

Promoting Diversity

Message from Ana Duarte McCarthy

At Citi, we embrace diversity as a business imperative—a source of strength, a competitive advantage and an enduring commitment. The challenges created by the financial crisis in 2008 did not change this philosophy.

We remain committed to our core objectives of attracting diverse talent, fostering an inclusive work environment and supporting innovative development opportunities while driving management accountability for diversity performance and ensuring that our diversity programs are aligned to current business priorities.

- Our ability to successfully launch the Women's Leadership Development Program in conjunction with the UCLA Anderson School of Management demonstrated our commitment to supporting the development of high-performing female talent in Citi's pipeline. We received

overwhelmingly positive feedback on the program.

- We created the Citi Employee Network program eight years ago in the United States. The program has now grown to 44 networks representing more than 13,400 employees, with an international presence in the United Kingdom.
- We have instituted additional programs to support Citi's overall goal of attracting and retaining top talent. For example, Citi's formal and informal mentoring programs support our employees' development and advancement goals. Also, our Flexible Work Strategies give employees and managers an opportunity to ensure a seamless

approach to meeting personal and business needs, with schedules that provide an alternative to traditional business hours or locations.

Citi's global commitment to diversity was again recognized in 2008. Among other recognitions, Citi was named to *DiversityInc* magazine's Top 50 Companies for Diversity; to the Top 50 list of "Where Women Want to Work" by the *Times U.K.*; and as a "Family Friendly Employer" by the Slovak Ministry of Labor, Social Affairs and Family. Citi also received a 100 percent rating on the Human Rights Campaign (HRC) Corporate Equality Index.



Thanks to continued support and commitment from management and employees, we look forward to building on this success and advancing our diversity strategy in 2009.

Ana Duarte McCarthy
Chief Diversity Officer

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Management structure

The Diversity Operating Committee is composed of senior diversity and human resources leaders from Citi's core businesses around the world. The Committee meets bi-weekly to

- review progress against our diversity strategy;
- share best practices;
- align diversity policies globally; and
- develop, promote and execute global diversity initiatives through the business diversity councils, which focus on dimensions of diversity such as disability, ethnicity, gender, race and sexual orientation.

Employee networks

Employee networks are employee-initiated and employee-led groups, organized according to affinity and open to all employees. At the close of 2008, there were 44 employee networks representing some 13,400 members across 16 locations in the United States and the United Kingdom. New network groups are also taking shape in the Republic of Ireland. Compared with 2007, membership has decreased slightly due to recent workforce reductions throughout the company.

Recognized networks include the following:

- African Heritage
- Asian Pacific Heritage
- disAbility (focused on people with disabilities and the caregivers of people with disabilities)
- Hispanic Heritage
- Native American Heritage
- Pride (focused on the lesbian, gay, bisexual and transgender community)
- Roots (multicultural)
- Women's
- Working Parents

Learn the Business

The "Learn the Business" speaker series is sponsored by our Employee Network Groups. Invited speakers are asked to candidly and informally share information about their career, their views on leadership and their advice for succeeding at Citi, including their perspective on business unit dynamics, financials and short- and long-term goals. The sessions are often set up in panel format allowing senior staff to join in, present their roles and offer personal commentary. The sessions offer attendees the opportunity for making career connections while learning about the various businesses within Citi.

Mentoring

Thanks to the ongoing participation of the senior leadership, Citi's mentoring program continues to inspire and help train employees. Citi offers several mentoring programs beyond traditional one-on-one mentoring. One example is "Coaching for Success," where participants are assigned both a coach and a "thinking partner"—an individual who helps guide the participant through issues and challenges. Participants are offered programs emphasizing self-awareness, career management, communication and presentation skills. They also receive tips and feedback on styles of delivery, cross-cultural communication, the importance of building a network and the value of diversified career moves.

Another example of mentoring at Citi is senior manager groups. Participants include high-potential employees from diverse backgrounds who are candidates for advancement. In 2008 Vice Chairman Lew Kaden sponsored a six-session mentoring series for nine employees from a variety of functional areas.

Citi's Global Women's Initiative was launched in March 2006 to share best practices and support the development of women at Citi

Citi Women's Initiative

In 2008 CEO Vikram Pandit appointed Citi's Chief Marketing Officer (and Chairman and CEO, Women & Co.) and Citi's Chief Innovation Officer (both women), as co-heads of the Global Women's Initiative. Together they have convened a group of senior women to meet regularly and find ways to highlight Citi's external efforts related to women's advancement. As of 2008, there were 48 Women's Councils and networks worldwide, representing more than 7,300 members.

Women's Leadership Development Program

The Women's Leadership Development Program was launched in April 2008 in conjunction with UCLA's Anderson School of Management. The program combines lectures, discussion, small group work and personal assignments to help female leaders to advance their careers. The program's goals are to teach participants to demonstrate executive readiness, become champions and role models to the organization and grow professional networks.

Two sessions of the program were held in 2008 for a total of 57 participants; 26 U.S.-based women participated in the first workshop and an additional 31 participants convened at a second session in November. The feedback

from the participants has been extremely positive. We plan to continue to offer the program in 2009 and potentially expand the program for other diverse groups.

"If you're not aware of your own biases—and both men and women can have unconscious gender bias—you're not building the best possible team, and that translates into lost revenue opportunities."

Alejandra Nunez

Vice President, Fixed Income Rates Sales, Participant in Women's Leadership Development Program

DIVERSITY WEEK

In 2008 Citi's European businesses hosted "Diversity Week," through which 40 countries in the region jointly sought to generate awareness about the importance of diversity in the workplace.

Management Leadership for Tomorrow

Despite representing 28 percent of the U.S. population, minorities only make up eight percent of students at the top 50 business schools and only three percent of senior leadership positions in business. The Management Leadership for Tomorrow (MLT) program was founded as an independent study project at Harvard Business School in 1992. Its mission is to address the under-representation of African-Americans, Latinos and Native Americans in business leadership positions by increasing the presence of minorities in fast-track, entry-level jobs and major graduate business schools.

Citi views MLT as an important partner in our strategy to identify strong leaders who are reflective of our global company and diverse customer base. In 2004 Citi partnered with MLT to create the first Career Transition Leadership Seminar or “Boot Camp,” which exposes students to careers in the financial services industry. Our continuing partnership with MLT has given us the opportunity to launch innovative outreach to participants, such as webcast conference calls focused on interviewing skills.

“MLT provides the roadmap, hard and soft skills, coaching and mentoring, door-opening relationships and a high-performing peer community that young people need to realize their career potential. These key ingredients are not taught in the classroom and fill an important gap in our education system. Citi has played a central role in the development and delivery of MLT’s curriculum and has provided tremendous career opportunities for our fellows.”

John Rice

Founder and CEO , Management Leadership for Tomorrow

Select Diversity Relationships

- Center for Work-Life Policy: The Hidden Brain Drain Task Force (focuses on advancement of women and minorities in organizations)
- National Council on Research for Women (helps build a more inclusive and equitable world for women and girls)
- Forte Foundation (provides access to women MBA candidates)
- Families and Work Institute (nonpartisan research organization that studies the changing workforce, family and community)
- Consortium for Graduate Study in Management (provides MBA fellowships to more than 300 minority students annually)
- INROADS (minority undergraduate internship program)
- Management Leadership for Tomorrow (focused on minorities in fast-track, entry-level positions and major graduate business schools)
- National Black MBA Association (NBMBA)
- National Society of Hispanic MBAs (NSHMBA)
- Opportunity Now (represents employers who strive to ensure inclusiveness for women)
- Out in the City (program for undergraduate lesbian, gay, bisexual and transgender individuals)
- Reaching Out MBA Conference (focusing on lesbian, gay, bisexual and transgender individuals)
- Sponsors for Educational Opportunity (SEO)
- TOIGO (encourages minority students to consider careers in finance)

U.S. Workforce Information Report

We are required by law to file an Employer Information Report EEO-1 detailing the ethnic and racial composition of our U.S. workforce with the U.S. Equal Opportunity Commission and the U.S. Department of Labor Office of Federal Contract Compliance Programs.

Citi offers Equal Employment Opportunity (EEO) to everyone—regardless of race, gender, gender identity or expression, color, creed, religion, national origin, citizenship, age, disability, marital status, including civil unions as defined and recognized by state law, sexual orientation, ancestry, veteran status or socioeconomic status. Citi's EEO policies apply to all

employment practices, including recruiting, hiring, promoting and training. Citi's commitment to EEO includes the development of Affirmative Action programs as required under U.S. federal employment laws and regulations. Executives and department managers are responsible for making good-faith efforts to achieve Affirmative Action goals.

The primary responsibility for developing and monitoring each program is assigned to a senior Human Resources officer, and progress on Affirmative Action efforts is regularly reviewed with senior management.

| JOB CATEGORIES | TOTAL | MALE | | | | | | | FEMALE | | | | | | |
|----------------------|----------------|---------------|--------------|--------------|--------------|---|-----------------|-----------|---------------|---------------|---------------|--------------|---|-----------------|------------|
| | | WHITE | BLACK | HISPANIC | ASIAN | Native Hawaiian or Other Pacific Islander | Native American | 2+RACE | WHITE | BLACK | HISPANIC | ASIAN | Native Hawaiian or Other Pacific Islander | Native American | 2+RACE |
| EXEC/SENIOR MGRS | 37 | 27 | 1 | 1 | 1 | 0 | 0 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 0 |
| FIRST/MID-LVL MGRS | 21,765 | 8,857 | 728 | 912 | 1,038 | 5 | 31 | 13 | 7,257 | 1,096 | 1,038 | 741 | 7 | 25 | 17 |
| PROFESSIONALS | 30,373 | 10,963 | 1,229 | 1,493 | 3,879 | 29 | 28 | 23 | 7,356 | 1,730 | 1,370 | 2,199 | 14 | 36 | 24 |
| TECHNICIANS | 4,979 | 1,867 | 294 | 225 | 493 | 5 | 10 | 8 | 1,389 | 260 | 153 | 264 | 0 | 5 | 6 |
| SALES WORKERS | 25,100 | 12,976 | 841 | 1,303 | 739 | 11 | 33 | 9 | 5,581 | 1,246 | 1,538 | 752 | 13 | 42 | 16 |
| ADMIN SUPPORT | 61,046 | 8,693 | 2,931 | 2,816 | 1,137 | 28 | 64 | 45 | 25,562 | 9,347 | 7,456 | 2,560 | 61 | 245 | 101 |
| CRAFT WORKERS | 72 | 32 | 11 | 8 | 3 | 0 | 0 | 0 | 9 | 5 | 3 | 1 | 0 | 0 | 0 |
| OPERATIVES | 984 | 180 | 105 | 63 | 119 | 2 | 2 | 0 | 231 | 100 | 39 | 139 | 2 | 1 | 1 |
| LABORERS and HELPERS | 19 | 7 | 9 | 1 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 | 0 |
| SERVICE WORKERS | 71 | 15 | 2 | 29 | 2 | 0 | 0 | 0 | 11 | 3 | 7 | 2 | 0 | 0 | 0 |
| TOTAL | 144,446 | 43,617 | 6,151 | 6,851 | 7,411 | 80 | 168 | 98 | 47,404 | 13,788 | 11,604 | 6,658 | 97 | 354 | 165 |

* Data as of July 2008.

Supplier diversity

In 2008 Citi continued its strategic approach of working to increase spend with diverse suppliers, building the sustainability program, maximizing leadership opportunities for diverse suppliers and enhancing strategic alliances with internal and external partners. Citi Supplier Diversity (CSD) focuses on the following strategic initiatives:

Building presence

- Citi established a team of sourcing advocates from each commodity category to further embed the diversity program within the procurement process in the United States.
- Citi hosted its first “Doing Business with Citi” workshop for minority suppliers in 2008. Sourcing managers spoke to prospective suppliers about the supplier selection criteria, and several eligible suppliers were invited to participate in a subsequent Request for Proposal process.

SUPPLIER DIVERSITY IN EMEA

Citi launched the Europe, Middle East and Africa (EMEA) Supplier Diversity program in June 2008. Citi managers are now working with EMEA Supplier Diversity to determine appropriate measurements and goals for sourcing diverse suppliers. In addition, eSourcing, a procurement engagement and event management tool, will be utilized to review all supply chain diversity, environmental and sustainable practices.

Building on current alliances

- Citi conducted several educational workshops in New York City in support of local diversity organizations. Additional workshops will be developed in 2009.
- Citi worked with Equity Capital Markets (ECM) to host the fifth annual Citi Supplier Diversity/ Equity Capital Markets Broker-Dealer Breakfast.
- Citi co-managed the “Let’s Do Business Together” seminar, which joined more than 200 prospective suppliers and 15 financial services companies.

Outreach

- Citi partnered with Dartmouth University’s Tuck School of Business Minority Business Enterprise Program to award a scholarship to a diverse supplier.
- The United States will relaunch its Mentor Protégée program in 2009.
- Citi’s Manager of EMEA Supplier Diversity was appointed Chair of the Corporate Advisory Board for WE Connect, the United Kingdom’s leading supplier diversity initiative.