

Citigroup

Diversity

Annual

Report

{ 2004 }

“Our goal is for Citigroup
to be the most respected global
financial services company...”

MESSAGE FROM OUR { CHIEF EXECUTIVE OFFICER AND PRESIDENT & CHIEF OPERATING OFFICER }



Our goal is for Citigroup to be the most respected global financial services company; to achieve that, the company has embarked on a multiyear, global effort to reinforce our values and take the next step in the evolution of our culture.

Reinforcing and reaffirming our commitment to diversity is a fundamental part of this effort—and the more we meet with employees around the world, the more we recognize it is also a fundamental part of our success.

While Citigroup may be the most diverse company ever created—our staff is 98 percent local in the nearly 100 countries in which we operate—we know we have much more work to do. But as you will read on the pages that follow, we're pleased to report that Citigroup made significant progress on our diversity goals in 2004.



At Citigroup, our success depends on every one of us having a chance to succeed based on his or her merits and on all of us working together to uphold our Shared Responsibilities to our clients, to each other, and to our franchise.

We have made great strides embedding the principles of diversity and inclusion in our culture. We are proud of the progress we made in 2004, and we intend to build on that progress in the year ahead.

Sincerely,

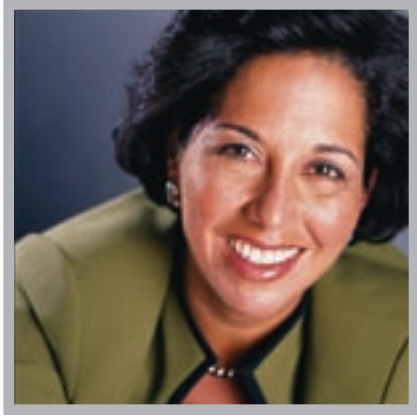
A handwritten signature in cursive script that reads "Chuck Prince".

CHUCK PRINCE

A handwritten signature in cursive script that reads "Bob Willumstad".

BOB WILLUMSTAD

MESSAGE FROM OUR { DIRECTOR OF GLOBAL WORKFORCE DIVERSITY }



Citigroup’s diversity strategy is based on four components—to be the employer of choice, service provider of choice, business partner of choice, and neighbor of choice. In 2004, I am pleased that we have made progress toward achieving each of these goals.

We’ve taken concrete steps to inform our 300,000 employees about our diversity strategy. For the second consecutive year, our senior managers developed diversity plans and reviewed progress against these plans every quarter. In 2004, we continued to embed mentoring programs to support career development, strengthen our employee network program, and develop our products and services for an increasingly diverse customer base. We also have partnered with leading diversity organizations to identify and hire diverse talent and have seen positive results.

Our diversity within the U.S. continues to trend positively, growing from 28.4 percent in 2002 to 33.4 percent in 2004, a five percent increase in total diverse representation. Of particular note, our representation in professional jobs rose from 26.3 percent in 2002 to 34.6 percent in 2004, a strong, 8.3 percent representation increase.

At the same time, we reinforced our efforts with our business partners by creating exciting opportunities among affinity markets and continuing to focus on Supplier Diversity, which resulted in \$725 million in spending with business enterprises owned by minorities, women, disabled veterans, and people with disabilities, an increase of 64 percent over the last three years.

Our employees represent Citigroup’s diversity strategy in action. In 2004, more of our employees became involved in our diversity initiatives: they led diversity councils in Africa, Asia-Pacific, Europe, Japan, Latin America, and the United States; launched employee networks; and assisted in recruiting, mentoring, and teaching financial education programs in the communities where we live and work. In addition to their day-to-day work responsibilities, these employees, in conjunction with our diversity directors in the businesses, lead and contribute to our diversity strategy, and we recognize and applaud their commitment.

Once again, we are honored by the external recognition of our efforts, including, among others, being ranked the #2 company for diversity by *DiversityInc* magazine, and receiving a 100 percent ranking on the Human Rights Campaign Corporate Equality Index.

Embedding the principles of diversity and inclusion in everything we do is essential to Citigroup’s goal to be the most respected global financial services company. We will continue our efforts and expect greater progress in 2005.

Sincerely,

ANA DUARTE McCARTHY

{ EMPLOYER OF CHOICE }

Citigroup values a work environment where diversity is embraced, where people are promoted on their merits, and where people treat each other with mutual respect and dignity. Around the world, we are committed to being a company where the best people want to work; where opportunities to develop are widely available; where innovation and an entrepreneurial spirit are valued; and where a healthy work/life balance is encouraged.

{ SERVICE PROVIDER OF CHOICE }

Citigroup strives to deliver products and services to our customers that reflect both our global reach and our deep local roots in every market where we operate. The diversity of our employees enables us to better understand our customers, while the breadth of our product offerings allows us to serve them better.

{ BUSINESS PARTNER OF CHOICE }

Citigroup works to create mutually beneficial business relationships with minorities, women, disabled veterans, and people with disabilities. We recognize that working with a wide range of professionals, suppliers, and consultants strengthens the communities we serve and creates value for our shareholders.

{ NEIGHBOR OF CHOICE }

Citigroup believes it has a responsibility to make a difference in the neighborhoods in which we live and work around the world. We reach out to and form partnerships with nonprofit organizations, civic groups, educational institutions, and local governments representing the diverse nature of these communities.

“Being respected at Citigroup as a self-identified and visible gay man is tremendously important and rewarding to me...”

{ J. KEVIN JONES, JR., SEVEN YEARS WITH CITIGROUP }



“... I have had the opportunity to work with some wonderful people—true heroes—whom I would otherwise not have had the pleasure of meeting. For a community of employees that is still largely invisible, being out makes a difference. So I know that I am making some difference on a day-to-day basis. The concrete progress that I have experienced through Citigroup’s diversity initiatives gives me hope for positive change beyond the workplace.”

FOR OUR EMPLOYEES, WE WANT TO BE

the employer of choice





CITIGROUP VALUES A WORK ENVIRONMENT WHERE DIVERSITY IS EMBRACED, WHERE PEOPLE ARE PROMOTED ON THEIR MERITS, AND WHERE PEOPLE TREAT EACH OTHER WITH MUTUAL RESPECT AND DIGNITY. AROUND THE WORLD, WE ARE COMMITTED TO BEING A COMPANY WHERE THE BEST PEOPLE WANT TO WORK; WHERE OPPORTUNITIES TO DEVELOP ARE WIDELY AVAILABLE; WHERE INNOVATION AND AN ENTREPRENEURIAL SPIRIT ARE VALUED; AND WHERE A HEALTHY WORK/LIFE BALANCE IS ENCOURAGED.

CITIGROUP HAS DEVELOPED A COMMON FRAMEWORK ACROSS THE BUSINESSES TO STRENGTHEN OUR EFFORTS IN EMPLOYEE DIVERSITY AROUND THE WORLD. IT COMPRISES MANAGEMENT ACCOUNTABILITY, ATTRACTING TALENT, DEVELOPING OUR EMPLOYEES, AND CREATING A POSITIVE AND INCLUSIVE WORK ENVIRONMENT.

Management Accountability

We are working to ensure that Citigroup businesses and their managers develop diversity plans and are held more directly accountable for progress against those plans.

At Citigroup, diversity is a source of strength for our people and our businesses, and we have embedded diversity as a core component of our management practices.

In 2004, our senior leaders were responsible for developing and communicating business diversity plans. They fostered inclusion through training, mentoring, and networking initiatives and often became personally involved in these efforts. In total, 162 diversity reviews were conducted in the businesses in 2004. Senior management's overall efforts, which are linked to compensation, were reviewed every quarter with President and COO Bob Willumstad and were also reported to Citigroup's Board of Directors.

Chuck Prince and Bob Willumstad reinforced their senior management team's commitment to diversity by outlining our diversity strategy in a company-wide communication in September that encouraged employees to become involved and engaged in our efforts.

DIVERSITY COUNCILS

We drive Citigroup's diversity strategy through our diversity councils. The Citigroup Diversity Operating Council, comprised of senior diversity and Human Resources leaders from core businesses and regions, meets bi-weekly to review progress against the strategy, share best practices, and align policies globally.

In 2004, we continued to promote diversity locally in Africa, Asia-Pacific, Europe, Japan, Latin America (LATAM), Mexico, and the United States, through 35 business diversity councils in which business leadership and employees from various levels and functional groups develop and execute strategies and initiatives.

The councils focus on gender along with other dimensions of diversity, including, as relevant, race, ethnicity, disability, and sexual orientation. Among new councils launched in 2004 were the LATAM Diversity Council, the Singapore Diversity Council and the Asia-Pacific Diversity Council.

We continue to look closely at the Affirmative Action plans in our U.S. businesses. In 2004, 509 plans were created and a new mid-year review by the Corporate Office of Affirmative Action was instituted to better monitor efforts toward goal achievement.

Attracting Talent

We are working to ensure that our workforce—at all levels—is representative of all segments of the population and that we develop a diverse pool of candidates for management, especially senior management positions.

Attracting and retaining diverse graduate, professional, and undergraduate talent ensures a leadership pipeline that reflects our customers and the communities where we do business. In 2004, we continued to strengthen our relationships with our longtime association partners while working to develop new relationships to expand our reach.

ATTRACTING DIVERSE GRADUATES AND PROFESSIONALS

Since 1995, we've placed emphasis on building cross-business sponsorship of two national partners within the U.S.,

the National Black MBA Association (NBMBA) and the National Society of Hispanic MBAs (NSHMBA). In 2004, Citigroup managers and recruiters attended the organizations' annual career fairs, which attract thousands of diverse MBAs and professionals. Citigroup also sponsored NSHMBA's first finance case competition, which attracted 18 university entries. Our results from these core partnerships were very positive. We hired 31 individuals from the conferences—a 55 percent increase over 2003. We are a member of both organizations' strategic corporate advisory boards and continue to work closely with their national offices and local affiliates.

We understand that our ability to attract diverse MBA and undergraduate talent is contingent upon a strong pipeline of diverse students entering these programs. Citigroup initiated a partnership with Management Leadership for Tomorrow (MLT), a nonprofit organization that is committed to helping diverse students across the U.S. prepare for successful careers in corporations, nonprofit organizations, and entrepreneurial ventures. Citigroup, along with corporate sponsors PepsiCo and Booz Allen Hamilton, provided a financial training "boot camp" for MLT students beginning their MBA studies. In 2004, 90 students were involved in the program; 11 pre-MBA students were hired for summer internships, ten in Corporate and Investment Banking and one in our Financial Control group.

ATTRACTING DIVERSE UNDERGRADUATES

Citigroup continued its long-time partnership with INROADS and the Sponsors for Educational Opportunity (SEO) programs through which we hire diverse undergraduates for summer internships. In 2004, we sponsored 64 INROADS interns in various U.S. metropolitan areas; four graduating interns accepted offers of employment. INROADS recognized Citigroup operations in Stamford, Connecticut, which received the "Champion's Award," and New Castle, Delaware, which was honored as "Business Advisor of the Year." We also hired five INROADS interns in Mexico.

In 2004, 20 SEO interns worked in Corporate and Investment Banking in the U.S. The SEO Career Program, of which Citigroup is a founding member, has gained national recognition as one of the most effective sources of talented, diverse undergraduate candidates in the U.S. In addition to recruiting from our 20 SEO interns, the program allowed Citigroup to recruit from a broader set of more than 200 SEO interns who worked at major investment banks across Wall Street. As a result, nine graduating SEO interns accepted offers of employment at Citigroup and will join more than 35 SEO alumni already working here.

We have also continued to develop our relationship with SEO outside the U.S., by hosting seven SEO interns in London and two SEO interns in Hong Kong in 2004.

ATTRACTING PEOPLE WITH DISABILITIES

Our businesses are focusing on hiring people with disabilities. Our Banamex business in Mexico formed a Diversity Corporate Committee to approve and support projects that promote equal opportunities for employees in each business. A pilot program was launched called “Oportunidades Banamex” to hire people with disabilities in customer service centers and other areas. The program resulted in 12 hires.

In the U.K., Citigroup partnered with Pitney Bowes and Mencap, the U.K.’s leading organization for people with learning disabilities, to launch a pilot program called WorkRight and provide work placements.

REACHING OUT TO LGBT TALENT

Our outreach to the lesbian, gay, bisexual, and transgender (LGBT) community continued in 2004. Citigroup organized and participated in four receptions in Boston, Chicago, New York City, and Philadelphia to recruit LGBT students at eight schools: Stern, Columbia, Wharton, Chicago, Kellogg, Sloan, Harvard, and Tuck. Citigroup was an event sponsor of the 7th annual Reaching Out MBA Conference; 18 of our employees were in attendance. We provided speakers for two panels as well as opening remarks at two separate events.

In the U.K., Citigroup was the first financial institution to target the LGBT student networks directly for MBA recruiting at schools such as Oxford, Cambridge, the London School of Economics, Imperial College, and INSEAD. Citigroup is also involved in “Out in the City,” an industry-wide LGBT undergraduate career fair, and MBA events “Reaching OUT” and “Eurotrek.”

EXPANDING OUR EFFORTS TO RECRUIT WOMEN

Citigroup is involved in many women’s efforts on campuses, including the Michigan Women in Leadership Conference, the Stern Women in Business Conference, and the Wharton Women in Business Conference. We sponsored the annual Women’s Management Council Symposium at Cornell’s Johnson School of Management, as well as the Columbia Women in Business annual conference, where Sallie Krawcheck, Citigroup’s CFO and Head of Strategy, was a keynote speaker.

Workforce Development

We are working to help employees build productive and rewarding careers by providing a wide array of workforce development and training programs.

Every year, we assess the top talent of our company, including the positions of women globally and minorities within the U.S. to ensure that we are developing a diverse pool of future leaders.

We also promote employee development through both informal networking and more structured mentoring initiatives. Our leadership has embraced mentoring; 70 percent of our Management Committee participates in mentoring relationships.

In 2004, Bonnie Howard, Citigroup’s Chief Auditor, announced the launch of a pilot mentoring program specifically targeting Audit and Risk Review (ARR) employees across the U.S., Asia, Europe, and Latin America. ARR has nominated 114 mentors and aspires to offer mentoring relationships to 680 potential mentees. The program focuses on flexible, self-paced mentoring relationships and customized development plans.

We have also successfully partnered with external organizations to help develop the leadership skills of our diverse employees. Since 2002, Citigroup annually has nominated emerging African-American leaders to participate in the Executive Leadership Council’s (ELC) Mid-Level Managers Symposium, held annually in Washington, D.C. ELC, a national membership organization comprised of senior-level African-American executives from U.S. Fortune 500 corporations, provides a forum for offering perspective and direction on national and international economic and public policy issues. In 2004, 50 of our employees attended the program that included a networking session with senior Citigroup African-American leaders.

Work Environment

We are striving to make Citigroup a great place to work, a place where diversity is valued, and where people feel respected regardless of their differences.

We encourage the values of diversity and inclusion through diversity training, by supporting employee networks, by celebrating the rich and diverse cultural heritage of our employees, and by providing work-life programs.

TRAINING AND FEEDBACK

We made strong progress in providing diversity training throughout our businesses. Since 2003, 67,000 employees in the U.S., U.K., Asia-Pacific, Latin America, and Western Europe participated in diversity training, including 91 percent of our Management Committee.

We continued to expand our Respect at Work training in 2004. In our Barcelona Service Center, 244 employees participated in the curriculum. In the United Arab Emirates, online efforts were launched through which 480 employees were trained, and the program was incorporated into new hire orientations. And, in the Asia-Pacific region, 2,279 employees completed the online training program.

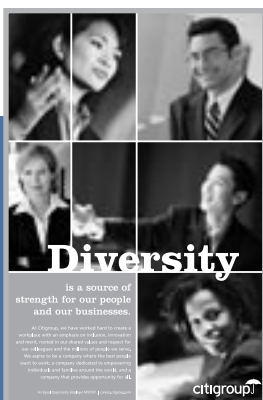
We value our employees' opinions about their workplace and encourage them to make their voices heard. One of the ways we assess trends in the work environment and management practices is through our annual Voice of the Employee survey (VOE). VOE results for 2004 indicated that we continued to make progress in the area of diversity, although we recognize we still have work to do.

EMPLOYEE NETWORKS

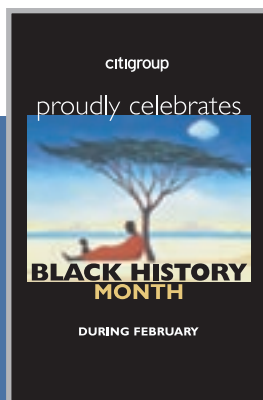
Employee networks are employee-initiated and employee-led groups open to all Citigroup employees in the country in which they are formed. Employee networks support the diversity and business initiatives of the organization, and provide employees with an opportunity to share common experiences and build awareness of diverse cultures and communities within Citigroup.

In 2004, Citigroup recognized 11 new employee networks, bringing our total to 21 employee network groups. We have 17 networks operating in U.S. locations, including Dallas/Ft. Worth, Hagerstown, the New York City metro area, the San Francisco Bay Area, South Florida, Sioux Falls, and St. Louis. We also have four networks in London.

{ BUILDING AWARENESS THROUGH CELEBRATION }



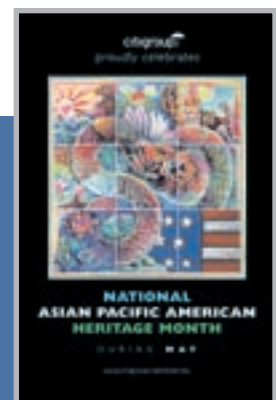
Citigroup Diversity Advertisement



Black History Month



Women's History Month



Asian Pacific American Heritage Month

Within the U.S., employee networks focus on African Heritage, Asian Heritage, Hispanic Heritage, Pride (a group focused on the LGBT community), Women, and Working Parents. In the U.K., Pride, Women, Parents, and a multicultural network called Roots have been recognized.

Since the inception of networks at Citigroup in 2002, employee participation has more than doubled to some 4,700 employees. Senior managers—including Business Heads Robert Druskin, President and CEO, Corporate and Investment Banking; and Marge Magner, Chairman and CEO, Global Consumer Group; as well as Management Committee members Ajay Banga, Steve Freiberg, Kevin Kessinger, and Dave Lowman—serve as Business Sponsors of the networks. Twenty-six Human Resources Officers

from across our businesses serve as liaisons. An additional 19 groups are forming in the U.S. and we plan to further expand our networks globally.

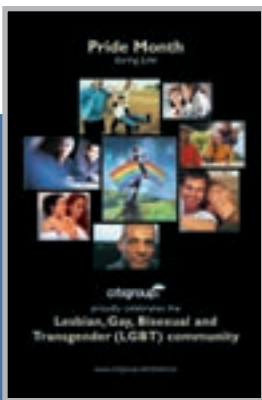
Employee networks focus on a variety of activities that provide their members with cross-business networking opportunities, including speaker presentations, cultural programs, career development programs, and volunteerism in the community. Members of the networks actively support the efforts of our college and university recruiting programs by attending conferences and career fairs, participating in campus outreach, and serving as liaisons to prospective employees.

CELEBRATING OUR HERITAGE

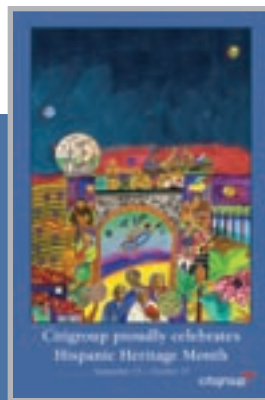
In the U.S., Citigroup sponsored 64 programs in dozens of locations in conjunction with heritage months

in 2004. The broad array of activities, often designed in partnership with our employee network groups, give employees an opportunity to learn about the achievements of multicultural groups and celebrate the diversity of our organization.

While Citigroup continued to sponsor programs around Black History month, Hispanic Heritage month, Pride month, and Women’s History month, new efforts in 2004 included celebrating Asian Pacific Heritage month, Disability Awareness month, Native American Heritage month, and Veterans Day. In addition, the Citigroup Roots Network-London held the first local Black History month celebration within our U.K. businesses.



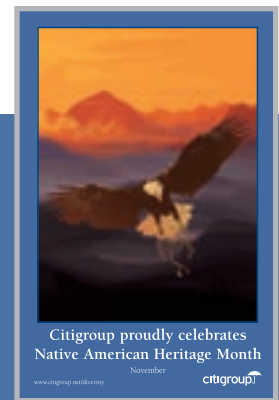
Pride Month



Hispanic Heritage Month



Disability Awareness Month



Native American Heritage Month

For Disability Awareness month, Citigroup partnered with the American Association of People with Disabilities (AAPD) and the National Business and Disability Council (NBDC) to serve as a business sponsor of Disability Mentoring Day, a program that provides people with disabilities a chance to learn about career and employment opportunities and to meet one-on-one with mentors.

During Native American Heritage month, our businesses in New York and Texas sponsored Native American cultural performances and exhibited work through the American Indian Art Council.

Diversity awareness was also the theme of Corporate and Investment Banking-U.K.'s Diversity week. The week provided employees with an opportunity to attend lectures, training, and cultural programs to further educate themselves about cultural diversity within our U.K. business.

WORK/LIFE PROGRAMS

Citigroup recognizes that our employees strive to succeed in their work and their personal lives. The needs of one often impact the needs of the other. That's why we continually seek to make tools and programs available to our employees around the world to help them meet the challenges of their work and personal responsibilities.

THE LIFEWORKS® PROGRAM AT CITIGROUP

Citigroup's LifeWorks® program helps employees and their dependents better manage the demands that individuals may confront throughout their lives. Open to employees, their partners, and their dependents in the U.S., Puerto Rico, and Canada, the program is available through a toll-free telephone number and via the Web. In 2004, LifeWorks resources addressed a range of real-life issues by, among others, assisting those employees affected by the southeast U.S. hurricanes to find temporary child care and contractors to rebuild their damaged homes.

A VARIETY OF DEPENDENT CARE OPTIONS

Citigroup offers full-time and back-up child care programs and elder care management services and back-up programs to more than 89,000 employees in the United States and Europe. In addition, Citigroup owns or participates in 14 child care centers in Florida, Maryland, Missouri, Nevada, New Jersey, New York, South Dakota, and Texas, as well as in Dublin and London.

In the U.S., employees in participating businesses in 18 states have access to a back-up child and elder care program that helps them to identify and pay for care when their primary dependent care is unavailable. U.S. employees may also receive discounts when they use leading national child care centers. More than 5,900 children and older family members of employees were served through these programs.

Employees in the U.S. also have access to elder care management services to assist them when their elder care needs become more critical.

The demands of business and pressures outside work can sometimes make life difficult. Access to the Employee Assistance Program (EAP) is available around the clock via toll-free telephone numbers. In 2004, the U.S. EAP launched an awareness campaign in collaboration with the National Youth Anti-Drug Media Campaign targeted to employees with teenage family members. The EAP also provided resources for families affected by military deployment as well as natural disasters.

CITIGROUP'S HEALTH MANAGEMENT PROGRAM

Citigroup's Health Management Program provides a wide array of convenient options ranging from on-site, professionally staffed Wellness Centers, lunchtime seminars and programs, and print- and Web-based health education information and resources, to discount arrangements for commercial health and fitness clubs and home exercise equipment. In 2004, Citigroup made a significant investment in employee health by opening five new on-site Wellness Centers in New Jersey, Kentucky, North Carolina, Idaho, and Puerto Rico.

“As an African-American, I thought I had a strong understanding of workplace issues...”

{ JAMES HADDON, ELEVEN YEARS WITH CITIGROUP }



“... However, that was not the case and my diversity activities have helped me to expand my knowledge and sensitivity to these issues. I think there is a strong correlation between satisfied employees and satisfied customers. I believe my efforts to improve diversity at Citigroup have helped to make our company a better workplace for its employees with a stronger focus on meeting the needs of our diverse customers.”

FOR OUR CUSTOMERS, WE WANT TO BE

the service provider of choice





CITIGROUP STRIVES TO DELIVER PRODUCTS AND SERVICES TO OUR CUSTOMERS THAT REFLECT BOTH OUR GLOBAL REACH AND OUR DEEP LOCAL ROOTS IN EVERY MARKET WHERE WE OPERATE. THE DIVERSITY OF OUR EMPLOYEES ENABLES US TO BETTER UNDERSTAND OUR CUSTOMERS, WHILE THE BREADTH OF OUR PRODUCT OFFERINGS ALLOWS US TO SERVE THEM BETTER.

AFRICAN-AMERICAN CUSTOMERS

In celebration of Black History month, 130 Citibank Financial Centers hosted Gospel Brunch events or storytelling hours to raise historic and cultural awareness of the contributions made by African-Americans and to help attendees think about financial solutions to issues such as future college funding or purchasing a home.

Citibank sponsored the reception for “Harlem Is...” at the Cathedral of St. John the Divine, an exhibit produced by Community Works, a local non-profit dedicated to art education. “Harlem Is...” was a multimedia art and education exhibit celebrating the living history of Harlem by honoring more than two dozen community members from all sectors of society. The exhibit displayed their photographs and the writings of Harlem public school students who interviewed them.

Various businesses participated in a wide range of events throughout the year to expand our reach in the African-American community. Citibank’s National Initiatives team hosted a Financial Education workshop with Nehemiah Ministries (AME Church), delivering savings and investment planning education to more than 500 attendees on the West Coast. Citi Cards, CitiMortgage, and Citibank participated in the Expo at the Congressional Black Caucus’s Annual Conference. Each business participated with specific product promotions for the target audience. CitiMortgage is a supporter of the Caucus’s “With Ownership Wealth” (WOW) initiative, and also participated in the housing brain trust. In addition, the Commercial Business Group was a lead sponsor for the New York Chapter of the National Association of Black Accountants—Division of Firms first annual conference.

ASIAN-PACIFIC ISLANDER CUSTOMERS

To celebrate the “Year of the Monkey,” Citibank branches offered the Chinese community in the U.S. traditional red money envelopes for free. In addition, Citibank’s “More Fortune, More Wealth and More Peace” promotion offered gifts of gold and diamond jewelry and collectible crystals to new depositors.

To show support to the South Asian community and celebrate Diwali, the festival of lights, and Eid al Fitr, which marks the end of the fasting period of Ramadan, Citibank branches partnered with Indiaplaza.com to offer Bollywood entertainment movies and music packs to new customers.

HISPANIC CUSTOMERS

The Student Loan Corporation was the sole student loan lender to attend the National Hispanic College Fairs organized by the Hispanic Scholarship Fund (HSF) in 18 U.S. cities. Through these events, the Student Loan Corporation provided financial aid education and options to more than 2,000 Hispanic high school students and parents, including low- to moderate-income and new immigrant families.

To increase Hispanic homeownership and to recognize those who serve in the United States military, CitiMortgage launched a “Welcome Home Program” for Spanish-speaking servicemen and servicewomen transitioning from active duty into careers in the mortgage industry. Citigroup helped fund a nationwide focus group study on housing, with emphasis on homeownership barriers, consumer perceptions, and industry practices in the Hispanic community. This sponsorship also helps to support a two-year fellowship program designed to empower Latino housing professionals.

Citibank customers can manage their accounts and do transactions online in Spanish using www.Citibank.com/espaol. The site also offers information on our bank accounts and credit cards as well as credit education.

Through the bi-national credit card program, Citigroup offers customers in the U.S. the possibility to share their access to credit with family and friends in Mexico. Under this program, a Banamex USA credit card holder can ask us to send an additional Banamex credit card to his or her relatives or friends in Mexico.

LESBIAN/GAY/BISEXUAL/ TRANSGENDER CUSTOMERS

For the third consecutive year, the Citibank Consumer Finance division continued its partnership with Gay.com/PlanetOut.com to market home equity products to the LGBT community. In June 2004, Smith Barney launched a sales and marketing initiative to reach the LGBT community in the U.S. Financial Consultants across the country used marketing materials, including brochures, promotional letters, and advertisements to establish Smith Barney as a financial services firm that understands and uses creative strategies to address the unique and complex financial planning needs of the LGBT community.

WOMEN CUSTOMERS

Smith Barney hosted its annual Women’s Health symposium in New York to support the Susan B. Komen Breast Cancer Foundation. More than 650 clients, investors, and others attended. The forum focused on the latest medical developments and investment opportunities within the medical technology industry. In Dallas, Sallie Krawcheck hosted a Women’s Health luncheon to provide health

research, preventative care, and financial information to attendees and to support the Dallas Komen Race for the Cure.

In 2004, Women and Company® continued to expand its financial education program. Women and Company conducted 48 conference calls headed by notable financial experts; hosted 22 Master Classes in major metropolitan markets, from New York to Chicago to Atlanta to San Francisco; and co-sponsored with Citibank and Smith Barney more than 200 educational seminars for women and their families across the U.S. In addition, Women and Company published some 25 information bulletins containing articles and tips addressing financial topics of particular concern to women.

In 2004, Women and Company, in partnership with the Citigroup Foundation, created the Women and Company Microenterprise Boost Project, administered by the Association for Enterprise Opportunity. The Women and Company Microenterprise Boost Project gives low- and moderate-income women microentrepreneurs across the U.S. a greater chance of business success by providing them with high-quality business training and \$1,000 in cash. Seventy-two equity awards will be distributed through eight microenterprise development programs during 2005.

“My job brings me closer to the hearts
and minds of Hispanics like me...”

{ REBECA VARGAS, FOUR YEARS WITH CITIGROUP }



“... I started my career in Mexico, but through my work at Citigroup, I’ve grown more aware of the difficulties and challenges facing the Hispanic community in the U.S. I’ve also learned about the different ways in which large organizations like Citigroup can make a positive impact in the development of underserved communities and specific segment markets through the products and services we provide them or through the services they are able to provide us. It’s given me a different perspective on the role that a financial institution and its employees play in society.”

FOR OUR SUPPLIERS, WE WANT TO BE

the business partner of choice





CITIGROUP WORKS TO CREATE MUTUALLY BENEFICIAL BUSINESS RELATIONSHIPS WITH MINORITIES, WOMEN, DISABLED VETERANS, AND PEOPLE WITH DISABILITIES. WE RECOGNIZE THAT WORKING WITH A WIDE RANGE OF PROFESSIONALS, SUPPLIERS, AND CONSULTANTS STRENGTHENS THE COMMUNITIES WE SERVE AND CREATES VALUE FOR OUR SHAREHOLDERS.

SUPPLIER DIVERSITY SPENDING INCREASED 64% IN THREE YEARS

In 2004, Citigroup Supplier Diversity continued to build its presence as it pursued its goal to increase opportunities for business enterprises owned by minorities, women, disabled veterans, and people with disabilities. Our overall diversity spend has increased by more than 64 percent over the last three years. For 2004, Citigroup’s total diversity spend was \$725 million.

EUROPEAN SUPPLIER DIVERSITY BUSINESS-LED FORUM

In 2004, a team from Citigroup and 12 other multinational companies completed the research phase of the European Supplier Diversity Project formulated to introduce supplier diversity programs in Europe. The companies worked in partnership with the Migration Policy Group, a well-known think tank, to conduct three successful workshops in London attended by top-level government

officials, including the U.K. Treasury Chief Secretary and a director of the Commission for Racial Equality. In addition, a demographic report outlining the business case for supplier diversity within five European countries was created and task forces were organized to explore recruiting companies, certifying suppliers, and implementing a strategy to promote the value of fostering supplier diversity.

MENTOR PROTÉGÉ PROGRAM UPDATE

Citigroup’s Mentor Protégé Program helps diverse suppliers grow their businesses by pairing them with one of our major suppliers for 12- to 18-month periods. Three projects were completed in 2004. The first project paired a diverse electrical distribution company with a major Citigroup supplier to learn six-sigma process improvement as a strategy to upgrade its billing system. As a result of this effort, the diverse supplier

reduced its billing errors by more than 50 percent and significantly improved customer service.

The second project involved the pairing of a woman-owned information technology consulting firm with a leading organizational consulting company. The firm’s client base had been growing faster than could be easily managed, but with expertise shared through the Mentor Protégé Program, the firm improved its service and saved more than \$100,000.

The third project was of particular note. Another of our diverse suppliers had set a long-term goal to expand its administrative staffing business. A leading outplacement firm was assigned as its mentor; the transfer of knowledge helped to create one of the first women- and minority-owned outplacement firms in the industry.



“Citigroup’s commitment to the community is real and it’s growing...”

{ WENDY TAKAHISA, NINETEEN YEARS WITH CITIGROUP }



“... I’ve been with the organization for 19 years and, in that time, I’ve seen thousands of lives touched in my community and communities around the world. Citigroup backs up its philanthropy by encouraging employees to volunteer for organizations they care about. I’ve seen this support firsthand. As President of the Board of Asian Americans for Equality, a community development organization, and a Citigroup employee, I help link our two organizations, and help make my community a better place to live, work, and do business.”

FOR OUR COMMUNITIES, WE ASPIRE TO BE
the neighbor of choice





CITIGROUP BELIEVES IT HAS A RESPONSIBILITY TO MAKE A DIFFERENCE IN THE NEIGHBORHOODS IN WHICH WE LIVE AND WORK AROUND THE WORLD. WE REACH OUT TO AND FORM PARTNERSHIPS WITH NONPROFIT ORGANIZATIONS, CIVIC GROUPS, EDUCATIONAL INSTITUTIONS, AND LOCAL GOVERNMENTS REPRESENTING THE DIVERSE NATURE OF THESE COMMUNITIES.

For more than 100 years and in more than 100 countries, Citigroup has played an important role in helping people achieve their goals and lead productive lives.

We believe we continued that legacy in 2004. Citigroup was reaffirmed as a component of the Dow Jones Sustainability World Index for 2005, which recognizes companies in the top ten percent in terms of environmental, social, and economic performance. We also were included once again on the FTSE4Good Index for having met specific criteria relating to environmental sustainability, corporate citizenship, shareholder returns, and support of human rights.

MICROFINANCE

For nearly 40 years, Citigroup has been a leading advocate of microfinance by providing access to credit to poor individuals and families. This aligns perfectly with our goal to expand access to financial resources. In 2004, we formed Global Microfinance, a business group focused on developing financial products and services for microfinance institutions (MFIs). Among Global Microfinance's first transactions was a bond issue by Citigroup/Banamex that will enable Financiera Compartamos, a leading Mexican MFI, to serve one million clients by 2008.

The Citigroup Foundation targets its grantmaking to microfinance programs focused on developing human resources and helping MFIs expand their reach. It is also a major supporter of the United Nations' Year of Microcredit 2005 initiative, which recognizes microfinance's contribution to alleviating global poverty.

BUSINESS INITIATIVES

In 2004, our total U.S. community investment exceeded \$28 billion. To help ensure that money is available to low- and moderate-income families in the U.S. who want to purchase a home, in 2003 Citigroup committed to making \$200 billion available for affordable mortgage lending through 2010. To date, we have already lent \$67 billion of that total commitment. Also in 2004, Citigroup underwrote 168 environmentally beneficial projects in the U.S. totaling more than \$12.9 billion.

In addition, Citigroup Venture Capital International made a \$23 million investment in Suzlon, a wind energy converter global manufacturing firm in India. This was the first investment made through Citigroup's new Sustainable Development Investment Program.

Citigroup in 2004 marked the first anniversary of the Equator Principles—voluntary guidelines based on World Bank and International Finance Corporation policies to evaluate environmental and social risks related to projects we finance. To ensure implementation of these principles and our enhanced Environmental and Social Risk Management (ESRM) Policy, we revised our risk policies, incorporated environmental and social risks into our standard risk training, and hired a new ESRM director to lead our efforts.

FINANCIAL EDUCATION

Citigroup and the Citigroup Foundation made a ten-year, \$200 million global commitment to support financial education and established an Office of Financial Education. The Office works with our businesses to support and implement initiatives that help individuals, families, and institutions make sound financial decisions. In 2004, more than \$22 million was invested in financial education programs.

One of our broadest financial education initiatives was developed in partnership with Junior Achievement (JA). In 2004, the Citigroup Foundation made grants totaling more than \$2.4 million to support JA programs in 46 countries, including the U.S., where we made 33 grants in 19 states.

Among Citigroup's many U.S. programs is "Get Smart About Credit," developed in partnership with the American Bankers Association. This year more than 200 of our employees taught credit management lessons to 5,000 teens and young adults in 40 U.S. cities.

EDUCATING THE NEXT GENERATION

In 2004, the Citigroup Foundation provided \$21.6 million in grants in 42 countries and territories to prepare the next generation for personal and professional success. Funded programs encourage early literacy, develop quality teachers, build skills of low-performing students, enhance student creativity, and increase access to higher education for underrepresented populations.

PHILANTHROPIC GIVING AND VOLUNTEERISM

Total philanthropic giving in 2004 from the Citigroup Foundation and our businesses combined exceeded \$111 million. One of our largest grant-supported partners is Habitat for Humanity International, for which Citigroup and Banamex served as lead sponsors of the Jimmy Carter Work Project for 2004. Citigroup President and Chief Operating Officer Bob Willumstad led more than 40 employees in building homes for families in Puebla, Mexico.

In 2004, we introduced a new program giving employees a paid day off to volunteer at an eligible nonprofit organization of their choice. Citigroup employees have a long tradition of volunteerism and it is our intention to continue to strengthen and support that.

ASSISTING FIRMS IN THE EXTERNAL MARKETPLACE

In 1998, Citigroup co-sponsored a \$91 million minority private equity fund named the Black Enterprise/Greenwich Street Corporate Growth Fund ("BE Fund"), which was created to finance the growth of established minority-owned, -managed or -targeted businesses. With a majority of the capital invested, the BE Fund is currently in the market with a \$250 million follow-on fund and Citigroup expects to continue to co-sponsor and strongly support the BE Fund by committing to invest up to \$50 million in this second fund.

*“Our employees represent Citigroup’s
diversity strategy in action.”*

ANA DUARTE McCARTHY

2004 diversity awards & recognition

AMERICA'S 50 BEST COMPANIES FOR MINORITIES

Fortune magazine, Citigroup named to top 50

TOP 50 COMPANIES FOR DIVERSITY

DiversityInc magazine,
Citigroup named No. 2 company

30 GREAT PLACES TO WORK

Essence magazine

25 ELITE HISPANIC WOMEN

Hispanic Business magazine,
Frances Aldrich Sevilla-Sacasa, President, Citigroup
Private Bank Europe and Latin America, named on list

CORPORATE 100

HISPANIC magazine

100 BEST COMPANIES FOR WORKING MOTHERS

For the 14th time, *Working Mother* magazine named
Citigroup to its list of "100 Best Companies
for Working Mothers"

THE BEST OF THE BEST: CORPORATE AWARDS FOR DIVERSITY AND WOMEN

Diversity Best Practices and Business Women's Network
named Citigroup to its list

CHAMPIONS FOR CHILDREN CORPORATE LEADERSHIP AWARD

Citigroup awarded the "Champions for Children
Corporate Leadership Award" for its 15-year partnership
with Child Care, Inc.

BEST COMPANIES OF 2004

Asian Enterprise magazine, Citigroup named one of the
top 10 companies with a diverse employee workforce

100% SCORE ON THE HRC CORPORATE EQUALITY INDEX

For the first time, Citigroup scored 100% on the Human
Rights Campaign's evaluation of corporate opportunities
for LGBT employees, consumers, and investors

10 BEST EMPLOYERS IN THE COUNTRY

The Advocate, Citigroup named to the top ten list
of companies for LGBT people to work for in the U.S.

LATINASTYLE 50—50 BEST COMPANIES FOR LATINAS TO WORK FOR IN THE U.S.

LATINAS magazine, Citigroup has been named
to *LATINAS*'s list of the top 50 companies
for Latinas to work for in the U.S. every year
since the list began in 1998

HARLEM YMCA SALUTE TO BLACK ACHIEVERS IN INDUSTRY

Citigroup's William Borden, Alan Bowser, Angela Celestin,
and Sylvester McClearn were inducted into the Harlem
YMCA's Black Achievers in Industry

YWCA SALUTE TO WOMEN ACHIEVERS

Citigroup's Bonnie Howard, Marisa Lago, and Faith
Massingale were inducted into the YWCA City of New
York's Academy of Women Achievers

50 MOST POWERFUL WOMEN IN BUSINESS

Fortune magazine, Marge Magner, Chairman and CEO,
Global Consumer Group, No. 5; Sallie Krawcheck,
CFO and Head of Strategy, Citigroup, No. 7

diversity @ a glance 2004

162

diversity reviews conducted by senior management

64

multicultural heritage initiatives in the U.S.

40,000

employees participated in diversity training

725

million dollars in overall Supplier Diversity spend

53,000

employees involved in diversity initiatives

200

employees taught credit management lessons

21

employee networks

5,900

children and older family members of employees served through subsidized child care and elder care programs

4,700

employees participating in employee networks

130

Citibank Financial Centers hosted events for Black History month

35

diversity councils

200

educational seminars for women and their families through Women and Company®

509

Affirmative Action plans

2,000

Hispanic high school students and parents provided with financial education through the Student Loan Corporation

3

Supplier Diversity Mentor Protégé Program projects completed

u.s. workforce information report

DATA EFFECTIVE JULY 2004

JOB CATEGORIES	OVERALL	MALE					FEMALE				
		WHITE	BLACK	HISPANIC	ASIAN	AMER. INDIAN	WHITE	BLACK	HISPANIC	ASIAN	AMER. INDIAN
Officials & Managers	21,176	9,069	710	781	662	31	7,391	1,046	867	589	30
Professionals	29,230	10,996	1,155	1,302	2,966	39	8,128	1,713	1,171	1,719	41
Technicians	1,891	754	145	144	166	8	455	75	70	68	6
Sales Workers	19,324	12,296	472	762	660	37	3,451	426	618	583	19
Office & Clerical	63,884	9,343	3,206	2,551	1,029	103	28,719	9,630	6,683	2,311	309
Craft Workers	59	37	10	2	2	0	3	5	0	0	0
Operatives	1,015	156	126	95	91	2	249	101	56	133	6
Laborers	61	7	3	33	4	0	6	1	7	0	0
Service Workers	174	77	34	15	7	0	28	10	3	0	0
TOTALS	136,814	42,735	5,861	5,685	5,587	220	48,430	13,007	9,475	5,403	411

{ HIGHLIGHTS OF KEY PROGRESS }

Total minority representation in Citigroup's U.S. employee population continued to show positive trending, going from 28.4 percent in 2002 to 33.4 percent in 2004, a 5.0 percent representation increase.

Our largest minority group is African-American, which represents 13.8 percent of Citigroup's U.S. workforce followed by Hispanic at 11.1 percent, Asian at 8.0 percent, and American Indian at 0.5 percent.

Total minority representation continued to increase in almost all job categories. In looking at our Officials & Managers and Professional jobs, total minority representation was 19.4 percent in management positions in 2002 and increased to 22.3 percent in 2004, a 2.9 percent representation increase. Representation in professional jobs rose from 26.3 percent in 2002 to 34.6 percent in 2004, a strong 8.3 percent representation increase.

Citigroup Inc. and its subsidiaries offer Equal Employment Opportunity (EEO) to everyone—regardless of race, gender, gender identity or expression, color, creed, religion, national origin, citizenship, age, disability, marital status, sexual orientation, ancestry, veteran status, and socioeconomic status. Citigroup's EEO policies apply to all employment practices, including recruiting, hiring, promoting, and training. Citigroup's commitment to EEO includes the development of Affirmative Action programs modeled after U.S. federal, state, and local employment laws and regulations. Executives and department managers are responsible for making good-faith efforts to achieve Affirmative Action goals. The primary responsibility for developing and monitoring each program is assigned to a senior human resources officer, and progress on Affirmative Action efforts is regularly reviewed with senior management.

