



Citigroup

As the preeminent global financial services company with some 200 million customer accounts in more than 100 countries, Citigroup (NYSE symbol: C) provides consumers, corporations, governments, and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, life insurance, securities brokerage, and asset management. Carrying Citigroup's trademark red umbrella is a family of companies that includes Citibank, CitiMortgage, CitiFinancial, Primerica, Smith Barney, Banamex, and Travelers Life and Annuity. At the heart of these companies are 250,000 employees who are based in virtually every part of the world and who are committed to maintaining a standard of excellence in serving customers and their local communities.

Citigroup began operations in the U.S. in 1812. It has been a global company for more than a century, opening banking branches in China, Hong Kong, Japan, the Philippines, Singapore, and London in 1902. Citigroup is also the largest international financial institution operating in Africa, with offices in 17 countries. The company also has a wide presence in Latin America, Asia, Europe, and North America. Additional information may be found on our web site at www.citigroup.com.

Citigroup publishes an annual report for shareholders with detailed financial information on the company. Annual reports also published by Citigroup's Diversity Department and the Citigroup Foundation contain more information on some of the programs highlighted in Citigroup's Global Corporate Citizenship Report. These reports are also available on Citigroup's web site.





FOR MORE THAN A CENTURY, Citigroup has been part of the fabric of thousands of cities and neighborhoods around the world. With this shared history comes a special responsibility to play a leadership role in the life of the community and the marketplace, part of our commitment to make each better because we are there.

The year 2002 was challenging in many ways. We faced these challenges, acknowledged that in some cases we needed to hold our company to a higher standard, and reaffirmed our commitment to leadership through a series of business practice initiatives and corporate governance enhancements. We believe our company and our industry will be better for it.

The year 2002 was also a time of success, expansion, and outreach. We are proud that we were reaffirmed as a component of the Dow Jones Sustainability World Index for companies in the top 10 percent for best practices and superior environmental, social, and economic performance. We were also reaffirmed as part of the FTSE4Good Index for having met specific criteria relating to environmental sustainability, good corporate citizenship, and human rights.

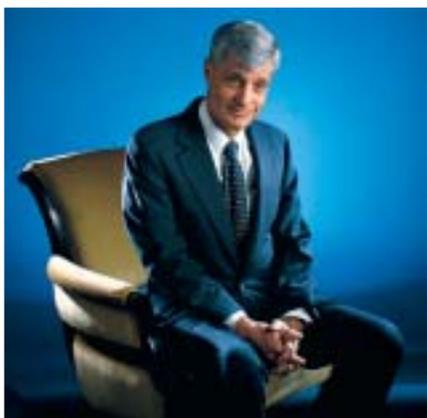
In addition to our longstanding commitments to microfinance and volunteerism, our people and businesses continued to offer new community-related services and initiatives; they included a Hispanic marketing plan and an employee training program on environmental and related social issues in corporate financing, to name just two. And it was a year in which we listened to and worked with a broad group of global stakeholders — investors, clients, employees, NGO partners, shareholders, regulators, multilateral agencies, and government officials.

At the same time, the strength of our financial performance enabled us to continue our efforts to be an employer of choice in the more than 100 countries in which we operate. The Citigroup Foundation also contributed a record amount of grant money around the world, maintaining our focus on financial education, educating the next generation, and building communities and entrepreneurs, as well as our longstanding commitment to the arts.

While we are proud of our achievements, we have much more work to do. Our commitment to making communities better stems from a common hope for the future, which is why, on behalf of our senior management and each of our 250,000 employees, I am pleased to share with you this report and affirm our commitment to the highest standards of corporate citizenship.

A handwritten signature in black ink that reads "Sandy Weill". The signature is written in a cursive, flowing style.

Sandy Weill
Chairman and Chief Executive Officer
Citigroup Inc.



CITIGROUP AND GLOBALIZATION

The debate between the globalists and the anti-globalists is in some ways the wrong framing of the issue. Both are right and both are wrong.

Enormous forces of change during the 90's were evident around the globe: increased integration of trade and capital markets, new technologies and advances in applying existing technologies, the spread of market-based economics, and real economic progress in many emerging markets. This globalization continues to bring enormous benefits to the economies and citizens of many nations of the world.

But it has also been accompanied by serious costs: economic and social dislocation for some people, adverse environmental impacts, and a sense of uncertainty and insecurity even among many who were doing well. Moreover, far too little progress has been made in combating global poverty or increasing the broad-based sharing of growth. Half the world's population still lives on less than \$2 per day.

The great forces of change provide the potential for favorable long-term economic conditions only if the challenges in economic policy, geopolitics, environmental protection, and much else are met. In addition to continuing to pursue market-based economics and the expanded use of technology, we must also pursue a parallel agenda of programs that do what markets by their nature won't do to specifically address these issues of global poverty.

Citigroup has a large presence in the U.S. and global economies. We play a positive role by doing what we do best — running our businesses well. We hire and train people from all over the world in their local markets. We contribute to economic growth in those markets by serving clients. And we strengthen local financial markets by sharing our expertise and introducing innovation.

All participants in our global system — governments, businesses, civil society — must work together to make sure that the benefits of global economic growth are more evenly shared around the world and that we leave the world a better place for future generations.

A handwritten signature in black ink, appearing to read "R. E. Rubin".

Robert E. Rubin
Chairman, Executive Committee, Citigroup Inc.
Member, Office of the Chairman, Citigroup Inc.

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MAJOR CORPORATE Citizenship Accomplishments IN 2002

COMMUNITY

Announced an unprecedented 10-year, \$120 billion community commitment to lend and invest in underserved communities in California and Nevada.

Reached \$100 billion in community reinvestment activity placing us ahead of schedule on our \$115 billion, 10-year U.S. community lending and investing commitment made in 1998.

Enhanced U.S. consumer credit unit's practices, including limiting the maximum points on real-estate-secured loans.

Began accepting Mexican Consular ID as primary identification for bank account openings in U.S.

Introduced Citibank Money Card Account as more affordable and convenient way to send money to Mexico.

Opened first Academy of Finance outside the U.S. in London.

Made leadership contribution toward developing new definitive resource for microfinance industry.

Established key strategies designed to build and sustain our support of microfinance.

Held first national day of volunteering for all U.S. employees — 1,400 participated in 45 different projects in 26 states.

Created a new Citigroup volunteer web site for employees worldwide.

Launched corporate citizenship web site for Citigroup International to foster development of new local-based citizenship programs.

ENVIRONMENT/SUSTAINABLE BUSINESS

Reaffirmed for inclusion on Dow Jones Sustainability Indexes (DJSI) and FTSE4Good Index for 2003. DJSI recognizes companies in the top 10 percent in terms of superior environmental, social, and economic performance; and FTSE4Good measures criteria relating to environmental sustainability, corporate citizenship, shareholder returns, and support of human rights.

Underwrote 163 bond deals in the U.S. that resulted in environmentally beneficial projects worth about \$12.7 billion — a par value increase of approximately 9 percent over 2001.

Created the Citigroup Global Corporate and Investment Bank Statement on the Financing of Investments/Projects.

Embarked on first-ever data collection project to establish a baseline on electricity, heat, water, waste, and resultant CO₂ emissions in more than 10,000 Citigroup facilities worldwide.

Joined U.S. EPA's Energy Star initiative and European Union's GreenLight Programme.

Trained 1,558 employees (a 51 percent increase over goal) on environmental and related social issues in financing.

Initiated and supported World Resources Institute's New Ventures program expansion to Asia-Pacific region.

Partnered with The Alliance for Environmental Innovation to reduce environmental impact of copy paper.

WORKPLACE

Recognized Employee Network Groups in the U.S., focusing on diverse employee segments: gays and lesbians, women, and working parents.

Announced plans to build the company's sixth full-time on-site child care center at our Service Center in San Antonio, TX.

Introduced work/life programs at Citigroup in Dublin.

CORPORATE GOVERNANCE

Created new Smith Barney business unit to further segregate Equity Research from Investment Banking.

Established Nomination and Governance Committee of the Board of Directors.

Established a Business Practices Committee responsible for a company-wide effort to ensure that we are embracing the industry's highest ethical standards.

Announced a policy to eliminate interlocking directorates on Citigroup's Board.

Announced new policy on stock options: Citigroup will account for all stock options for management, employees, and members of its Board as an expense, effective January 1, 2003.

Agreed, as part of the Wolfsberg Group, to global anti-money laundering principles governing correspondent banking relationships.

Corporate Citizenship at Citigroup

We recognize that **citizenship begins with ethical behavior**. Citigroup has a clearly stated code of conduct that is applied across the entire company and is available on our intranet and Internet sites. Topics covered by our code of conduct include Community and Workplace Responsibilities, Commitment to the Environment, Fair and Free Markets, Antitrust Compliance, Anti-Money Laundering Compliance, Suspicious Activity Reporting, Financial Holding Company Regulatory Restrictions, Anti-Boycott Laws, Privacy of Customer Information and Data Protection, Insider Trading, Political Activities and Contributions, and Lobbying. Excerpts from our code of conduct are featured throughout this report, with the full text available at www.citigroup.com/citigroup/corporategovernance/codeconduct.htm.



PAMELA P. FLAHERTY is Senior Vice President at Citigroup and is responsible for corporate citizenship, environmental affairs, and addressing globalization issues that the company faces.

CITIGROUP'S CORPORATE CITIZENSHIP commitment means making communities better because we are there. Our first obligation is to uphold high standards of business conduct, manage a successful business that provides employment for 250,000 individuals, serve our clients well, and build shareholder value, all of which provide the foundation for contributing.

We believe that our positive contributions must be integrated into our businesses to be meaningful and lasting. In some cases, a business initiative in itself makes a positive community contribution, such as underwriting the bond financing for a local microfinance institution (MFI) in Mexico. Other contributions result from our charitable and volunteer activities.

Along with taking responsibility for their local businesses, Citigroup's country officers and business managers ensure that we are local leaders in corporate citizenship. They do this through partnerships between our local businesses, the Citigroup Foundation, non-governmental organizations (NGOs), and on occasion, our clients and local governments. And the clearest evidence of our positive impact on communities is our employees. In the countries where we do business, more than 98 percent of our employees are hired locally.

SOLUTIONS INTERWOVEN INTO BUSINESS STRATEGIES

At Citigroup, because we view corporate citizenship as an extension of who we are, we focus on those issues that are relevant to our business. This includes providing access to credit through micro-finance, lending and investing in low- and moderate-income (LMI) communities and households, financing projects that support sustainability, and supporting programs fostering financial education and education to help people build assets and realize their dreams.

We take a broad approach in addressing these issues. We work with community organizations, NGOs, and local governments; our employees volunteer their time and skills, providing technical and other kinds of assistance. We also offer products and services to help address these issues.

STAKEHOLDER ENGAGEMENT

At Citigroup, we have an expansive and diverse group of stakeholders around the world. These include our employees, clients, elected officials, community organizations, NGOs, and those who work for specific socially responsible causes. We interact with our stakeholders in many ways, including one-on-one conversations, written communications, transparent responses to surveys, and dialogue groups. These ongoing interactions foster the exchange of ideas, allowing us to better understand our stakeholders and their interests. Addressing expectations up front enables us to discover solutions that benefit all involved.

We have learned enormously from our stakeholders, some of whom are partners and some of whom are critics and some a combination of both. During meetings held with some of our stakeholders in 2002, we were asked, and agreed, to make some changes to our business practices. These included being more transparent about how we incorporate environmental concerns into our risk assessment processes, making further changes to our consumer finance practices, and amending our research policies and corporate governance. Citigroup also established a Business Practices Committee to examine our organization's business practices and ensure that they reflect the highest standards and the company's core values.

REPORTING ACCORDING TO GRI AND OECD GUIDELINES

In our 2002 Global Corporate Citizenship Report, we are working to increase our transparency by using, for the first time, various suggested reporting guidelines in an incremental fashion. These guidelines include the Global Reporting Initiative (GRI) and the principles upheld by the Organization for Economic Cooperation and Development (OECD), guidelines on conduct for multinational enterprises. The GRI guidelines aim to enhance the quality, rigor, and utility of sustainability reporting; the OECD guidelines provide a framework for responsible business conduct in the rapidly changing global economy.

Specifically relating to Citigroup's Environmental Management System (EMS), we were asked by some of our stakeholders to establish specific

goals and objectives, evaluate our performance, and incorporate a feedback mechanism to make changes when needed. Although some of these are discussed in general, they have not been reported in detail since they are not yet explicitly part of our EMS. We do report on management policies and systems, environmental performance indicators, and our long-term vision of sustainable development. We focus on performance criteria that are most important to our businesses and plan to track and monitor these indicators for future improvement.

In addition, we met with some of our stakeholders to discuss their feedback on our 2001 Corporate Citizenship Report and their recommendations for improvement. Specifically, they recommended

- more discussion of some of the challenges that our company faces,
- application of external reporting standards to our Citizenship Report,
- use of more performance metrics and goals, and
- greater discussion of policy issues.

We take this input very seriously and we thank them for their willingness to share their views and work with us. Throughout this Report, you will see evidence of our efforts to make progress on these requests.

CITIGROUP AS A PARTICIPANT IN

Local and Global Markets



“Citigroup International has a long and rich tradition of contributing to the social, economic, and educational development of the communities we serve. We do this in many ways: through our hiring and employment practices, educational outreach, grants, volunteerism, and our lending practices, including microfinance. As an employer, we embrace people of all cultures, races, and religions; we promote equal treatment for women; we believe in equal opportunity for all. These principles have served us well over many years and are intrinsic to our business success.”

SIR DERYCK C. MAUGHAN

Chairman and Chief Executive Officer, Citigroup International; Vice Chairman, Citigroup

CITIGROUP helps to generate economic growth in the many markets where it operates around the world. We provide financing for growing local businesses, help families, and bring innovation and new products to local financial markets. Our business units are, for the most part, staffed and run by local employees who know their local market. We provide good wages and benefits along with training to develop the human capital that is so crucial for the dignity and economic well-being of all people.

As part of the global financial system, we tap global capital markets and participate in the development of new ideas and use new financial instruments to serve our clients. This process also builds local financial markets, fostering further economic growth and employment opportunities.

Citigroup benefits from well-regulated, open, and transparent financial markets. In addition to training our own staff, we also share our training

resources and expertise with other local banks, government-run central banks, and development officials in some markets.

In Vietnam, for example, we held trade seminars for local bankers and the country's Central Bank. In China, we shared information and knowledge associated with trade agreements. In Uganda and Indonesia, we provided training for local financial institutions. In Egypt, we worked with the government to assist with capital market debt development. In Latin America, we met with various trade delegations and government officials to provide information and assistance with regard to trade issues associated with the Central America Free Trade Act, the Andean Trade Preference Act, and Chile Free Trade Agreement.

MAKING THE GLOBAL FINANCIAL SYSTEM MORE TRANSPARENT

At Citigroup, we recognize that we benefit from operating in open economies with clear rules and

regulations and strict standards of good governance for all participants. We have been active in many ways to protect the global financial system from abuse. Knowing that our business benefits from a global financial system that is perceived as honest, transparent, and efficient, we have taken a leadership role in adopting and promoting global anti-money laundering guidelines. We have also participated in efforts to identify the role that financial institutions can play in the war against terrorism.

Stemming the flow of proceeds of illicit activities is a matter of great importance to Citigroup, its clients, and its stakeholders, as well as to law-abiding citizens everywhere. Technological advances are enhancing our ability to identify potentially suspicious activity. Citigroup has a broad-based Global Anti-Money Laundering Policy that covers all its businesses worldwide. The policy is designed to ensure compliance with U.S. laws and regulations, as well as with Citigroup's stringent customer due diligence requirements. The Citigroup Global Anti-Money Laundering Policy is available on our web site.

In 1999, Citigroup participated in the development of global anti-money laundering guidelines for international private banks, which later became known as the Wolfsberg Principles. These Principles were released in October 2000 and agreed to by



STANLEY FISCHER

Vice Chairman, Citigroup
President, Citigroup International

“The debate over globalization is lively, often passionate, and has sometimes been violent. We cannot afford to ignore it, for the views and attitudes expressed in it will inevitably affect public policy — and the issues are critically important for the future economic growth and well-being of all the people of the globe.

“Globalization is much more than an economic phenomenon. The technological and political changes that drive the process of economic globalization have massive non-economic consequences. Many of the problems that the critics of globalization point to are real. Some of them relate to economics. Others point to non-economic but no less important aspects of life. And while some of the problems do stem from the process of global integration, others do not. As far as the economics is concerned, the evidence very strongly supports the conclusion that the big challenge is poverty, and that the surest route to poverty reduction is economic growth. The evidence strongly supports the conclusion that growth requires a policy framework that prominently includes an orientation toward integration into the global economy.”

leading international private banks. In 2002, this same group issued the Wolfsberg Statement on the Suppression of the Financing of Terrorism. This statement describes the role that financial institutions can play in the war on terrorism and identifies areas for discussion with governmental agencies.

Global correspondent banking — the primary means by which the world moves money — has also become a focal point in the global debate on the most effective means to eliminate terrorism and criminal activity financing. A small number of regulators from around the world have put laws and regulations in place, attempting to address this issue, but no initiative to date exists to exploit its full potential on a global scale. In November 2002, the Wolfsberg Group announced the establishment of Global Guidance for Anti-Money Laundering Controls for Correspondent Banking Relationships. This voluntary effort establishes a

common set of rules by which correspondent banking relationships should be established and maintained on a global scale.

Recognizing the complexity and global nature of combating money laundering, fraud, terrorist financing, and information security, we also work with law enforcement, administrative, and regulatory agencies, as well as a broad range of financial industry organizations from around the world to foster cooperation, share information on best practices, and promote consistency in these ongoing efforts. These organizations include Transparency International, the Overseas Security Advisory Counsel, the International Security Management Association, the International Banking Security Association, the American Society of Industrial Security, the International Association of Credit Card Investigators, the Bank Industry Technical Secretariat, and Business Executives for National Security.



“In my 46 years with Citibank and Citigroup, I have had the opportunity to work for many years in various countries around the world with Citigroup employees of all nationalities. I’ve seen first-hand how we have contributed to the markets where we operate. We’ve hired and trained staff locally, and many have emerged as leaders in their own business communities and governments. We have worked with companies and governments to promote economic growth and have shared our training and our expertise locally. Our commitment to providing access to financial literacy has helped foster economic empowerment and sustainable development, which is especially critical to the continued growth in the world’s emerging markets. We have been in many of these markets for many, many years and have a long track record of positive contributions to human capital and economic development.

“Globalization, as Bob Rubin points out in his letter, has had a positive effect in the promotion of economic growth and the reduction of poverty, although at times the impact has been felt unevenly both within and among countries. At Citigroup, we focus on what we do best as a financial business — serving our clients, developing a diverse local staff, helping to build the capacity of local banks, financial regulators, and trade officials, and setting high standards for ethical behavior.”

WILLIAM R. RHODES Senior Vice Chairman, Citigroup; Chairman, Citicorp/Citibank, N.A.

Leadership in Business Practices

IN 2002, a number of financial services industry practices came under sharp scrutiny by the U.S. Congress, regulators, and investors. To reaffirm our commitment to highly ethical conduct, Citigroup launched a series of rapid reforms that raised standards of business practices for our company and the financial services industry.

TO ASSURE THE INDEPENDENCE OF OUR RESEARCH ANALYSTS

May 21 — first firm to voluntarily embrace principles established by New York's Attorney General: severed link between compensation for analysts and investment banking revenue and prohibited investment banking input into analyst evaluation

June 3 — adopted substantially all new NASD and New York Stock Exchange rules early; implemented full set of disclosures required under the rules; established gatekeeping procedures for research review; went beyond the rules, restricting review of draft research on public companies by analysts

July 29 — voluntarily adopted SEC's Regulation AC: analysts must certify that the views expressed in their research accurately reflect their personal views, and that they have not been compensated, directly or indirectly, for expressing a specific recommendation

August 6 — established new Research Policy Committee in the U.S.: provides enhanced and ongoing review of our research product, reviews proposed stock and industry coverage before initiation, and provides input on analyst performance to senior management

October 30 — created new Smith Barney business unit to further segregate Equity Research from Investment Banking

TO AVOID AUDITOR CONFLICTS OF INTEREST

July 25 — announced new plan to use outside auditors only to execute audit and tax-related work and not perform consulting work; called for independent authority to establish and enforce accounting standards

TO ENSURE TRANSPARENCY AND DISCLOSURE OF STRUCTURED FINANCE TRANSACTIONS

August 7 — launched new disclosure policy: Citigroup will execute a material financing transaction only if client company agrees to publicly disclose to its investors the net effect of the transaction on the financial condition of the company

TO EXPENSE OPTIONS AND AFFIRM STOCK OWNERSHIP COMMITMENT

August 7 — announced new policy on stock options: Citigroup will account for all stock options for management, employees, and members of its Board as an expense, effective January 1, 2003

August 7 — affirmed "blood oath": senior management must hold 75 percent of all Citigroup stock they own at the time they become subject to the commitment, as well as 75 percent of any stock they acquire from the company

TO ENHANCE OUR CORPORATE GOVERNANCE PROCESS

August 7 — established Nomination and Governance Committee of the Board of Directors

September 6 — lowered the expected rate of return on our U.S. pension plan from 9½ percent to 8 percent, while ensuring that the Accumulated Benefit Obligation is fully funded

October 1 — announced a policy to eliminate interlocking directorates on Citigroup's Board



MICHAEL T. MASIN
Vice Chairman and Chief
Operating Officer, Citigroup

"Citigroup has always adhered to the highest standards in operating our business. Last year we realized that there were certain industry practices that needed to be reevaluated and changed, and we have made those changes. We plan to continue to be a leader in improving our corporate governance process. Our new Business Practices Committee, which I chair, is an important element to help ensure that Citigroup is establishing and embracing the industry's highest standards and that our business practices reflect our core values."



SALLIE KRAWCHECK
Chairman and Chief Executive Officer
Smith Barney

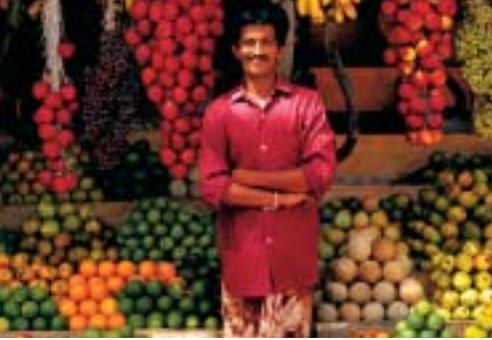
"We strongly believe that our newly formed Smith Barney unit will set the industry standard among private wealth management and research institutions in 2003. We are committed to delivering top-flight, independent-minded research to all our investing clients. We see this not just as the right thing to do but also as a business imperative and strategy that holds tremendous promise for our organization."



Community

“We are a company **dedicated to community service**, taking a leadership role in every local community around the world in which we operate, and **making each community a better place** because we are there.”

Excerpt from Citigroup's *Code of Conduct*



Making Communities Better

CITIGROUP STRENGTHENED its participation in 2002 in a broad range of community building initiatives that help foster healthy economies: financing affordable housing, helping to create and sustain microlending programs, helping NGOs and nonprofits strengthen their operations, and supporting financial education, small business development, and savings incentive programs. Our involvement includes creating customized products and services, offering access to technical assistance and management expertise, and providing funding and employee volunteers.

Microfinance Helps the World's Smallest Businesses Grow

➔ **Issue:** Only about 5 percent of the world's 500 million low-income entrepreneurs have access to financial services that will help them start and grow their businesses.

CITIGROUP'S STRATEGIC APPROACH IN SUPPORTING MICROFINANCE

At Citigroup, we believe that part of the answer to the challenge of building scale in microlending is to support the evolution of more microfinance institutions to market-based, regulated financial institutions. With this in mind, we established a four-pronged strategic approach to supporting microfinance.

- Work with microfinance intermediaries and networks to ensure that community-based partners have access to the best know-how.
- Partner with leaders in the field to support the emergence of uniform standards and to increase efficiency and transparency.
- Seek to support microfinance institutions to achieve greater scale, outreach, and financial self-sustainability.
- Use our strengths to establish deep, multi-faceted relationships with microfinance institutions and networks.

MICROFINANCE: A LOGICAL EXTENSION OF OUR BUSINESS

Citigroup's commitment to microfinance began in 1965 with a \$5,000 grant. In recent years, this support has grown significantly. Over the past four years, the Citigroup Foundation has made \$11 million in grants to 145 microfinance partners in more than 50 countries. In addition, dozens of our employees volunteer to serve on the boards and committees of microfinance institutions and help train our microfinance partners around the world.



MARGE MAGNER
Chief Operating Officer
Global Consumer Group
Citigroup

“At Citigroup, we are committed to community banking. The breadth of products and services we offer is unparalleled in the financial services industry. The scope of our organization allows us to bring the very same financial expertise we offer to major corporations around the world to neighborhoods and local projects. And that is because it is our belief that every community should be better because Citigroup is there. Wherever we do business, we want to take meaningful steps to improve the community.”



“In many developing countries, self-employment through microenterprises — ‘the world’s smallest businesses’ — is the only way people can provide for themselves and their families. Given the vast number of these small businesses, it is hard to ignore their link to vibrant local economies. There are estimates today of between 25 million and 40 million people being reached by microfinance. At Citigroup, we believe the real challenge in microfinance is achieving scale in order to impact several million more people.”

VICTOR MENEZES Senior Vice Chairman, Citigroup

When appropriate, we provide specialized underwriting services, wholesale credit facilities, and other financial instruments. As an example, in 2002, Banamex’s stock brokerage arm, Accival, handled the sale of a \$10 million bond issued by Mexican MFI and ACCION affiliate Financiera Compartamos.

NEW MICROFINANCE INITIATIVES IN 2002

Microfinance Information eXchange (MIX) — A joint venture between the Consultative Group to Assist the Poor (CGAP) and several private foundations, the Microfinance Information eXchange (MIX) promises to become the definitive source for benchmarking MFI performance and providing reliable information on interested donors and investors. Citigroup provided \$450,000 to support MIX.

Microfinance Opportunities — Citigroup has partnered with Microfinance Opportunities to support the development of a financial education curriculum that

will promote financial literacy among MFI clients. MFIs selected to participate in the development process include SEWA Bank in India, Equity Building Society (EBS) in Kenya, Al Amana in Morocco, and Pro Mujer in Peru/Bolivia. A fifth MFI will be selected from the Philippines. We are supporting this program with \$1.4 million in grants payable over three years.

Citibank Management Development Program — In 2002, a quality and customer satisfaction training module was launched as part of our successful Citibank Management Development Program for MFI employees. Based in Manila, the program provides intensive management training.

L’Institut Gabonais d’Appui au Développement Training for Microentrepreneurs (IGAD) — In partnership with IGAD, Citibank in Gabon is helping train 100 farmers in the technical aspects of growing staple products and providing them

with financial education to run their businesses more efficiently. IGAD’s activities align with the World Bank’s plans to increase agricultural/rural lending and reduce subsidies, moving the sector toward self-sustainability. This strategy is a direct outcome of goals set by the 2002 World Summit on Sustainable Development held in Johannesburg. Citibank supported IGAD with a \$20,000 grant in 2002.

“IGAD is dedicated to ensuring the success of the agricultural sector. The Institute is delighted to launch a partnership with Citibank that helps farmers develop skills not just in farming techniques but also in basic financial management.”

CHRISTIAN RENARDET
General Manager, IGAD

GENERAL SUPPORT FOR MICROENTERPRISE NETWORKS

The Citigroup Foundation provides grants to support a wide range of NGOs’ microenterprise activities that include general operations, loan funds capitalization, capacity building, business development services, research and development, awards programs, and policy advocacy. The Foundation works with leading microenterprise networks, including ACCION International, Grameen Foundation USA, FINCA, and Women’s World Banking, along with supporting MFIs, such as Shakti Foundation for Disadvantaged Women in Bangladesh, Women’s Working Forum in India, Growing Business Foundation in Nigeria, and the Uruguay Institute for Social and Economic Promotion.

“The era of fragmented donor assistance to rural development must end. We need not only partnerships with other stakeholders in rural development, but also concurrence and active support by governments, the private sector, and civil society at large in developed and developing countries.”

KEVIN CLEAVER Director, Rural Development Department, World Bank

Lending with High Social Impact in the U.S.

→ **Issue:** Underserved communities and individuals don't have ready access to financial education and the financial products and services they need.

TEN-YEAR, \$115 BILLION NATIONAL COMMUNITY COMMITMENT AHEAD OF SCHEDULE

Five years ago, Citigroup committed to lend and invest \$115 billion over ten years in low- and moderate-income communities and to small businesses throughout the U.S. Last year, we reached \$100 billion in community reinvestment activity, putting us on track to complete the commitment in just six years.

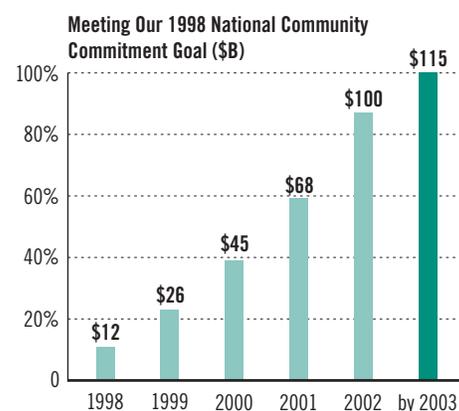


NEW \$120 BILLION COMMUNITY COMMITMENT FOR CALIFORNIA AND NEVADA

In 2002, after announcing our proposed acquisition of Golden State Bancorp, including its subsidiary California Federal Bank (Cal Fed), we met with numerous California- and Nevada-based community groups to hear directly about their communities' financial services needs. Based on these dialogues, Citibank announced an unprecedented 10-year, \$120 billion community commitment to lend and invest in underserved communities in California and Nevada. This commitment includes specific numeric goals for Home Mortgage Disclosure Act (HMDA)-reportable lending, small business and community development lending and investing, and community giving to LMI individuals and communities and the organizations that serve them.

LEADERSHIP IN ESTABLISHING IDAS

Citigroup has taken a leadership role in establishing Individual Development Accounts (IDA) in the U.S. IDAs are savings programs that help low-income individuals work toward financial independence. We were the only financial institution in the U.S. to invest \$1 million in the American Dream Demonstration, the country's first national IDA learning demonstration. Citibank also is one of the only banks in the U.S. to offer nonprofits an IDA financial management product to manage IDA savings and matching funds in a low-cost manner while allowing IDA consumers to earn as high an interest rate as possible. We currently have 32 local IDA programs with nonprofits across the U.S.



“Consumer applications for loans must be treated consistently with Citigroup’s fair lending policy and U.S. fair lending standards, which mandate **fair, equitable and consumer-friendly treatment**. Many countries have ‘fair lending’ or ‘fair access’ laws that prohibit discrimination. We will live within the letter of these laws and regulations, and also embrace their spirit and intent.”

Excerpt from Citigroup’s *Code of Conduct*

Our CRA Record in the U.S.

Legal Vehicle	Business Line	Assessment Area(s)	Results	Last Exam
Citibank, FSB	Retail Bank	Portions of CT, DC, FL, IL, MD, NJ, TX, and VA	Outstanding	2001
Citibank (CA/NV), FSB	Retail Bank	CA and NV	Outstanding	2001
CA Commerce Bank	Retail Bank	Los Angeles, CA	Outstanding	2002
Citibank, N.A.	Retail Bank	Downstate NY, Guam, Puerto Rico	Satisfactory	2000
Citibank (New York State)	Retail Bank	Buffalo and Rochester, NY	Outstanding	2000
Citibank (Nevada), N.A.	Bankcards	Las Vegas, NV	Outstanding	1999
Citibank (South Dakota), N.A.	Bankcards	Sioux Falls, SD	Outstanding	1999
Citibank USA, N.A. (formerly Hurley State Bank)	Corporate Cards	Sioux Falls, SD	Satisfactory	1999
Associates Capital Bank	Corporate Cards	Salt Lake City, UT	Outstanding	1999
Universal Financial Corp.	Corporate Cards	Salt Lake City, UT	Outstanding	Strategic Plan
Citicorp Trust Bank (formerly Travelers Bank & Trust)	Mortgage and Trust Thrift	National	Outstanding	2001
Citibank DE	Wholesale Bank	Wilmington, DE	Satisfactory	2000

OUR CRA RECORD IN THE U.S.

Citibank's Community Reinvestment Act (CRA) performance in the U.S. is assessed periodically by various regulatory agencies. Lending in underserved communities allows us to expand our customer base and helps lead to increased business opportunities. Our reputation for serving LMI communities is strong. Currently, nine of our 12 legal vehicles have outstanding ratings and three have satisfactory ratings. We strive to achieve a rating of outstanding for all.

BUILDING STRONGER COMMUNITIES IN THE U.S.

Citibank's Community Development (CCD) group serving North America expanded its commercial real estate lending activity in 2002. Drawing resources from across Citigroup's businesses, CCD provides innovative, comprehensive, and cost-effective financing packages to nonprofit and for-profit organizations engaged in community development. During 2002, the Community Development group loaned and invested more than \$1.1 billion.

Community Development Lending and Investing Continues to Grow

	2000	2001	2002
CD Lending	\$617.8 million	\$811 million	\$994.3 million
Investments	\$231 million	\$243.6 million	\$340.7 million

BRADHURST REVITALIZATION IN HARLEM, USA

In 2002, CCD provided a total of \$50 million in construction financing for two major residential and commercial projects on Bradhurst Avenue and 145th Street in New York City's Harlem community. Bradhurst Court includes what will be the first full-service supermarket in central Harlem, as well as 7,000 square feet of additional retail space, 126 affordable co-op apartments, and a parking garage. Across the street from Bradhurst Court will be The Hamilton, which will contain 76 new co-ops and 15,000 square feet of retail space for a total of 202 new homeownership opportunities and 65,000 square feet of commercial space.



President of Retail Distribution for Citibanking North America Maura Markus (4th from left) breaks ground for The Hamilton with Harlem community leaders

FRUITVALE VILLAGE

Scheduled to open in Fall 2003, Fruitvale Village in Oakland, CA, will be a landmark mixed-use development in a historically under-invested Hispanic neighborhood. Developed by The Unity Council, one of the U.S.'s largest Hispanic nonprofits, Fruitvale Village will be centered around a BART station and contain housing, along with community, commercial, and retail space. Citibank is Unity Council's major partner and sole conventional lender for the project, having provided \$27 million in construction and permanent financing. This includes \$19.8 million for Unity Council's development and \$5.8 million to finance La Clinica de la Raza's new 40,000-square-foot facility. The Public Finance Division of Citigroup Global Corporate and Investment Bank acted as project underwriter and marketed the tax-exempt bonds issued by the City of Oakland. In addition, the CCD Investment unit provided a \$1.4 million subordinated loan, enabling the Unity Council to access public sector subsidies.



Architect's rendering of Fruitvale Village

MONTGOMERY PARK

Undergoing the largest historic building restoration in Maryland, the former Montgomery Ward Catalog Building (1925) is now Montgomery Park Business Center. Once a brownfield site and a symbol of lost jobs and lost opportunity, today it is Baltimore's largest office building, offering office space for 5,000 people and creating many new businesses and jobs. Energy efficient "green technology" is incorporated throughout the facility. Montgomery Park is an excellent example of public and private partners working together on adaptive reuse projects. Toward the project's \$100 million cost, CCD provided \$29.8 million in financing for the initial construction and tenant improvements.



Marge Magner visits Montgomery Park with East Baltimore Development Inc.'s Laurie Schwartz



LUIS PENA

Director, Hispanic Markets
Citigroup Consumer Business

“At Citigroup, we recognize the enormous potential that the Hispanic market holds in helping to strengthen the economic well-being of our local communities. We also recognize that this market is underserved when it comes to financial services. And we have taken action and are striving to become the bank of choice among Hispanics.”



Citibank California/Nevada Business Manager Michael Weitzman with Magic Johnson

OUR U.S. HISPANIC MARKETING STRATEGY

In Citigroup’s 2001 Citizenship Report, we announced a comprehensive U.S. Hispanic marketing strategy within our Global Consumer business. The initiatives launched in 2002 include the following:

- Began accepting the Mexican Consular ID as primary identification for bank account openings in U.S.
- Introduced the Citibank Money Card Account as a more affordable and convenient way to send money to Mexico.
- Continued to translate more consumer financial application forms into Spanish.
- Launched our Student Loan Site in Spanish.
- Launched a transactional version of Citibank Online in Spanish.
- Sponsored Latina Style magazine’s National Business Series, reaching 1,500 Latinas in seven U.S. cities.
- Became a member of Hispanic Association for Corporate Responsibility to facilitate our work with many of the largest U.S. Hispanic nonprofits.
- Acquired Cal Fed, which gave us 375 additional banking retail sites in California and Nevada, enabling us to serve a larger Hispanic population.
- Supported, through the U.S. Hispanic Chamber of Commerce, “Franchising Today: Exploring New Markets and New Opportunities,” a program to increase franchising opportunities for Hispanic business owners. In 2003, the series will be held in New York City (NY), Washington, D.C., and San Juan (PR).

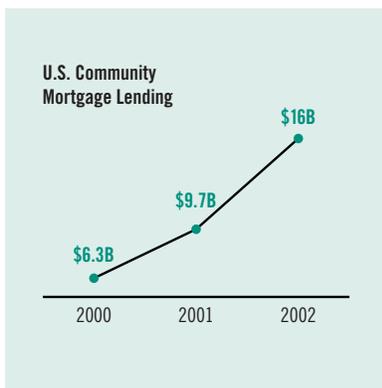
Minority Entrepreneurs and Small Business Owners — In 2002, Citigroup supported entrepreneur and basketball legend Earvin “Magic” Johnson in his endeavor with Global Diversity Group, Inc., to bring “The Global Diversity Group Business Exchange: Tour for Success” to minority entrepreneurs and small business owners across the U.S. The Tour enables minority entrepreneurs to participate in free seminars and panel discussions on key business topics. In 2002, the Tour visited 12 markets, reaching approximately 12,000 minority small business owners. Citigroup joined the Tour in San Francisco and in 2003 will participate in five cities.

National Council of La Raza — In 2003, Citigroup will begin a new national partnership with the National Council of La Raza (NCLR) to foster neighborhood revitalization through retail banking and housing development. Up to \$100 million in new affordable housing and community facilities, such as day care, health, and job training centers, will be created and financed in U.S. markets where Citibank has a presence. Along with this unprecedented lending agreement, the Citigroup Foundation also made a \$5 million grant to NCLR to support its La Raza Development Fund.

Financial Products and Services Making a Difference

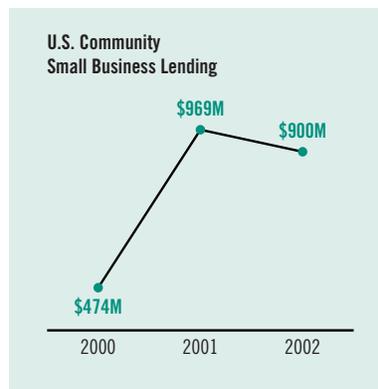
MAKING THE DREAM OF HOMEOWNERSHIP A REALITY IN THE U.S.

Citibank continues to expand its team of Community Mortgage Officers (CMOs). Our CMOs are specially trained to work with first-time homebuyers, nonprofit partners, and affordable housing developers. They offer financial education opportunities to ensure that homebuyers enjoy and profit from their homes, as well as Citibank's wide range of mortgage products. In addition, they provide access to closing cost assistance and subsidy programs. Hand-in-hand with our Community Development group, our CMOs also work with affordable housing developers to identify and prepare individuals for homeownership.



SBA LENDING AND RESOURCES FOR SMALL BUSINESSES

Our CitiBusiness relationship managers help entrepreneurs grow and strengthen their small businesses in communities across the U.S. Small businesses contribute significantly to the economic well-being of our local communities, in many cases by providing jobs. Along with offering our own credit products, we are a preferred lender for Small Business Administration (SBA) loans and SBAExpress lines of credit. We also provide small businesses with a full array of cash management services, along with valuable educational resources through our Financial Center (FC) seminars, the Resource Network, and CitiBusiness online. In 2002's weak economy, our small business lending declined less than 10 percent.



EASIER AND LESS EXPENSIVE ACCESS TO MONEY

In 2002, Citibank made it easier and less expensive for immigrants who work in the U.S. to transfer money to relatives and friends in Mexico. Rather than using more expensive traditional wire services to wire money, U.S. workers can set up a Citibank account here, making funds available to a designated ATM card holder in Mexico.

Another initiative undertaken to help people gain easier access to their money is Citibank's Overseas Direct Deposit Project in Australia, which received a prestigious Prime Minister's Gold Award for Excellence. The project, a joint venture of Centrelink, the Reserve Bank of Australia and Citibank, provides 70,000 Australian pensioners living in more than 100 countries with electronically debited pension payments made directly to their bank accounts in their country of residence. Previously, Australian pensioners living overseas received their checks manually.

Consumer Finance Business Leadership

Subprime lending allows access to credit for individuals who may have difficulty meeting conventional underwriting criteria. As a leader in the financial services industry, Citigroup has taken, and will continue to take, a leading role in educating customers about the full array of products available.

In 2001, working with a number of stakeholder, community, and activists groups, we developed the CitiFinancial Real Estate Lending Initiatives for CitiFinancial, our subprime lending business in the U.S. These initiatives are designed to ensure that CitiFinancial leads the industry in disclosing rates, terms, fees, and features so that borrowers may choose the best product. They include the discontinuance of sales of single-premium credit insurance on real-estate-secured loans,

the implementation of new broker/correspondent standards and referral and rate reduction programs for qualifying customers, and the creation of a foreclosure review unit.

During 2002, we conducted numerous meetings with stakeholders focusing to strike the right balance between providing access to credit for those who need it most, while establishing industry-leading consumer protection standards. Based on these discussions, we announced additional enhancements to the CitiFinancial Initiatives, particularly with respect to enabling customers to make more informed decisions about insurance protection on their loans, improving the referral up process, and limiting the maximum points on real estate loans.

What CitiFinancial Does

- Helps customers with recovering credit histories obtain needed loans.
- Refers customers who meet prime credit criteria to Citibank/CitiMortgage for a lower-cost prime loan.
- Rewards customers who improve their credit through our Rate Reduction Plan, by automatically reducing their interest rates.
- Makes loan decisions based on a borrower's overall creditworthiness, which includes ability to repay and not solely on the equity in his or her home.
- Utilizes objective credit models to determine ability to repay and verifies repayment ability. (CitiFinancial's low foreclosure rates show that this analysis is effective.)
- Keeps customers informed of their rights and makes sure they understand the products they are buying.
- Requires tangible benefits in the form of a reduced rate, a reduced payment, or the advance of additional money on "on-us" refinancings.
- Rigorously monitors compliance to high standards and disciplines any employee who violates these standards.
- Requires brokers and correspondents to adhere to the company's strict Code of Conduct.
- Applies limits to prepayment fees and gives customers choice.
- Maintains a high level of customer satisfaction and seeks to resolve customer complaints amicably.
- Pays all fees for arbitration and allows customers and lenders to settle their differences in an efficient and convenient forum in the county where they live.
- Carefully monitors broker and correspondent activities and loans originated and bought from brokers and correspondents.
- Reviews all foreclosure actions to ensure that no borrower inappropriately loses his or her home through foreclosure.

Financial Education at Citigroup

Citigroup is committed to ensuring that people everywhere have opportunities to learn more about managing their finances. By providing access to training, technical assistance, and professional expertise, we help people select the financial products and services that best suit their needs. We accomplish this by drawing upon our businesses' wealth of resources, as well as by partnering with nonprofits specializing in these services.

OUR BUSINESSES OFFER NUMEROUS FINANCIAL EDUCATION OPPORTUNITIES

Citigroup's businesses offer a variety of financial education programs to help benefit their individual target markets. Citibank's Financial Center-based Financial Education Seminar Series in the U.S. helps educate consumers of all ages on personal finance, while expanding access to our products and services. During 2002, more than 12,000 consumers attended 1,200 seminars at the bank's retail locations and other sites through Citibank's Bank-at-Work program. Along with these seminars, we also offer consumers and business entrepreneurs CitiPro — a free financial needs analysis tool available in English and Spanish.

Two of Citibank's most popular seminars are First-Time Home Buyer and SBA Lending. During 2002, approximately 2,300 consumers attended 512 First-Time Home Buyer Seminar presentations, resulting in 119 new home mortgage applications for \$7.4 million. Citibank's SBA Lending Seminars, launched in 2002, attracted 129 participants, resulting in nine business loan applications for approximately \$3 million. In 2003, this program will expand to include seminars at additional Financial Centers in California and Nevada.

As the largest issuer of credit cards to college students in the U.S., Citi Cards is committed to providing young adults with the guidance and free financial management tools they need to spend wisely. Established in 1999, the Citi Cards Credit-ED program reaches students at every major four-year U.S. college and university through advertising, on-campus materials and events, and via www.credit-ED.citibank.com.

Outside the college market, the centerpiece of Citi Cards' credit education efforts is the Use Credit Wisely program, which is available at www.usecreditwisely.com. Along with covering credit basics, Use Credit Wisely includes specific information and resources on fraud prevention, identity theft, and legal rights for consumers.

Our Primerica business offers a free comprehensive guide called "How Money Works," which helps consumers find answers to their financial questions. It is available at www.primerica.com.



One of many "Kids' Days" held at Citibank Financial Centers across the U.S.



John Stewart, Business Manager for Citibank North, presents a “Teach Kids to Save” financial lesson

In 2002, Smith Barney continued its highly successful Target Market Initiatives Investor Education Programs, which give women, African-Americans, Hispanics, parents, young professionals, and young investors greater insight into investing and the financial markets. Each initiative includes a complete marketing program that offers educational symposium in major U.S. cities, featuring high-profile guest speakers, prominent local speakers, and our own financial experts. Smith Barney’s multi-cultural initiatives educate people and expand their participation in the financial markets. Since its inception, more than 20,000 clients and prospects have participated.

EXPANDING ACCESS TO FINANCIAL EDUCATION THROUGH PARTNERSHIPS

Junior Achievement — Citigroup supports Junior Achievement (JA) programs on four continents and in more than 32 countries, bringing the world of business and finance to life for millions of students. Close to \$4 million has been contributed over the past five years to help sustain existing programs and start new ones. In 2002, we supported JA programs with \$1.3 million in grants.

More than 4,300 students representing 12 Latin American countries competed to represent their country at the fifth annual Banks in Action (BIA) regional competition, which we sponsored in 2002. BIA teaches high school students about banking through a competition in which students assume the role of bank managers and make decisions based on different business and economic scenarios. In Germany, Citigroup is launching JA’s Personal Economics Program for more than 3,750 students, with the help of 150 employee volunteers. And in Japan, Citigroup is the lead sponsor of JA’s Student City program, a mini-municipality run by students.

“Banks in Action is changing the future of our country. By educating our future entrepreneurs, we know that these young people will be the builders of our dreams. Citibank’s support and engagement in BIA shows the undisputed value of this company and its management team.”

ANDRE LOIFERMAN

President of Junior Achievement in Brazil

Highlights of Our Financial Education and Training Programs in 2002

Programs	People Served
Australian Indigenous Leadership Program	74
Citibank FC Seminar Series	12,000
Junior Achievement	130,000
National Academy Foundation	37,713
National Community Reinvestment Corporation	5,100
SSB Target Market Initiatives	20,000
South African YMCA Partnership	25,000
Teach Children to Save	5,000

National Academy Foundation — For the 2002–03 school year, more than 19,000 students are attending Academies of Finance (AOF), a program of the National Academy Foundation, founded and chaired by Citigroup’s Chairman and CEO, Sandy Weill. With Citigroup’s support, the first AOF programs opened outside the U.S., at three colleges in the greater London area. Similar to the U.S. program, students will study financial industry-approved courses for two years and complete a paid internship at companies such as Citigroup. As a result, these students will develop essential personal finance skills and be prepared to enter the workforce or do further studies. Academies also are in operation for the travel and tourism, and information technology industries. In 2002, we supported NAF with \$2.3 million in grants.

In 2002, a second group of 20 graduating seniors from across the U.S. were named Citigroup Academy of Finance Scholars. This annual scholarship program provides those awarded with a \$20,000 scholarship for college, along with an internship and mentor from Citigroup.

National Academy Foundation Student Participation Statistics

Year	Finance	Travel & Tourism	Information Technology	Total
2000–01	16,052	13,519	650	30,221
2001–02	17,215	11,594	3,455	32,264
2002–03	19,096	12,645	5,972	37,713
Total	52,363	37,758	10,077	100,198

American Bankers Association Education Foundation — Saving money has its rewards, and more than 250 Citigroup employees in the U.S. volunteered in 2002 to help the next generation understand why. These employees signed up for Citigroup’s nationwide “Teach Children to Save” program, offered in partnership with the American Bankers Association Education Foundation (ABAEF). Using K-12 grade-specific lessons from the ABAEF’s “Teach Children to Save” resource kits, employees reached 5,000 students through presentations made at local schools and nonprofit community organizations nationwide.



Citigroup Chairman and CEO Sandy Weill at the AOF Opening in London



NATHANIEL EMUNAH
AOF student at Lewisham College

“The Academy of Finance is giving me a head start to attain what I have always dreamed of — such opportunities come only once in a lifetime.”

Capacity Building and Leadership Development in Our Communities

Our businesses support NGOs and nonprofits around the globe by developing individualized financial programs and offering them customized financial products and services. We also work to assist our community partners in building their own operating abilities and leadership.

SUPPORTING NGO DEVELOPMENT

In 2002, we had numerous initiatives under way to help our NGO partners strengthen their operations.

- In South Africa in 2002, more than 128 local NGO representatives attended a workshop series on ways to form effective partnerships with the private sector. Sponsored by Citibank, this workshop series is part of a three-year collaborative relationship between Citibank, the National Council of South African YMCAs, and the Harlem YMCA in New York.
- In partnership with the YWCA Korea, Citigroup supported two new programs with grants totaling \$120,000 payable in 2002 and 2003 — Korea's Women's Leadership Awards and Financial Management Program for NGO Female Supervisors.
- In Poland, 290 representatives from 200 NGOs attended Citigroup Bank Handlowy's intensive 17-session training program to enhance the



Our YMCA partnership helping to train representatives from 128 NGOs in South Africa

quality of financial management in the nonprofit sector. A CD-ROM was produced containing all the topics covered in the series, along with Internet links to resources.

- In the U.S., the Citigroup Financial Education Leadership Program, in conjunction with the National Community Reinvestment Coalition (NCRC), continued to benefit more and more individuals. Launched in 2001, this "train the trainer" program is certifying representatives from community organizations across the country as financial education counselors. Since beginning the program, 480 organizations participated in the training, and it is estimated that more than 5,100 individuals have benefited.
- Citigroup's Community Development Institute in the U.S. sponsored technical assistance and training programs attended by hundreds of nonprofit organizations in 2002. The Institute covers the cost for our nonprofit partners who wish to attend courses offered by organizations such as the National Development Coalition (NDC). Citigroup also hosted "Nonprofit Days" around the country.
- Through our partnership with the Australian Indigenous Leadership Centre (AILC) and Australian Indigenous Leadership Program (AILP), Citigroup Foundation grants totaling \$434,000 awarded from 2000–02 are providing accredited leadership courses for 125 indigenous individuals across the continent. Our employees help develop and deliver course material for the program and in 2003 will launch a mentoring component.



"This was truly a life-changing experience. I believe that this course brought us together as strangers and we left as family. I have remained conscious of what we learned and try to incorporate the values and ideas into both my personal and my professional life."

MICHELLE THORNE AILP Participant in Adelaide

In 2002, 74 indigenous people, representing every Australian state, graduated from the program. Also in 2002, 160 Citigroup employees from across Australia took part in indigenous cultural awareness training. Additional cultural awareness training will be offered in 2003.

Educating the Next Generation

Knowledge enables individuals and societies to realize their fullest potential, and this is why Citigroup also focuses much support on education. Our commitment to provide access to higher education to underrepresented populations includes programming in more than 26 countries, including China, the United Kingdom, Russia, Lebanon, and Cameroon.

TeachNet Ireland — Among our 2002 education initiatives is TeachNet Ireland, a project that encourages teachers and students to embrace the use of technology in the classroom. TeachNet Ireland provides grants and professional development to primary- and secondary-level teachers to enable them to use technology to share with other educators their best classroom practices. The program is funded in part by our Foundation, which contributed \$425,000 to adapt the TeachNet model developed by Teachers Network in the U.S. Hosted by St. Patrick's College, Drumcondra, TeachNet Ireland is creating an online community of innovative teachers whose published lesson plans, based on the Irish curriculum and national standards, can be accessed and reproduced by teachers anywhere in the world.

Biblioteca Viva — In Brazil, our sponsorship of the Abrinq Foundation's Biblioteca Viva (Living Library) project was recognized by the Brazil American Chamber of Commerce, São Paulo chapter, with this year's Prêmio ECO 20 Anos. This special award recognizes the best socially beneficial projects of the past 20 years. Living Library was one of 111 projects under consideration, representing 85 companies. During the past decade, Living Library directly benefited nearly 74,000 children and adolescents in 293 mobile library units brought to schools and community centers in 12 cities and 10 states across Brazil. Approximately 64,000 books were selected and distributed and 539 educators were trained to implement the project. Citigroup has made a three-year grant of \$194,200 to help the Abrinq Foundation develop a tool kit to respond to the high demand from nonprofit organizations and government agencies to replicate the Living Library in 10 Brazilian states.

Citigroup Success Fund — Citigroup provides grants to educators to develop innovative, easily replicable grassroots programs aimed at helping students succeed. Called Citigroup Success Fund, last year we made grants totaling \$232,500 to launch this program in Taiwan, Thailand, and Indonesia, customizing each program to best serve each country's educational system. Grants totaling \$635,000 were also made to support Citigroup Success Fund programs in California, Florida, New York, Maryland, Georgia, and Hong Kong.

“As a college involved in teacher education in Ireland for more than 125 years, we are delighted to partner with Citigroup to lead the way in developing online learning in the classroom. The launch of TeachNet Ireland affirms our commitment to improving teaching standards in the classroom and furthering professional development of our teachers.”

DR. PAURIC TRAVERS President, St. Patrick's College



Students participating in Citigroup's TeachNet Ireland Program

Volunteers Making a Difference



In the U.S., we held our first national day of volunteering in conjunction with the Make a Difference Day campaign. More than 1,400 employees representing all of Citigroup's businesses in 26 cities participated in 45 different volunteer projects.

Citigroup employees around the world log thousands of hours each year volunteering in their communities. They get involved through company-sponsored projects, as well as through individual causes that reflect their diverse concerns, interests, and backgrounds.

In 2002, Citigroup launched an internal global web site dedicated to providing employees with information on company-sponsored activities, as well as offering links to resources for those seeking community involvement.

To encourage new localized corporate citizenship initiatives owned by our businesses worldwide, in 2002 we also introduced a new Citigroup International corporate citizenship web site. This web site contains best practices for establishing and maintaining corporate citizenship programs. In 2003, the company plans to launch a new software tracking system, which will be our first attempt to capture the full extent of our employees' involvement.

PHILANTHROPIC DOLLARS MAKING A DIFFERENCE

In 2002, our total philanthropic giving from our businesses and the Citigroup Foundation combined exceeded \$90 million in grants. The Foundation also administers a gift-matching program and a Volunteer Incentive Program (VIP) to encourage and reward employee volunteerism.

Along with grants made by our Foundation and businesses, our employees are actively involved in making personal donations, as well as becoming involved in fundraising activities. For example, Citigroup employees in the U.S. participate in the March of Dimes campaign every year to assist children with birth defects. In 2002, employee contributions totaled \$1.5 million.

Our Habitat Involvement in the U.S. Continues to Grow

	2000	2001	2002
Homes Built	30	63	97
Number of U.S. States	16	20	25
Employees Who Built	3,000	6,000	9,500+
Hours Invested	32,000	64,000	112,000

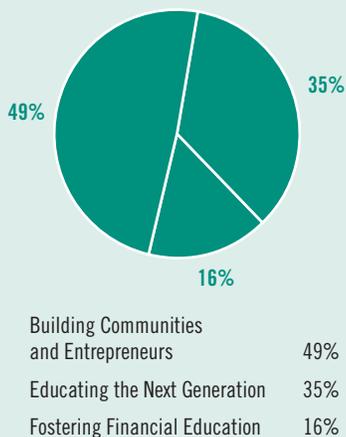
Numbers are cumulative year to year.

BUILDING HOMES FOR DESERVING FAMILIES

One of Citigroup's leading volunteer activities is hands-on building. We launched our U.S. Citigroup Builds Communities with Habitat for Humanity employee volunteer program in 2000. The program continues to gain momentum, and in 2002 our Foundation awarded Habitat for Humanity International (HFHI) a third \$1 million grant. This program has resulted in 97 Habitat homes built in 25 states since 2000 with help from close to 10,000 employees logging 112,000 volunteer hours.

In 2002, Citigroup's President Robert Willumstad became a member of the Habitat for Humanity International (HFHI) Board of Directors. He also joined with hundreds of employees from around the country to participate in the new Financial

Breakdown of Giving by Program Area for the Citigroup Foundation's \$56 Million in Grants Made in 2002



Services Roundtable Partnership with Habitat, which united banking, investment, and insurance company employees in building homes in eight U.S. cities.

Citigroup's businesses provide additional support to Habitat affiliates in local overseas and U.S. markets. Our employees in Bolivia, Brazil, Colombia, Costa Rica, Honduras, Kenya, Paraguay, Philippines, South Africa, South Korea, Trinidad, Uganda, and the U.K., among others, were also involved in local Habitat builds. Grants made to HFHI and its affiliates around the world in 2002 totaled nearly \$1.7 million.

Operation Smile Highlights for 2002 from Around the World

	Children Helped	Employee Volunteers	\$ Investment
Brazil	119	40	\$12,000
Colombia	38	106	\$15,000
Ecuador	500	50	\$7,500
Honduras	122	38	\$11,500
Panama	85	80	\$20,500
Peru	132	130	\$30,000
Russia	1,300	3	\$10,000
Venezuela	180	3	\$25,000
Vietnam	200	8	\$20,000

OPERATION SMILE AND CITIGROUP

The work of Operation Smile is supported by Citigroup operations around the world with grants and employee volunteers. Operation Smile is a nonprofit, volunteer medical service organization that provides children free medical and dental treatment, including reconstructive surgery to correct facial problems, along with training for health care professionals. Our employees help ease the process for Operation Smile's clients by arranging for transportation and accommodations for physicians, and patients and their families, among other activities.

“Eight of my Citigroup colleagues, five of their family members, and I traveled to assist in Operation Smile’s international surgery mission to benefit 200 children in Danang last April. Thirty-three highly specialized U.S. and Canadian medical professionals worked closely with their Vietnamese counterparts from the General Hospital of Danang and the Odonto-Stomatology Institute of Ho Chi Minh City to perform surgeries on children within a five-day period. We witnessed how these surgeries offered immediate life-altering results. In many cases, a child’s ability to eat and breathe properly was restored.

“As volunteers, we assisted with patient screening, provided translating services, and performed designated logistics work. Moreover, we made new friends with the charming Vietnamese children. We also realized that we sometimes forget how many people are in need.”

JOHN BEEMAN Citigroup Country Officer, Vietnam

CHARLES V. RAYMOND

President of the Citigroup Foundation

“Our partnership with Habitat for Humanity is a natural one since we share with them the goal of helping to develop first-class affordable housing. We also ensure that quality affordable financial products and services are available so families can feel confident in assuming the responsibility of homeownership. At Citigroup, we also recognize that volunteerism is a very important form of support. In our large corporate-sponsored programs, we look for a combination of philanthropic giving, employee volunteerism, and geographic breadth. This allows us to get as many of our employees as possible involved for the benefit of the communities in which we live and work.”



Giving children new reasons to smile



Environment

“Citigroup is committed to **conducting business** in an **environmentally responsible manner** that protects human health, natural resources and the global environment.”

Excerpt from Citigroup's Code of Conduct



Working Toward a Sustainable Future

CITIGROUP BELIEVES that working to conserve and enhance the environment is sound business practice. We were one of the first U.S.-based financial services companies to implement an environmental affairs program more than 10 years ago. Over the past decade, our program has evolved and continues to grow to meet the needs of an ever-changing business climate. We made substantial progress in 2002, implementing specific programs and engaging more employees and businesses and embedding concern for these issues in the company. Productive dialogues with a number of our NGO partners and investors who have shared their views with us and given us feedback on our progress have helped us.

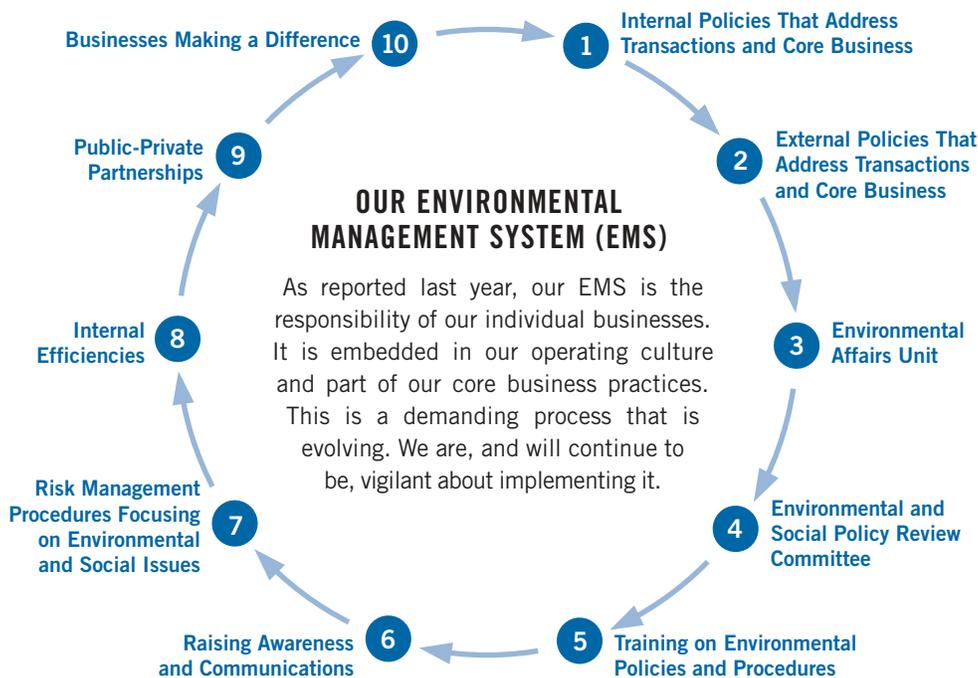


CHARLES O. PRINCE
Chairman and Chief Executive Officer
Citigroup Global Corporate and
Investment Bank

Our Environmental Management System

→ **Issue:** To operate our businesses in a socially responsible manner to foster sustainability and preserve the environment for generations to come.

“Citigroup aspires to be a leader among financial institutions in all that we do, and our aspirations in the area of the environment and related social concerns are no exception. We meet with environmental NGOs to exchange information and ideas, and we have trained our risk managers on how to evaluate environmental concerns. In 2003, we will continue to review and revise our financing policies and procedures regarding environmental and social concerns to ensure that we are in the top tier among financial institutions in this critical area.”



1 Internal Policies

Citigroup Global Corporate and Investment Bank Environmental Policy Statement

Citigroup's corporate and investment banking businesses are highly diverse and therefore deal with a variety of environmental issues. We understand that conducting business in an environmentally responsible manner is an ongoing process, and we are committed to taking a leadership role in the financial industry through our efforts in community, environmental, and social initiatives. We are committed to protection of the environment and the health and safety of our employees and the communities in the more than 100 countries in which we conduct business. We recognize that environmental impact and sustainable development are among the most important issues affecting business today.

In furtherance of this commitment, it is the policy of Citigroup's Global Corporate and Investment Bank to endeavor to do the following:

Compliance — Comply with all environmental, health, and safety laws and regulations, and, where appropriate, develop company standards and procedures to protect human health and the environment.

Good Neighbor — Operate all facilities and businesses in a responsible manner that protects the health and safety of employees and the surrounding community, and provide responses, as appropriate, to employee and community concerns about health and the environment.

Response and Coordination — Respond diligently to environmental emergencies for which we are responsible and coordinate efforts with national, state, and regional agencies.

Integration — Integrate sustainability considerations into the day-to-day operation of our businesses worldwide. Provide information on a regular basis to employees regarding strategic environmental and social developments.

Organizational Commitment — Instill a commitment to environmental protection and sustainability throughout the company to ensure

employees at all levels understand that responsible environmental management is also good business.

Assessments — Perform an appropriate assessment of environmental issues in connection with the acquisition or direct financing of real property.

Recycling, Conservation, and Waste Reduction — Seek to incorporate responsible environmental considerations into our internal operations that promote sustainability and minimize consumption of natural resources.

Environmental and Social Policy Review Committee — Review our environmental policies and other initiatives on an ongoing basis to ensure they are consistent with our objectives and business activities.

Education — Provide ongoing guidance and advisory to business divisions about the potential economic, financial, and market implications of environmental and social policy issues in strategic client sectors and communities. Enhance understanding of environmental best practices and of company programs throughout the organization.

Responsible Financing — Identify, quantify, and control environmental and social risks as part of the risk assessment process in underwriting and financing. Take into consideration that each potential transaction should be considered on individual value and in consultation with financing partners. Recognize and support opportunities for economic growth through constructive investment.

CITIGROUP'S NEW GLOBAL CORPORATE AND INVESTMENT BANK STATEMENT ON THE FINANCING OF INVESTMENTS/PROJECTS

Citigroup plays an important role in economic development throughout the world. We recognize that this role carries substantial responsibility and that the environmental sustainability and social element of our work is of importance. To this end, working closely with our clients, we review carefully the environmental and social aspects of the projects and investments on which we advise and provide financing assistance. We work to ensure that the environmental and social elements of these projects and investments meet acceptable standards. As such, we ensure that projects and investments adhere to all applicable laws, and take into account appropriate industry standards and the guidelines of the World Bank, export credit agencies and other official agencies. Our goal is to be involved in sustainable and beneficial developments in which we, our clients, and the community can benefit.

2 External Policies

United Nations Environment Programme’s (UNEP) Statement on the Environment and Sustainable Development

Citigroup first signed the UNEP Statement of Sustainable Development in 1995, under one of its predecessor companies. In 2000, we re-signed the Statement on behalf of our newly merged company. As part of our commitment to adhere to the Statement’s principles, which can be read at www.unepfi.net, Citigroup has been an active participant in the UNEP Financial Institutions Initiative (UNEP FI). We have served on the UNEP FI steering committee since 1997 and, in 2002, participated in numerous UNEP FI programs. These efforts help us to craft our long-term vision on sustainable development.

2002 UNEP FI Initiatives

Initiative	Our Role	Purpose/Topic Area
UNEP FI North American Task Force	Citigroup Environmental Affairs staff on Task Force	Support and expand sustainable financial practices in North America.
UNEP FI Environmental Management & Reporting Working Group	Citigroup Environmental Affairs staff in the Working Group	Developing international guidelines on environmental reporting for the financial sector.
UNEP FI Climate Change Working Group	Citigroup Environmental Affairs staff in the Working Group	Addresses challenges of climate change.
UNEP FI Asset Management Working Group	Citigroup Asset Management Director in the Working Group	Sustainable development issues’ positive impact on asset managers’ investment success.
UNEP FI Africa Task Force	Citigroup South Africa Public Affairs Head on Task Force	Supports sustainable financial practices in Africa.
Brazil 2002 International Finance Roundtable	Citigroup Environmental Affairs staff and Head of Citibank Peru Financial Institutions Group participated	Climate change, environmental management/reporting, sustainable microfinance.
World Summit on Sustainable Development — Johannesburg, South Africa	Citigroup South Africa staff hosted WSSD Africa Task Force session	Finance and sustainability in Africa.
Division of Technology, Industry and Economics of UNEP, PrepComII	Citigroup Environmental Affairs staff on panel	Government, business, NGOs, trade, and academic representatives participated.
UNEP FI Regional Outreach Midrand, South Africa	Keynote address by Citibank South Africa Executives	“The Sustainability of Foreign Direct Investment as an Engine of Growth.”
UNEP FI Regional Outreach Budapest, Hungary	Keynote by Citigroup Country Officer for Hungary	Countries with economies in transition.

3 Environmental Affairs Unit

Our Corporate Environmental Affairs team is made up of two Vice President-level and one Associate-level staff member. These three individuals report to the Senior Vice President of Global Community Relations, who reports to the Chief Operating Officer of Citigroup. The Senior Vice President of Global Community Relations also coordinates the Public Affairs Committee of the Citigroup Board of Directors. The Environmental Affairs Unit coordinates our overall approach to environmental and sustainability issues and provides analysis and expertise on these matters to our line businesses, risk management, and operations areas. The unit also reports on our results, coordinates dialogue with stakeholders, and manages our nonprofit and NGO partnerships working with the Citigroup Foundation.



4 Environmental and Social Policy Review Committee

Our Environmental and Social Policy Review Committee is composed of senior managers from our Global Corporate and Investment Bank (GCIB), Risk Management (covering both international and U.S. businesses), Legal, Corporate Governance, and Environmental Affairs. The Committee reviews emerging environmental and social issues for the GCIB, and members engage in dialogue with stakeholders. In 2002, the Committee created the Citigroup Global Corporate and Investment Bank Statement on the Financing of Investments/Projects, which can be found online at <http://www.citigroup.com/citigroup/corporate/environment/fpi.htm>.

5 Training on Environmental Policies and Procedures

Great advances were made in our training efforts — a key Environmental Management System area of focus — in 2002. While training is ongoing and we still have much more to do, we are proud of our accomplishments. Last year, we committed to educate 1,000 employees in 2002 on our environmental and sustainability policies and associated procedures — a goal that we exceeded.

Education and Training on Environmental/Sustainability Matters

Business Area	Employees Trained 2002	Goal for 2003
Global Corporate and Investment Bank Risk Management	350 key personnel out of 500	150 + updated training of 350 key personnel from last year
Citigroup Latin America Region Bankers and Risk Managers	385	385
Asia-Pacific region bankers and risk managers	234	320
Central and Eastern Europe, the Middle East, and Africa Region	50 — Training program just starting in this region	300
Global Corporate & Investment Bank New Associates	291	Entire Associate Class
Global Corporate & Investment Bank New Analysts	198	Entire Analyst Class
Other	50	100



A.T. TSHIBAKA

Corporate Credit Risk Head
Citigroup Global Corporate and Investment Bank

“Education and training on environmental and sustainability matters are essential for our employees in developing country regions. Environmental and social risks to the company may be particularly relevant in these markets. Having an understanding of the issues allows us to responsibly facilitate a better quality of life for those in need by doing what we do best, providing access to capital for our customers.”

6 Raising Awareness and Communications

Conveying the importance of sustainable development and environmental stewardship is a priority at Citigroup. This means communicating with our employees and our external stakeholders, which includes the various membership organizations to which we belong and those with whom we work. In 2002, we continued to raise awareness on these issues by

- regularly releasing a bimonthly research report to more than 500 industry bankers and analysts highlighting issues at the crossroads of business and the environment;
- publishing quarterly white papers on environmental and sustainability issues of relevance to industries in which we and our clients are involved;
- building on last year's plan to include feature articles about our environmental and sustainable development efforts in our employee publication, Citigroup World, and on our intranet site;
- updating our Internet-posted environmental position paper; and
- updating our Citigroup and environment Internet and intranet web sites.

OUR INDUSTRY AND BUSINESS ASSOCIATION MEMBERSHIPS ADDRESSING THE ENVIRONMENT AND SUSTAINABILITY

Business for Social Responsibility (BSR) is a global nonprofit that helps member companies achieve commercial success in ways that respect ethical values, people, communities, and the environment. At BSR's 2002 annual meeting, we introduced the keynote address and participated on a panel on gender and poverty.

Environmental Bankers Association (EBA) is a nonprofit trade organization established to meet the needs of financial institutions that proactively manage environmental risk issues. In 2002, Citigroup spoke at EBA's bi-annual meeting and continued to serve on EBA's Global Issues Committee.

World Environment Center (WEC) is an independent, nonprofit, non-advocacy organization that advances sustainable development. We have been an active member of WEC's Global Corporate Responsibility Task Force since its inception in 2000. In 2002, we participated in a project to examine shareholder value and sustainability.



Florida sandhill cranes inhabit wetlands at our Tampa Operations Center

7 Risk Management Procedures Focusing on Environmental and Social Issues



DAVID BUSHNELL

Managing Director
Head of Risk Management
Citigroup Global Corporate
and Investment Bank

“Early in the deal process, banking transactions, whether lending or investment banking deals, require identification, assessment, and control of risk factors. Traditional financial risks are the main focus of our risk management function; however, environmental and related social issues in transactions are becoming an integral part of our risk analysis.”

As part of our commitment to responsible financing, as stated in the Citigroup Global Corporate and Investment Bank Environmental Policy Statement, in 2002 we created an environmental questionnaire for bankers and credit risk managers to use as a project assessment process tool. We also delivered on our objective to incorporate social issues into the questionnaire. Various business groups use the questionnaire to assist them in their reviews.

One of our greatest challenges is implementing environmental and social risk policies in a way that makes sense for diverse business areas. We continue to re-evaluate our environmental and related social risk management practices and, in 2003, our goal is to integrate appropriate procedures into more of our businesses and develop tools to assist in evaluating these concerns.

Last year, many of our businesses were faced with difficult decisions based on environmental and related social issues unearthed in the course of our environmental risk management processes. We decline transactions if the risks seem too great or if assessing the risks would create a lengthier than appropriate procedure. If environmental and related social risks are significant but can be positively managed for all parties, we work with our clients to address the issues.

During our stakeholder dialogues in 2002, Citigroup was asked how our environmental and social policies are implemented in day-to-day transactions, and we were also asked to provide examples of how the process works. In response, the following case studies provide illustrations of the types of deals that came under scrutiny for environmental and related social concerns. These examples are representative and do not cover the full range of transactions that are reviewed for environmental and social issues. The names of clients and potential clients have been withheld because such information is proprietary and confidential to Citigroup.



“Citigroup plays an important role in financing economic development around the world. We recognize that this role affords us the opportunity to promote responsible environmental and social practices. We carefully review all investments for which our customers request financing assistance, and we do not provide financing to projects that fail to meet acceptable environmental standards.”

CHRIS BEALE Global Head of Project and Structured Trade Finance
Citigroup Global Corporate and Investment Bank

CASE STUDIES

Project Explanation — A Citigroup Global Relationship Bank financial services industry client asked us to issue a one-year, \$135,000 standby letter of credit (LC) on behalf of a U.S. subsidiary of a foreign industrial group, backed by its own counter-guarantee. The standby LC ultimately benefited a government agency in a developing country and related to an obligation to deliver a consignment of uranium.

Issues — Citigroup was exposed to risk stemming from the possible environmental impact of the uranium's use or misuse. These included the reputational risk of being associated with the shipment and potential financial impacts of any consequent legal action.

Project Explanation — Citigroup was asked to finance a major new industrial project in an emerging market country. Our financing plan envisaged funding the transaction entirely with private-sector financial institutions.

Issues — Environmental aspects of this type of industrial facility required close scrutiny, and there was an issue involving an indigenous people's land claim on the site.

Review Process — In conducting our review, we learned that the sponsors had prepared an environmental impact statement and an environmental management plan. They also had already decided to exceed the host country's environmental standards. Citigroup engaged an independent engineer to confirm that the facility would

Project Explanation — The main shareholder of a new greenfield pulp mill in Western Europe invited Citigroup to submit a bid to arrange a project finance credit facility for a \$1 billion investment.

Issues — The project cost was a considerable multiple greater than the sponsor's annual sales revenue, the company was reporting weak earnings, and the intended shareholders' equity contribution was low at approximately 10 percent of total project cost. The sponsor's track record in building and operating mills of this size was also non-existent. This resulted

Project Explanation — Citibank was approached by a private promoter to finance a timber project in the Asia-Pacific region. The plan was to log a substantial tropical timber concession and convert the land to oil palm plantations. The initial loan requested was \$45 million.

Issues — The first issue was the clear cutting of old growth tropical forest. The social impact of the operation was unknown. The country has also been plagued by alleged

Review Process — Given the sensitive nature of the underlying commodity, Trade Compliance flagged the standby LC for review in accordance with Citigroup's Environmental Policy and consulted with both GCIB Credit Risk Management and Environmental Affairs. To ensure that the transaction met our standards, we would have needed to assess the security of the shipment process, the safety procedures and record at the uranium's destination plant, and the involvement of any local community near the plant.

Outcome — We declined the transaction on the basis that we were not in a position to perform the necessary additional due diligence in a manner that would be either timely for the client's purposes or cost-effective considering the potential revenue.

conform to a high international standard. In this regard, the sponsors agreed to adopt ISO 14001.

After reviewing the social issue, we recommended that the sponsors delay approaching the financial markets until the issue was resolved. Accepting our advice, they worked with federal and regional government officials and representatives of the local population to reach a negotiated settlement of all claims that was satisfactory to all parties.

Outcome — A bank loan for the project was successfully syndicated in the international bank market, and a bond issue for the project was completed. The result was an industrial facility constructed to a standard superior to any comparable facility in the host country.

in serious doubt of the sponsor's ability to successfully complete the project and fulfill all the environmental requirements and regulations.

Review Process — The review was based on public information and preliminary data on the project disclosed by the sponsor's representative.

Outcome — Citigroup declined to submit a bid. The sponsors subsequently chose a local bank as sole arranger. The deal is currently in syndication, and the final outcome is unknown.

illegal logging, and environmental NGOs have seriously criticized similar projects.

Review Process — Based on headline information about the nature of the project, we arrived at our decision quickly.

Outcome — We declined to finance the project despite the promoter's reference to a possible multilateral institution investment guarantee.

ENVIRONMENTAL PERFORMANCE INDICATORS

Global Report (Annual energy consumption for 2002)

(The report includes 10,395 out of 10,863 locations from which Citigroup operates globally.)

	Absolute Value	Relative Value	Data Quality
Employees	248,379		Very Good
Surface area managed	7,382,774 m ²		Very Good
Surface area monitored	7,224,171 m ²		Very Good
Electricity consumption	6,855,030 Giga Joules	27.6 GJ/Emp. 7,666 kWh/Emp. 24.5 kWh/sq.ft.	Medium Medium Medium
Heat consumption (natural gas, steam, chilled water)	1,358,762 Giga Joules	5.5 GJ/Emp. 52.2 kWh/m ² 16,567 BTU/sq.ft.	Medium Medium Medium
Fuel oil consumption	3,162 m ³	12.73 lit./Emp. 3.36 gallon/Emp.	Medium Medium
Water consumption	4,341,994 m ³	69.93 lit./Emp./day 18.47 gallon/Emp./day 601 lit./m ²	Medium Medium Medium
Waste disposal	91,639 tons	369 kg/Emp. 812 lbs/Emp.	Medium Medium
Refuse and other	68,609 tons	74.87 percent	Medium
Office paper recycled	23,030 tons	25.13 percent	Medium
CO₂ emissions UNEP Protocol	944,377 tons	3,802 kg/Emp.	Medium

8 Internal Efficiencies — Citigroup Facilities' New Energy Management System

Improving internal efficiencies and reducing energy consumption has been an ongoing effort at Citigroup. In 2002, the Corporate Realty Services group initiated a major energy data collection project called the Environmental Data Base. Citigroup acquired baseline consumption information for electricity, natural gas, steam, chilled water, fuel oil, water, rubbish, recycled paper, and ozone-depleting substances. The project involved capturing this data for the years 2000, 2001, and 2002, included over 10,000 properties in 100 countries, and contains over 1 million entries. Year-over-year consumption comparisons were not factored into our 2002 Report because of

inconsistencies in the quality of the 2000 and 2001 data. However, with our benchmarks established in 2002, year-over-year comparisons will be presented in the 2003 Report.

Collecting this magnitude of information globally was a complex process. Not all regions, countries, and localities consistently record this type of data, use the same units of measure, or have access to systems needed to collect the data. Coordinating such an endeavor required training many facility managers, building an information system that could accept input from a geographically dispersed organization, and embedding a reporting mechanism that would

enable analysis and summation. We started by creating an internal web-based data collection system that was developed by our internal engineering and MIS groups. Once the system was tested, it was made available to personnel at the regional, city, and building levels so that they could input the data. A reporting function was added that enabled information to be extracted at levels ranging from an individual building to a global summary.

The data was compiled over the period May–October 2002. Consumption reported for 2002 is therefore a combination of actual and annualized data. While many of the countries in which Citigroup operates

Region: Japan, Western Europe, North America (Annual energy consumption for 2002)
 (The report includes 4,597 out of 4,820 locations from which Citigroup operates in this region.)

	Absolute Value	Relative Value	Data Quality
Employees	164,142		Very Good
Surface area managed	4,506,704 m ²		Very Good
Surface area monitored	4,398,763 m ²		Very Good
Electricity consumption	5,064,606 Giga Joules	30.9 GJ/Emp. 8,571 kWh/Emp. 29.7 kWh/sq.ft.	Good Good Good
Heat consumption (natural gas, steam, chilled water)	1,275,595 Giga Joules	7.8 GJ/Emp. 80.6 kWh/m ² 25,543 BTU/sq.ft.	Good Good Good
Fuel oil consumption	2,436 m ³	14.84 lit./Emp. 3.92 gallon/Emp.	Good Good
Water consumption	2,622,691 m ³	63.91 lit./Emp./day 16.89 gallon/Emp./day 596 lit./m ²	Medium Medium Medium
Waste disposal	58,820 tons	358 kg/Emp. 788 lbs/Emp.	Medium Medium
Refuse and other	36,929 tons	62.78 percent	Medium
Office paper recycled	21,891 tons	37.22 percent	Medium
CO₂ emissions UNEP Protocol	684,261 tons	4,169 kg/Emp.	Good

Notes:

1. Employees (Emp.): Average number of full-time and part-time employees working with Citigroup between January 1 and October 31, 2002.
2. Data quality: Specifies the estimated reliability of the aggregated data and roughly corresponds to the following standard ranges: 5% — very good, 15% — good, 30% — medium.
3. The unit Giga Joules (1000 million Joules) is used in accordance with GRI guidelines (1 MWh= 3.6 GJ). Other units more commonly used in Europe and the USA have been included in the "Relative Value" column to facilitate comparisons with other financial institutions.
4. In reference to the unit lit./Emp./day (liters per employee per day), the year is assumed to be 250 days long.
5. The scope of the report extends to 100 of the 102 countries in which Citigroup has operations around the world.
6. Citigroup acquired Golden State Bancorp in November 2002. This bank's operations are not tracked by this report.
7. Citigroup spun off Travelers Property Casualty Corp. in August 2002. Only the locations related to Travelers that Citigroup still owns are included in this Report.

have the means to directly capture consumption data, others are not able to accurately measure and/or confirm it. In addition, we are tenants in many of the buildings in which we operate, and meters are not in place to collect actual data or supply utility billing information. Where this was the case, estimates of consumption were prepared using benchmark data from buildings having similar size, usage, and location.

In many regions and countries, we have been tracking our consumption

rates for many years. For Western Europe, Japan, Canada and the U.S., it was possible to acquire higher-quality forecast consumption rates. For the sake of clarity and accountability, a separate report was prepared for these regions. Future comparisons with the 2002 data will be made with the consideration of the variables encountered in our first year. Our managers understand the significance of the data, and as we continue to improve our process, we fully expect that the accuracy of the data and

reporting will likewise improve and that the consumption data will be more indicative of actual usage.

Along with our Energy Management System, Citigroup also is coordinating other energy efficiency initiatives, for example, installing a control and remote monitoring system in 261 Citibank Financial Centers. This leading edge technology provides central monitoring of energy consumption and equipment performance via satellite communication. Central monitoring will ensure ongoing



ROBERT DRUSKIN

President and Chief Operating Officer, Citigroup Global Corporate Investment Bank; Chief Operations and Technology Officer, Citigroup

“Citigroup Corporate Realty Services worked with Environmental Affairs to survey all the facilities. This included creating a new internal web site and database. The entire process also raised awareness of the sustainable use of resources within the corporation, particularly energy consumption. This awareness helped to enhance energy programs already under way at Citigroup. While there were challenges and growing pains along the way, the end result is that central tracking of consumption and the reports now available offer tools that enable management to pinpoint usage and lower consumption levels in the future. Changes will be made to the web site in 2003 that will enable property managers to design and operate our buildings more efficiently.”

equipment performance and reduce the dispatching of service vehicles by an estimated 40 percent. We also estimate a 20 percent annual reduction in electrical consumption. This control system will be considered for wider application in 2003.

At Citigroup’s Lewisham House, a 121,000-square-foot 1970-vintage office tower in the U.K., a major infrastructure refurbishment will take place. The project will include replacing the elevator control systems, as well as the air conditioning, lighting, and plumbing systems. The new equipment and materials will substantially reduce energy consumption and improve the work environment for employees.

Citigroup is also constructing a new 500,000-square-foot office and processing center in St. Louis, MO. The design of the heating and air conditioning system for this facility includes a complete under floor air conditioning air distribution and variable air volume system. Independent research indicates that benefits from this innovative air distribution system include substantially lower energy consumption, higher levels of air quality, and less construction material. If the project meets expectations, we will look to incorporate more of the under floor technology design principles in future buildings.

In the past two years, Citigroup has reduced office and retail branch space globally with more efficiently designed space requirements. The primary reason for this ongoing reduction effort is to improve business performance, reduce operating expenses, and create a better work environment for our employees. Other benefits derived from redesign include more efficient heating and air conditioning, as well as more efficient use of office equipment, computer hardware, and employee workstations. The following table and typical examples constitute a snapshot of energy management initiatives.

Energy Management Initiatives

	Energy Projects Under Way	Projects Completed in the Last 3 Years
Number of Lighting Projects	248	255
Number of HVAC Projects	187	164
Number of Operations Strategy Projects	96	135
Number of New Construction Projects	170	144
Total Number of Projects	701	698

LIGHTING SYSTEMS

In most existing facilities, interior lighting systems have been converted to low-energy, fluorescent lamps and solid-state ballasts. Automatic zone control is incorporated into the design as well as dimming, motion detectors, and photocell technology, where applicable. In new locations, the latest state-of-the-art systems are installed. For example, a lighting retrofit project is currently under way in our Nevada processing facility. This 324,000-square-foot site is operational around the clock. Occupancy is staged in different sections of the building throughout the day. Automatic lighting controls were installed to cycle off lights in unoccupied areas. This reduced electric consumption for lighting by 10 percent. Additionally, older fluorescent bulbs and ballasts are being replaced with low-consuming, environmentally safe lamps and ballasts, and automatic sensors are being installed wherever applicable. When the conversion is complete, lighting energy will have been reduced by 40 percent.

HVAC SYSTEMS

In our new facilities, large chillers and boilers with high efficiency ratings are purchased from leading equipment manufacturers. In existing buildings they are replaced when necessary. A retrofit project is under way at our 111 Wall Street facility in New York City. This is a 25-story, 885,000-square-foot office and processing center. The project replaces two 1300 horsepower steam turbines. The turbines drive the building's main air conditioning chillers and will reduce steam energy consumption by 17 percent.



EXTERIOR BUILDING SYSTEMS AND BUILDING FACADES

In addition to the systems already mentioned, all Citigroup buildings incorporate energy efficient exterior curtain wall systems, thermoglass applications, and insulated roof systems.

Facility Goals for 2003:

- Continue to improve the quality of the data that we collect.
- Take action to reduce consumption based on the data that we have collected in 2002.
- Create internal environmental and energy management initiatives that focus on improving our performance as a corporation over a ten-year period.

ISO CERTIFICATION

ISO 14001 is an internationally recognized environmental management system standard. Two of our operations in Singapore are ISO 14001 certified. In 2001, we added the certification of our Regional Cash Process Management Unit in Singapore. In 2002, the Asia Pacific

Processing Center was certified under OHSAS 18001 Standard on Employee Health & Safety as an extension of its current environmental system. We have also instituted a number of programs to support our ISO 14001 EMS and our continuous commitment to improvement. Three of our major accomplishments were:

- Reduced air-conditioning consumption, which lowered electricity consumption. Along with saving \$85,000 in 2002 and expected savings of \$140,000 in 2003, the reduced electricity consumption aligns with our Asia-Pacific Environmental Health and Safety policy.
- Recycled more than 28,000 media tapes, reusing them for backup purposes. In addition to the financial savings, this contributed to environmental conservation, because disposed media tapes create toxic waste.
- Reduced paper consumption by 10,000 sheets by actively using e-Workplace, an initiative designed to adopt Internet technology to improve internal work processes.

9 Public-Private Partnerships



“Our partnership with Banamex grants us working opportunities that we did not have previously. It opens the door to innovative ideas, such as how to involve society in the protection of the environment.”

VÍCTOR LICHTINGER

Mexico's Minister of Environment and Natural Resources

Citigroup partners with nonprofits that foster environmental stewardship by promoting sustainable development. We seek out on-the-ground projects and relationships where the nexus between environmental conservation and economic development is paramount. In 2002, we significantly increased these efforts and became involved in many new and existing projects.

Citigroup's Environmental Affairs unit works with our nonprofit partners, our businesses, and the Citigroup Foundation. Engagement and participation by Citigroup employees globally is key to our success. In 2003, we plan to do even more and support additional partnership programs.

CREATING A NEW CONSERVATION TRUST

Banamex and Mexico's Environmental Ministry — In 2002, Banamex's ecological development group, Fomento Ecológico Banamex, and Mexico's Ministry of the Environment and Natural Resources (SEMARNAT) established a trust called Fund for the Natural Patrimony of Mexico. Resources from the Fund will be used to raise public awareness of the challenges of preserving and restoring ecological balance and to foster future support of initiatives and policies that protect the environment.

ADVANCING SUSTAINABLE DEVELOPMENT IN SOUTH AFRICA, PERU, AND BRAZIL

Conservation International — In 2002, our support of Conservation International in Peru focused on sustainable community-based management of natural resources in the biologically rich area of Tambopata. By supporting the advancement of environmentally sound livelihoods and local enterprise capacity outside the Bahuaja-Sonene National Park's boundaries, the project is helping to further protect the park.

Citigroup agreed in 2002 to support a new Conservation International project in the Succulent Karoo in South Africa, the world's only entirely arid “hotspot,” where overexploitation of rare plant life is challenging the area's ecological processes. To address this situation, Conservation International plans to work with the Botanical Society of South Africa, The National Botanical Institute of South Africa and others. Our employees will have the opportunity to provide expertise in evaluating the project's financial impacts and technical assistance on enterprise development.

In Brazil, we will continue to support Conservation International's work to establish the Atlantic Forest Seed Capital Fund. The focus of the Fund will be to strengthen economically viable conservation enterprises within the agroforestry sector. Our employees will advise on the Fund structure, as well as participate on the Investment Committee.



“Support of Conservation International’s work in southern Bahia will build on the work previously carried out through the CI Brazil-Citigroup Brazil partnership that assisted environmentally friendly small businesses within the Atlantic Forest Region. We are proud to support and be a part of this important work to preserve the planet’s richest and most endangered ecosystems, and we are proud to encourage local business development.”

GUSTAVO MARIN President, Citigroup Brazil

PROMOTING COCOA PRODUCTION AND INCREASING MARKET ACCESS FOR SHADE GROWN COFFEE

Rainforest Alliance — As a leading international conservation organization, Rainforest Alliance believes it is a collective responsibility to assist citizens and the private sector in reconciling economic needs with environmental and social concerns.

In Ecuador, Citigroup plans to work with the Ecuadorian nonprofit Conservación y Desarrollo, a partner of the Rainforest Alliance, to set up a Cocoa Trust Fund as part of the Eco-Chocolate Project. This Project helps more than 500 farmers produce cocoa without using pesticides under the rainforest canopy. The Fund will provide credit access to the cocoa cooperatives, enabling them to purchase cocoa from farmers who have previously been forced to sell their produce to middlemen for half the value.

In El Salvador, Rainforest Alliance, in partnership with the Salvadoran nonprofit SalvaNatura, will engage specialty coffee companies in the U.S. to participate in a sustainable coffee program. This program will support the efforts of local farmers by expanding the markets for their product. With coffee prices at their lowest in eight years in El Salvador, coffee farmers often cannot meet the cost of production and are forced to

abandon or sell their farms. Support of this marketing effort will help these farmers get better prices and maintain their livelihood.

SUPPORTING ECOTOURISM IN BRAZIL AND INDIGENOUS COMMUNITIES OF SOUTH-CENTRAL CHILE

World Wildlife Fund — With Citigroup’s support, World Wildlife Fund (WWF) is developing a new model for planning ecotourism that provides conservation and economic benefits. The focus is the 45,000-hectare Upper Ribeira State Park, one of Brazil’s most visited parks. To date, the Park has not had the capacity and infrastructure to support such visitation without environmental impact. WWF is working with the Park to plan a

system to allow public visitation in a responsible way. The Sao Paulo State Government, Park staff, local tour and hotel operators, and community members also are actively participating in the project.

In Chile, World Wildlife Fund is helping generate local sustainable income and employment through support of two ecotourism business ventures in indigenous communities, which will provide an economic incentive for conservation in the Valdivian temperate rainforests. WWF’s initiatives include offering grants to community associations for infrastructure and management improvements; designing and implementing training and technical exchanges; and assisting in business plan and marketing strategy development.

CURTAILING ENVIRONMENTAL DEGRADATION AND URBAN POLLUTION IN THE ASIA-PACIFIC REGION THROUGH SUSTAINABLE ENTERPRISE

World Resource Institute — Citigroup strengthened its support of the World Resources Institute’s (WRI) New Ventures program by funding



“Global companies face growing pressure to improve their environmental performance. Companies that integrate environmental values into their strategies and operations will be better positioned to compete in tomorrow’s marketplace. Citigroup has been a leader in addressing environmental concerns in its business. This is an impressive start, and Citigroup can do more to build on it. By encouraging its customers to improve their environmental performance, Citigroup can become an important agent of sustainable development.”

GLENN T. PRICKETT

Executive Director, Center for Environmental Leadership in Business
Senior Vice President, Conservation International

the program's expansion to the Asia-Pacific region. In 2002, Citigroup's Country Officer for China helped launch New Ventures Asia-Pacific in Shanghai. The program will promote sustainable enterprise development in China, Indonesia, and the Philippines. Based on the successful Latin American model, along with a Citigroup-funded feasibility study on sustainable enterprise development, New Ventures Asia-Pacific seeks to accelerate the growth of small- and medium-sized enterprises that incorporate social and environmental benefits in the areas of organic foods and agriculture, renewable energy, and clean technology.

CITIGROUP EXPANDS U.S. WILDLIFE AT WORKSM PROGRAM

Wildlife Habitat Council — Wildlife Habitat Council (WHC) is a nonprofit dedicated to increasing the quality and amount of wildlife habitat on corporate, private, and public lands. WHC devotes its resources to building partnerships with corporations and conservation groups to create solutions that balance the demands of economic growth with the requirements of a healthy, biodiverse, and sustainable environment.

In 2002, Citigroup chose its first WHC Wildlife at Work location in Florence, Kentucky, transforming a lake area into a learning center for two local high schools and the site's more than 2,000 employees. Their studies included water and soil testing and identifying the plants and animals, along with building butterfly gardens, birdhouses, bat houses and perches. Our site was certified and recognized by WHC as an outstanding wildlife habitat management corporate site. Certification requirements are strict and require that sites apply for periodic renewal.

Citigroup's second site, at Citibank in Sioux Falls, South Dakota, is well under way and will feature a prairie restoration project. There are 3,200 employees based at this site. The site's President has fully supported the project, and senior managers have provided leadership, expertise, and countless volunteer hours to make this project a reality. Citibank employees worked with a Boy Scout troop from the Sioux Council, the South Dakota Department of Game, Fish, and Parks, and the Sioux Falls Bird Club during the project's planning and initial implementation.

Shaping a habitat program at a third site is already under way. A WHC biologist has conducted the initial assessment for our site in Albuquerque, New Mexico, where more than 1,300 employees are based.

ENDORISING SOCIAL IMPACT AND ENVIRONMENTAL MANAGEMENT

Beyond Grey Pinstripes — The Beyond Grey Pinstripes Project, a collaboration between Aspen Institute's Initiative for Social Innovation through Business (ISIB) and the World Resources Institute (WRI), has been

supported by Citigroup since its inception. The Project emphasizes the importance of training future business managers on sustainability issues so they can better lead corporations within the complex dynamics of a global marketplace. Beyond Grey Pinstripes' Report highlights the world's most innovative MBA programs and provides benchmarks against which schools can compare their programs. In 2002, Citigroup became a lead sponsor of this project.

REJUVENATING COMMUNITIES THROUGH BROWNFIELD REMEDIATION

Sustainable Long Island — Sustainable Long Island seeks to encourage better planning and investment by private and public entities to improve Long Island, New York, in ways that recognize the inextricable links between economic health, environmental quality, transportation and housing, and social justice. Over two years, 2002–03, Citigroup is providing \$50,000 to Sustainable Long Island to take the first step in achieving the remediation and reclamation of a Brownfield site.



“Since 1994, Citigroup has been a World Resources Institute partner in Latin America by helping business schools and entrepreneurs in their efforts to build environmental businesses. In these eight years, Citigroup employees have worked with us to mentor entrepreneurs in the art of business planning and raising equity capital for new ventures. Our partnership has generated millions of dollars in equity capital for businesses in sustainable agriculture and forestry, renewable energy, eco-efficiency, and eco-tourism. The entrepreneurs we have supported would likely not have made it without this help. Citigroup's participation has been a pivotal part of our success.”

ELIZABETH COOK

Director of Sustainable Enterprise Programs, World Resources Institute

10 Businesses Making a Difference

BONDS AND LOANS IMPROVE ENVIRONMENTAL PERFORMANCE IN DEVELOPING MARKETS

Citibank in Côte d'Ivoire structured a \$20 million bond issue on behalf of Côte d'Ivoire Refinery (SIR), which has been targeted to improve SIR's environmental and management controls. SIR is the main provider of fuel and its derivative products to the Republic of Côte d'Ivoire and Nigeria, as well as to the land-locked countries of Burkina Faso and Mali. SIR's products are vital to trade between the countries and to Côte d'Ivoire's economy. The availability of quality fuel products helps improve the transport sector, allowing rural communities better access to urban markets.

Citibank Israel structured a loan of \$280 million over 15 years for the purchase of three turbines by Israel Electric Company (IEC). This is Citibank Israel's largest deal since commencing operations two years ago. The turbines are allowing this company to improve the electric infrastructure in an environmentally friendly manner. The new turbines use a combined cycle that consumes fuel oil or natural gas instead of coal, thus minimizing noxious air emissions. IEC anticipates roughly 66 percent improvement in air quality.



PROJECT FINANCE ENCOURAGES CLEANER ENERGY SOURCES

Citigroup was financial advisor to Toll Holdings Limited of Australia on its winning bid for the privatization of rail assets in Australia. We were also an arranger of \$334 million in financing for the newly privatized entity. The National Rail and FreightCorp privatization is a major step for rail reform in Australia and is expected to be a significant catalyst in triggering the modal shift in the country's freight industry from road transport to rail. Independent studies estimate that greenhouse gas emissions from intermodal rail transport are between 30 percent and 70 percent lower than emissions generated by equivalent road transport.

Citigroup was actively involved with, and performed various roles in the Malampaya Deep Water Gas to Power Project. This Project represented the largest and most significant industrial investment in Philippine history and heralds the birth of the country's natural gas industry, which will enable the supply of clean, environment-friendly fuel. The Malampaya Project will provide 2,700 megawatts of power to Luzon Island for a period of 20 years. The Project also paved the way for economic benefits to the Philippines and is considered an environmental milestone in power development, since its major shareholder and operator undertook several environmental improvement initiatives.



Citigroup's involvement in the Malampaya Project included acting as financial advisor to the developers of the upstream gas field for the \$732 million Ilijan Power Project, and joint coordinator and lead arranger of various project financings on a limited recourse basis aggregating over \$1.2 billion.

PUBLIC FINANCE FOSTERING ENVIRONMENTAL ENHANCEMENT IN THE U.S.

In 2002, Citigroup's Public Finance Group underwrote 163 transactions in the U.S. with a par value of approximately \$12.7 billion — an increase of 9 percent over 2001 — that provided benefits to the environment and the public.

In California, Citigroup underwrote \$159 million in tax-exempt bonds to fund the construction of a composting facility and groundwater recharge facilities for the Inland Empire Utilities Agency and Chino Basin Water Master and to expand and construct two groundwater desalination facilities for the Chino Basin Desalter Authority. The composting facility recycles dairy and municipal waste for reuse in agricultural and urban applications. The desalination facilities treat contaminated groundwater to remove salinity and other contaminants and provide a reliable, high-quality potable water supply to five urban retail water systems.

In New York, Citigroup funded more than \$100 million of new loans for clean water and drinking water projects through the New York State Environmental Facilities Corporation. Thirty-one communities benefited from the low-interest-rate loans, averaging less than 2.5 percent. Citigroup also recently completed a \$640 million refunding for New York City Water that saved over \$40 million for City taxpayers. The transaction was issued through the New York State Environmental Facilities Corporation.



Sustainable Businesses

FOSTERING GROWTH OF SMALL- AND MEDIUM-SIZED ENTERPRISES IN HONG KONG

After Hong Kong's 1997 financial crisis, the country's small- and medium-sized enterprises (SMEs) faced tremendous difficulties in obtaining bank funding. While most banks were tightening their lending to SMEs, Citigroup saw great potential. After a series of thorough studies, we started the Emerging Local Corporates Division, focusing on lending to SMEs. Our Country Corporate Officer also joined the government's SMEs Committee, which developed four funding schemes to support SMEs. These schemes will result in a \$7.5 billion commitment with an expected maximum expenditure of \$1.9 billion.

FINANCING SUSTAINABLE DEVELOPMENT IN THE PHILIPPINES

Citibank in Manila is an accredited Participating Financial Institution (PFI) under multilateral-funded lending programs administered by either the Development Bank of the

Philippines or the Land Bank of the Philippines. These funding programs finance projects that create positive socio-economic impact, particularly in the rural areas. Citibank has been an active PFI since 1991 and so far has been the only foreign bank recognized by the Development Bank of the Philippines as the Most Outstanding PFI for two consecutive years for having arranged a total of \$252 million in funding.

CONNECTING PEOPLE IN KENYA AND NIGERIA

In 2002, Citibank in Kenya arranged for \$33 million in term financing for Safaricom, a mobile telephone operator. This and an earlier \$75 million financing from Citibank has led a revolution in communications, as people in Kenya can now communicate after years of frustration with the local fixed line monopoly. Customers have increased from 18,000 to 600,000 in 18 months. Added value resulting from the deal includes an estimated 50,000 new jobs.

We also participated in a \$72 million structured term loan facility for Nigerian Telecommunications Plc (Nitel), the government-run telecommunications organization. This enabled Nitel to roll out their GSM Network in 13 states, with a total installed capacity base of one million subscribers. With a less expensive tariff cost structure than other networks, the Nitel GSM Network has enabled more low- to middle-income Nigerians to own GSM phones.

In addition, we took part in a \$170 million syndicated commercial paper facility for MTN Nigeria Communications Limited. This resulted in the expansion of the company's network, which now has a 750,000-plus subscriber base representing all segments of the society.

GROWING SUSTAINABLE AGRICULTURE IN SENEGAL

In Senegal, Citibank arranged \$20 million in secured export financing and \$16 million in commercial paper for the 2001 groundnuts campaign. This facility enables Sonacos, Senegal's leading exporter of groundnuts, to purchase the nuts from the country's four million farmers and process and transform them into edible oil. The facility will be increasing to \$30 million for the 2002–03 crop season.



"Citibank has been in support of one of these four schemes — the SME Business Installations and Equipment Loan Guarantee Scheme, which helps SMEs secure loans from banks and financial institutions to enhance their productivity and competitiveness through the provision of Government guarantee. Since its implementation in December 2001, Citibank has made 85 transactions, lending SMEs a total of \$8.3 million."

T.C. CHAN Citigroup Country Officer, Hong Kong

Citibank India's Consumer Franchise Continues to Provide Funding to Nonprofit Affinity Card Partners

Card Program	Contributions since Program Inception through 3rd Quarter 2002
Child Relief and You (CRY)	\$31,639
World Wide Fund for Nature	\$49,956
Women's Card for Society for Promotion of Area Resource Center and Friends of Women's World Banking	\$47,509
Armed Forces War Widows Association	\$27,325

FACILITATING EFFICIENT ELECTRICITY USE IN PERU

Transmantaro is a power transmission project that created a single integrated power grid in Peru. The project allows energy to be traded between two formerly isolated grids, thus helping to use existing energy sources more efficiently. The line mostly carries energy from north to south, where generation is generally more costly, and lowers energy costs in Peru's poorer southern region. Transmantaro was built at a cost of approximately \$179 million. Citibank arranged \$105 million of long-term bank and capital markets facilities in the Peruvian market to finance the project.

PROVIDING ACCESS TO CLEANER FUELS AND JOB GROWTH IN MEXICO

Citigroup in Mexico acted as arranger for a \$197 million debt financing to build a 495MW gas-fired power plant. This plant is an important part of Mexico's independent power program, aimed at helping the country meet current and future energy needs. In addition to complying with Mexican environmental regulations, the project complies with the environmental guidelines of the Japan Bank for International Cooperation and Nippon Export and Investment Insurance. While neither the World Bank nor the IFC were

involved, the project complies with all World Bank environmental standards, including emission standards of NOx, SOx, and particles.

EMPOWERING COMMUNITIES IN SOUTH AFRICA

Citigroup in South Africa provided a \$17 million loan for the Modikwa deal, the first large true empowerment deal between Anglo American Platinum Limited and African Rainbow Minerals (ARM), a mine started by one of the country's leading black entrepreneurs. The local community is profiting from the project. Between 2,000 and 3,000 jobs have been created, and the project's partners are providing additional benefits, such as skills training, schools, and clinics. Community groups also have been given the opportunity to take equity stakes in the business.

SERVING COMMUNITIES AND NONPROFITS WITH AFFINITY CARD PROGRAMS

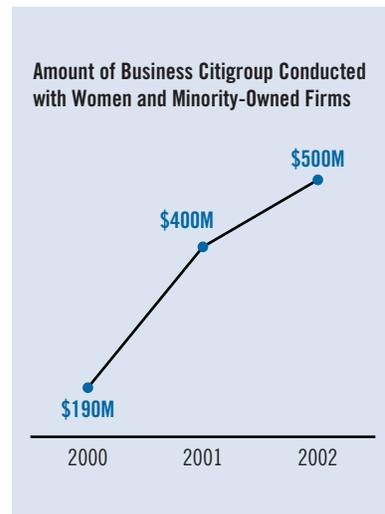
Banamex's Invermático Estados is an interest-bearing debit card that allows cardholders to save while supporting social welfare projects in their home states in Mexico. Since the card's inception five years ago, more than 250,000 accounts have been opened in the 26 states represented in the program. The card can be used to make purchases and ATM withdrawals

worldwide. Banamex's nonprofit civil foundation, Fomento Social Banamex A.C., semiannually contributes a portion of each state's cardholders' savings to a variety of social programs. To date, more than \$2 million has been donated.

U.S. SUPPLIER DIVERSITY PROGRAM GROWS BY NEARLY 20 PERCENT

Citigroup's U.S. Supplier Diversity Program, which was launched in 1977, is actively involved in identifying and using businesses owned by minorities, women, service disabled veterans, and the physically challenged, as well as increasing opportunities for these businesses through educational seminars and mentoring. In 2002, we increased our business with women- and minority-owned firms to almost \$500 million, a nearly 20 percent increase.

In 2002, our Supplier Diversity Program included additional Citigroup businesses, significantly increasing opportunities for women and minority-owned firms. We further expanded the use of diverse suppliers as subcontractors with



Citigroup primary suppliers through incorporation of Supplier Diversity language into Citigroup contracts. We also launched a mentor-protégé program and had unprecedented participation by minority and women broker dealers as co-managers and underwriters for the Travelers IPO.

HELPING INVESTORS ALIGN VALUES AND INVESTMENTS

A growing number of Citigroup’s clients are seeking to manage their investment assets in a way that is consistent with their values and beliefs, an approach to investing that is commonly referred to as “socially responsible investing” or “values-based investing.” Citigroup established one of Wall Street’s first dedicated separate account programs in social awareness investing in 1987, a program that continues to thrive today in Citigroup Asset Management’s Private Portfolio Group.¹ Outside of asset management, business units across Citigroup are engaged in various activities to educate clients on values-based investing strategies.

(1) Citigroup Asset Management’s investment services are provided by Salomon Brothers Asset Management Inc, Smith Barney Asset Management (a division of Salomon Smith Barney Inc.), Citibank Global Asset Management (a unit of Citibank, N.A.), and affiliated advisory entities. The Private Portfolio Group is a unit of Citigroup Asset Management’s Smith Barney Asset Management business.



THOMAS W. JONES
Chairman and Chief Executive Officer
Citigroup Asset Management

“Citigroup has been a leader for many years in providing social-investing opportunities and associated one-on-one education and counseling. Both the Private Bank and Citigroup Asset Management tailor product offerings to meet the needs of their clients, including the creation of socially aware portfolios. Another example of recent leadership in this area was the Private Bank’s sponsorship of the 2002 Alliance of Religions and Conservation’s Ethic Investment Conference.”

2002 Social Awareness Investment Highlights

Initiative	Action
Internal Training	Social Awareness Investment portfolio managers participated in two training programs for SSB Financial Consultants. Social Awareness staff developed various guides that provide Financial Consultants with strategies for responding to the social investing needs of individuals, faith-based organizations, foundations, endowments, and other nonprofits.
Investor Education	As part of its Striking a Balance event series for women investors, Salomon Smith Barney featured a segment on values-based investing for participants in Honolulu, HI and Dayton, OH. Citigroup Asset Management’s Private Portfolio Group, in partnership with various SSB brokerage branches, conducted more than 25 values-based investing seminars and workshops for institutional and private investors across the U.S.
Engagement	Social Awareness Investment team held one-on-one meetings with social research providers, including KLD Research & Analytics and Investor Responsibility Research Corporation, to discuss industry trends and emerging issues, with particular emphasis on corporate governance, human rights responsiveness, and transparency. Meetings were also held with bellwether business, advocacy, and shareholder organizations as part of an ongoing effort to gauge perspectives on sustainability and corporate social responsibility trends. These organizations included the Global Environmental Management Initiative (GEMI), SustainAbility, Ecos Corp., Verité, Interfaith Center for Corporate Responsibility, World Monitors, the International Peace Forum, Association for Sustainable Investment and Research in Asia (Hong Kong), and the Sustainable Investment Research Institute (Australia).
Leadership	The Citibank Private Bank was the lead financial services sponsor of the 2002 Alliance of Religions and Conservation’s Ethic Investment Conference. At the conference, the Chief Investment Officer of Citigroup Asset Management presented a special report on the impact that faith-based investors can have on various socially aware industries. Citigroup Asset Management’s Social Awareness team conducted its third annual thought leader survey on trends in corporate social responsibility and sustainable business practice. The team also helped organize the inaugural meeting of the Women’s Network for a Sustainable Future, a nonprofit that fosters the exchange of best practices and knowledge among professional women seeking to advance sustainable development.



Workplace at Citigroup

“Citigroup believes that **diversity** in our staff **is critical to our success** as a global organization, and we seek to recruit, develop and retain the most talented people from a diverse candidate pool.”

Excerpt from Citigroup’s *Code of Conduct*



Being an Employer of Choice

CITIGROUP ASPIRES to be known as a company where the best people want to work, where they are given opportunities to develop, and where a healthy balance is struck between work and family. We value and embrace the diversity of thought, background, and experience that is the cornerstone of our global business.

Employee Network Groups Are Officially Recognized

In 2002, Citigroup officially recognized employee network groups in the U.S. We now have a number of employee networks in place focusing on various diversity employee segments, including gays and lesbians, women, and working parents. Other groups are being formed as well. Recognizing these groups has facilitated networking and educational awareness and has already helped the company in our recruiting and marketing initiatives.

Our Partners Help Us Foster the Next Generation of Leaders

Sponsors for Educational Opportunity (SEO) — The SEO Career Program provides undergraduate students of color with orientation, training, internships, and ongoing career and professional development in numerous fields. Citigroup Global Corporate and Investment Bank is a founding member of the SEO Career Program and, since its inception in 1980, has hosted 401 interns. In 2002, the GCIB hosted 36 interns — the largest Citigroup SEO class to date. Forty-five former SEO interns are currently working at Citigroup in positions ranging from Analyst to Managing Director.

Rainbow/PUSH Coalition – Wall Street Project — As one of the founders of the Rainbow/PUSH Coalition's Wall Street Project, Citigroup supports the Project's efforts to provide minorities with greater access to financial services companies. These efforts focus on companies' hiring and promotion practices, inclusion on corporate boards, awarding business to minority companies, and increasing the amount of business minority firms do with each other. In 2002, Citigroup sponsored the organization's fifth Annual Wall Street Project Conference. We also support the Rainbow PUSH Coalition's One Thousand Churches Connected initiative, which promotes access to financial education through church congregations.

INROADS — INROADS is an internship program that promotes excellence, develops leadership, and helps bring greater diversity to the workplace. Citigroup's participation in INROADS includes identifying and hiring minority interns who spend four summers of their university careers at Citigroup learning about our businesses. In 2002, 36 interns were employed in Citigroup businesses, primarily in New York and California.



ROBERT B. WILLUMSTAD

President, Citigroup; President and Chief Executive Officer, Citicorp/Citibank, N.A.

“In the more than 100 countries around the world where we have operations, Citigroup is recognized as being an employer of choice, receiving recognition for the good work environment, competitive salaries and benefits, and opportunities for professional advancement that we make available to our employees. We value a workplace where diversity is embraced, particularly in light of our globality; where employees think and act like owners because they are owners; where mistakes are tolerated, admitted, and addressed before they become real problems; where people treat one another with mutual respect and dignity; and where people truly feel that, no matter how large we grow, each and every one of us can make a difference.”

Wildcat Services Corporation —

Citigroup partners with Wildcat Services Corporation (WSC) to provide internships and training to former welfare recipients. Wildcat provides vocational education and training through a 16-week program that focuses on building life, educational, and work skills. Since 1995, 287 interns have completed the program, and of those 198 were hired into full-time positions. To date, 32 of those hired have received promotions. The Wildcat-Citigroup partnership involves providing customized skills training for interns placed here. And they have had great success — the retention rate for our interns from Wildcat is more than 90 percent.

Work/Life Programs Help Strike a Balance

At Citigroup, we realize that there may be times when our employees have difficult personal issues or responsibilities to address that may impact their responsibilities at work. We are pleased to be able to offer a wide variety of work/life programs to assist them. Citigroup does not take

“Citigroup partners with organizations that share our commitment to providing opportunity to diverse communities. Many of these partnerships are the vehicles through which we identify diverse talent for our company and, as such, are an important component of our diversity strategy.”

ANA DUARTE-MCCARTHY Director of Citigroup Global Diversity

a one-size-fits-all approach to helping our employees with work/life issues. Different businesses and different locations have different needs. Our goal is to design and provide programs that will help employees excel in both their professional and their personal lives.

U.S. CHILD CARE PROGRAMS AT CITIGROUP

Citigroup has a variety of full-time and back-up child care programs available to employees in the U.S. In fact, we make back-up child care available to more employees than any other corporation in the world, with more than 65,000 employees covered by back-up care or school holiday programs. On-site full-time care centers are located in Florida, Maryland, Missouri, Nevada, and

South Dakota. These five centers serve more than 1,500 children each day.

Plans have been announced by Citigroup’s U.S. Service Center in San Antonio, Texas, which has 3,500 employees, to build the company’s sixth full-time on-site center. Expected to be completed in the fall of 2003 and designed to accommodate 392 children, this center will provide subsidized care for employees at a location 27 miles outside San Antonio, where convenient quality child care is difficult to find. This center, like all of Citigroup’s other on-site child care centers, will feature a curriculum that emphasizes a child’s physical, intellectual, social, and emotional well-being.

Citigroup 2002 U.S. Workforce Information (Data effective July 2002)

Job Categories	Male White	Male Black	Male Hispanic	Male Asian	Male American Indian	Female White	Female Black	Female Hispanic	Female Asian	Female American Indian
Officials & Managers	8,854	673	629	458	19	6,506	922	589	380	27
Professionals	14,613	1,193	1,124	2,459	56	11,267	1,826	1,090	1,465	40
Technicians	1,322	180	123	138	7	1,008	162	53	94	6
Sales Workers	12,549	468	515	504	29	3,594	427	449	433	18
Office & Clerical	9,889	2,755	2,161	870	89	32,136	9,028	5,814	1,949	290
Craft Workers	35	11	3	1	0	5	3	0	0	0
Operatives	203	235	149	98	3	220	130	87	139	7
Laborers	4	22	6	1	0	1	0	1	0	0
Service Workers	221	53	66	15	0	75	19	26	7	0
Totals	47,690	5,590	4,776	4,544	203	54,812	12,517	8,109	4,467	388

Citigroup employees in the U.S. also can receive discounts when they use leading national child care centers that provide full-time and back-up care assistance. Employees in participating businesses in 12 states and more than 300 work locations can also get company-subsidized back-up child care near their home or work locations through Just in Time Care, a research and referral service that links employees with child care providers. A number of businesses also supplement child care with special on-site programs that meet the higher demand on school holidays and snow days.

Citigroup also offers back-up childcare programs to assist employees when their regular care is unavailable.

Citigroup has three on-site back-up care centers in New York and New Jersey that assist employees at work locations for a minimal per diem co-payment.

THE LIFEWORKS PROGRAM AT CITIGROUP

Citigroup's LifeWorks program is a unique resource to help employees and their dependents better manage the demands of everyday life. Open to employees, their partners, and dependents in the U.S., Puerto Rico, and Canada, the program is available through a toll-free telephone number or via the web around the clock. It provides access to information, research, and resources, as well as customized referrals to help employees achieve practical solutions on a wide variety of topics, such as parenting/child care, adoption, education, managing the needs of older adults, and legal issues.

Employees and their family members can also access a LifeWorks web site to participate in online discussions,

receive newsletters relevant to their concerns, and obtain assistance using other interactive features. In 2002, this program was used 33,000 times by employees and their dependents. The leading reasons for use were concerns relating to child care, parenting, and elder care.

Employee Assistance Programs at Citigroup

Citigroup offers Employee Assistance Programs (EAP) and consulting services to help maximize the health, well-being, and productivity of our employees and their immediate family members in the U.S., Puerto Rico, Australia, Canada, Ireland, and the United Kingdom, as well as expatriate staff around the world.

Access to an EAP is available around the clock via toll-free telephone numbers. Callers can receive short-term confidential counseling and, for longer-term needs, referrals to professionally trained counselors and other qualified service providers on a wide range of personal, family, and work issues, including alcohol or chemical dependency, relationship issues, or work-related problems. In the U.S., Puerto Rico, and Canada, employees and their family members can also access an EAP web site to identify resources available to assist them with mental health and stress management concerns and can take part in interactive programs, such as confidential depression screening.

During the fall of 2002, the U.S. EAP also provided critical on-site support services to help employees cope with reactions to the anniversary of the events of September 11, 2001.



Citigroup's child care center in Hagerstown, Maryland

Medical Facilities at Citigroup

Citigroup has a variety of medical programs available to employees globally. On-site facilities are located in Jacksonville and Tampa, Florida; Rutherford, New Jersey; Manhattan and Queens, New York; Dublin, Ireland; and London, England. More than 60,000 employees used these sites last year, and 85 percent of them were able to return to work the same day, with the average visit typically lasting less than 30 minutes. Services offered include assessment, treatment, recommendations and/or referral for illness and injury; periodic medical exams for expatriate staff and their spouses and partners; periodic screening programs; immunizations for business travel; flu shots; and as directed by an employee's physician, laboratory blood tests, allergy injections, and electrocardiograms.



In most locations where Citigroup has operations, the majority of women in the workforce are under the age of 45. Statistically, at least 40 percent will have children. With these demographics, supporting the needs of working mothers has a very real impact on our bottom line. In support of working mothers, Citigroup has lactation facilities available at several of its U.S. medical facilities including those in Connecticut, Florida, Maryland, and New York, as well as internationally in Dublin and London.



Citigroup's on-site medical facility for employees in Tampa, Florida

We also provide or arrange for medical resources for our employees with outside medical facilities in Florida, New Jersey, and New York in the U.S., and Greece, Ireland, Japan, Spain, and the United Kingdom. We partner with and manage International SOS to provide around-the-clock, worldwide medical access and assistance for expatriates and international business travelers.

SOS Services includes a global immunization program that offers timely advice and resources to help assure safe and healthy travel, pre-assignment and annual physical examinations, referrals to appropriate medical specialists worldwide, and a dedicated telephone number.

Our businesses in more than 40 countries used SOS Services last year. SOS also helped us deliver more than 12,000 e-mail medical alerts to our employees who were traveling away from home on business.

Wellness Centers

Fitness and exercise programs are an integral component of Citigroup's health and wellness initiatives. These programs are very popular with employees, as evidenced by positive feedback on surveys and member enrollment. On-site Wellness Centers are located in Dublin, London, and Sydney, as well as at U.S. locations in Connecticut, Florida, Indiana, Iowa, Kentucky, Maryland, Missouri, Nevada, New Mexico, New York, South Dakota, and Texas. Twenty-one Wellness Centers serve over 3,000 employees monthly, with more than 31 percent of eligible employees enrolled as members.

Work/Life Programs in Dublin

Citigroup employees in Dublin now have a wide range of offerings to assist them in meeting the challenging demands of their work and family lives. As a result of a work/life and dependent care study undertaken to assess the needs of its 1,200 staff members, in 2002 Citigroup Dublin introduced a number of initiatives to help employees balance their work/life needs and to help further strengthen the company as the “employer of choice” in Dublin.

In conjunction with a local Dublin child care provider, Citigroup has secured daily back-up child care spaces for employees’ children at a nearby “crèche” to assist them when their primary child care is unavailable.

An Employee Assistance Program also was introduced in 2002, providing support, guidance, and personal counseling available 24 hours a day, every day, to all employees and their families.

An on-site Corporate Health Center at Citigroup Dublin, staffed by a doctor and an occupational health nurse, provides employees with health and wellness information and free examinations. Employees can also pay for holistic treatment services and alternative health techniques, such as massages, reflexology, aromatherapy, acupuncture, physical therapy, and chiropractic services, which are also available at the Center.

Employees can also join Citifit, an on-site fitness center, which has been opened with gym equipment; studio classes, such as yoga, tai chi, and aerobics; and personalized fitness programs.



“Communicating a shared set of values, giving employees virtually instant access to information about the organization, and actively seeking their feedback have helped us forge a common vision of what we want Citigroup to be now and in the future. The more our people know about our organization — what we believe and what we do — the better they are able to serve our customers, clients, shareholders, and communities around the world.”

MICHAEL SCHLEIN

Senior Vice President, Global Corporate Affairs and Human Resources, Citigroup

Open and Honest Communication with Our People

Communicating in print, video, and online to 250,000 employees in more than 100 countries presents challenges, but open and honest communication is a key aspect of our culture. From town hall broadcasts with our senior management that are beamed via satellite and broadcast on our intranet to a daily global e-mail with top news stories about the company, our communications team prides itself on sharing news about Citigroup with employees rather than letting them hear it from another source.

Using a small, coordinated network of communicators organized by business, region, and country, our internal communications group covers the world. We make our employee newspaper available in nine languages. We offer working papers on topics ranging from the Environment and Anti-Money Laundering to Child Care and Diversity to our employees and the

public on our web site Citigroup and the Issues, where people can also read about our initiatives to continue to improve business practices and corporate governance.

Citigroup’s senior management regularly communicates with employees worldwide about important issues. Amid the challenges faced by the company in 2002, our senior management team scheduled a series of town hall meetings to candidly discuss the issues and respond to questions raised by employees.

Citigroup employees worldwide are encouraged to share their thoughts and concerns using a convenient Voice of the Employee (VOE) Survey. More than 129,700 employees completed the survey across businesses in the fall of 2002, 72 percent electronically. The anonymous survey is administered by a third-party vendor that collects all responses, consolidates them, and produces reports for management. Our 85 percent overall response is exceptional, relative to our peer group.

HIGHLIGHTS OF 2002 Corporate Citizenship Awards & Recognition

We are proud to highlight some of the more than 100 corporate citizenship awards and recognitions that Citigroup and its businesses received in 2002.

American Red Cross — California (U.S.)
Good Neighbor Award

Australian Prime Minister's Award
Overseas Direct Deposit Project

Avenue for Community Development Corporation — Houston, Texas (U.S.)
Corporate Appreciation Award

Boys and Girls Club — Tennessee (U.S.)
Outstanding Community Support

Brazil American Chamber of Commerce
Prêmio ECO Award for Living Libraries Project

Business Week in Romania
Corporate Citizenship Award 2002

Child Care Group — Dallas, Texas (U.S.)
Corporation of the Year

Exame Magazine — Brazil
Best Company to Work At

Fortune Magazine
2002 List of the 50 Best Companies for Minorities

Habitat for Humanity — Bridgeport, Connecticut (U.S.)
Leadership Award

Hong Kong Council of Social Services
"A Caring Company"

Junior Achievement — New Mexico (U.S.)
Company of the Year

Latin Trade
One of the Top Four Companies to Work For

Latina Style
50 Best Companies for Latinas to Work For

Marcus Foster Educational Institute — San Francisco, California (U.S.)

Partnership Award for Outstanding Contribution to Education in Our Public Schools

Maryland State Department of Education (U.S.)

Award of Excellence for Career and Technology Education

The Minister of Education — Indonesia
National Education Award

National Minority Business Council (U.S.)
Chairman's Award

Neighborhood Housing Services — Los Angeles, California (U.S.)
Recognition Award for Service

Private Sector Advisor Board for Educational Assistance Award — Panama

Outstanding Service for the Benefit of Education

Suffolk County Department of Labor — New York (U.S.)

Corporate Citizenship Award for Annual Job Market Conference for Women

Taiwan Academy of Banking and Finance

Best Practices Award for Community Programs

United Way International World Assembly

Outstanding Global Corporate Leadership Award

Working Mother
100 Best Companies for Working Mothers

York College — Queens, New York (U.S.)
Corporate Citizenship Award

Reporting Guidelines Used for 2002 GCCR

Chairman's Letter

1.2 Policy statement from senior management •

CSR 1 Policy statement from senior management •

Globalization

1.2 Policy statement from senior management •

Company Profile

2.1 Name •

2.2 Major products and services, brands •

2.3 Operational structure •

2.4 Description of major divisions, operating companies, subsidiaries and joint ventures •

2.5 Countries where we operate •

2.6 Nature of ownership •

2.7 Nature of markets •

2.8 Scale of organization: number of employees, products produced, services offered, net sales •

III.1-4 Disclosures (annual reports) •

Vision and Strategy

1.1 Vision and strategy statement •

CSR 1 Policy statement from senior management •

CSR 2 Organization •

CRS 4 Management of sensitive issues •

CSR 6 Stakeholder dialogue •

2.9 Stakeholder engagement •

3.9 Stakeholder engagement •

3.10 Stakeholder engagement •

3.11 Stakeholder engagement •

3.12 Stakeholder engagement •

IV.5 Employ locally •

Participant in Local and Global Markets

CRS 4 Management of sensitive issues •

PR 3 Customer privacy assurance •

VI Combat against bribery and extortion •

Leadership in Business Practices

3.1 Governance structure •

3.2 Percentage of board that is independent •

3.3 Process to determine board member expertise •

3.4 Board-level processes for overseeing economic, environmental and social risks and opportunities •

3.5 Link between executive comp and achievement •

3.6 Organizational structure relating to managing economic, environmental and social policies •

3.7 Mission and values statements •

3.8 Mechanisms for shareholders to provide recommendations to the board •

II.6 Support good corporate governance •

VII.5 Respect consumer privacy and provide protection for personal data •

Community

2.14 Significant changes in size (Cal Fed) •

CSR 1 Core social values and who is responsible •

CSR 2 Core social values and who is responsible •

RB 1 Core social values and who is responsible •

CSR 3 Audits — Exams in the U.S. •

SOC 1 Charitable contributions •

RB 3 Lending with high social benefit •

II.3 Encourage local capacity building •

II.4 Create employee opportunities and provide training •

III.5 Value statements, statement of business conduct •

VII.3 Transparent and effective procedures for addressing consumer complaints without undue cost and burden •

Environment

1.1 Vision and strategy statement •

3.6 Our organizational structure indicating responsibilities for environmental and social policies •

3.11 Stakeholder groups •

3.14 Policies, charters, codes or initiatives which company subscribes or endorses •

3.15 Industry and business association memberships that address the environment and sustainability •

3.19 Committee •

3.20 ISO certification •

II.4 Education and training on environmental/sustainability matters •

II.7 Our EMS •

II.8 Education and training on environmental/sustainability matters •

III.1 Disclosure •

III.5.a Policies, charters, codes or initiatives which company subscribes or endorses •

III.5.b Questionnaire •

V.1.a Our EMS •

V.7 Education and training on environmental/sustainability matters •

V.8 Guidelines for Multinational Enterprises •

Sustainable Business

II.1 Seek to achieve sustainable development •

II.3 Encourage local capacity building •

II.10 Encourage suppliers and vendors to adhere to good corporate conduct standards •

Workplace

Social performance indicators •

INT 1 Values and policies •

HR 1 Values and policies •

INT 6 Employee profile •

INT 7 Employee profile •

LA 1 Employee headcount table •

LA 10 EEO Policy •

HR 4 EEO Policy •

LA 11 Male/Female ratio •

LA 12 Benefits offered beyond those required •

LA 13 Provision for formal worker representation — Voice of Employee Survey •

II.4 Create employee opportunities and provide training •

II.8 Provide employees with information and training relating to policies •

II.9 Employees allowed to report practices that contravene the law without punishment •

III.5 Value statements, statements of business conduct •

IV.1.d EEO statement •

IV.5 Employ locally •

Highlights of Awards and Recognition

SO 4 Third-party recognition •

CSR 6 Third-party recognition •

Report Scope

2.10 Contacts •

2.11 Reporting period •

2.13 Limits on scope •

2.18 Criteria for measurement •

2.19 Changes from measurement method in previous year •

2.20 New environmental measurements •

2.22 Additional information •

- Global Reporting Guidelines (GRI)
- Organization for Economic Cooperation and Development (OECD)



For more information on the community and workplace programs described in Citigroup's Global Corporate Citizenship Report, please e-mail helen.steblecki@citicorp.com. For more information on Citigroup's environmental and sustainability initiatives, please e-mail ilene.fizsel-bieler@citicorp.com or iris.gold@citicorp.com.