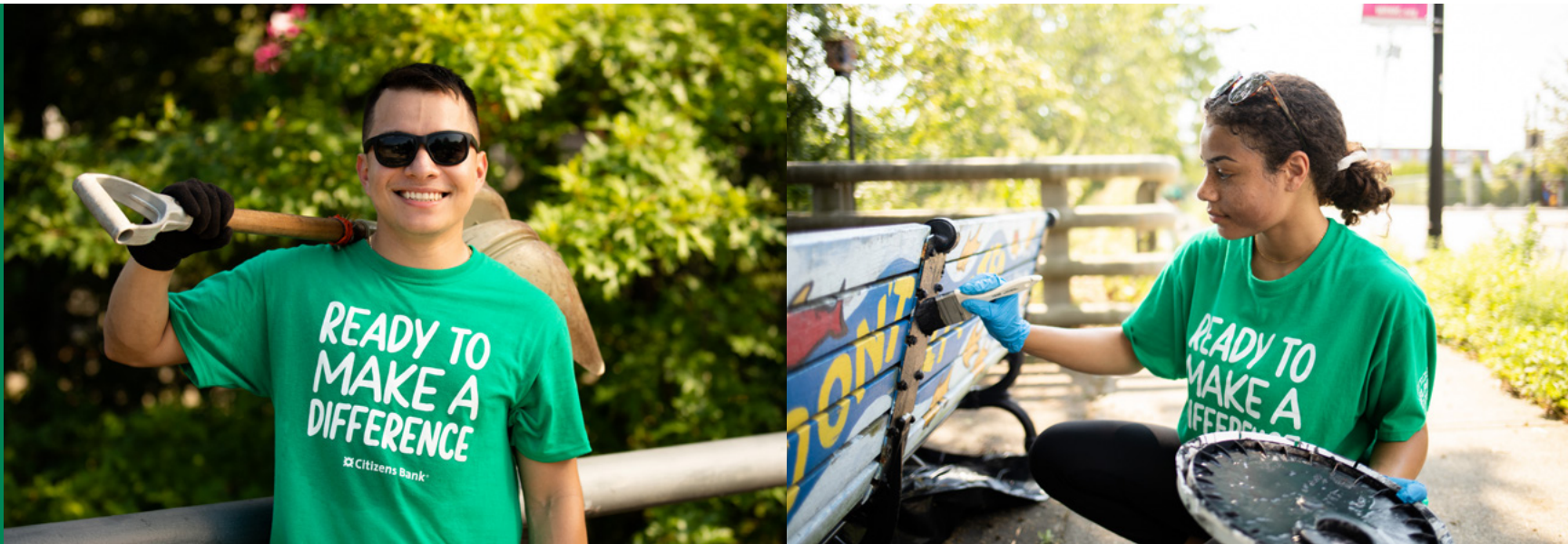


Understanding the critical role companies play in convening leaders to advance workforce development, we hosted a series of panel discussions titled *Cross-Sector Partnerships: Meeting the Workforce Needs of Tomorrow*. Our CEO, Bruce Van Saun, hosted these discussions in Boston and Pittsburgh with leaders from various industries to talk about how private, public and nonprofit sectors can work together to help solve issues of inequity and skill gaps in the workplace.

SKILLS-BASED VOLUNTEERISM

We engage colleagues in skills-based volunteerism across our footprint to leverage their skills and make a deeper impact with our community partners. We hosted our first Skills-Based Volunteer Day of Service, a virtual event developed in partnership with Common Impact, a nonprofit social

impact consulting organization that aligns companies and nonprofits to address complex community challenges. The “flash consulting” style event brought together nearly 60 Citizens colleagues with a wide range of skills and areas of expertise to share valuable guidance with 10 nonprofit organizations throughout our footprint. With many nonprofits facing limited resources and increased demand for services, the event was particularly timely in helping them gain free access to insights to help solve critical capacity challenges.



Our Colleagues Bring Our Community Commitment to Life

Our colleagues are critical stewards of our commitment to our communities and invest their time, talent, and resources to charitable causes that are meaningful to them. Our colleagues provided over 154,000 hours of virtual and in-person volunteer service throughout the year, which supported more than 2,000 organizations.

Our colleagues serve on approximately 1,000 nonprofit boards and/or committees, lending their expertise to organizations that provide vital services across our footprint. The Citizens Charitable Foundation provided nearly \$1 million in matching gifts, amplifying our colleagues’ charitable giving.

In support of our commitment to fight hunger, our colleagues’ actions during September’s Hunger Action Month generated a donation equivalent to more than 541,000 meals for those in need. A key colleague engagement initiative is our signature Step Up to Fight Hunger Wellness Challenge through which colleagues can translate healthy activities to a donation that provides meals for their communities. Over 3,500 colleagues logged 648 million steps during the annual challenge.

Board Governance

We believe that a strong governance framework strengthens board and management accountability and creates long-term value for our shareholders. It is also foundational to delivering on our responsibility to serve our customers well, provide a great place to work and build a career, strengthen our communities, and operate responsibly and sustainably.

Our commitment to the development and maintenance of a strong governance framework is grounded in our Board of Directors, which has adopted robust governance practices to support this commitment, and which are foundational to its role in providing effective oversight. The Corporate Governance Guidelines adopted by our Board govern how it directs our affairs and establishes a common set of expectations as to how the Board, its various committees, and individual directors should perform their functions. The Board holds itself to high standards and continuously monitors the Company’s governance practices to ensure they promote ethical, transparent conduct. For more information see our

[2022 Proxy Statement](#), which describes our key governance practices collectively designed to promote:

- Board independence and oversight;
- the selection of highly qualified and diverse Board candidates;
- alignment of the Board’s skills to the Company’s strategy;
- alignment of Board and executive management’s interests to those of our shareholders;
- director development with an ongoing Board education program;
- robust oversight of risk; and
- enhanced stockholder rights.

To review our key corporate governance documents including our Bylaws, Certificate of Incorporation, Corporate Governance Guidelines, Code of Business Conduct and Ethics and committee charters, visit the [Corporate Governance](#) section of our Investor Relations website.

Shareholder Engagement

We continuously interact and communicate with our shareholders in a number of forums, including quarterly earnings presentations, investor conferences, press releases and SEC filings, shareholder dialogue, our annual report, proxy statement and the annual meeting of shareholders.

At least annually, we proactively reach out to our largest shareholders to solicit feedback on corporate governance, executive compensation, and other ESG topics. We share the feedback received with our Board and use it to enhance our current practices. We also hold discussions with shareholders at their request.

As a result of shareholder feedback in recent years, as well as ongoing reviews of market and peer practice, we have made several changes to our governance and compensation practices and related disclosure. More information on our Shareholder Outreach Program including details on how our shareholders can contact the Board can be found in our [2022 Proxy Statement](#).

Diversity of Gender, Ethnicity and Tenure

Our Board is stronger with directors who offer diverse perspectives and experiences. Accordingly, the Nominating and Corporate Governance Committee considers each director’s and nominee’s self-identified diverse characteristics such as age, gender, and race, in addition to their professional background, when reviewing Board and committee composition. Moreover, the Board requests that any firms engaged in the director search process include diverse individuals in its list of potential candidates.

12 of 13 directors independent

all board committees independent

6 years average tenure

65 years average age

53% represent diverse groups
four women, two people of color, and one veteran

Executive Compensation

Our compensation program is designed to attract, retain and motivate the company’s leaders to deliver long-term business performance in a manner that promotes risk management and accountability and is aligned with returns to shareholders. We continuously evaluate peer and market practice and also solicit feedback on our program and related disclosure from shareholders in order to further enhance our program. Key design and governance features of our executive compensation program are included below. More information on our Executive Compensation program can be found in the Compensation Discussion & Analysis and related compensation tables in our [2022 Proxy Statement](#).

Key Compensation Design Features

- Executive compensation is determined by the Compensation and Human Resources Committee. Executive compensation decisions are made based upon a review of

multiple dimensions of performance (including financial and business delivery; customer outcomes; strategic initiatives; human capital including diversity, equity and inclusion; and risk and control) as well as consideration of other relevant factors, which facilitates management’s focus on performance overall and mitigates the risk of disproportionate focus on certain elements of performance.

- A meaningful portion of executive pay is delivered in the form of long-term awards. Our executive pay mix is aligned with shareholder interests by delivering 60%–70% of variable compensation in the form of long-term awards, the value of which is ultimately dependent on our stock price movement.
- Senior leaders are awarded a portion of variable compensation in the form of performance-based awards, including beyond the CEO’s direct team. These awards are designed to focus recipients on long-term performance. For our CEO, CFO, and the heads of our Commercial and

Consumer businesses, 45% of variable compensation overall and nearly two-thirds of long-term awards are granted in the form of performance awards with a three-year performance period and which include absolute and relative metrics.

- Our compensation arrangements do not provide for single-trigger vesting or payments. Rather, vesting of equity awards or severance payments would only occur in the event of a change of control if there was also a qualifying termination of employment.

Key Compensation Governance Features

- The risk performance of our executives is assessed annually by our Chief Risk Officer, with the results considered in determining pay.
- Pay is subject to clawback. We have a broad-based process through which events having a material adverse impact on the Company are reviewed for potential impact on compensation, including risk-based events.

- Our compensation plans are subject to a robust governance process that involves review by control partners including risk, legal, human resources, and finance. The plans are subject to a risk review by the Compensation and HR Committee on an annual basis and by an independent third party every three years.
- Our equity plan includes strong governance features. Our equity plan does not allow for repricing or buyout of underwater options, or liberal share recycling, and generally imposes a minimum vesting period of 12 months for awards.

Business Conduct and Ethics

Our success depends not only on the competence of our directors, officers and colleagues, but also upon having a reputation for honesty, integrity, and lack of bias in the conduct of our business affairs. Our customers, shareholders, and business partners trust us to uphold the highest ethical standards in every aspect of our business operations. We believe having an ethical culture that extends through every layer of the company is foundational to delivering the best possible banking experience for our customers and a great workplace for our colleagues. We are strongly committed to conducting our business with honesty and integrity and in full compliance with all applicable laws, rules and regulations.

Our [Code of Business Conduct and Ethics](#) (Code), applicable to all of our directors, officers and colleagues, establishes the core standards of ethical conduct for our company. Our Conduct and Ethics Office, overseen by the Audit Committee of the Board, has oversight responsibility for

monitoring the behavior of our colleagues in relation to the Code, Sales Practices and other key policy considerations on a company-wide basis. The Code addresses:

- Protection of Company and Customer Assets
- Conflicts of Interest
- Outside Activities
- Personal Conduct
- Equal Opportunity
- Anti-Money Laundering and Sanctions Compliance
- Compliance with Antitrust Laws
- Environment, Health and Safety
- Integrity of Reports, Disclosures and Investigations

On an annual basis, every Citizens colleague receives training on the

Code and must certify that they have read, understand, and agree to comply with the Code. All colleagues receive additional annual training in anti-money-laundering, anti-bribery and corruption, privacy, cybersecurity, and fraud and identity theft, among other topics in our mandatory training program.

All business lines have established procedures for key processes and controls that facilitate compliance with our Anti-Bribery and Corruption Policy and any relevant laws and regulations, including performing a risk assessment that considers various risk factors for corruption and also includes an assessment of high-risk vendors (such as operations, activities, geography, and interaction with customers). The Conduct and Ethics Office assists the business lines in complying with this Policy by providing the necessary advice and guidance needed and will provide management information and reporting relevant to this policy, including trend analysis and escalation to senior management of non-compliance.

Reporting Ethics Concerns

Colleagues who know of or suspect a violation of the Code must promptly report the matter. There are several channels available for colleagues to report suspected violations, including our Right Call Hotline or website, both of which offer an anonymous reporting option.

It is a violation of the Code for any supervisor, manager or colleague to discourage anyone from filing a report or limiting the avenues in which to file a report. Being directed to violate the Code by a supervisor or manager is not a valid reason or excuse for committing the violation, and colleagues are required to report these improper directions. All reports will be kept in confidence to the extent possible. Making a report may not be an easy decision, but Citizens has a strong commitment to protecting the integrity of our reporting system. Retaliation against any individual who in good faith reports an issue or concern is not tolerated.

Privacy and Personal Information Protection

Protecting the privacy and personal information of our customers and employees, as well as any other individuals about whom we obtain personal information, is critical to maintaining trust and consumer confidence. We maintain our [Privacy Policy](#) on our website, which outlines Citizens’ personal information collection and usage practices, as well as individual privacy rights available to individuals in compliance with applicable laws.

Our commitment to data privacy is rooted in its strict compliance with federal and state privacy laws and includes the ethical application of these laws. Stated another way, we strive to not only use personal information in a lawful manner, but also to use that information in the least intrusive way possible. For example, despite being lawful to do so, Citizens does not sell personal information or share personal information with unrelated third parties for them to market their own products. Our commitment to protect the privacy of our customers and employees drives how we use personal information.

We have a dedicated independent Privacy Office reporting to the Chief Privacy Officer. The Privacy Office oversees our Privacy Program that monitors ongoing privacy risks and focuses on the privacy and protection of personal information. The Privacy Office is engaged in the design of organizational changes such as new and changing products, services, and technologies, and monitors vendor and third-party adherence to the Privacy Policy and Program.

The Privacy Office partners closely with our Cybersecurity team to ensure appropriate controls are in place over personal information. The Privacy Office also partners closely with our Legal team to monitor new and emerging privacy laws to implement timely solutions when these laws introduce new requirements or privacy rights afforded to individuals.

The Privacy Office also conducts privacy risk assessments on an annual basis to complement its ongoing monitoring. Our Internal Audit function also performs annual audits related to the Privacy Program. On an annual basis, the Privacy Office presents its Annual Privacy Report to the Board of Directors related to its management of privacy risks providing additional oversight on our Privacy Program. The Privacy Office also reports and escalates risks through executive management and governance committees on a weekly and monthly basis, respectively. Citizens is also a highly regulated entity and is subject to periodic privacy reviews by federal regulators.

In the event of a data security incident, we maintain an Enterprise Incident Management (EIM) program that, among other things, coordinates internal and external responses to a cyber or data security incident. The EIM program includes communication plans and processes to comply with applicable laws and applicable regulatory and contractual requirements, which also supports notification to affected customers, employees, and other individuals impacted by the event. The Privacy Office is a key stakeholder within the EIM process and its posture within the bank allows for open channels of communication for privacy-related incidents.

In addition, the Privacy Office monitors privacy-related complaints and issues to determine potential impacts on our customers and colleagues. In 2021, global trends across all industries also saw an increase in ransomware attacks. Citizens engaged internal cybersecurity experts, vendors and third parties to minimize and defend against risk related to these threats.

The privacy and security of personal information is a priority at Citizens. We value the trust given by those that choose to provide their personal information to us and understand the commitment to maintain that trust.

Cybersecurity

Our customers trust us with their financial well-being and we don’t take that for granted — it is a trust we must earn every day. A key factor is ensuring our data security infrastructure can protect our customers against a constantly evolving threat landscape.

Under the guidance of our Chief Security Officer, we maintain a comprehensive cybersecurity program, designed to protect our employees, customers, assets, premises, systems, and information against unauthorized access, misuse, alteration, or destruction that could result in substantial harm or inconvenience to our customers, and loss or reputational damage. Our program incorporates all of our security policies and covers the core elements of access control, infrastructure security, cybersecurity event and incident management, data protection, third-party vendor cyber-risk oversight, payment security, and training and awareness.

Independent assessment and benchmarking of our program are regularly completed, and the Program is overseen and assessed by federal regulators. While we look to numerous frameworks to ensure the Program is maintained in line with regulatory

expectations and industry best practices, the National Institute of Standards and Technology (NIST) cybersecurity framework is the primary standard against which we benchmark ourselves.

Our Corporate Security & Resilience (CS&R) team invests to make sure we continuously improve our cybersecurity and business resilience capabilities and have effective controls in place to safeguard our customers’ information and privacy. We continually seek to enhance our layers of defense as cyber threats evolve. We work with law enforcement, regulatory agencies, industry experts, and trade organizations to ensure we are prepared for emerging threats, and regularly conduct full-scale exercises to test our capabilities to detect, respond and recover from security events. We also participate in and support programs within the public and private sectors to enhance cybersecurity preparedness across the business community.

We continue to hire top industry talent into the organization and provide our CS&R team with the training and tools needed to build our capability. We partner with universities to cultivate a future cyber workforce through tailored curriculum and internships.

All of our colleagues serve as a critical first line of defense against cyber threats. Every colleague and contractor at Citizens is required to successfully complete an annual training program that includes coverage of cybersecurity, physical security, fraud, anti-money laundering, and customer identification. This training program is in place so that every one of our colleagues is informed and prepared to safeguard customer information.

We also want to make sure that our customers are educated about emerging cyber threats and fraud trends. We utilize numerous communication channels such as email, branch signage, online banking messages and social media channels to inform them about how to best protect themselves. Through our Citizens for Customers program, we provide briefings and presentations on timely cybersecurity and fraud topics to commercial clients and community groups.

Board Oversight of Cybersecurity

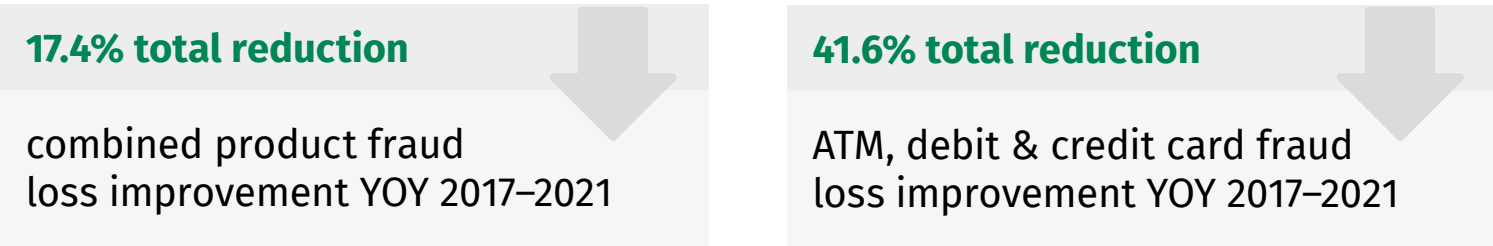
The Board directly oversees the management of cybersecurity in addition to oversight provided by both the Risk and Audit Committees. The cybersecurity

program is presented to the Risk Committee for approval annually by the Chief Security Officer in conjunction with an annual cybersecurity briefing. This briefing provides an overall assessment of the effectiveness of the program and an outlook for the upcoming year.

In addition to the annual cybersecurity briefing, the Chief Security Officer provides updates on cybersecurity to the Risk Committee at each of its meetings. The Audit Committee and Board also receive regular cybersecurity updates as part of the reporting provided by the Technology/Cyber Oversight Committee, a management committee chaired by the Chief Executive Officer, which provides executive oversight, guidance and transparency to key transformative initiatives designed to enhance our technology stability, cyber defenses and risk management capabilities. Further, to ensure the Board maintains the appropriate knowledge for providing effective oversight, it is provided with relevant cybersecurity training on an annual basis, with any additional training provided as requested.

Fraud Prevention

Our comprehensive Fraud Prevention and Authentication programs leverage a layered technology approach to protect our customers from fraud threats. We continue to invest in authentication practices, monitoring tools and early identification practices to protect our customers from evolving fraud threats across channels including telephone interactions and online banking. We strive to balance customer experience and fraud prevention with technologies and processes that reduce friction, such as two-way text messaging and email communications. As the industry evolves, so does fraud. Citizens is committed to evolving our fraud prevention practices across channels and products to protect our customers.



Political Engagement

Citizens participates in public policy debates on issues that benefit the bank, its customers, and the communities we serve, and the Citizens political action committees (PACs) raise funds on a voluntary basis from colleagues to support these efforts. All PAC expenditures are overseen by our senior management and made publicly available in regular state and federal filings.

The Nominating and Corporate Governance Committee of our Board of Directors receives regular reporting on political contributions and other expenditures related to government advocacy, including lobbying activities and support for trade associations and other organizations. Citizens corporate funds are not used to make contributions to political candidates, political parties, or other political committees, such as “super PACs” that contribute to or make independent expenditures on behalf of candidates.

Supply Chain Management

We believe that the performance of our suppliers has a direct impact on the quality of products and services offered to our customers. We aim to identify responsible suppliers and treat them fairly, utilizing documented criteria that will deliver high standards of performance and value. Our sourcing process is conducted to select suppliers based on quality, service and value in a fair and ethical manner.

Procurement Services leads the supply chain management practice with oversight from Third Party Risk Management. Working with internal business partners, Procurement Services helps to identify, select, manage, and develop the supply base to ensure that the current and future vendor needs of the bank are delivered.

Our suppliers play a critical role in helping us execute our mission. Having a shared set of values when it comes to doing business together is important, as it impacts our stakeholders, the quality of our products and services, and our reputation for honesty, professionalism, and fairness. We view our suppliers and their actions as an extension of our own actions and reputation. The Citizens [Supplier Code of Conduct](#) serves as a set of guiding principles that govern our supplier relationships. We expect our suppliers to achieve full adherence with this Code, to communicate it as necessary to key leaders and employees, and to extend it throughout their supply chain.

Citizens Financial Group 2021 GRI Disclosure

The Global Reporting Initiative (GRI) is a leading organization in global sustainability reporting. In preparing the 2021 CR Report, we applied the GRI [Sustainability Reporting Standards](#). This report has been prepared in accordance with the GRI Standards Core option. Some additional disclosures not related to

material GRI topics have been included in the Index, in cases where this report has satisfied additional relevant GRI standards. Please refer to the company’s quarterly and annual reports and quarterly earnings materials for additional financial performance disclosures.

GRI 102: General Disclosures 2016*

DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
Organizational Profile		
102-1	Name of the organization	Citizens Financial Group, Inc.
102-2	Activities, brands, products, and services	2021 10-K, p. 6
102-3	Location of headquarters	Providence, Rhode Island
102-4	Location of operations	United States
102-5	Ownership and legal form	2021 10-K, p. 6
102-6	Markets served	2021 Corporate Responsibility Report, p. 6, 8; 2021 10-K p. 6
102-7	Scale of the organization	2021 Corporate Responsibility Report, p. 6; 2021 10-K pp. 6–8, 38
102-8	Information on employees and other workers	2021 Corporate Responsibility Report, p. 23; 2021 10-K, pp. 10–12
102-9	Supply chain	2021 Corporate Responsibility Report, p. 41
102-10	Significant changes to the organization and its supply chain	No applicable changes during reporting period.
102-11	Precautionary Principle or approach	Risk Management
102-12	External initiatives	Citizens does not currently subscribe to or endorse externally-developed charters or principles.
102-13	Membership of associations	Citizens is a member of a number of trade associations at both the national and regional levels. Our national memberships include the American Bankers Association, Bank Policy Institute, and Consumer Bankers Association, among others.

* Citizens Financial Group’s 2021 Corporate Responsibility Report applies the 2016 version of the GRI Standards; “2016” refers to the Standards issue date, not the date of information presented in this report.

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DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
Strategy		
102-14	Statement from senior decision-maker	2021 Corporate Responsibility Report, p. 3
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	2021 Corporate Responsibility Report, p. 8, 38
Governance		
102-18	Governance structure	2021 Corporate Responsibility Report, p. 10, 36
Stakeholder Engagement		
102-40	List of stakeholder groups	2021 Corporate Responsibility Report, p. 12
102-41	Collective bargaining agreements	0% of Citizens colleagues are covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders	2021 Corporate Responsibility Report, p. 12
102-43	Approach to stakeholder engagement	2021 Corporate Responsibility Report, p. 12
102-44	Key topics and concerns raised	2021 Corporate Responsibility Report, p. 12
Reporting Practice		
102-45	Entities included in the consolidated financial statements	2021 10-K, Exhibit 21.1
102-46	Defining report content and topic boundaries	2021 Corporate Responsibility Report, p. 11
102-47	List of material topics	2021 Corporate Responsibility Report, p. 11
102-48	Restatements of information	None
102-49	Changes in reporting	This is Citizens’ second report aligned with the Global Reporting Initiative and SASB standards. We plan to issue a companion TCFD report during 2022.
102-50	Reporting period	Citizens’ 2021 Corporate Responsibility Report covers the period of January 1 through December 31, 2021, unless otherwise noted.
102-51	Date of most recent report	Our last Corporate Responsibility Report was published in June 2021.
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	community@citizensbank.com

DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	2021 Corporate Responsibility Report, p. 42
102-56	External assurance	We obtained third-party limited assurance on our Scope 1 and 2 GHG inventory and additional performance measures reported to CDP. This assurance was provided by Stantec . Stantec is a verification body accredited under ISO 14065 by the ANSI National Accreditation Board (ANAB), a member of the International Accreditation Forum (IAF) (Accreditation Certificate #0805).

GRI Topic Specific Disclosures 2016*

DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
ECONOMIC		
GRI 201: Economic Performance		
103-1 103-2 103-3	Management approach	2021 10-K pp. 6–12
201-1	Direct economic value generated and distributed	2021 Corporate Responsibility Report, pp. 6–7, 21, 31–34
201-2	Financial implications and other risks and opportunities due to climate change	CDP Response (see report archive)
GRI 203: Indirect Economic Impacts		
103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 31
203-1	Infrastructure investments and services supported	2021 Corporate Responsibility Report, p. 31
203-2	Significant indirect economic impacts	2021 Corporate Responsibility Report, p. 31

DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
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GRI 205: Anti-corruption

103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 38 Code of Business Conduct and Ethics
205-1	Operations assessed for risks related to corruption	2021 Corporate Responsibility Report, p. 38

GRI 206: Anti-competitive Behavior

103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 38
206-1	Legal actions for anti-competitive behavior; anti-trust, and monopoly practices	2021 10-K, pp. 131–133

ENVIRONMENTAL

GRI 305: Emissions

103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 14
305-1	Direct (Scope 1) GHG emissions	2021 Corporate Responsibility Report, p. 14
305-2	Energy indirect (Scope 2) GHG emissions	2021 Corporate Responsibility Report, p. 14

SOCIAL

GRI 401: Employment

103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 23
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DISCLOSURE	DESCRIPTION				LINK OR RESPONSE									
401-1	New employee hires and employee turnover													
	Total Employees		Total Number of Employees		17,299		New Hires by Gender		Female		2,313			
			Full-time		16,908				Male		1,798			
			Part-time		391				Undisclosed		11			
			% Female		Full-time		56.9%		New Hires by Region		New England		1,657	
					Part-time		81.3%				Mid-Atlantic		1,311	
			% Male		Full-time		43.0%				Midwest		491	
					Part-time		18.7%				Other		663	
			% Undisclosed		Full-time		0.007%		New Hires by Generation		Silent: 1934–1945		—	
					Part-time		—				Baby Boomers: 1946–1964		313	
	Employee Breakdown by Region		New England		8,594		Generation X: 1965–1980				1,008			
			Mid-Atlantic		5,138		Millennials: 1981–1996				1,927			
			Midwest		1,695		Gen Z: 1997–Present				874			
			Other		1,872									
	Employee Breakdown by Generation		Silent: 1934–1945		18									
			Baby Boomers: 1946–1964		3,025									
			Generation X: 1965–1980		6,496									
			Millennials: 1981–1996		6,691									
			Gen Z: 1997–Present		1,069									
	Figures based on employee headcount as of December 31, 2021. Note that reported company workforce numbers exclude JMP/Willamette.													
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees				2021 Corporate Responsibility Report, p. 23 Citizens Careers: Benefits								

GRI 404: Training and Education

103-1	Management approach	2021 Corporate Responsibility Report, p. 24
103-2		
103-3		
404-1	Average hours of training per year per employee	2021 Corporate Responsibility Report, p. 24

DISCLOSURE	DESCRIPTION	LINK OR RESPONSE
404-2	Programs for upgrading employee skills and transition assistance programs	2021 Corporate Responsibility Report, p. 24
404-3	Percentage of employees receiving regular performance and career development reviews	2021 Corporate Responsibility Report, p. 24
GRI 405: Diversity		
103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 17
405-1	Diversity of governance bodies and employees	2021 Corporate Responsibility Report, p. 20, 36
405-2	Ratio of basic salary and remuneration of women and men	2021 Corporate Responsibility Report, p. 20
GRI 413: Local Communities		
103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, pp. 31–35
413-1	Operations with local community engagement, impact assessments, and development programs	2021 Corporate Responsibility Report, pp. 31–35
GRI 417: Marketing and Labeling		
103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, p. 28
417-1	Requirements for product and service information and labeling	2021 Corporate Responsibility Report, p. 28
GRI 418: Customer Privacy		
103-1 103-2 103-3	Management approach	2021 Corporate Responsibility Report, pp. 39–40
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data breaches would be disclosed in the 2021 10-K if they met the SEC’s threshold for inclusion in financial filings. There were no material data breaches that required disclosure in 2021.

Citizens Financial Group 2021 SASB Disclosure

SASB is an independent standards board dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. In preparing the 2021 CR Report, we applied the [Sustainability Accounting Standards Board’s \(SASB\) Commercial Banks sector standard](#).

The table below cross-references the SASB accounting metrics with where that information can be found in the 2021 CR Report. For several SASB metrics,

information is not disclosed because that information is considered confidential or material, or we do not track information in a manner that corresponds to the SASB metric. Unless indicated otherwise, all disclosed information applies to the entire company for the fiscal year ended December 31, 2021.

Please refer to the company’s quarterly and annual reports and quarterly earnings materials for additional financial performance disclosures.

SASB Sustainability Accounting Standard 2018

SASB CODE	ACCOUNTING OR ACTIVITY METRIC	LINK OR RESPONSE
Data Security		
FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Data breaches would be disclosed in the 2021 10-K if they met the SEC’s threshold for inclusion in financial filings. There were no material data breaches that required disclosure in 2021.
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	2021 Corporate Responsibility Report, p. 40
Financial Inclusion & Capacity Building		
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	2021 Corporate Responsibility Report, p. 32
FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Citizens does not track this in a way that is fully correlative with this disclosure metric. We report related information on pages 31–32 of this report .

SASB CODE	ACCOUNTING OR ACTIVITY METRIC	LINK OR RESPONSE
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Citizens does not track this in a way that is fully correlative with this disclosure metric. We report related information on pages 31–32 of this report .
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	2021 Corporate Responsibility Report, p. 33 Financial Empowerment

Incorporation of Environmental, Social, and Government Factors in Credit Analysis

FN-CB-410a.1	Commercial and industrial credit exposure, by industry	2021 10-K, p. 53
FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	2021 Corporate Responsibility Report, p. 30

Business Ethics

FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	2021 10-K, pp. 131–133
FN-CB-510a.2	Description of whistleblower policies and procedures	Code of Business Conduct & Ethics, p. 6

Systemic Risk Management

FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	According to the Basel Committee on Banking Supervision's assessment methodology, Citizens is not considered to be a G-SIB and accordingly does not have a G-SIB score.
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	2021 10-K, pp. 12–15

SASB CODE	ACCOUNTING OR ACTIVITY METRIC	LINK OR RESPONSE
Activity Metrics		
FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	(a) Personal (1) Approximately 4.8 million checking, savings, money market and CD accounts (2) Approximately \$72.9 billion total value of accounts (b) Small business Not disclosed.
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	(a) Personal (1) Approximately 2.9 million personal loan accounts (excluding Mortgage, HELOC, Credit cards) (2) Approximately \$25 billion total balance of loan accounts (b) Small business 2021 Corporate Responsibility Report, p. 32 (c) Corporate 2021 10-K, p. 53

Executive Committee

Bruce Van Saun
Chairman and
Chief Executive Officer

Mary Ellen Baker
Head of Business Services

Brendan Coughlin
Head of Consumer Banking

Malcolm Griggs
Chief Risk Officer

Beth Johnson
Chief Experience Officer

Polly Klane
Chief Legal Officer
and General Counsel

Susan LaMonica
Chief Human Resources Officer

Donald H. McCree
Vice Chairman and
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Forward-looking statements and use of non-GAAP financial measures

Cautionary Statement About Forward-looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statement that does not describe historical or current facts is a forward-looking statement. These statements often include the words “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “goals,” “targets,” “initiatives,” “potentially,” “probably,” “projects,” “outlook,” “guidance” or similar expressions or future or conditional verbs such as “may,” “will,” “should,” “would,” and “could.” Forward-looking statements are based upon the current beliefs and expectations of management, and on information currently available to management. Our statements speak as of the date hereof, and we do not assume any obligation to update these statements or to update the reasons why actual results could differ from those contained in such statements in light of new information or future events. We caution you, therefore, against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. More information about factors that could cause actual results to differ materially from those described in the forward-looking statements can be found under the “Risk Factors” section in Part II, Item 1A of Form 10-Q for the quarterly period ended March 31, 2022 and Part I, Item 1A of our Form 10-K for the year ended December 31, 2021 as filed with the United States Securities and Exchange Commission.

Non-GAAP Financial Measures and Reconciliations

This document contains non-GAAP financial measures denoted as “Underlying” as well as other results excluding the impact of certain items. Underlying results for any given reporting period exclude certain items that may occur in that period which management does not consider indicative of our on-going financial performance. We believe these non-GAAP financial measures provide useful information to investors because management uses them to evaluate our operating performance and make day-to-day operating decisions. In addition, we believe our Underlying results or results excluding the impact of certain items in any given reporting period reflect our on-going financial performance and increase comparability of period-to-period results, and accordingly, are useful to consider in addition to our GAAP financial results. Reconciliations of our non-GAAP financial measures used herein to the directly used comparable GAAP financial measures can be found in our 2021 Annual Review pp. 16–18 on our Investor Relations website.

Other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures. Accordingly, our non-GAAP financial measures may not be comparable to similar measures used by such companies. We caution investors not to place undue reliance on such non-GAAP financial measures, but to consider them with the most directly comparable GAAP measures. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for our results reported under GAAP.



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