



June 30, 2017

City of Philadelphia Office of the City Treasurer

Response to Annual Request for Information Questionnaire
Calendar Year 2016

Authorized Depository Compliance Reporting: Philadelphia City Code
Chapter 19-200 City Funds — Deposits, Investments, & Disbursements

One of Citi's four key operating principles is our commitment to Responsible Finance and advancing financial inclusion by improving the supply of financial products for low-income households and improving consumer financial capabilities. Its purpose is to make sure our actions are in clients' interests, create economic value and are systemically responsible. Our board is responsible for senior management's effective implementation and execution of Responsible Finance across Citi's businesses, with direct oversight from the Public Affairs Committee of the Board. Citi's Board of Directors' compensation takes into account performance against these Responsible Finance objectives as well as a variety of other key execution priorities for the bank.

Treating Customers Fairly is deeply rooted in Citi's core principle of Responsible Finance. All of Citi's consumer products, services and programs reflect its commitment to serving customers with fairness, value, clarity and dependability. Citi fulfills this commitment by listening to customers, understanding their needs, and offering appropriate solutions so Citi can continue to earn their trust.

Citi publishes complete descriptions of our Environmental and Social Risk policies, extracted from our Credit Risk manual and articulated in layman's terms. These policies can be found here: <http://citizenship.citigroup.com/citi/environment/>.

Citi has also posted changes mandated by new and revised legislation that apply to all consumer credit cards, including retailer credit cards issued by Citi, here: <https://www.citicards.com/cards/wv/copy.do?screenID=1906>.

Policy implementation is reported annually in our Citizenship Report: <http://citizenship.citigroup.com>.

D. COMMUNITY REINVESTMENT GOALS

Financial institution's annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

1. **Provide an overview of the financial institution's annual Community Reinvestment Goals.**

Not applicable

2. **Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.**

Type	2016 Goals	2016 Results	2017 Goals
Small Business Loans	Not Applicable	498	Not Applicable
Home Mortgages	Not Applicable	15	Not Applicable
Home Improvement Loans	Not Applicable	0	Not Applicable
Community Development Loans and Investments	Not Applicable	0	Not Applicable

If applicable, explain why previous year results did not meet the stated goal.

Not Applicable

3. **Provide the actual number and dollar amounts of small business loans, home mortgages, home improvement loans, community development investments, consumer loans, and other commercial loans made in neighborhoods within the City of Philadelphia.**

Calendar Year 2016

Number of Loans by Income

Type	Low	Moderate	Middle	Upper	Total
Residential Mortgage*	4	11	18	76	109
Home Improvement	0	0	0	3	3
Small Business Loans	174	324	368	538	1,404
Community Development Loans and Investments	3	0	0	1	4
Consumer Loans**	N/A	N/A	N/A	N/A	N/A
Other Commercial Loans	N/A	N/A	N/A	N/A	N/A
Total	181	335	386	617	1,520
How many business loans were originated?	174	324	368	538	1,428

Value of Loans (\$) by Income (\$000s)

Type	Low	Moderate	Middle	Upper	Total
Residential Mortgage*	392	1,104	2,557	23,504	27,557
Home Improvement	0	0	0	253	253
Small Business Loans	920	1,240	1,981	3,178	7,319
Community Development Loans and Investments	41,450	0	0	7,427	48,877
Consumer Loans**	N/A	N/A	N/A	N/A	N/A
Other Commercial Loans	N/A	N/A	N/A	N/A	N/A
Total	42,762	2,344	4,538	34,362	84,006
% of Consumer Loans made through Credit Cards*	N/A	N/A	N/A	N/A	N/A

* Residential Mortgage includes home purchase and refinance loans

** Consumer Loans are not provided to regulatory agencies for HMDA or CRA purposes

4. Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development).

In 2016, Citi made a \$100,000 in grants for community development purposes which was geared towards capacity building and planning.

A 100,000 grant to Aeris Insight in support of the Standardizing CDFI (Certified Community Development Financial Institution) Impact Data Program will strengthen Aeris' ability to collect more robust data on CDFI's impact in low- and moderate-income (LMI) communities which will ultimately help drive capital.

5. Briefly describe any lending outreach programs geared toward minorities, low-income persons, immigrants, or women. This description should include the targeted community, the type of product (i.e. commercial, home lending, unsecured consumer) and any program outcomes.

Citi has offered several flexible and innovative mortgage products to increase access to affordable housing in the Philadelphia market in 2016, including:

Federal Housing Association (FHA) and Veterans Affairs (VA) Programs: FHA and VA insured loans have more flexible lending criteria than conventional mortgage loans. FHA loans have mortgage insurance provided by HUD, enabling Citi to offer additional loan options to borrowers who may not qualify for a conventional mortgage. VA loans are guaranteed by The U.S. Department of Veterans Affairs, providing protection against losses arising from a borrower default.

Neighborhood Assistance Corporation of America Program (NACA): Citi has a unique national mortgage program specifically designed for borrowers who have been given homebuyer education and counseling by NACA, a nonprofit organization aimed at helping families achieve

homeownership. Borrowers are required to demonstrate that they can save the amount of their new monthly mortgage payment (above their current rent) before applying for a NACA-brokered mortgage that is underwritten by Citi. This program, advertised as “America’s Best Mortgage” has flexible features, such as zero percent down, 15 and 30 year fixed-rate mortgages, up to 110 percent financing, no closing costs, flexible residency requirements and qualifying debt ratios, and below market interest rates. NACA organizes with churches, unions, community groups, and politicians to coordinate messaging and policy goals. Loans are sourced by NACA branch offices and processed in the NACA broker channel. Loans originated under this program are to assist LMI borrowers and borrowers purchasing in LMI communities.

APPENDIX II

Long Term Strategic Plan

Fair lending is deeply rooted in Citi's core principle of responsible finance, its Code of Conduct and its commitment to Treating Customers Fairly. This means that Citi:

- Complies with the letter and the spirit of the US fair lending laws that prohibit discrimination in all credit and housing related activities;
- Treats applicants and customers equally and does not differentiate on any prohibited basis;
- Provides equal access and opportunity for credit for applicants regardless of race, color, religion, national origin, age, sex, sexual orientation, disability, marital status, familial status, receipt of public assistance, exercise of rights under the Consumer Credit Protection Act, and other factors unrelated to credit worthiness; and
- Works to maintain Citi's reputation for fairness in accordance with Citi's U.S. Consumer Fairness Policy.

Citi dedicates considerable financial and human resources to meeting the homeownership needs of low- and moderate-income (LMI) people and communities, as well as communities of color. We have a dedicated Strategic Markets department to lead strategic initiatives and coordinate business units across the company to increase affordable and sustainable homeownership across all retail and third-party distribution channels.