



2020

Environmental,
Social and
Governance
Report



Table of Contents

Introduction

Materiality-Based Approach to ESG	4
Overview of Material ESG Topics	5

Governance

Corporate Governance	7
Risk Management	10

Social

Human Capital	14
Community Engagement	17

Environmental

ESG Financing	22
Climate Change	24

Appendix	26
----------	----

About this Report	31
-------------------	----



Introduction





Materiality-Based Approach to ESG

To inform this ESG Report, in 2020 CIT completed its first ESG materiality assessment. As part of this work, CIT retained an independent consultant to perform a third-party assessment.

The assessment began by examining a range of key stakeholders, including investors*, customers, employees and ESG rating organizations, as well as studying industry peers, to conduct a materiality analysis for ESG topics. Topics included each of the Global Reporting Initiative (GRI) Standards Topics, the 17 United Nations Sustainable Development Goals (SDGs), the Sustainability Accounting Standards Board (SASB) Commercial Banks 2018 Sustainability Accounting Standard, and other ESG topics of interest to investors and other important stakeholders.

We first mapped sector-specific material ESG topics identified by these stakeholders to the GRI Standards Topics. For material ESG topics identified that did not map directly to a GRI Standards Topic, an additional “Non-GRI Material Topic” was added to the materiality analysis and included in the GRI content index. This initial step produced a list of 41 topics of interest to different groups of stakeholders.

We then conducted a deeper analysis to prioritize these issues starting with an assessment of a selection of highly rated ESG industry peers and clients. We also examined the methodologies of leading ESG investor raters and institutional investors*. We reviewed their strategic selection of material ESG topics for inclusion in their sustainability disclosure, rating methodologies, investment decision-making, goal setting and strategy.

From this research, we calculated an overall materiality score for each ESG topic to help focus our strategy and disclosures in this report. Using this quantitative model, CIT identified the 15 highest scoring topics as most material to the business.

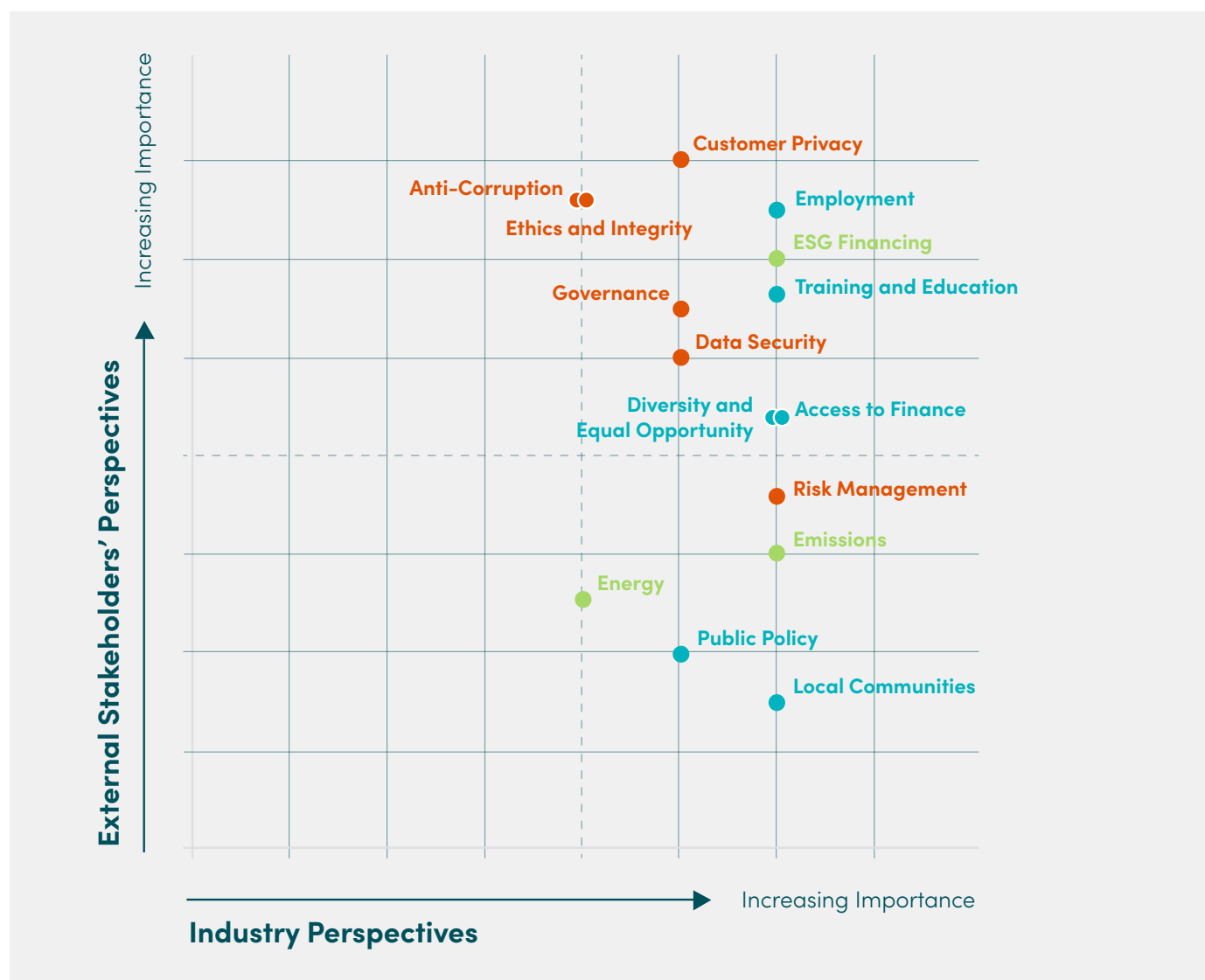
* For the investor perspective, several ESG investor data providers and frameworks that utilize industry-specific methodologies were used as proxies. This is because their methodologies were developed based on investor requirements and interests and are used by investors to evaluate companies. This provides a broad perspective on the key issues of the investor community.



Overview of Material ESG Topics

The materiality matrix shows the relative weight of different ESG topics from two perspectives. The X axis shows how important an issue is considered by the industry, while the Y axis shows the topic's importance to our external stakeholders such as investors and customers.

Key Topics: ● **Governance** ● **Social** ● **Environment**



This matrix incorporates the perspectives of industry peers, ESG focused investors, and our customers, as described on the prior page.



Governance



Corporate Governance



CIT has been committed to responsible corporate governance and operating with high ethical standards to earn the trust of our stakeholders, including customers, employees, investors, partners and regulators. Our comprehensive governance policies and structures have fostered transparency and accountability for our Board of Directors and management team. CIT has also maintained robust programs to manage enterprise risks and uphold compliance with applicable laws and regulations governing ethical business conduct.

Corporate Governance

CIT's Board of Directors, which consisted of 11 independent directors and one management director, has been responsible for serving as a prudent fiduciary for stockholders and overseeing the management of the Company's business.

Our corporate governance policies and practices have included annual election and majority voting for directors, establishment of an independent lead director, annual board and board committee evaluations, proxy access and stock ownership guidelines for all directors and senior executive officers.

Board Statistics



Under our Corporate Governance Guidelines, CIT's Board adopted a diversity policy and sought diversity in its members with respect to background, expertise, industry knowledge and experience. The CIT Board has been diverse, with four of the 12 directors being women and four being ethnically diverse. Our Board members also brought a diversity of thought and skills to their roles, based on their extensive experience in the banking, technology and financial services industries and their varied backgrounds in global operations, finance,

Gender Diversity Recognition

Gender diversity on CIT's board was recognized by 2020 Women on Boards, an organization dedicated to increasing the representation of women in corporate boardrooms. CIT has also been recognized by the Women's Forum of New York as a Corporate Champion for achieving at least 30% female board representation.

CIT 2020 ESG Report

regulatory, marketing and legal functions. Our Board of Directors has included four standing committees: Audit, Compensation, Nominating & Governance and Risk Management. These committees were composed entirely of independent directors and report regularly on their activities to the full Board.

The Board believed that evaluating how CIT's executive team manages the various risks confronting CIT was one of the most important areas of its oversight responsibilities. CIT has had a comprehensive enterprise risk management (ERM) program, as described in the [next chapter](#). The Board's oversight of this risk management process has been conducted primarily by the Audit Committee and Risk Management Committee; however, each of the other Board Committees also has considered risk to be within its area of responsibility.

The Nominating & Governance committee has been responsible for overseeing CIT's Environmental, Social and Governance (ESG) criteria, programs and reporting practices, including receiving a report at least annually from management regarding environmental stewardship and corporate social responsibility activities.

Ethics and Integrity

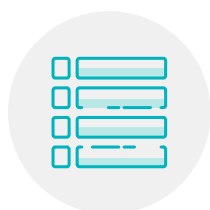
The [CIT Group Code of Business Conduct](#), along with our overall corporate governance structure, has reflected our underlying commitment to maintaining high ethical standards, strict compliance programs and effective whistleblower protections. Our Corporate Governance Program has included the following elements: clear accountability, risk assessments, written policies and standards, training and education, operational controls, monitoring and

reporting, independent testing, investigations and response, anonymous reporting mechanisms and a non-retaliation policy.

Our commitment to ethics and compliance started at the top, with the Board's Audit Committee providing oversight and receiving regular reports on CIT's Compliance Program, led by our Chief Compliance Officer. The program has included mandatory annual training and completion of an Annual Compliance Policy Attestation by all employees and directors, consultants, advisors, temporary employees and independent contractors.

To help ensure we were able to quickly identify potential compliance and ethics issues, we provided a confidential CIT Integrity Hotline and online reporting with the option to remain anonymous, both of which have been managed by a third-party. The toll-free CIT Integrity Hotline has been available 24 hours a day, 7 days a week to hear concerns and to accept reports of potential, suspected misconduct by CIT employees, contractors or third-party suppliers.

CIT's policy was to review all reports to determine if an investigation is warranted. To the extent an investigation was conducted, it was to be done promptly, thoroughly and impartially. Confidentiality was to be maintained throughout the process to the extent it did not interfere with the investigation and legal requirements and appropriate disciplinary action. If warranted, appropriate disciplinary action was to be taken. CIT has had a zero-tolerance non-retaliation policy to protect whistleblowers who report wrongdoing in good faith or cooperate in an investigation.



Corporate Governance Compliance Program

Our Corporate Governance Program has included the following elements: clear accountability, risk assessments, written policies and standards, training and education, operational controls, monitoring and reporting, independent testing, investigations and response, anonymous reporting mechanisms and a non-retaliation policy.



CIT 2020 ESG Report

Anti-Corruption, Anti-Bribery and Fair Competition

CIT has been committed to protecting our reputation by operating our business ethically and in compliance with all applicable anti-corruption, anti-bribery and antitrust laws and regulations.

CIT's Code of Business Conduct, along with CIT's Anti-Corruption Policy and Gifts and Entertainment Policy, has prohibited offering or giving anything of value to influence an action, obtain business or secure an improper advantage of any kind. These policies have provided guidance on specific activities prohibited by anti-bribery and anti-corruption laws including, but not limited to, the Foreign Corrupt Practices Act.

CIT has been committed to ensuring open competition in the marketplace by complying with all applicable laws governing antitrust, monopoly and fair trade. The CIT Code of Business Conduct prohibited employees and all CIT representatives covered by the Code from engaging in unfair and unethical activities such as agreeing with competitors to fix prices, terms or conditions of competing types of financing or related services, and from exchanging or discussing nonpublic information.



Risk Management



CIT recognized the importance of managing risks in our business and that effectively balancing risks and returns is critical to the long-term success of the Company. Our comprehensive enterprise risk management (ERM) program has governed the policies and procedures used by management to monitor, evaluate and manage our financial risk exposures, including credit risk, asset risk, market risks such as interest rate and foreign currency risks, liquidity risk and capital adequacy risk. Our ERM program has also ensured that management is monitoring and mitigating operational risks such as business continuity, reputational risk, compliance risk and technology risks involving information security and protection of customer privacy.

ERM Program

The Board's Risk Management Committee has been responsible for overseeing CIT's ERM program, which included ensuring that management had established a framework and processes designed to identify and appropriately report risk management deficiencies and manage the timely implementation of corrective actions.

CIT has had a Risk Management Group, including the Chief Risk Officer (CRO) and Chief Credit Officer (CCO), which established a Risk Management Policy designed to promote appropriate risk identification, as well as risk measurement, monitoring, management and control limits. The CRO and CCO have also co-chaired the Enterprise Risk Committee, which coordinated structured, cross-functional review and assessment of CIT's enterprise-wide risks.

The Board's Audit Committee has overseen financial, legal, compliance, regulatory and audit risk management practices. The Chief Compliance Officer has chaired the Compliance Committee, which included the heads of compliance for each business segment, the head of Financial Crimes Compliance, and the head of Compliance Management Systems. The Chief Compliance Officer reported regularly to the Audit Committee and ensured that CIT was complying with all applicable laws and regulations including anti-money laundering (AML) and financial crime laws and fair lending laws including the Consumer Credit Protection Act.

The Compensation Committee of the Board regularly assessed risks related to CIT's compensation practices, including executive compensation elements that

CIT completed the Correspondent Banking Due Diligence Questionnaire (CBDDQ) of the Wolfsberg Group, an association of 13 global banks which aims to develop frameworks for the management of financial crimes risk.

CIT 2020 ESG Report

could mitigate or encourage excessive risk taking. The Compensation Committee, along with the Risk Management Committee, considered compensation practices including the balance between annual and longer-term performance incentives, stock ownership guidelines that align executives' interests with those of our stockholders, and our clawback policy designed to discourage inappropriate or excessive risk.

Business Continuity

CIT's ERM program has included plans and processes to ensure business continuity in the event of a crisis or other emergency situation. These processes have included regular monitoring and testing of CIT's information systems to ensure appropriate back-up and recovery, regular testing of emergency response plans and crisis management plans through emergency communications and scenario-based tabletop exercises, and training of employees involved in emergency response and crisis management.

In 2020, CIT implemented our business continuity plans in response to the COVID-19 pandemic to prioritize the safety and well-being of our employees, customers and local communities. In addition to enabling remote working for most employees, we waived various fees for customers impacted by COVID-19. In 2020, CIT contributed \$2 million for support of community initiatives for people affected by COVID-19, addressing healthcare, food insecurity and small business needs.



In 2020, CIT contributed \$2 million for support of community initiatives for people affected by COVID-19, addressing healthcare, food insecurity and small business needs.

Information Security

Information security, including cybersecurity, has been a high priority for CIT given recent highly publicized events including cyberattacks against financial institutions, governmental agencies and other organizations. CIT developed policies and invested in people, processes and technology to protect both our

own and our clients' information from cyberattacks or other corruption, loss or compromise, and to assure continuity of CIT's business in the event of disruptions of CIT's or its vendors' critical systems. Our information security policies and practices were designed to comply with regulatory requirements relating to the protection of customer data, including consumer privacy laws.



Management oversight of the Information Security function was provided by the Information Risk Management Group, which was responsible for the development of policies and the ongoing testing of the effectiveness of the program, as well as job-specific training for employees to create awareness of information security policies and protocols. The Head of Information Risk reported periodically to the Board's Risk Management Committee on information security issues and the overall effectiveness of the Information Security Program.

The Board, through its various committees, reviewed and approved information security policies and programs, including those relating to cybersecurity, security risk assessment, security strategies, disaster recovery, business continuity and incident response plans. The Board received training and situational awareness updates so that the Board could remain aware and informed on information security incidents and response plans.

CIT 2020 ESG Report

Customer Privacy

CIT has been committed to respecting and protecting the privacy of the personal information entrusted to us by our customers. Our Code of Business Conduct, Privacy Policy, Information Security Policy and other policies and procedures were designed to protect customer information by limiting access to authorized individuals who needed it for legitimate business purposes. Our policies also included procedures for employees to report a potential unauthorized privacy or security event as soon as it was detected. Employees have been required to promptly refer all requests for information concerning a client or customer, including requests related to legal processes (such as subpoenas or court orders), to CIT's Privacy Office and Law Department.

The Board's Audit Committee has had oversight of CIT's compliance with all applicable federal laws and regulations concerning the use and protection of customer information, including the Gramm-Leach-Bliley Act, the Fair and Accurate Credit Transactions Act, the Fair Credit Reporting Act and the Right to Financial Privacy Act. CIT has also maintained compliance with numerous state regulations regarding data privacy, including the California Consumer Privacy Act, which provides California residents with more control over their personal information and how it is collected, used and sold by companies.





Social



Human Capital



CIT has recognized that our employees are our most important asset and we have been committed to developing a qualified workforce and talent pipeline to power continued growth and innovation. We have offered competitive benefits programs that empower employees to enhance their health and well-being, further their education and achieve their personal career goals. CIT has provided a welcoming, inclusive workplace with a culture focused on celebrating diversity and enabling all employees to bring their best selves to work.

Benefits

CIT has offered comprehensive benefits packages to attract and retain our talented employees, including high-quality, consumer-driven health insurance plans with spending accounts and flexible options to protect employees and their families. Our Balance & Wellness program has supported our culture of employee well-being, including balancing work and personal life with paid time off, flexible work arrangements and programs for employee and family support.



In 2020, our Balance & Wellness program helped CIT earn recognition on the First Coast Worksite Wellness Council's (FCWWC) Healthiest Companies list as a Platinum award winner. Employees could earn wellness

dollar rewards by engaging in healthy activities available as part of our benefits package.



CIT was also recognized by ThriveNYC, an initiative of the New York City Mayor's Office, as a Workplace Mental Health Champion for our commitment to fostering employee mental health and promoting access to care.

CIT helped give employees peace of mind with insurance coverage including Life and AD&D for employees and eligible dependents, along with Business Travel Accident Insurance, protection through short- and long-term disability plans and a generous parental leave program. We also helped employees plan for retirement with our 401(k) plan, which included a company match, and our CIT Employee Stock Purchase Plan.

CIT has supported a nonprofit foundation, the Ittleson-Beaumont Fund, which provided grants to CIT employees in acute financial need due to emergency circumstances such as significant medical costs, funeral expenses for dependents and emergency housing for victims of natural disaster.

Training and Development

CIT has invested in developing its employees through various training, educational and tuition reimbursement programs. Our training and educational programs have focused on new hire on-boarding and readiness, leadership development, sales enablement, product knowledge, compliance and ethics, and technical and professional skills. Programming has been targeted to employees based on role and level to help build our talent pipeline and position CIT to meet the needs of our employees

CIT 2020 ESG Report

and customers. Training content was sourced both internally and externally from various thought leaders, and metrics are used to track program enrollments and effectiveness. Learning delivery was conducted in a variety of formats, including both physical and virtual classrooms, as well as self-paced videos and other online learning. During 2020, the average CIT employee completed 16.1 hours of training.

Brandon Hall Award Recognition



Training and educational programs at CIT have been recognized by external organizations such as CLO Media and Brandon Hall Group for their innovation, business impact and measurable results. In 2020, Brandon Hall recognized CIT with awards for Best Learning Program Supporting a Change Transformation Business Strategy and Best Program for Sales Training and Performance.

CIT established mentorship programs at the geographic level as well as within business/functional units to facilitate cross-functional development outside an employee's reporting line and to strengthen role-specific expertise.

CIT's Performance Management Program has required employees to set goals and engage in ongoing reviews led by their manager. In addition, employees have had formal Performance Reviews at year-end and were held accountable for achieving their goals. Top performers were rewarded appropriately for their contributions while employees who were not meeting expectations were subject to the performance improvement plan process and provided with the opportunity to correct deficiencies and close gaps in their performance.

As part of CIT's Talent Management Program, the Board reviewed Succession Planning on an annual basis as well as periodically throughout the year for

business/functional units as requested. The process included a detailed discussion of the leadership "bench strength," talent strategy and succession plans, with a focus on key positions at the senior levels. Leadership development has been supported by CIT's Promotion Process and internal job postings, both of which contributed to overall internal mobility.

Employee Engagement

CIT conducted need-based surveys across locations and business units to get input and feedback from employees on various programs and issues. As part of our response to the COVID-19 pandemic, CIT sent an online survey to all employees to assess their views and concerns about COVID-19 and the potential return to the workplace. In response to COVID-19, we enabled remote working for the vast majority of our employees, implemented rotational and reduced density work plans and instituted social distancing practices. CIT provided enhanced pay plans for employees performing essential banking services in support of customers.

Employee participation in company-wide surveys and employee response to company outreach has been generally high. CIT has incorporated employee feedback to help refine workplace programs and enhance our company culture.

Diversity and Inclusion

CIT has been committed to providing equal employment opportunity to employees and job applicants and to maintaining a diverse workforce that is free from discrimination, harassment, intimidation and retaliation. We have had strong employment and non-discrimination policies including our Code of Business Conduct, Equal Employment Opportunity and Affirmative Action Policy and Non-Discrimination and Anti-Harassment Policy.

As part of our commitment to promoting diversity and non-discrimination, CIT has monitored gender and ethnic diversity, as well as gender pay equality,

Employees and Contingent Workers

Employment Type	Total	Full-Time	Part-Time
Employees	4,163	4,085	78
Contingent Workers	363	N/A	N/A

Annual Employment Turnover

Year	Overall	Exempt Employees	Non-exempt Employees
2020	10.6%	9.2%	13.2%
2019	12.8%	11.5%	15%
2018	13%	11.7%	15.3%

CIT 2020 ESG Report

across levels and business units on an ongoing basis. This data has been regularly shared with Senior Management and has been reported to the Board of Directors annually.

CIT has believed that fostering an inclusive work environment is the responsibility of all our employees, and our policies and practices are reinforced through mandatory training. Our commitment to embracing diversity has been expressed in the core values that guide our employees every day and frame the standards for our business practices today and going forward.

- Be Empowered
- Be Collaborative
- Be Inclusive
- Be Agile
- Be an Achiever

We have actively built our culture of inclusion through the Be You @CIT diversity and inclusion program, led by our Executive Diversity Council made up of 15 employees from across the Company's geographic locations. The Executive Diversity Council drove the diversity strategy throughout the organization, including the execution of initiatives such as our Employee Resource Groups.

CIT was recognized in 2020 as a Best Place to Work for LGBTQ Equality for earning 100% on the Human Rights Campaign Foundation's Corporate Equality Index, which measures LGBTQ inclusive workplace policies and practices.



CIT provided donations in 2020 to organizations that promote diversity and inclusion in our local communities, including the National Urban League and the NAACP Legal Defense and Educational Fund. CIT donated to the Ventura County Chapter of the NAACP to support the chapter's scholarship program to advance educational equality. The Company was the presenting sponsor of the 2020 Trans Pride Los Angeles virtual event.

CIT also donated to organizations that provide programs to support increased employment opportunities for women, including Bottomless Closet and Rock the Street, Wall Street. We also donated to A New Way of Life Reentry Program which provides housing, case management, pro bono legal services, advocacy and leadership development for women rebuilding their lives after prison. We also provided financial support to organizations that support and increase employment and provide other services for veterans, including Operation New Uniform, Wounded Warriors and Mission 22.



Be You @CIT diversity & inclusion program



Be You Women



Be You HEARD

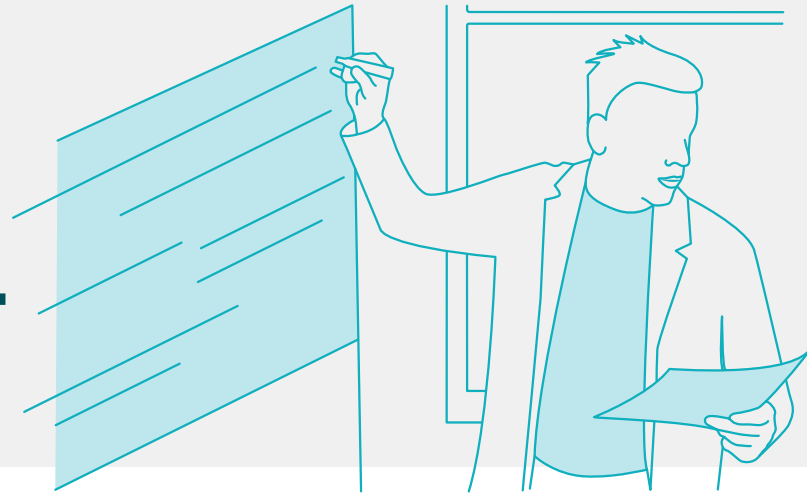


Be You Veterans



Be You LGBTQ+

Community Engagement



CIT has been committed to having a positive impact on the local communities where we live and work. Through our business activities, our charitable donations and our volunteer efforts, we have been focused on ensuring that all individuals and businesses have access to a full range of financial services and economic opportunities. We have also supported the work of community organizations that improve health and wellness and advance the sustainability of the environment.

Access to Finance

Financial Inclusion Metrics

(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	(1) 21,823; (2) \$5,995,480,000
(1) Number and (2) amount of (a) substandard and (b) doubtful loans	(a) Substandard ¹ : (1) 39,493; (2) \$2,941,896,295 (b) Doubtful ¹ : (1) 1,441; (2) \$117,068,021
Number of no-cost retail checking accounts	Basic Checking: 4,100 Personal Checking: 53,216
Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Approximately 12,400
(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	(a) Personal: (1) 116,499; (2) \$2,003,396,334 (b) Small Business: (1) 7,986; (2) \$485,969,346
(1) Number and (2) value of loans by type: (a) mortgage lending, (b) small business lending, (c) CD lending and (d) PPP lending	(a) Mortgage Lending: (1) 2,306; (2) \$2,113,134,000 (b) Small Business Lending ² : (1) 16,189; (2) \$848,885,000 (c) CD Lending: (1) 182; (2) \$631,946,000 (d) PPP Lending: (1) 734; (2) \$251 million
Direct investments and direct/indirect grants	2020 Direct Investments/ Grants (Commitment): \$139.5 million 2020 Direct Investments/ Grants (Book Value): \$42.2 million Book Value of All Investments/ Grants as of 12/31/20: \$455.8 million Indirect Grants: 3 Grants/\$1,867,500

Branch Distribution

State	Number of Branches	Number of LMI Branches
AZ	5	1
CA	64	12
FL	2	0
HI	1	0
NE	3	2
NV	4	1
TX	1	0
Total	80	16
20% LMI Branches		

CIT has been fully committed to community development and lending in the communities where we operated, including meeting the needs of low-to-moderate income (LMI) communities and residents. CIT has invested to advance affordable housing, economic development, financial literacy and access to credit across our branch footprint.

1 - Substandard and doubtful loans are based on overall exposure.

2 - Small Business Lending excludes the Paycheck Protection Program (PPP) and follows CRA reporting criteria.

As part of CIT's acquisition of Mutual of Omaha Bank in early 2020, we developed a community benefits plan with input from our Board of Community Advisors, which includes members of community-based organizations in Southern California, Arizona, Nebraska and Nevada.

Through the plan, CIT agreed to make \$7.75 billion in CRA-qualified lending and investments over a four-year period running through the end of 2023. Of that commitment, \$6.5 billion was committed to statewide lending and investments in California, with sub-targets for specified small business and mortgage lending, and supplier diversity goals. Outside of California, CIT committed \$1.25 billion to support communities where we have branches.

Financial Literacy

In 2020, CIT partnered with various nonprofit organizations to deliver financial education workshops and seminars to over 12,400 people, focusing on low-to-moderate income youth and adults who are unbanked or underbanked. These workshops, which were conducted virtually due to the COVID-19 pandemic, covered a range of topics including credit and money management, budgeting and saving.

The organizations we partnered with on financial education programs include:

- **Operation HOPE** – Provides financial coaching services, entrepreneurship training and small business technical assistance for low-to-moderate income individuals, entrepreneurs and small businesses.
- **EverFi** – Provides the Personal Finance Empowered (PFE) financial education curriculum to youth and adults. CIT utilized the PFE curriculum in conjunction with our "Teach Children to Save" initiative, combining free online financial education with a Kids' Savings Bonus Offer.
- **Junior Achievement** – CIT partnered with Junior Achievement chapters in Arizona, Southern California and New York to deliver financial education to students in grades K-12. Over 60 CIT employees volunteered to conduct financial education workshops virtually and in classrooms.

- **Boys & Girls Clubs** – CIT partnered with Southern California chapters of the Boys & Girls Clubs on the "Bank on Building a Brighter Community" program, which provides support for online tutoring and virtual extracurricular activities for local students. OneWest employees volunteered to hold online discussions with students on career paths, education and personal finance information.



Fintech Breakthrough Award for Best Personal Finance Product

CIT has also developed innovative products and services designed to help customers make smart financial decisions and reach their financial goals. In 2020, CIT Bank won a Fintech Breakthrough Award in the Best Personal Finance Product category for its Savings Builder account, a unique product that rewards customers who build savings by making consistent deposits.

Affordable Housing

CIT invested \$3 million in support of the Neighborhood Catalyst Fund of the Local Initiatives Support Corporation of San Diego. Our investment is expected to help create 1,350 affordable housing units for low-to-moderate income residents of San Diego County over the next decade. Neighborhood Catalyst Fund is currently developing a new 114-unit affordable housing project in City Heights, San Diego that is expected to open by 2023.

Workforce Development

CIT has supported the growth of small businesses by providing access to capital and technical assistance. We also invested in job training, workforce development and entrepreneurship programs to help our communities thrive by assisting residents with financing and retaining employment.

The nonprofit organizations we partnered with on workforce development programs include:

- **JVS SoCal** – CIT has supported the Bank Work\$ Program of this Southern California organization, which provides training for banking jobs. As part of our support, CIT employees volunteered at mock interview events and other training events.
- **Chrysalis** – This Los Angeles-based organization helps people throughout Southern California find jobs through a range of services. This work continued in 2020 despite the COVID-19 pandemic through a shift to virtual workshops and training. Dozens of OneWest employees volunteered to conduct virtual mock interviews and assist with training on resume writing.
- **Santa Monica Regional Consortium** – OneWest employees volunteered to participate in virtual Job Preparation Workshops for the organization's low-to-moderate income clients, including assisting clients with resume writing and mock interviews.
- **Operation HOPE** – CIT continued to partner with Operation HOPE in 2020 on the Launch + Grow initiative, which provides women entrepreneurs in New York and Los Angeles with educational workshops, training and coaching. The program has provided hundreds of women with the tools and resources they need to cultivate their growing enterprises.



Sustainability Initiatives

CIT has been committed to helping improve the environment in the communities we operated in by supporting organizations focused on sustainability.

The nonprofit organizations we partnered with on sustainability initiatives include:

- **Enterprise Community Partners** – This organization works to increase green affordable housing and build cleaner and more sustainable neighborhoods in Los Angeles County and across Southern California.
- **Billion Oyster Project** – This New York-based organization works to reintroduce and cultivate oyster reefs in New York Harbor and neighboring waters, providing critical bulwarks for harbor ecosystems that are the habitat for many marine species. CIT's donations have contributed to the organization's efforts to restore 100 million oysters to New York Harbor over the next five years, with a goal of restoring one billion oysters by 2035.
- **Climate Resolve** – This Los Angeles-based organization works to reduce environmental pollution impacts on low-income populations and assist communities to obtain funding for climate solutions.

Acts of Caring

In response to the COVID-19 pandemic, CIT modified its annual June employee volunteer initiative and introduced Acts of Caring, a program designed to do something good wherever we are to provide relief during the pandemic, safely.

As part of the Acts of Caring program, CIT invited customers to nominate organizations that made a difference in their communities. From these nominations, CIT provided grants to 10 organizations across the country involved in a wide range of causes including housing homeless families, addressing food insecurity and providing community cultural programming. CIT employees also completed more than 3,000 individual Acts of Caring, dedicating nearly 5,000 volunteer hours in their communities to support causes such as COVID-19 relief, food banks, improving the environment and advancing social and economic justice. Despite the challenges posed by the COVID-19 pandemic, CIT employees volunteered over 8,200 hours in 2020.

Supporting Regional Food Banks

In 2020, CIT donated two million meals to Feeding America on a national level. In addition, CIT made several donations to regional food banks to support their work to provide meals to people in need.

- 100,000 meals provided through our donation to New Jersey-based Table to Table, a community-based food rescue program
- 60,000 meals for children and families in the Jacksonville, Florida area through our donation to Hunger Fight
- 30,000 meals to families in need in Southern Nevada through our donation to Three Square Food Bank, a member of the Feeding America® network of food banks
- 30,000 meals through our donation to the North Texas Food Bank, which distributes food through a network of more than 200 partner agencies in 13 counties

insecurity needs in New York City. We also provided support to community partners across our footprint, including investments in technology, so that nonprofit organizations could continue their mission to help small businesses while following safety protocols.

CIT provided critical financing in April for our client Aria Designs, a North Carolina-based furniture manufacturer and importer, to help them shift their operations to supply critically needed personal protective equipment (PPE). Aria Designs used its global supply chain and manufacturers to speed the procurement of more than 5 million N95 surgical protective masks for North Carolina hospitals and healthcare facilities.

CIT provided financing in March for Sanctuary Clothing, a Los Angeles-based client, to import 500,000 surgical masks for the California Department of Public Health. We also provided financing for Sanctuary Clothing and Karen Kane, another Los Angeles-based client, to produce stylish fashion masks. Both clothing companies used proceeds from sales of the fashion masks to help pay for donations of masks to hospitals and other healthcare facilities.

Food Insecurity

CIT has partnered with Feeding America® since 2018 to raise awareness of the pressing issue of food insecurity across the U.S. and help meet the needs of communities. With increased needs for food assistance resulting from the COVID-19 pandemic, CIT doubled its annual commitment and launched the Two Million Meals campaign. CIT donated two million meals to people in need over the holiday season, with meal contributions driven by the engagement of our employees, customers and social media followers.

COVID-19 Relief

CIT donated \$2 million in 2020 to provide relief to local communities across our footprint affected by the COVID-19 pandemic. Our donations included grants to the California Community Foundation's COVID-19 L.A. County Response Fund, providing relief from the impacts of school closures, meeting increased needs of health clinics and offering hardship assistance to individuals and families, and The New York Community Trust's NYC COVID-19 Response & Impact Fund, supporting essential healthcare and food



Despite the challenges posed by the COVID-19 pandemic, CIT employees volunteered over 8,200 hours in 2020.



Environmental



ESG Financing



CIT has been committed to making positive and lasting environmental impacts through our business activities. We have been a recognized leader in providing financing for the renewable energy market in the U.S., consistently ranking among the top banks serving as lead arranger for clean energy projects according to market research firm Inframation, an Acuris company. In 2020, CIT was ranked fourth in the Power & Renewable financing tables from Inframation.

CIT's Power and Energy business was recognized in 2020 as Renewable Energy Lead Arranger of the Year by *Power Finance & Risk* magazine. The Power and Energy business also received a Stevie American Business Award for its success in financial renewable energy and battery storage projects.

ESG Financing

In 2020, CIT led financing for more than 2,800 megawatts of renewable power projects across the U.S., representing 68% growth in megawatts financed over 2019. CIT financed solar and wind power generation, along with an increased focus in clean energy battery storage.

In 2020, CIT served as the lead manager for multiple financings totaling approximately \$385 million for Clearway Energy Group, one of the largest developers and operators of clean energy generation facilities in the U.S. One financing supported 19 community solar projects with 66 megawatts of solar generation capacity located in Massachusetts, Illinois and New York State. Another financing supported a Clearway portfolio of 21 community solar projects encompassing 76 megawatts of generation capacity located in Illinois, Massachusetts, Minnesota and New York State.

CIT has been a pioneer in financing structures to facilitate the commercial implementation of utility-scale battery storage, which is critical to renewable power management by balancing the electric grid to accommodate clean energy supplies as real-time generation fluctuates. CIT's Power and Energy business led a \$140 million financing for construction of battery storage units to support eight power projects in California. CIT also served as coordinating lead arranger for a \$225 million letter of credit facility on behalf of 8minute Solar Energy, which is developing solar and energy storage projects representing 18 gigawatts of power in California, Texas, and across the southwestern U.S.



Additional renewable energy projects financed in 2020 by CIT's Power and Energy business included:

- \$323 million refinancing of the 142-megawatt Coso Geothermal power facility in Southern California
- \$256 million financing for the 250-megawatt Taygete I solar energy project in Pecos County, Texas
- \$151 million financing for the 250-megawatt Galloway I solar farm planned for Concho County, Texas
- \$266 million financing for 331-megawatt Prospero 2 solar project in Andrews County, Texas
- \$162 million financing for the 144-megawatt East Blackland Solar Project in Travis County, Texas
- \$126 million financing for the 108-megawatt Trent River solar project in Pollocksville, North Carolina
- \$118.5 million financing for the 112-megawatt Harts Mill solar project planned in Edgecombe County, North Carolina
- \$85 million financing for the 80-megawatt Pioneer Solar project near Denver, Colorado
- \$217 million financing for the 200-megawatt Hillcrest solar project in Brown County, Ohio
- \$42.8 million financing for NY Solar Farms, a 70-megawatt community solar portfolio with 10 separate projects in six locations across the center and northeastern regions of the state



Supporting Solar Energy in Texas

CIT arranged over \$800 million in financing for solar energy projects in Texas during 2020, including \$266 million in financing for the Prospero 2 project in Andrews County in West Texas. Prospero 2 is owned by Longroad Energy, a nationwide leader in renewable energy development, operation and services. The new 331-megawatt Prospero 2 solar farm follows the original 379-megawatt Prospero project, also in Andrews County, which began operations in 2020. CIT's Power and Energy business also served as coordinating lead arranger on the first Prospero project.

Both Prospero projects are among the largest solar power generation facilities in Texas, along with the nearby 315-megawatt Phoebe solar facility that was developed by Longroad with financing led by CIT as well. When Prospero 2 is completed, these three Longroad projects will have collectively added more than 1 gigawatt of renewable power capacity in Texas, while also making significant contributions to the state's economic development and job growth.

Climate Change



CIT has recognized that climate change represents a serious threat to our planet and creates risks for our business and for the local communities we operate in. We have been committed to protecting the quality of the environment by minimizing the environmental impact of our facilities and business operations. CIT has also provided financial support to sustainability initiatives such as large-scale tree planting projects and offsetting air travel and electricity usage ([see Chapter 4](#)).

Emissions and Energy

As a leading U.S. bank with 130 offices and branches nationwide, CIT's primary opportunities to reduce direct environmental impact have been to operate our office buildings efficiently and sustainably. CIT continuously seeks opportunities to reduce energy consumption in our facilities. Nine of our facilities have been in LEED or Energy Star certified buildings, including three designated as LEED Gold. Past work to build and renovate CIT office spaces and bank branches has been focused on reducing energy use by incorporating recycled materials, energy-efficient technologies and water-saving devices. CIT has also supported recycling programs at our facilities to reduce waste and minimize environmental impacts.

In 2020, CIT expanded our commitment to offset carbon emissions to include the offset of Scope 2 greenhouse gas (GHG) emissions. This was in addition to our commitment to offset Scope 3 GHG emissions, which CIT launched in 2018. CIT partnered with Carbonfund.org to offset 100% of our facility electricity usage (Scope 2) in 2020 as well as 100% of air travel emissions (Scope 3) in 2020. CIT offset these emissions by investing through Carbonfund.org in two carbon offset projects dedicated to sustainable management of forests in New Jersey and to gathering and combusting greenhouse gases in Florida. These projects were focused on states where CIT has had a significant business and community presence.

2019 Energy Usage - Total Portfolio

Square Feet (SF)	KwH	KwH/SF
1,771,927	22,168,436	12.51

GHG Emissions Offsets*

Year	Scope 2 (in metric tonnes)	Scope 3 (in metric tonnes)
2020	7,206	1,403
2019	-	2,260
2018	-	2,500

*Calculations follow the [Greenhouse Gas Protocol](#) methodology.

CIT 2020 ESG Report

In 2020, CIT continued to support One Tree Planted, a nonprofit organization focused on global reforestation. CIT is the principal donor for the Sawmill Liebre Reforestation Project, which will plant 50,000 trees in Angeles National Forest in early 2021 to support the recovery and revegetation of one of Southern California's unique forest habitats. CIT's three-year partnership with One Tree Planted has led to the planting of 118,000 trees across California and Florida, states where forests have been hard hit by natural disasters.



Appendix

Disclosure	Report Location or External Reference	Hyperlink for External Disclosure
General Disclosures		
Organizational profile		
102-1 Name of the organization	CIT Group Inc.	
102-2 Activities, brands, products, and services	2020 10-K, Business Overview, pages 3-6	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-3 Location of headquarters	New York, NY	
102-4 Location of operations	2020 10-K, Concentrations, page 72	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-5 Ownership and legal form	Certificate of Incorporation	Certificate of Incorporation
102-6 Markets served	2020 10-K, Business Overview, pages 3-6 2020 10-K, Concentrations, page 72	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-7 Scale of the organization	2020 10-K, Business Overview, pages 3-6 2020 10-K, Selected Financial Data, page 39 2020 10-K, Concentrations, page 72	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-8 Information on employees and other workers	Human Capital, page 14	
102-11 Precautionary principle or approach	Climate Change, page 24	
Strategy		
102-15 Key impacts, risks, and opportunities	2020 10-K, Risk Management, pages 81-88	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
Ethics and integrity		
102-16 Values, principles, standards, and norms of behavior	Governance, page 7 U.S. Code of Business Conduct	Code of Business Conduct
102-17 Mechanisms for advice and concerns about ethics	U.S. Code of Business Conduct, Reporting and Escalating Violations, pages 6-7	Code of Business Conduct
Governance		
102-18 Governance structure	Governance, page 7 Board of Directors webpage	https://www.cit.com/about/us/governance/board-of-directors/
102-22 Composition of the highest governance body and its committees	Board of Directors webpage	https://www.cit.com/about/us/governance/board-of-directors/
102-23 Chair of the highest governance body	2020 Proxy Statement, Board Leadership Structure, page 22	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-24 Nominating and selecting the highest governance body	Charter of the Nominating & Governance Committee of the Board of Directors	CIT Group Nominating and Governance Committee Charter
102-25 Conflicts of interest	2020 Proxy Statement, The Board's Role in Risk Oversight, page 23	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-26 Role of highest governance body in setting purpose, values, and strategy	2020 Proxy Statement, Corporate Governance, page 18	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-27 Collective knowledge of highest governance body	2020 Proxy Statement, Director Qualifications and Experience, page 17	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-28 Evaluating the highest governance body's performance	2020 Proxy Statement, Board Evaluation, page 9	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-29 Identifying and managing economic, environmental, and social impacts	Charter of the Nominating & Governance Committee of the Board of Directors, Committee Responsibilities, page 3	CIT Group Nominating and Governance Committee Charter

CIT 2020 ESG Report

Disclosure	Report Location or External Reference	Hyperlink for External Disclosure
102-30 Effectiveness of risk management processes	2020 10-K, Risk Management, pages 81-88	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-33 Communicating critical concerns	2020 Proxy Statement, Stockholder Communications with the Board, page 28	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-35 Remuneration policies	2020 Proxy Statement, Director Compensation, pages 30-34 2020 Proxy Statement, Executive Compensation, pages 41-80	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-36 Process for determining remuneration	2020 Proxy Statement, Executive Compensation, page 41	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-37 Stakeholders' involvement in remuneration	2020 Proxy Statement, Executive Compensation, page 41	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
102-38 Annual total compensation ratio	2020 Proxy Statement, CEO Pay Ratio, page 82	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/66a6e6b0-3419-446e-8d13-a753f035b58b.pdf
Stakeholder engagement		
102-40 List of stakeholder groups	Materiality Assessment, page 4	
102-42 Identifying and selecting stakeholders	Materiality Assessment, page 4	
102-43 Approach to stakeholder engagement	Materiality Assessment, page 4	
102-44 Key topics and concerns raised	Materiality Assessment, page 4	
Reporting practice		
102-45 Entities included in the consolidated financial statements	2020 10-K, Business Overview, pages 3-6	http://d18rn0p25nwr6d.cloudfront.net/CIK-0001171825/601eb2f6-d1e7-42fc-b2fb-6be4706ba0b5.pdf
102-46 Defining report content and topic boundaries	Introduction, page 3	
102-47 List of material topics	Materiality Assessment, page 4	
102-48 Restatements of information	No restatements of information	
102-49 Changes in reporting	Materiality Assessment, page 4	
102-50 Reporting period	About This Report, page 31	
102-51 Date of most recent report	April 2020	
102-52 Reporting cycle	Annually	
102-54 Claims of reporting in accordance with the GRI Standards	About This Report, page 31	
102-55 GRI content index	Content Indexes, page 26	
102-56 External assurance	No external assurance is provided at this time	
Economic topics		
Anti-corruption		
103-1 Explanation of the material topic and its boundary	Governance, page 7	
103-2 The management approach and its components	Governance, page 7	
103-3 Evaluation of the management approach	Governance, page 7	
205-1 Operations assessed for risks related to corruption	Governance, page 7	
205-2 Communication and training about anti-corruption policies and procedures	Governance, page 7	

CIT 2020 ESG Report

Disclosure	Report Location or External Reference	Hyperlink for External Disclosure
Anti-competitive Behavior		
103-1 Explanation of the material topic and its boundary	Governance, page 7	
103-2 The management approach and its components	Governance, page 7	
103-3 Evaluation of the management approach	Governance, page 7	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance, page 7	
Environmental topics		
Energy		
103-1 Explanation of the material topic and its boundary	Climate Change, page 24	
103-2 The management approach and its components	Climate Change, page 24	
103-3 Evaluation of the management approach	Climate Change, page 24	
302-1 Energy consumption within the organization	Climate Change, page 24	
Emissions		
103-1 Explanation of the material topic and its boundary	Climate Change, page 24	
103-2 The management approach and its components	Climate Change, page 24	
103-3 Evaluation of the management approach	Climate Change, page 24	
305-2 Energy indirect (Scope 2) GHG emissions	Climate Change, page 24	
305-3 Other indirect (Scope 3) GHG emissions	Climate Change, page 24	
Social topics		
Employment		
103-1 Explanation of the material topic and its boundary	Human Capital, page 14	
103-2 The management approach and its components	Human Capital, page 14	
103-3 Evaluation of the management approach	Human Capital, page 14	
401-1 New employee hires and employee turnover	Human Capital, page 14	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital, page 14	
401-3 Parental leave	Human Capital, page 14	
Training and Education		
103-1 Explanation of the material topic and its boundary	Human Capital, page 14	
103-2 The management approach and its components	Human Capital, page 14	
103-3 Evaluation of the management approach	Human Capital, page 14	
404-1 Average hours of training per year per employee	Human Capital, page 14	
404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital, page 14	
404-3 Percentage of employees receiving regular performance and career development reviews	Human Capital, page 14	

CIT 2020 ESG Report

Disclosure	Report Location or External Reference	Hyperlink for External Disclosure
Diversity and Equal Opportunity		
103-1 Explanation of the material topic and its boundary	Human Capital, page 14	
103-2 The management approach and its components	Human Capital, page 14	
103-3 Evaluation of the management approach	Human Capital, page 14	
405-1 Average hours of training per year per employee	Human Capital, page 14	
Local Communities		
103-1 Explanation of the material topic and its boundary	Community Engagement, page 17	
103-2 The management approach and its components	Community Engagement, page 17	
103-3 Evaluation of the management approach	Community Engagement, page 17	
413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement, page 17	
Customer Privacy		
103-1 Explanation of the material topic and its boundary	Risk Management, page 10	
103-2 The management approach and its components	Risk Management, page 10	
103-3 Evaluation of the management approach	Risk Management, page 10	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SASB Table, page 30	
Non-GRI Topics		
ESG Financing	ESG Financing, page 22	
Access to Finance	Community Engagement, page 17	
Data Security	Risk Management, page 10	
Risk Management	Risk Management, page 10	

Sustainability Accounting Standards Board (SASB) Mapping

SASB Topic	Accounting Metric	Code	Page Number	Data or Section Reference
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	FN-CB-230a.1		Since January 1, 2017, we have not experienced any material data breaches involving either proprietary or customer information.
	Description of approach to identifying and addressing data security risks	FN-CB-230a.2	10	Risk Management
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	17	Community Engagement
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2	17	Community Engagement
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	17	Community Engagement
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	FN-CB-240a.4	17	Community Engagement
Business Ethics	Description of whistleblower policies and procedures	FN-CB-510a.2	7	Corporate Governance
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1		CIT is not a Global Systemically Important Bank (G-SIB) according to the Financial Stability Board.
	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	FN-CB-550a.2		As a BHC with total consolidated assets of less than \$100 billion, CIT is not subject to the enhanced prudential standards of the Dodd-Frank Act, including capital planning and stress testing requirements under the FRB's CCAR process.
Activity Metrics	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A	17	Community Engagement
	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	FN-CB-000.B	17	Community Engagement

About this Report

Our 2020 ESG Report primarily covers data and metrics related to the 2020 fiscal year from January 1 to December 31, 2020, unless otherwise noted.

This report was prepared in reference to the Global Reporting Initiative (GRI) Core option and the Sustainability Accounting Standards Board (SASB) Commercial Banks 2018 Sustainability Accounting Standard. Content indexes are available from page 26.

CIT has been committed to transparency, engagement and consistent communication of our ESG strategies and programs to all stakeholders. While we have published CSR reports in prior years, this is our first year publishing an ESG report that takes a materiality-based approach to disclosure.





11 West 42nd St. | New York, NY 10036 | www.cit.com

2021 CIT Group Inc. All Rights Reserved. CIT and CIT logo are registered trademarks of CIT Group Inc.



GUIDED BY G&A

Report developed with assistance of
Governance & Accountability Institute, Inc.
ga-institute.com