

An update on Citigroup's policies, programs and plans for a diverse workforce

# Diversity at Citigroup



Annex to the 1999 Annual Report

# Message from the Office of the Chairman

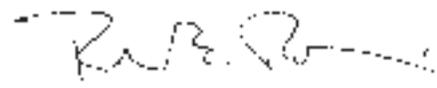
As we reflect on Citigroup's performance during the first year of the merger, we are proud of our company's record-breaking financial results and the fact that we were able to deliver value to our shareholders. Our success demonstrates that we have taken a leadership position in shaping the era of financial modernization on a global basis. But we also know that our potential for success is even greater. That's why we continue to work diligently toward becoming the financial services employer of choice in a marketplace where competition for top talent continues to increase.

Because we believe in leading by example, our attention to diversity continues to be a key element of our business strategy. As a company that operates in more than 100 countries, we are already very diverse...and this diversity gives us a competitive advantage. But we can always do better. The reality of new market initiatives and growing customer segments fundamentally changes the way the world does business. We realize that we have an unprecedented chance to develop opportunities in historically underserved communities and in countries where we do business through the targeted efforts outlined in this report.

We will continue to support the mission of The Wall St. Project/Rainbow PUSH Coalition, the President's New Markets Initiatives, the National Academy Foundation, and other programs that work toward inclusion. The future holds much opportunity.



Sanford I. Weill



Robert E. Rubin

# Our Commitment to Diversity

Citigroup's priority for 1999 has been to forge a common culture from two highly successful, independent franchises. During that time, one constant has emerged from the myriad changes and adaptations the company has undergone: the need to attract, retain and promote the most talented people in our industry.

This is no simple challenge. This year, the Global Diversity team laid the companywide foundation for the hard work that lies ahead. We have examined every initiative that our diversity effort touches from recruiting to Human Resources policies to mentoring and networking initiatives. And we have enhanced our communication efforts to our own employees and to the public.

And although we believe that our diversity effort should be reflected in our workplace, we feel strongly that our focus must also be on the customers we serve and the communities in which we operate. To that end, Citigroup has partnered with a number of organizations that not only attract potential employees to Citigroup, but also advance our commitment to improving economic opportunity for all people.

The key to achieving success in this area begins with a firm commitment from management. Our management team has reaffirmed the message that inclusion is a business priority. Our goal for 2000 is to continue along the path of leadership in diversity by setting even higher goals and becoming an exemplary company in everything that we do.

A handwritten signature in black ink, appearing to read "Gail Natoli", with a long horizontal flourish extending to the right.

Gail Natoli  
Director  
Citigroup Global Diversity

# Citigroup's Diversity Programs and Initiatives—1999 Update

Citigroup is uniquely positioned through its global reach and array of businesses to be a leader in diversity both here in the United States and around the world. Companies with best practices in diversity distinguish themselves through their ability to create environments where inclusion is embedded in the culture of the organization at all levels. To this end, Citigroup has put in place a four-point strategy to enhance the company's leadership in diversity, encompassing:

- Management Accountability and Reporting
- Leadership Development
- Marketing/Advertising
- Community Outreach



## Management Accountability

The Diversity team works with Citigroup business heads at all levels to incorporate diversity initiatives into the company's overall business plans and to create consistent reporting to track progress of minorities and women.

- Citigroup businesses conduct training programs for managers, supervisors and professionals to help these staff members develop the skills needed for fostering a diverse workforce. In 1999, approximately 3,000 employees attended these programs.
- Prior to the formation of Citigroup, both Travelers and Citicorp had teams working on diversity issues. Citigroup's Global Diversity Department is currently forming a new diversity council, and is in the process of identifying senior line managers from all Citigroup businesses to serve on it.





## Leadership Development

Citigroup works to provide career development opportunities to middle and senior level women and minorities through events, conferences and programs. We also have recruiting programs targeting women and minorities.

In 1999, 40% of Financial Consultant Associates hired at Salomon Smith Barney were women.

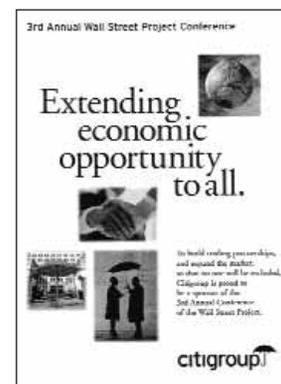
- Recruiting activities continue to focus on working with Major Historically Black Colleges and universities, women's colleges and colleges with significant Hispanic representation.
- The company provides 250 minority students with internships through a range of partnership programs. Internships are provided for high school students from The Academy of Finance and Paul Robeson High School and undergraduate minority students. Also, the Citibank Fellows program provided fellowships to 16 minority MBA students.
- Since 1992, Citibank has provided \$60,000 to the Las Vegas Indian Center Sponsor of Academic Scholarships.
- Mentoring programs are implemented in various businesses to foster career growth and development. For example:
  - A specialized training program for women and minority financial consultants includes a mentoring component. The program also provides leadership development for women who manage branch offices.
  - Citigroup's Howard 21st Century Advantage program offers freshmen from Howard University a chance to participate in company-sponsored seminars, training sessions and site visits as a way of introducing them to the business world.



- The Citigroup Foundation funds the UNCF Fellows program—a four-year fellowship which furnishes Citigroup mentors and scholarship support for 30 undergraduate students.
- Mentors work with more than 40 student interns through the INROADS program—a minority undergraduate internship program.
- Citigroup uses outreach to make sure there is an equitable representation of minorities and women in its applicant pool. This includes advertising in such minority and female publications as *Black Enterprise*, *Financial Women's Association* newsletter, *Black MBA*, *Saludos Hispanos*, *El Mundo*, *St. Louis American*, *El Pregenero*, *El Sol*, *LA Sentinel*, *Hispanic Business*, *Wilmington Women in Business*, *Chinese World Journal*, *Chinese Daily News*, *Korean News*, *Financial Women International*, *Working Mother* and *Minority MBA*.
  - The company also uses search firms to locate potential minority candidates for employment, including SpanUSA, Crimson & Brown, Linda Bialecki, Inc., The Hollins Group, Inc. and The Johnson Group Unlimited.
- CitiFinancial's FasTrack program—an internal, comprehensive training program that prepares high-potential individuals to become branch managers—aims to increase the number of minorities and women working in field management positions. The 1999 class had 27% minority and 32% female representation. The 2000 class has 44% minority and 40% female representation.

## Key Partnerships

- Along with The Rainbow Coalition, Citigroup is a founding member of The Wall Street Project, which works with Wall Street firms to bring about greater diversity in the financial services industry.
- The National Academy Foundation, founded by Citigroup Chairman and Chief Executive Officer Sandy Weill in 1982, provides students with the opportunity to explore and prepare for careers in financial services through specialized courses and on-the-job training. With Academies in 350 schools, the NAF is growing at a rate of 50 schools per year. Curriculums include the Academy of Finance, the Academy of Travel and Tourism, and the recently created Academy of Information Technology.



### Citigroup Institutes Domestic Partner Benefits

Citigroup recently announced an enhancement to the U.S. benefit programs that will expand the eligibility of existing benefits to unmarried domestic partners of the same or the opposite gender. Commonly known as domestic partner benefits, the new plan is expected to be implemented by summer 2000.

- Citigroup was a lead sponsor of the 1999 National Association of Black Accountants National Convention. The company is also in its second year of an affinity partnership with the Association, which offers members a national mortgage program through Citibank Mortgage.
- Two Citigroup employees were honored at the 1999 YWCA Salute to Women Achievers luncheon. Citigroup continues to support this program and was a lead sponsor of this year's awards event.
- In *Equal Opportunity Magazine's* annual readers' survey, Citigroup was chosen as one of the top 50 employers.
- Citigroup and Salomon Smith Barney are founding sponsors of The WEN: The Women's Executive Network, a full-service job placement company focusing on women.
- Salomon Smith Barney has partnered with Sponsors for Educational Opportunity (SEO) since 1993. SEO is a leading career program that recruits and trains minority undergraduates from top colleges and universities to prepare for careers in the financial services industry. Salomon Smith Barney provides 25 summer internships each year in Investment Banking, Sales and Trading, Research, Asset Management and Financial Planning and Analysis.
- Citibank was one of the original supporters of the Harlem YMCA and has been involved with the organization for more than 25 years. Two Citigroup employees were honored at the 1999 Harlem YMCA Salute to Black Achievers in Industry award program, which recognizes outstanding African-American employees. Citigroup was a lead sponsor of the event.
- Citigroup was a lead sponsor of the 1999 National Black MBA and the National Society of Hispanic MBAs conference and Career Expo and is a corporate charter member of their Strategic Partners and Corporate Advisory boards.

### Corporate Recognition

- *Hispanic Magazine* listed Citigroup on its "1999 HISPANIC Corporate 100," which identifies companies that provide the most opportunities for Hispanics and that contribute to the advancement of the Hispanic community.
- Citigroup was recognized for its commitment to education at The College Fund/United Negro College Fund's 55th Annual awards dinner. The company

was honored for its 15-year commitment to The College Fund (UNCF)/Citigroup Fellows Program. To date, close to 200 Citigroup Fellows—all economically disadvantaged minority students—have graduated college. Each Fellow receives an annual stipend of \$6,400 and has a Citigroup professional as a mentor.

- *Latina Style* magazine ranked Citigroup one of the top 50 companies providing the best professional opportunities for Hispanic women.
- *Fortune* magazine named Citigroup as one of the companies in its 1999 survey of the top 50 companies for Asians, Hispanics and African Americans.
- The National Society of Hispanic MBAs recognized Citigroup with its Brillante award for the company's ongoing commitment to Hispanics in the areas of employment, economic empowerment, educational advancement and philanthropy.
- Citigroup is recognized as a champion company in the American Business Collaboration for quality dependent care. The goal of this effort is to improve the quality and availability of dependent care (infant, pre-school, school age and elder care) in the communities where our employees live and work.
- Diners Club was cited by the President's Committee on Employment of People with Disabilities, which honors those who substantially enhance the employment and empowerment of people with disabilities. The company also won the Corporate Trendsetter award from the Colorado Business Leadership Network for the work it has done in training, hiring and promoting people with disabilities.

## Welfare-to-Work

- Citigroup has partnered with the Wildcat Service Corporation to create an innovative program that helps primarily single mothers with children in the transition from welfare to work. To date, 146 Wildcat graduates have completed their internships and two thirds have been hired by Salomon Smith Barney. Over the last three years, we have a 93% retention rate. The program will be extended to include Citibank and CitiFinancial.
- This year, CitiFinancial initiated a Welfare-to-Work program with the Maryland Center of Arts and Technology.



Paul Trujillo, who is blind, has been a Diners Club employee since 1991. He was hired through a special training program Diners Club conducted with the Colorado Center for the Blind.



Following is a review of Citigroup's marketing plans to ensure businesses are reaching all market segments.

### Women Customer Initiatives

- Citigroup created Women & Co. in order to cross-market and cross-sell our products and services to women. Women & Co. seeks to market a full range of our products custom-tailored to suit the needs of women in their various life stages with the goal of helping them save time, build wealth and manage their lives.
- Salomon Smith Barney expanded upon its Women's Investor Initiative introduced in 1996. The company:
  - expanded its national print advertising campaign which addresses issues relevant to corporate executives, entrepreneurs and widows
  - supported philanthropic and cause-related activities, such as the sponsorship of several cities within the "Race for the Cure" series
  - increased the number of high-profile women investors' educational events in major markets from eight events in 1998 to 12 in 1999, with plans to increase to 18 in 2000.
  - introduced educational programs that address issues of critical importance to widows and divorcees, including money management, estate and trust planning and legal aspects of their new life situation



- CitiFinancial’s marketing department prepared and distributed a booklet called “Women & Credit.” The publication—distributed through the branch network and various women’s expos—focuses on how women can establish and maintain good credit throughout various phases of their lives.

## Minority Customer Initiatives

- Travelers Property Casualty has an aggressive urban markets program in seven major cities around the country. The program is designed to foster the development of minority agents and to increase our presence in the urban homeowners insurance market. For example, in Washington, DC, Travelers now holds a 16% market share (representing nearly 27,000 policies), which is five times our national market share.
- In selected Citigroup markets, certain marketing and sales materials are produced in several languages for our multilingual customers.
- Citigroup and *Black Enterprise* magazine launched a new venture capital fund in 1999 called Black Enterprise/Greenwich Street Corporate Growth Fund. The fund was created in order to help finance the growth of established minority-owned or managed businesses.
- Salomon Smith Barney launched its Minorities Initiative nationwide with a focus on African-American investors. The Hispanic/Latino and Asian-American initiatives will begin in 2000. The purpose of these initiatives is to educate minority investors and increase the diversity of the firm’s client base. Salomon Smith Barney’s Minority Marketing Initiative focusing on African Americans includes:
  - a national print and radio advertising campaign addressing issues relevant to minority investors
  - support of philanthropic and cause-related activities, such as the donation of the Encarta Africana Encyclopedia to public schools in cities where educational symposia are held (e.g., Atlanta, Chicago and Detroit)
  - creation of partnerships with national minority organizations in order to afford them access to the firm’s financial experts, information and speakers



### Material Litigation

There is no material litigation concerning race, gender or the physically challenged in which Citigroup is involved.

- Salomon Smith Barney and Robinson-Humphrey's launching of a series of seminars in major markets providing financial education to increase access by African Americans to financial expertise and information (*The Journey to Financial Empowerment: Acquiring, Building & Preserving Wealth* was both the focus of seminars as well as the central theme of the firm's new brochure. This year, five national events were held in African-American communities; eight events are planned for 2000.)

### Financial Literacy

- Citibank's 101 U.S. Financial Centers conducted financial literacy programs, offering monthly seminars on issues such as first-time home buying and debt management. The seminars were presented in financial centers in primarily moderate-income neighborhoods in order to reach a large number of consumers likely to benefit from the information and personal counseling.
- Citibank launched CITIPRO, a free financial needs analysis tool that helps customers and prospective customers of all income levels—including those in traditionally underserved communities—understand their cash and debt management, income protection and investing needs.

## Citigroup Workforce Information Report 1999 U.S. Employment Data

	Total	Men	%	Women	%	Minorities	%	Black	%	Asian	%	Hispanic	%	Native American	%
Officials and Managers	16,645	10,191	61.2%	6,454	38.8%	2,579	15.5%	1,066	6.4%	672	4%	819	4.9%	22	.1%
Professionals	26,835	14,066	52.4%	12,769	47.6%	6,219	23.2%	2,322	8.7%	2,336	8.7%	1,495	5.6%	66	.2%
Technicians	3,846	1,897	49.3%	1,949	50.7%	685	17.8%	342	8.9%	167	4.3%	169	4.4%	7	.2%
Sales Workers	16,271	11,983	73.6%	4,288	26.4%	2,278	14%	728	4.5%	707	4.3%	820	5.0%	23	.1%
Office and Clerical	46,872	10,368	22.1%	36,504	77.9%	14,969	31.9%	7,644	16.3%	2,111	4.5%	4,961	10.6%	253	.5%
Craft Workers	104	90	86.5%	14	13.5%	29	27.9%	23	22%	1	1%	4	3.8%	1	1%
Operatives	819	527	64.3%	292	35.7%	467	57%	262	31.9%	81	9.9%	113	13.8%	11	1.3%
Laborers	57	51	89.5%	6	10.5%	42	73.7%	26	45.6%	4	7.0%	12	21.1%	0	0%
Service Workers	283	212	74.9%	71	25.1%	148	52.3%	64	22.6%	16	5.6%	67	23.7%	1	.4%

Citigroup's policy is to ensure Equal Employment Opportunity (EEO) for everyone—regardless of race, religion, color, sex, national origin, age, disability, Vietnam-era veteran status, citizenship, marital status or sexual orientation. The company's policy applies to all employment practices including recruiting, hiring, promoting and training. Citigroup's commitment to EEO includes the development and implementation of an Affirmative Action program modeled after federal, state and local employment laws and policies. Executives and department managers are responsible for Affirmative Action goals being achieved. The primary responsibility for developing and monitoring the program is assigned to a senior resource officer, and progress on Affirmative Action efforts is regularly reviewed with senior management.



## Community Outreach

Our goal is to carry internal initiatives into the communities in which we live and work.

### Citigroup Community Commitment Regarding Diversity

Citibank has increased lending to African Americans and Hispanics at all income levels by more than 600% over two years.

- The number of loans made to African-American borrowers grew from 2,600 in 1997 to more than 17,000 in 1999, representing 9% of all of Citigroup's 1999 mortgage-related lending. In 1998, all bank and bank-affiliated lenders disbursed 4% of their total mortgage lending to these borrowers.
- The number of loans made to Hispanic borrowers grew from less than 3,000 in 1997 to almost 24,000 in 1999. These loans will now represent 11% of all of Citigroup's 1999 mortgage-related lending, nearly triple the market rate.
- Diversity initiatives are communicated through such vehicles as *Diversity Currents*, a semiannual newsletter distributed to all U.S. Citigroup employees, the *Citigroup Diversity Annual Report*, which is posted on the Citigroup Web site, the Citigroup Foundation Annual Report and the corporate citizenship brochure entitled *Citigroup in U.S. Communities*.
- Since 1997, Citibank has supported the Las Vegas Indian Center's housing initiative with yearly \$10,000 grants.



- In 1999, the Citigroup Foundation gave \$50,000 to the Leadership Alliance in support of the Leadership Alliance/Citigroup Tribal College Initiative. This three-year program is conducted in collaboration with Montana State University. Funding provided nine Native American undergraduates with the opportunity to participate in summer exchange programs at Cornell University and Dartmouth College, working with faculty mentors and gaining exposure to research opportunities in environmental studies and public policy.

## Other Community Highlights in 1999

- The Minority and Women Supplier program was recently expanded to include all of the companies of Citigroup. While such a program has been in existence at Citibank—and less formally at Citigroup’s other businesses—we are in the process of expanding our reporting means to track supplier diversity. In 1999, Citigroup’s spending with minority vendors totaled \$61 million. This number is somewhat of an understatement as we have a number of initiatives in progress. For instance, Citigroup has a special program to increase the number of minority investment banks included in our financings. Those numbers are not currently included in the aforementioned figures. Also, Citigroup is recruiting additional resources to assist with a supplier diversity mentoring program.

In 2000, Citigroup will launch a supplier mentoring program to assist minority entrepreneurs with training, gaining access to markets and possible financial assistance through equity financing. Also in development are a Web site to enhance communication and focus on minority suppliers and programs and an annual recognition program of minority supplier contributions.

Our supplier program continues to maintain memberships or affiliation with minority and women business support organizations such as the National Minority Supplier Development Council and its Regional Purchasing Councils; the Women Business Enterprise National Council; American Women Economic Development Corp.; Asian Women in Business and the National Association of Women Business Owners. The company also works with local chambers of commerce which certify, promote and educate minority and women business enterprises.

- For nearly 15 years, Travelers insurance companies have supported the Greater Hartford Business Development Corp. which provides seed money to minority and women-owned businesses. Travelers’ support has included a \$1 million debt forgiveness grant. Since 1984, the GHBDC loan pool has assisted 34 businesses, issued \$2 million in loans and resulted in the creation of over 170 jobs.



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