

**Citigroup Shareholder Meeting - Proposal #9 Statement  
National Center for Public Policy Research, April 26, 2022**

In September 2020, Citigroup announced the \$1 billion “Action for Racial Equity” initiative to address race and equity in the United States.<sup>1</sup> One of the stated goals of this endeavor is to “advance anti-racist practices in [the] company....”<sup>2</sup> .

But what this initiative fails to recognize is that there is much disagreement surrounding what terms like “anti-racist” mean. Citigroup’s statements on this matter make clear that to company leadership, “anti-racist practices” means workplace policies that place superficial characteristics such as race, sex, and sexual orientation above merit.

Ironically, policies such as these inevitably promote discriminatory behavior in the name of “anti-racism.” For instance, Citigroup’s one-year review of this initiative states that the company, “is developing a diversity, equity, and inclusion [] lens as part of all new manager selections and existing manager monitoring in the United States.”<sup>3</sup>

The assessment further states that Citigroup will periodically review managers of third-party funds included in its platform to assess their diversity, equity and inclusion characteristics as to whether their firm’s policies and practices are consistent with providing more opportunities for women and traditionally underrepresented minorities in asset management.<sup>4</sup>

This means that the company places more value on whether an employee is a woman or a “traditionally underrepresented minority” than whether that individual has an objective amount of experience or educational qualifications. And it necessarily discriminates against groups that Citigroup doesn’t recognize as “traditionally underrepresented,” who are held to higher standards on the basis of race and sex.

This dangerous type of mentality is grounded in principles such as Critical Race Theory, which reduces human existence to surface elements that no one can control – like skin tone or sex.<sup>5</sup> This discriminatory practice focuses on so-called “white or male privilege” being at the root of everything in society and insists that white people and men are ALWAYS the oppressors, and everyone else is oppressed to one degree or another and therefore must be given preferential treatment.

The same toxic behavior applies equally to Citigroup’s lending practices. For instance, the company says it will provide “preferential financing ... to affordable and workforce housing projects by minority developers.”<sup>6</sup>

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<sup>1</sup> <https://www.citigroup.com/citi/news/2020/200923a.htm>;

<sup>2</sup> <https://blog.citigroup.com/2021/10/citi-will-conduct-a-racial-equity-audit/>

<sup>3</sup> <https://www.citigroup.com/citi/racial-equity/data/ARE-One-Year-Report.pdf?ieNocache=147>

<sup>4</sup> *Id.*

<sup>5</sup> [https://www.theepochtimes.com/citigroup-becomes-first-wall-street-bank-to-commit-to-racial-equity-audit\\_4065871.html](https://www.theepochtimes.com/citigroup-becomes-first-wall-street-bank-to-commit-to-racial-equity-audit_4065871.html)

<sup>6</sup> *Id.*

But it is difficult to understand how any company can further goals of “anti-racism” and “equity” through race-based “preferential financing.” Rather than setting openly discriminatory criteria for lending, Citigroup should take care to ensure all Americans—regardless of race or other immutable characteristic and while maintaining its fiduciary duties—has the chance to achieve the fundamental American dream of home ownership.

Voting “yes” on Proposal 9 would provide shareholders and the public with a critical assessment of how the aforementioned policies and practices are impacting the business and causing discrimination in the name of opposing it by conducting a simple, independent audit.

Please vote “YES” on Proposal 9. Thank you.

Contact: Judy Kent at (703) 477-7476 or [JKent@nationalcenter.org](mailto:JKent@nationalcenter.org)  
National Center for Public Policy Research  
20 F Street, NW, Suite 700, Washington, DC 20001  
[www.nationalcenter.org](http://www.nationalcenter.org) • [@NationalCenter](https://www.facebook.com/NationalCenter) • [@FreeEntProject](https://www.instagram.com/FreeEntProject)