

Shelley J. Dropkin
Managing Director
Deputy Corporate Secretary
and General Counsel,
Corporate Governance

Citigroup Inc.
388 Greenwich Street
17th Floor
New York, NY 10013

T 212 793 7396
dropkins@citi.com



December 23, 2020

BY E-MAIL [shareholderproposals@sec.gov]

U.S. Securities and Exchange Commission
Office of Chief Counsel
Division of Corporation Finance
100 F Street, NE
Washington, D.C. 20549

Re: Stockholder Proposal to Citigroup Inc. from CtW Investments Group

Ladies and Gentlemen:

Citigroup Inc. (the “Company”), in accordance with Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is filing this letter with respect to the stockholder proposal and supporting statement (the “Proposal”) submitted by CtW Investment Group (the “Proponent”) in a letter dated November 6, 2020. The Proponent seeks inclusion of the Proposal in the proxy materials that the Company intends to distribute in connection with its 2021 annual meeting of stockholders (the “2021 Proxy Materials”). A copy of the Proposal and all correspondence with the Proponent related to the initial submission of the Proposal are attached hereto as Exhibit A.

In accordance with Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB No. 14D”), this letter and its attachments are being submitted to the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) by e-mail to shareholderproposals@sec.gov. Pursuant to Rule 14a-8(j), this letter is being filed with the Commission no later than 80 days before the Company intends to file its 2021 Proxy Materials. The Company intends to commence printing its Notice and Access materials on or about March 7, 2021 and to file its 2021 Proxy Materials on or about March 17, 2021. A copy of this letter and its attachments also is being sent on this date to the Proponent in accordance with Rule 14a-8(j) to inform the Proponent of the Company’s intention to omit the Proposal from the 2021 Proxy Materials. For purposes of the following analysis, references to the Company shall include the Company’s direct and indirect subsidiaries.

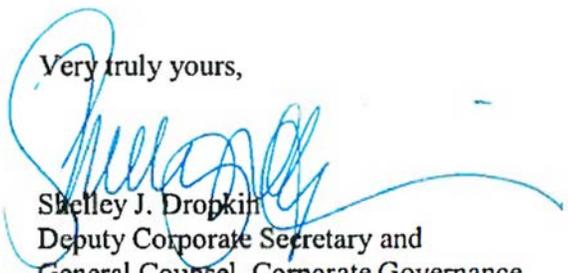
Rule 14a-8(k) and SLB No. 14D provide that the Proponent is required to send the Company a copy of any correspondence the Proponent elects to submit to the Commission or the Staff. Accordingly, we are hereby informing the Proponent that if the Proponent elects to submit

additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the Company.

The Company hereby requests confirmation that the Staff will not recommend enforcement action if, in reliance on Rule 14a-8 of the Exchange Act, the Company omits the Proposal from its 2021 Proxy Materials

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of the Company's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (212) 793-7396.

Very truly yours,



Shelley J. Dropkin
Deputy Corporate Secretary and
General Counsel, Corporate Governance

cc: CtW Investment Group
1900 L Street, N.W., Suite 900
Washington, DC 20036
Attention: Dieter Waizenegger, Executive Director

THE PROPOSAL

The Proposal provides as follows:

RESOLVED that shareholders of Citigroup Inc. (“Citi”) urge the Board of Directors to oversee a racial equity audit analyzing Citi’s adverse impacts on nonwhite stakeholders and communities of color. Input from civil rights organizations, employees, and customers should be considered in determining the specific matters to be analyzed. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on Citi’s website.

A copy of the Proposal and correspondence related to the initial submission of the Proposal is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

The Company believes that the Proposal may be properly excluded from the 2021 Proxy Materials in reliance on Rule 14a-8(i)(10) because the Company has substantially implemented the essential elements of the Proposal.

ANALYSIS

I. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(10) Because the Company has Substantially Implemented the Essential Elements of the Proposal.

A. Rule 14a-8(i)(10) Background

Under 14a-8(i)(10), a stockholder proposal may be excluded from a company’s proxy materials when the company has already substantially implemented the proposal. The Staff has stated that “substantial” implementation under the rule does not require implementation in full or exactly as presented by the proponent. *See Exchange Act Release No. 34-40018* (May 21, 1998, n.30). The Staff has provided no-action relief under Rule 14a-8(i)(10) when a company has substantially implemented and therefore satisfied the “essential objective” of a proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail or exercised discretion in determining how to implement the proposal. *See Walgreens Boots Alliance, Inc.* (November 13, 2018) (permitting exclusion of a shareholder proposal requesting that the company issue a report describing how the company’s policies and practices advance the UN Sustainable Development Goals where the requested information was already available in the company’s corporate social responsibility report); *Exxon Mobil Corporation* (March 23, 2018) (permitting exclusion of a shareholder proposal requesting that the company issue a report describing how the company could adapt its business model to align with a decarbonizing economy where the requested information was already available in two published reports describing the company’s long term outlook for energy and how it would position itself for a lower-carbon energy future); *Ford Motor Company* (February 22, 2016) (permitting exclusion of a shareholder proposal requesting that the company adopt a policy disclosing the gender, race/ethnicity, skills and experiences of each board nominee where the requested information was already available in a chart disclosing the aggregate gender and minority status of the company’s directors in its sustainability report and the specific qualifications required of board nominees as

well as each director's actual skills and experiences as it relates to those qualifications in its proxy materials); and *Wal-Mart Stores, Inc.* (March 25, 2015) (permitting exclusion of a shareholder proposal requesting an employee engagement metric for executive compensation where a “diversity and inclusion metric related to employee engagement” was already included in the company's management incentive plan).

B. The Company Has Already Addressed the Proponent’s Essential Objective and Underlying Concerns

The core of the Proposal, or its “essential objective,” is for the Board of Directors of the Company to oversee the preparation of a racial equity audit to help the Company “identify, prioritize, remedy and avoid adverse impacts on nonwhite stakeholders and communities of color.” The Company has prepared and made public on its website a number of reports and analyses related to racial equity and the efforts the Company is taking. These reports and analyses include the Company’s:

- 2019 *Environmental, Social and Governance Report* (“2019 ESG Report”).¹
- 2020 report on *Closing the Racial Inequality Gaps* (the “Racial Inequality Report”).²
- Press releases posted to the “Action for Racial Equity” page of the Company’s website that outline initiatives it has taken.³

Furthermore, on September 23, 2020, the Company issued a press announcing its *Action for Racial Equity Initiative*,⁴ in which the Company committed over \$1 billion in strategic initiatives to help close the racial wealth gap and increase economic mobility in the United States. In connection with the announcement of the Action for Racial Equity Initiative in September 2020, the Company’s CEO stated the following:

“Addressing racism and closing the racial wealth gap is the most critical challenge we face in creating a fair and inclusive society and we know that more of the same won’t do. . . . We are bringing together all the capabilities of our institution—our people, our lines of business, our balance sheet, and our philanthropy—like never before to combat the impact of racism in our economy. This is a moment to stand up and be

¹ Citigroup Inc., *2019 Environmental, Social and Governance Report* (2019), available at <https://www.citigroup.com/citi/about/esg/download/2019/Global-ESG-Report-2019.pdf?ieNocache=135>.

² Citigroup Inc., *Closing the Racial Inequality Gaps: The Economic Cost of Black Inequality in the U.S.* (Sept. 2020), available at <https://www.citivelocity.com/citigps/closing-the-racial-inequality-gaps>.

³ These press releases can be found on the Company’s dedicated webpage to “Action for Racial Equity” (<https://www.citigroup.com/citi/racial-equity>) (the “Action for Racial Equity Webpage”).

⁴ See Press Release, *Citi Launches More Than \$1 Billion in Strategic Initiatives to Help Close the Racial Wealth Gap* (Sept. 23, 2020), available at <https://www.citigroup.com/citi/news/2020/200923a.htm>.

counted, and Citi is committed to leading the way and investing in communities of color to build wealth and strong financial futures.”⁵

The following is a summary of the Company’s 2019 ESG Report, Racial Inequality Report and Action for Racial Equity Initiative, which either alone or in combination with numerous other steps the Company has taken to address racial inequity show how the Company has reported on its efforts to ‘identify, prioritize and remedy’ racial inequality, as requested by the Proposal.

1. 2019 ESG Report

The 2019 ESG Report, which was reviewed and supported by the Board of Directors of the Company, describes how the Company has committed to “identify” the racial inequality in its industry, which is one of the essential objectives of the Proposal. The 2019 ESG Report analyzes, through a detailed and statistic-based approach, the disparities that impact minority-owned small businesses. The Company also describes the efforts it has taken to “remedy” these disparities. For example, the 2019 ESG Report states that “the gender and race gaps in the world of small businesses are very real, with reports showing that less than 3 percent of venture capital funding is allocated to women- and minority-owned startups,” and that the Company “aims to change the statistics for women- and minority-owned businesses by investing in programs that emphasize entrepreneurship, employee ownership and local contracting.” The Company’s 2019 ESG Report provides specific details of the Company’s various efforts to “build more inclusive, resilient and sustainable communities,”⁶ which shows how it has “identified,” “prioritized” and taken steps to “remedy” the impacts of racial inequality in its industry. The 2019 ESG Report describes the following initiatives:

- Providing \$6 billion in loans for affordable housing projecting in the United States.⁷
- Launching a \$150 million venture capital fund to allow the Company to make investments in U.S. companies that are addressing societal challenges—prioritizing companies that are led or owned by women or minorities and that are using technology and innovation to help address four key societal challenges.⁸
- In 2019, raising the minimum wage of the Company’s U.S.-based employees to \$15 an hour.

⁵ See Press Release, *Citi Launches More Than \$1 Billion in Strategic Initiatives to Help Close the Racial Wealth Gap* (Sept. 23, 2020), available at <https://www.citigroup.com/citi/news/2020/200923a.htm>. In that press release, Kristen Clarke, President & Executive Director of the Lawyers’ Committee for Civil Rights Under Law, was quoted as stating that “Citi is going beyond talking about discrimination by implementing concrete strategies to address longstanding inequities in communities of color...Citi is charting a course that we hope will be replicated throughout the sector.”

⁶ 2019 ESG Report, p. 23.

⁷ 2019 ESG Report, pp. 23 & 30.

⁸ 2019 ESG Report, pp. 17 & 33.

- Continuing its study of pay equity across the Company to identify gaps in pay between men and women globally and minorities and non-minorities in the United States.⁹

2. Racial Inequality Report

The Company’s Racial Inequality Report is another important example of how the Company has taken meaningful steps to address the essential objectives of the Proposal. The Proposal seeks that the Company “identify” racial inequality in its industry and “prioritize” the efforts that are needed. Through more than 80 pages of detailed analyses and statistics relating to racial and economic gaps, the Racial Inequality Report attempts to identify the underlying causes of the racial and economic gaps exacerbated by the COVID-19 pandemic, discusses the value of closing racial inequity gaps and outlines how governments, corporations, and individuals can work together to eliminate such gaps.

3. Action for Racial Equity Initiative

The Company’s Action for Racial Equity Initiative outlines key goals for its racial equity initiatives, discusses why each goal is important and describes the action items the Company will champion to reach each goal, which clearly show how the Company is trying to “identify, prioritize, remedy and avoid adverse impacts on nonwhite stakeholders and communities of color.” The Proposal references the Company’s Action for Racial Equity Initiative but ignores the fact that the initiative demonstrates how the Company has thoughtfully analyzed the important issues of racial equity, considered the various reports and initiatives it has prepared over the years and presented clear and measurable actions to take steps to address the systemic inequities in its business and industry.

In the table below we outline (a) the four key goals of the Action for Racial Equity Initiative; (b) why each goal is important; and (c) the key action items that the Company has committed to with respect to each goal.¹⁰

Goal	Why Important	Key Action Items
Expand Banking and Access to Credit in Communities of Color	Many communities of color lack access to traditional banking services that are the foundation of financial stability and thriving communities. Economic security is also hampered by insufficient access to credit, which makes it hard to qualify for affordable mortgages and small business loans.	<ul style="list-style-type: none"> • Provide Minority Depository Institutions (MDIs) with up to \$50 million in growth capital to strengthen their ability to serve racially diverse households and entrepreneurs. • Generate revenue for MDIs by inviting them into up to \$50 million in loan participation opportunities between the Citi

⁹ 2019 ESG Report, pp 64-65.

¹⁰ See Press Release, *Citi Launches More Than \$1 Billion in Strategic Initiatives to Help Close the Racial Wealth Gap* (Sept. 23, 2020), available at <https://www.citigroup.com/citi/news/2020/200923a.htm>. See also *Citigroup: Action for Racial Equity*, available at <https://www.citigroup.com/citi/racial-equity>.

Goal	Why Important	Key Action Items
		<p>Community Capital division in the Institutional Clients Group and its clients to finance affordable multi-family rental housing.</p> <ul style="list-style-type: none"> • Provide pro-bono technical assistance and training to MDIs—through a collaboration with Deloitte and others—to help MDIs navigate the changing economy, improve operational efficiencies and support talent development. • Partner with community organizations serving racially diverse households through the Company’s U.S. Consumer Bank to expand access to the Citi® Access Account Package, which includes low-cost checking and savings products and new digital financial education. • Alleviate one of the biggest barriers to banking by expanding the Citi ATM Community Network program that removes out-of-network fees at Citibank ATMs for customers of participating minority-owned banks and community development credit unions. Since 2016, Citi’s U.S. Consumer Bank has removed these fees for 440,000 customers of 28 institutions. • Put 1 million youth on the path to higher education by expanding the Citi Start Saving® platform—which initially was developed to power the City and County of San Francisco’s children’s savings program. • On November 19, 2020, Citi Foundation named 30 Community Development Financial Institutions (CDFIs) that will collectively receive \$15 million to support their efforts to provide small businesses with the vital resources needed to sustain their operations and support economically

Goal	Why Important	Key Action Items
		<p>vulnerable households impacted by COVID-19. The CDFIs, which will each receive \$500,000 in unrestricted funding, were selected through an open Request for Proposals application process based on their strong track record of serving small businesses owned by people of color and underserved individuals and communities.</p>
<p>Invest in Black Entrepreneurship</p>	<p>Black-owned businesses have long faced obstacles in obtaining loans. They are the most likely to apply for bank financing, but get turned down at twice the rate as white business owners. This financing gap is especially pronounced in the startup world, where studies show that Black entrepreneurs receive only 1% of venture capital funding.</p>	<ul style="list-style-type: none"> • Allocate an additional \$50 million to the Citi Impact Fund exclusively to support businesses owned by Black entrepreneurs. Citi kicked off the fund in January 2020 with \$150 million in capital for businesses that are developing solutions to social and environmental challenges. • Increase Citi business procurement spend with certified diverse suppliers from \$700 million to \$1 billion annually, including \$250 million with Black-owned firms. • Launch a new program called Citi Start CreditSM, which will work with Community Development Financial Institutions to help underserved entrepreneurs increase their credit scores and access more affordable credit.
<p>Invest in Affordable Housing and Promote the Growth of Black Homeownership</p>	<p>Homeownership is a key way to build wealth and equity, and safe, affordable housing is an important platform for financial stability. However, Black homeownership is at its lowest level since the 1960s. In addition, rental housing in many urban areas across the country is scarce and too expensive. Compounding this crisis is the near-absence of minority-owned real estate developers in the affordable housing industry.</p>	<ul style="list-style-type: none"> • Expand the U.S. Consumer Bank’s community lending team and its network of correspondent lenders to increase access to Citi’s mortgage products and services among minority borrowers in low- and moderate-income neighborhoods. • Provide \$200 million of equity and preferential financing through Citi Community Capital to affordable and workforce housing projects by minority developers who either are the sole equity owners or are in a joint venture with meaningful equity participation. Some of this funding also will be invested in minority

Goal	Why Important	Key Action Items
		<p>developers to build their capacity and allow them to compete for larger affordable housing projects.</p>
<p>Strengthen the Company's Policies and Practices in Order to Become an Anti-Racist Institution</p>	<p>Advancing racial equity requires a more intentional focus on the challenges faced by communities of color and a commitment to becoming an anti-racist institution. Citi is taking a hard look at its own policies and practices to actively identify potential bias to help level the playing field for communities of color.</p>	<ul style="list-style-type: none"> • Strengthen due diligence processes for project-related financing to address environmental justice and social impacts on communities of color. • Develop standards for inclusive software design that eliminate bias and help deliver equitable outcomes to the communities Citi serves. • Expand Citi's capital market activities with minority-owned broker dealers, assisting with their business and franchise development. • Work with marketing, communications and legal partners to establish guidelines that increase representation of people of color on Citi accounts and within their leadership teams. • Establish a council of senior leaders from across the company to develop additional product innovations, assess performance gaps and hold businesses accountable for Action for Racial Equity Initiative commitments.

The Company's Action for Racial Equity Initiative reflects, in part, a culmination of the many analyses, reports and efforts the Company has prepared, issued and taken over the years to address racial inequality. The initiative, importantly, marks the significance of these efforts with the acknowledgment that closing the racial wealth gap is the most critical challenge to creating a fair and inclusive society. With the announcement of the initiative, the Company recognizes that new actions are needed and "more of the same" will not be enough to address this challenge.

The Company is not asserting in this letter that it believes that it has "substantially implemented" efforts to eliminate racial inequality. The Company does not believe that its work in this area is now complete with its Action for Racial Equity Initiative or as a result of the other efforts described in this letter. The Company recognizes that these efforts are just the first step in a long journey to achieve racial equity in the United States, a journey that it shares with other financial services companies and other leading companies in other industries and one that it feels

is a critical responsibility to pursue. The protests for racial justice in 2020 have only strengthened the Company's resolve to commit more resources to address these challenges.

Although the Company believes it still has work to do in this area, it does believe it has clearly demonstrated that it has substantially implemented the Proposal. The reports and analyses described in this letter, culminating with the Action for Racial Equity Initiative, show how the Company has reported on its efforts to 'identify, prioritize and remedy' racial inequality, as requested by the Proposal.

As a result, the Proposal is excludable from the 2021 Proxy Materials in reliance on Rule 14a-8(i)(10).

II. Conclusion

Based on the foregoing analysis, the Company respectfully requests that the Staff concur that it will take no action if the Company excludes the Proposal from its 2021 Proxy Materials.

EXHIBIT A



November 6, 2020

Rohan Weerasinghe
Corporate Secretary of Citi
Citigroup Inc.
388 Greenwich Street
New York, New York 10013

Dear Mr. Weerasinghe:

On behalf of the CtW Investment Group ("CtW"), I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in Citigroup Inc. ("Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the U.S. Securities and Exchange Commission's proxy regulations.

CtW is the beneficial owner of approximately 60 shares of the Company's common stock, which have been held continuously for more than a year prior to this date of submission. The Proposal requests that the Board oversee a racial equity audit analyzing the Company's adverse impacts on nonwhite stakeholders and communities of color.

CtW intends to hold the shares through the date of the Company's next annual meeting of shareholders. The record holder of the stock will provide the appropriate verification of the fund's beneficial ownership by separate letter. Either the undersigned or a designated representative will present the Proposal for consideration at the annual meeting of shareholders.

If you have any questions or wish to discuss the Proposal, please contact Tejal K. Patel, at (202) 394-8945 or tejal.patel@ctwinvestmentgroup.com. Copies of correspondence or a request for a "no-action" letter should be sent to Ms. Patel via the email address listed above.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dieter Waizenegger', with a stylized flourish at the end.

Dieter Waizenegger
Executive Director, CtW Investment Group

RESOLVED that shareholders of Citigroup Inc. (“Citi”) urge the Board of Directors to oversee a racial equity audit analyzing Citi’s adverse impacts on nonwhite stakeholders and communities of color. Input from civil rights organizations, employees, and customers should be considered in determining the specific matters to be analyzed. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on Citi’s website.

SUPPORTING STATEMENT

High-profile police killings of black people—most recently George Floyd—have galvanized the movement for racial justice. That movement, together with the disproportionate impacts of the COVID-19 pandemic have focused the attention of the media, the public and policy makers on systemic racism, racialized violence and inequities in employment, health care, and the criminal justice system. In September 2020, CEO Michael Corbat noted Citi “[was] committed to leading the way and investing in communities of color to build wealth and strong financial futures.”¹ Citi has committed \$1 billion over four years to close the racial wealth gap.

Citi has a conflicted history when it comes to addressing racial injustice within the communities it serves. In 2019, the Treasury Department’s Office of the Comptroller of Currency assessed a \$25 million fine against Citi for failing to offer all eligible customers mortgage discounts and credits, adversely impacting customers of color. Citi also imposes a minimum maintenance fee of \$12 per month for checking account customers or a minimum daily balance of \$1500. Such minimum fees and balances disproportionately impact people of color and can inhibit wealth creation among these communities. Lastly, the company discloses that over 45.8 % of its workforce are people of color, yet there is only one Black executive within its C-suite, according to a study by Stanford University.

The impact of Citi’s practices on communities of color has been exacerbated by the coronavirus pandemic. Citi was one of the banks selected for the Paycheck Protection Program. A recent House of Representatives’ report found that Citi instituted a policy of only accepting applications for funding from clients with an existing banking relationship, despite its own internal assessment that recognized “a policy of not taking non-customers might create heightened risk of disparate impact on minority and women-owned businesses.”²

Citi’s activities with potential adverse impacts are not limited to the employment and lending contexts. Citi donated \$242,000 during the 2020 election cycle to 74 members of Congress who are rated "F" by the NAACP.

¹ Citi Press Release, September 23, 2020, available at <https://www.citigroup.com/citi/news/2020/200923a.htm>.

² *Banking Dive*, “House panel blasts banks over gap in PPP loan processing times,” Oct. 19, 2020, available at <https://www.bankingdive.com/news/paycheck-protection-program-loan-processingHouse-Select-Subcommittee-Coronavirus-Crisis/587294/>.

A racial equity audit would help Citi identify, prioritize, remedy and avoid adverse impacts on nonwhite stakeholders and communities of color. We urge Citi to assess its behavior through a racial equity lens in order to obtain a complete picture of how it contributes to, and could help dismantle, systemic racism.



HOWARD N. HANDWERKER
First Vice President

OFFICE (626) 432-9907
CELL (626) 437-4819
howardhandwerker@amalgamatedbank.com

November 6, 2020

Rohan Weerasinghe
Corporate Secretary
Citigroup Inc.
388 Greenwich Street
New York, New York 10013

Dear Mr. Weerasinghe:

Please be advised that Amalgamated Bank holds 60 shares of Citigroup Inc. ("Company") common stock beneficially for the CTW Investment Group (CTW), the proponent of a shareholder proposal submitted to the Company on November 6, 2020, in accordance with Rule 14(a)-8 of the Securities and Exchange Act of 1934. CTW has continuously held at least \$2,000.00 worth of the Company's common stock for more than one year prior to submission of the resolution and plans to continue ownership through the date of your 2021 annual meeting.

Amalgamated Bank serves as custodian and record holder for CTW Investment Group. The above-mentioned shares are registered in a nominee name of Amalgamated Bank. The shares are held by the Bank [REDACTED]

Sincerely,

A handwritten signature in blue ink that reads "Howard N. Handwerker".

Paula F. Jones
Assistant Secretary
& Associate General Counsel,
Corporate Governance

Citigroup Inc.
601 Lexington Ave
17th Floor
New York, NY 10022

T 212 793 3863
jonesp@citi.com



VIA Email

November 17, 2020

CtW Investment Group
1900 L Street, N.W., Suite 900
Washington, DC 20036
Attention: Dieter Waizenegger, Executive Director

Dear Mr. Waizenegger:

Citigroup Inc. acknowledges receipt of CtW Investment Group's stockholder proposal for submission to Citi's stockholders at the Annual Meeting in April 2021.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Paula F. Jones". The signature is fluid and cursive, with a long horizontal stroke at the beginning and a large loop at the end.

Paula F. Jones
Assistant Secretary and
Associate General Counsel, Corporate Governance

Cc: Tejal K. Patel