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Medium-Term Senior Notes, Series N

Citigroup Global Markets Holdings Inc. **Pricing Supplement No. 2019-USNCH2212**

Filed Pursuant to Rule 424(b)(2)

Registration Statement Nos. 333-224495 and 333-224495-03

Geared Buffer Securities Linked to the Russell 2000® Index Due April 6, 2022

The securities offered by this pricing supplement are unsecured debt securities issued by Citigroup Global Markets Holdings Inc. and guaranteed by Citigroup Inc. Unlike conventional debt securities, the securities do not pay interest and do not repay a fixed amount of principal at maturity. Instead, the securities offer a payment at maturity that may be greater than, equal to or less than the stated principal amount, depending on the performance of the underlying specified below from the initial underlying value to the final underlying value.

The securities offer modified exposure to the performance of the underlying, with (i) the opportunity to participate in a limited range of potential appreciation of the underlying at the upside participation rate specified below and (ii) a limited buffer against any depreciation of the underlying as described below. In exchange for these features, investors in the securities must be willing to forgo any appreciation of the underlying in excess of the maximum return at maturity specified below and must be willing to forgo any dividends with respect to the underlying. In addition, investors in the securities must be willing to accept downside exposure to any depreciation of the underlying in excess of the buffer percentage specified below. **If the underlying depreciates by more than the buffer percentage from the initial underlying value to the final underlying value, you will lose more than 1% of the stated principal amount of your securities for every 1% by which that depreciation exceeds the buffer percentage. Accordingly, the lower the final underlying value, the less benefit you will receive from the buffer percentage. There is no minimum payment at maturity.**

In order to obtain the modified exposure to the underlying that the securities provide, investors must be willing to accept (i) an investment that may have limited or no liquidity and (ii) the risk of not receiving any amount due under the securities if we and Citigroup Inc. default on our obligations. **All payments on the securities are subject to the credit risk of Citigroup Global Markets Holdings Inc. and Citigroup Inc.**

KEY TERMS

Issuer:	Citigroup Global Markets Holdings Inc., a wholly owned subsidiary of Citigroup Inc.
Guarantee:	All payments due on the securities are fully and unconditionally guaranteed by Citigroup Inc.
Underlying:	The Russell 2000® Index
Stated principal amount:	\$1,000 per security
Strike date:	March 29, 2019
Pricing date:	April 1, 2019
Issue date:	April 4, 2019
Valuation date:	April 1, 2022, subject to postponement if such date is not a scheduled trading day or certain market disruption events occur

Maturity date:	April 6, 2022 You will receive at maturity for each security you then hold:
	If the final underlying value is greater than the initial underlying value:
	\$1,000 + the return amount, subject to the maximum return at maturity
	If the final underlying value is less than or equal to the initial underlying value but greater than or equal to the final buffer value:
Payment at maturity:	\$1,000
	If the final underlying value is less than the final buffer value:
	$\$1,000 + [\$1,000 \times \text{the buffer rate} \times (\text{the underlying return} + \text{the buffer percentage})]$
	If the final underlying value is less than the final buffer value, you will receive less, and possibly significantly less, than the stated principal amount of your securities at maturity.
Initial underlying value:	1,539.739, the closing value of the underlying on the strike date
Final underlying value:	The closing value of the underlying on the valuation date
Return amount:	$\$1,000 \times \text{the underlying return} \times \text{the upside participation rate}$
Upside participation rate:	300%
Underlying return:	(i) The final underlying value <i>minus</i> the initial underlying value, <i>divided by</i> (ii) the initial underlying value
Maximum return at maturity:	\$306.50 per security (30.65% of the stated principal amount). The payment at maturity per security will not exceed the stated principal amount <i>plus</i> the maximum return at maturity.
Final buffer value:	1,308.778, 85% of the initial underlying value
Buffer percentage:	15%
Buffer rate:	The initial underlying value divided by the final buffer value, which is approximately 117.65%
Listing:	The securities will not be listed on any securities exchange
CUSIP / ISIN:	17326YMD5 / US17326YMD57
Underwriter:	Citigroup Global Markets Inc. (“CGMI”), an affiliate of the issuer, acting as principal
Underwriting fee and issue price:	Issue price⁽¹⁾ Underwriting fee⁽²⁾ Proceeds to issuer⁽³⁾
Per security:	\$1,000 \$2.50 \$997.50
Total:	\$2,902,000 \$7,255 \$2,894,745

(1) On the date of this pricing supplement, the estimated value of the securities is \$999.169 per security, which is less than the issue price. The estimated value of the securities is based on CGMI's proprietary pricing models and our internal funding rate. It is not an indication of actual profit to CGMI or other of our affiliates, nor is it an indication of the price, if any, at which CGMI or any other person may be willing to buy the securities from you at any time after issuance. See "Valuation of the Securities" in this pricing supplement.

(2) CGMI will receive an underwriting fee of up to \$2.50 for each security sold in this offering. The total underwriting fee and proceeds to issuer in the table above give effect to the actual total underwriting fee. For more information on the distribution of the securities, see "Supplemental Plan of Distribution" in this pricing supplement. In addition to the underwriting fee, CGMI and its affiliates may profit from hedging activity related to this offering, even if the value of the securities declines. See "Use of Proceeds and Hedging" in the accompanying prospectus.

(3) The per security proceeds to issuer indicated above represent the minimum per security proceeds to issuer for any security, assuming the maximum per security underwriting fee. As noted above, the underwriting fee is variable.

Investing in the securities involves risks not associated with an investment in conventional debt securities. See "Summary Risk Factors" beginning on page PS-5.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or determined that this pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus are truthful or complete. Any representation to the contrary is a criminal offense.

You should read this pricing supplement together with the accompanying product supplement, underlying supplement, prospectus supplement and prospectus, which can be accessed via the hyperlinks below:

[Product Supplement No. EA-02-08 dated February 15, 2019](#)

[Underlying Supplement No. 8 dated](#)

[February 21, 2019](#)

[Prospectus Supplement and Prospectus each dated May 14, 2018](#)

The securities are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

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Additional Information

The terms of the securities are set forth in the accompanying product supplement, prospectus supplement and prospectus, as supplemented by this pricing supplement. The accompanying product supplement, prospectus supplement and prospectus contain important disclosures that are not repeated in this pricing supplement. For example, the accompanying product supplement contains important information about how the closing value of the underlying will be determined and about adjustments that may be made to the terms of the securities upon the occurrence of market disruption events and other specified events with respect to the underlying. The accompanying underlying supplement contains information about the underlying that is not repeated in this pricing supplement. It is important that you read the accompanying product supplement, underlying supplement, prospectus supplement and prospectus together with this pricing supplement in deciding whether to invest in the securities. Certain terms used but not defined in this pricing supplement are defined in the accompanying product supplement.

Payout Diagram

The diagram below illustrates your payment at maturity for a range of hypothetical underlying returns.

Investors in the securities will not receive any dividends with respect to the underlying. The diagram and examples below do not show any effect of lost dividend yield over the term of the securities. See “Summary Risk Factors—You will not receive dividends or have any other rights with respect to the underlying” below.

Payout Diagram

n The Securities n The Underlying

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Hypothetical Examples

The examples below illustrate how to determine the payment at maturity on the securities, assuming the various hypothetical final underlying values indicated below. The examples are solely for illustrative purposes, do not show all possible outcomes and are not a prediction of what the actual payment at maturity on the securities will be. The actual payment at maturity will depend on the actual final underlying value. The numbers appearing in the following examples have been rounded for ease of analysis.

The examples below are based on the following hypothetical values and do not reflect the actual initial underlying value or final buffer value. For the actual initial underlying value and final buffer value, see the cover page of this pricing supplement. We have used these hypothetical values, rather than the actual values, to simplify the calculations and aid understanding of how the securities work. However, you should understand that the actual payment at maturity on the securities will be calculated based on the actual initial underlying value and final buffer value, and not the hypothetical values indicated below.

Hypothetical initial underlying value: 100

Hypothetical final buffer value: 85 (85% of the hypothetical initial underlying value)

Example 1—Upside Scenario A. The final underlying value is 105, resulting in a 5% underlying return. In this example, the final underlying value is **greater than** the initial underlying value.

$$\begin{aligned}
 &\text{Payment at maturity per security} = \$1,000 + \text{the return amount, subject to the maximum return at maturity} \\
 &= \$1,000 + (\$1,000 \times \text{the underlying return} \times \text{the upside participation rate}), \text{ subject to the maximum return at maturity} \\
 &= \$1,000 + (\$1,000 \times 5\% \times 300\%), \text{ subject to the maximum return at maturity} \\
 &= \$1,000 + \$150, \text{ subject to the maximum return at maturity} \\
 &= \$1,150
 \end{aligned}$$

In this scenario, the underlying has appreciated from the initial underlying value to the final underlying value, and your total return at maturity would equal the underlying return *multiplied by* the upside participation rate.

Example 2—Upside Scenario B. The final underlying value is 150, resulting in a 50% underlying return. In this example, the final underlying value is **greater than** the initial underlying value.

$$\begin{aligned} \text{Payment at maturity per security} &= \$1,000 + \text{the return amount, subject to the maximum return at maturity} \\ &= \$1,000 + (\$1,000 \times \text{the underlying return} \times \text{the upside participation rate}), \text{ subject to the maximum return at maturity} \\ &= \$1,000 + (\$1,000 \times 50\% \times 300\%), \text{ subject to the maximum return at maturity} \\ &= \$1,000 + \$1,500, \text{ subject to the maximum return at maturity} \\ &= \$1,306.50 \end{aligned}$$

In this scenario, the underlying has appreciated from the initial underlying value to the final underlying value, but the underlying return *multiplied by* the upside participation rate would exceed the maximum return at maturity. As a result, your total return at maturity in this scenario would be limited to the maximum return at maturity, and an investment in the securities would underperform a hypothetical alternative investment providing 1-to-1 exposure to the appreciation of the underlying without a maximum return.

Example 3—Par Scenario. The final underlying value is 95, resulting in a -5% underlying return. In this example, the final underlying value is **less than** the initial underlying value but **greater than** the final buffer value.

$$\text{Payment at maturity per security} = \$1,000$$

In this scenario, the underlying has depreciated from the initial underlying value to the final underlying value, but not by more than the buffer percentage. As a result, you would be repaid the stated principal amount of your securities at maturity but would not receive any positive return on your investment.

Example 4—Downside Scenario A. The final underlying value is 50, resulting in a -50% underlying return. In this example, the final underlying value is **less than** the final buffer value.

$$\begin{aligned} \text{Payment at maturity per security} &= \$1,000 + [\$1,000 \times \text{the buffer rate} \times (\text{the underlying return} + \text{the buffer percentage})] \\ &= \$1,000 + [\$1,000 \times 1.1765 \times (-50\% + 15\%)] \\ &= \$1,000 + [\$1,000 \times 1.1765 \times -35\%] \end{aligned}$$

= \$1,000 + -\$411.775

= \$588.225

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In this scenario, the underlying has depreciated from the initial underlying value to the final underlying value by more than the buffer percentage. As a result, your total return at maturity would be negative and you will lose more than 1% of the stated principal amount of your securities for every 1% by which the underlying declined beyond the buffer percentage.

Example 5—Downside Scenario B. The final underlying value is 30, resulting in a -70% underlying return. In this example, the final underlying value is **less than** the final buffer value.

Payment at maturity per security = \$1,000 + [\$1,000 × the buffer rate × (the underlying return + the buffer percentage)]

$$= \$1,000 + [\$1,000 \times 1.1765 \times (-70\% + 15\%)]$$

$$= \$1,000 + [\$1,000 \times 1.1765 \times -55\%]$$

$$= \$1,000 + -\$647.075$$

$$= \$352.925$$

In this scenario, the underlying has depreciated from the initial underlying value to the final underlying value by more than the buffer percentage. As a result, your total return at maturity would be negative and you will lose more than 1% of the stated principal amount of your securities for every 1% by which the underlying declined beyond the buffer percentage. A comparison of this example with the previous example illustrates the diminishing benefit of the buffer percentage the greater the depreciation of the underlying.

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Summary Risk Factors

An investment in the securities is significantly riskier than an investment in conventional debt securities. The securities are subject to all of the risks associated with an investment in our conventional debt securities (guaranteed by Citigroup Inc.), including the risk that we and Citigroup Inc. may default on our obligations under the securities, and are also subject to risks associated with the underlying. Accordingly, the securities are suitable only for investors who are capable of understanding the complexities and risks of the securities. You should consult your own financial, tax and legal advisors as to the risks of an investment in the securities and the suitability of the securities in light of your particular circumstances.

The following is a summary of certain key risk factors for investors in the securities. You should read this summary together with the more detailed description of risks relating to an investment in the securities contained in the section “Risk Factors Relating to the Securities” beginning on page EA-7 in the accompanying product supplement. You should also carefully read the risk factors included in the accompanying prospectus supplement and in the documents incorporated by reference in the accompanying prospectus, including Citigroup Inc.’s most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, which describe risks relating to the business of Citigroup Inc. more generally.

You may lose a significant portion or all of your investment. Unlike conventional debt securities, the securities do not repay a fixed amount of principal at maturity. Instead, your payment at maturity will depend on the final underlying value. If the final underlying value is less than the final buffer value, you will lose more than 1% of the stated principal amount of your securities for every 1% by which the underlying has depreciated by more than the buffer percentage. You should understand that any decline in the final underlying value in excess of the buffer percentage will result in a magnified loss to your investment by the buffer rate, which will progressively offset any protection that the buffer percentage would offer. The lower the final underlying value, the less benefit you will receive from the buffer percentage. There is no minimum payment at maturity on the securities, and you may lose up to all of your investment.

The initial underlying value, which has been set on the strike date, may be higher than the closing value of the underlying on the pricing date. If the closing value of the underlying on the pricing date is less than the initial underlying value that was set on the strike date, the terms of the securities may be less favorable to you than the terms of an alternative investment that may be available to you that offers a similar payout as the securities but with the initial underlying value set on the pricing date.

Your potential return on the securities is limited. Your potential total return on the securities at maturity is limited to the maximum return at maturity, even if the underlying appreciates by significantly more than the maximum return at maturity. If the underlying appreciates by more than the maximum return at maturity, the securities will underperform an alternative investment providing 1-to-1 exposure to the performance of the underlying. When lost dividends are taken into account, the securities may underperform an alternative investment providing 1-to-1 exposure to the performance of the underlying even if the underlying appreciates by less than the maximum return at maturity.

In addition, the maximum return at maturity reduces the effect of the upside participation rate for all final underlying values exceeding the final underlying value at which, by multiplying the corresponding underlying return by the upside participation rate, the maximum return at maturity is reached.

The securities do not pay interest. Unlike conventional debt securities, the securities do not pay interest or any other amounts prior to maturity. You should not invest in the securities if you seek current income during the term of the securities.

You will not receive dividends or have any other rights with respect to the underlying. You will not receive any dividends with respect to the underlying. This lost dividend yield may be significant over the term of the securities. The payment scenarios described in this pricing supplement do not show any effect of lost dividend yield over the term of the securities. In addition, you will not have voting rights or any other rights with respect to the underlying or the stocks included in the underlying.

Your payment at maturity depends on the closing value of the underlying on a single day. Because your payment at maturity depends on the closing value of the underlying solely on the valuation date, you are subject to the risk that the closing value of the underlying on that day may be lower, and possibly significantly lower, than on one or more other dates during the term of the securities. If you had invested directly in the underlying or in another instrument linked to the underlying that you could sell for full value at a time selected by you, or if the payment at maturity were based on an average of closing values of the underlying, you might have achieved better returns.

The securities are subject to the credit risk of Citigroup Global Markets Holdings Inc. and Citigroup Inc. If we default on our obligations under the securities and Citigroup Inc. defaults on its guarantee obligations, you may not receive anything owed to you under the securities.

The securities will not be listed on any securities exchange and you may not be able to sell them prior to maturity. The securities will not be listed on any securities exchange. Therefore, there may be little or no secondary market for the securities. CGMI currently intends to make a secondary market in relation to the securities and to provide an indicative bid price for the securities on a daily basis. Any indicative bid price for the securities provided by CGMI will be determined in CGMI's sole discretion, taking into account prevailing market conditions and other relevant factors, and will not be a representation by CGMI that the securities can be sold at that price, or at all. CGMI may suspend or terminate making a market and providing indicative bid prices without notice, at any time and for any reason. If CGMI suspends or terminates making a market, there may be no

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secondary market at all for the securities because it is likely that CGMI will be the only broker-dealer that is willing to buy your securities prior to maturity. Accordingly, an investor must be prepared to hold the securities until maturity.

The estimated value of the securities on the pricing date, based on CGMI's proprietary pricing models and our internal funding rate, is less than the issue price. The difference is attributable to certain costs associated with selling, structuring and hedging the securities that are included in the issue price. These costs include (i) any selling concessions or other fees paid in connection with the offering of the securities, (ii) hedging and other costs incurred by us and our affiliates in connection with the offering of the securities and (iii) the expected profit (which may be more or less than actual profit) to CGMI or other of our affiliates in connection with hedging our obligations under the securities. These costs adversely affect the economic terms of the securities because, if they were lower, the economic terms of the securities would be more favorable to you. The economic terms of the securities are also likely to be adversely affected by the use of our internal funding rate, rather than our secondary market rate, to price the securities. See "The estimated value of the securities would be lower if it were calculated based on our secondary market rate" below.

The estimated value of the securities was determined for us by our affiliate using proprietary pricing models. CGMI derived the estimated value disclosed on the cover page of this pricing supplement from its proprietary pricing models. In doing so, it may have made discretionary judgments about the inputs to its models, such as the volatility in the closing value of the underlying, the dividend yield on the underlying and interest rates. CGMI's views on these inputs may differ from your or others' views, and as an underwriter in this offering, CGMI's interests may conflict with yours. Both the models and the inputs to the models may prove to be wrong and therefore not an accurate reflection of the value of the securities. Moreover, the estimated value of the securities set forth on the cover page of this pricing supplement may differ from the value that we or our affiliates may determine for the securities for other purposes, including for accounting purposes. You should not invest in the securities because of the estimated value of the securities. Instead, you should be willing to hold the securities to maturity irrespective of the initial estimated value.

The estimated value of the securities would be lower if it were calculated based on our secondary market rate. The estimated value of the securities included in this pricing supplement is calculated based on our internal funding rate, which is the rate at which we are willing to borrow funds through the issuance of the securities. Our internal funding rate is generally lower than our secondary market rate, which is the rate that CGMI will use in determining the value of the securities for purposes of any purchases of the securities from you in the secondary market. If the estimated value included in this pricing supplement were based on our secondary market rate, rather than our internal funding rate, it would likely be lower. We determine our internal funding rate based on factors such as the costs associated with the securities, which are generally higher than the costs associated with conventional debt securities, and our liquidity needs and preferences. Our internal funding rate is not an interest rate that is payable on the securities.

Because there is not an active market for traded instruments referencing our outstanding debt obligations, CGMI determines our secondary market rate based on the market price of traded instruments referencing the debt obligations of Citigroup Inc., our parent company and the guarantor of all payments due on the securities, but subject to adjustments that CGMI makes in its sole discretion. As a result, our secondary market rate is not a market-determined measure of our creditworthiness, but rather reflects the market's perception of our parent company's creditworthiness as adjusted for discretionary factors such as CGMI's preferences with respect to purchasing the securities prior to maturity.

The estimated value of the securities is not an indication of the price, if any, at which CGMI or any other person may be willing to buy the securities from you in the secondary market. Any such secondary market price will fluctuate over the term of the securities based on the market and other factors described in the next risk factor. Moreover, unlike the estimated value included in this pricing supplement, any value of the securities determined for purposes of a secondary market transaction will be based on our secondary market rate, which will likely result in a lower value for the securities than if our internal funding rate were used. In addition, any secondary market price for the securities will be reduced by a bid-ask spread, which may vary depending on the aggregate stated principal amount of the securities to be purchased in the secondary market transaction, and the expected cost of unwinding related hedging transactions. As a result, it is likely that any secondary market price for the securities will be less than the issue price.

The value of the securities prior to maturity will fluctuate based on many unpredictable factors. The value of your securities prior to maturity will fluctuate based on the closing value of the underlying, the volatility of the closing value of the underlying, the dividend yield on the underlying, interest rates generally, the time remaining to maturity and our and Citigroup Inc.'s creditworthiness, as reflected in our secondary market rate, among other factors described under "Risk Factors Relating to the Securities—Risk Factors Relating to All Securities—The value of your securities prior to maturity will fluctuate based on many unpredictable factors" in the accompanying product supplement. Changes in the closing value of the underlying may not result in a comparable change in the value of your securities. You should understand that the value of your securities at any time prior to maturity may be significantly less than the issue price.

The Russell 2000® Index is subject to risks associated with small capitalization stocks. The stocks that constitute the Russell 2000® Index are issued by companies with relatively small market capitalization. The stock prices of smaller companies may be more volatile than stock prices of large capitalization companies. These companies tend to be less well-established than large market capitalization companies. Small capitalization companies may be less able to withstand adverse economic, market, trade and competitive conditions relative to larger companies. Small capitalization companies are less likely to pay dividends on

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their stocks, and the presence of a dividend payment could be a factor that limits downward stock price pressure under adverse market conditions.

Immediately following issuance, any secondary market bid price provided by CGMI, and the value that will be indicated on any brokerage account statements prepared by CGMI or its affiliates, will reflect a temporary upward adjustment. The amount of this temporary upward adjustment will steadily decline to zero over the temporary adjustment period. See “Valuation of the Securities” in this pricing supplement.

Our offering of the securities is not a recommendation of the underlying. The fact that we are offering the securities does not mean that we believe that investing in an instrument linked to the underlying is likely to achieve favorable returns. In fact, as we are part of a global financial institution, our affiliates may have positions (including short positions) in the underlying or in instruments related to the underlying, and may publish research or express opinions, that in each case are inconsistent with an investment linked to the underlying. These and other activities of our affiliates may affect the closing value of the underlying in a way that negatively affects the value of and your return on the securities.

The closing value of the underlying may be adversely affected by our or our affiliates’ hedging and other trading activities. We expect to hedge our obligations under the securities through CGMI or other of our affiliates, who may take positions in the underlying or in financial instruments related to the underlying and may adjust such positions during the term of the securities. Our affiliates also take positions in the underlying or in financial instruments related to the underlying on a regular basis (taking long or short positions or both), for their accounts, for other accounts under their management or to facilitate transactions on behalf of customers. These activities could affect the closing value of the underlying in a way that negatively affects the value of and your return on the securities. They could also result in substantial returns for us or our affiliates while the value of the securities declines.

We and our affiliates may have economic interests that are adverse to yours as a result of our affiliates’ business activities. Our affiliates engage in business activities with a wide range of companies. These activities include extending loans, making and facilitating investments, underwriting securities offerings and providing advisory services. These activities could involve or affect the underlying in a way that negatively affects the value of and your return on the securities. They could also result in substantial returns for us or our affiliates while the value of the securities declines. In addition, in the course of this business, we or our affiliates may acquire non-public information, which will not be disclosed to you.

The calculation agent, which is an affiliate of ours, will make important determinations with respect to the securities. If certain events occur during the term of the securities, such as market disruption events and other events with respect to the underlying, CGMI, as calculation agent, will be required to make discretionary judgments that could significantly affect your return on the securities. In making these judgments, the calculation agent’s interests as an affiliate of ours could be adverse to your interests as a holder of the securities. See “Risk Factors Relating to the Securities—Risk Factors Relating to All Securities—The calculation agent, which is an affiliate of ours, will make important determinations with respect to the securities” in the accompanying product supplement.

Changes that affect the underlying may affect the value of your securities. The sponsor of the underlying may at any time make methodological changes or other changes in the manner in which it operates that could affect the value of the underlying. We are not affiliated with the underlying sponsor and, accordingly, we have no control over any changes such sponsor may make. Such changes could adversely affect the performance of the underlying and the value of and your return on the securities.

The U.S. federal tax consequences of an investment in the securities are unclear. There is no direct legal authority regarding the proper U.S. federal tax treatment of the securities, and we do not plan to request a ruling from the Internal Revenue Service (the “IRS”). Consequently, significant aspects of the tax treatment of the securities are uncertain, and the IRS or a court might not agree with the treatment of the securities as prepaid forward contracts. If the IRS were successful in asserting an alternative treatment of the securities, the tax consequences of the ownership and disposition of the securities might be materially and adversely affected. Moreover, future legislation, Treasury regulations or IRS guidance could adversely affect the U.S. federal tax treatment of the securities, possibly retroactively.

If you are a non-U.S. investor, you should review the discussion of withholding tax issues in “United States Federal Tax Considerations—Non-U.S. Holders” below.

You should read carefully the discussion under “United States Federal Tax Considerations” and “Risk Factors Relating to the Securities” in the accompanying product supplement and “United States Federal Tax Considerations” in this pricing supplement. You should also consult your tax adviser regarding the U.S. federal tax consequences of an investment in the securities, as well as tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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Information About the Russell 2000® Index

The Russell 2000® Index is designed to track the performance of the small capitalization segment of the U.S. equity market. All stocks included in the Russell 2000® Index are traded on a major U.S. exchange. It is calculated and maintained by FTSE Russell.

Please refer to the section “Equity Index Descriptions— The Russell Indices— The Russell~~2000~~® Index” in the accompanying underlying supplement for additional information.

We have derived all information regarding the Russell 2000® Index from publicly available information and have not independently verified any information regarding the Russell 2000® Index. This pricing supplement relates only to the securities and not to the Russell 2000® Index. We make no representation as to the performance of the Russell 2000® Index over the term of the securities.

The securities represent obligations of Citigroup Global Markets Holdings Inc. (guaranteed by Citigroup Inc.) only. The sponsor of the Russell 2000® Index is not involved in any way in this offering and has no obligation relating to the securities or to holders of the securities.

Historical Information

The closing value of the Russell 2000® Index on April 1, 2019 was 1,556.064.

The graph below shows the closing value of the Russell 2000® Index for each day such value was available from January 2, 2008 to April 1, 2019. We obtained the closing values from Bloomberg L.P., without independent verification. You should not take the historical closing values as an indication of future performance.

Russell 2000® Index – Historical Closing Values January 2, 2008 to April 1, 2019

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United States Federal Tax Considerations

You should read carefully the discussion under “United States Federal Tax Considerations” and “Risk Factors Relating to the Securities” in the accompanying product supplement and “Summary Risk Factors” in this pricing supplement.

In the opinion of our counsel, Davis Polk & Wardwell LLP, which is based on current market conditions, a security should be treated as a prepaid forward contract for U.S. federal income tax purposes. By purchasing a security, you agree (in the absence of an administrative determination or judicial ruling to the contrary) to this treatment. There is uncertainty regarding this treatment, and the IRS or a court might not agree with it.

Assuming this treatment of the securities is respected and subject to the discussion in “United States Federal Tax Considerations” in the accompanying product supplement, the following U.S. federal income tax consequences should result under current law:

You should not recognize taxable income over the term of the securities prior to maturity, other than pursuant to a sale or exchange.

Upon a sale or exchange of a security (including retirement at maturity), you should recognize capital gain or loss equal to the difference between the amount realized and your tax basis in the security. Such gain or loss should be long-term capital gain or loss if you held the security for more than one year.

We do not plan to request a ruling from the IRS regarding the treatment of the securities. An alternative characterization of the securities could materially and adversely affect the tax consequences of ownership and disposition of the securities, including the timing and character of income recognized. In addition, the U.S. Treasury Department and the IRS have requested comments on various issues regarding the U.S. federal income tax treatment of “prepaid forward contracts” and similar financial instruments and have indicated that such transactions may be the subject of future regulations or other guidance. Furthermore, members of Congress have proposed legislative changes to the tax treatment of derivative contracts. Any legislation, Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, possibly with retroactive effect. You should consult your tax adviser regarding possible alternative tax treatments of the securities and potential changes in applicable law.

Non-U.S. Holders. Subject to the discussions below and in “United States Federal Tax Considerations” in the accompanying product supplement, if you are a Non-U.S. Holder (as defined in the accompanying product supplement) of the securities, you generally should not be subject to U.S. federal withholding or income tax in respect of any amount paid to you with respect to the securities, provided that (i) income in respect of the securities is not

effectively connected with your conduct of a trade or business in the United States, and (ii) you comply with the applicable certification requirements.

As discussed under “United States Federal Tax Considerations—Tax Consequences to Non-U.S. Holders” in the accompanying product supplement, Section 871(m) of the Code and Treasury regulations promulgated thereunder (“Section 871(m)”) generally impose a 30% withholding tax on dividend equivalents paid or deemed paid to Non-U.S. Holders with respect to certain financial instruments linked to U.S. equities (“U.S. Underlying Equities”) or indices that include U.S. Underlying Equities. Section 871(m) generally applies to instruments that substantially replicate the economic performance of one or more U.S. Underlying Equities, as determined based on tests set forth in the applicable Treasury regulations. However, the regulations, as modified by an IRS notice, exempt financial instruments issued prior to January 1, 2021 that do not have a “delta” of one. Based on the terms of the securities and representations provided by us, our counsel is of the opinion that the securities should not be treated as transactions that have a “delta” of one within the meaning of the regulations with respect to any U.S. Underlying Equity and, therefore, should not be subject to withholding tax under Section 871(m).

A determination that the securities are not subject to Section 871(m) is not binding on the IRS, and the IRS may disagree with this treatment. Moreover, Section 871(m) is complex and its application may depend on your particular circumstances, including your other transactions. You should consult your tax adviser regarding the potential application of Section 871(m) to the securities.

If withholding tax applies to the securities, we will not be required to pay any additional amounts with respect to amounts withheld.

You should read the section entitled “United States Federal Tax Considerations” in the accompanying product supplement. The preceding discussion, when read in combination with that section, constitutes the full opinion of Davis Polk & Wardwell LLP regarding the material U.S. federal tax consequences of owning and disposing of the securities.

You should also consult your tax adviser regarding all aspects of the U.S. federal income and estate tax consequences of an investment in the securities and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Citigroup Global Markets Holdings Inc.

Supplemental Plan of Distribution

CGMI, an affiliate of Citigroup Global Markets Holdings Inc. and the underwriter of the sale of the securities, is acting as principal and will receive an underwriting fee of up to \$2.50 for each security sold in this offering. The actual underwriting fee will be equal to the selling concession provided to selected dealers, as described in this paragraph. From this underwriting fee, CGMI will pay selected dealers not affiliated with CGMI a variable selling concession of up to \$2.50 for each security they sell.

See “Plan of Distribution; Conflicts of Interest” in the accompanying product supplement and “Plan of Distribution” in each of the accompanying prospectus supplement and prospectus for additional information.

Valuation of the Securities

CGMI calculated the estimated value of the securities set forth on the cover page of this pricing supplement based on proprietary pricing models. CGMI’s proprietary pricing models generated an estimated value for the securities by estimating the value of a hypothetical package of financial instruments that would replicate the payout on the securities, which consists of a fixed-income bond (the “bond component”) and one or more derivative instruments underlying the economic terms of the securities (the “derivative component”). CGMI calculated the estimated value of the bond component using a discount rate based on our internal funding rate. CGMI calculated the estimated value of the derivative component based on a proprietary derivative-pricing model, which generated a theoretical price for the instruments that constitute the derivative component based on various inputs, including the factors described under “Summary Risk Factors—The value of the securities prior to maturity will fluctuate based on many unpredictable factors” in this pricing supplement, but not including our or Citigroup Inc.’s creditworthiness. These inputs may be market-observable or may be based on assumptions made by CGMI in its discretionary judgment.

For a period of approximately three months following issuance of the securities, the price, if any, at which CGMI would be willing to buy the securities from investors, and the value that will be indicated for the securities on any brokerage account statements prepared by CGMI or its affiliates (which value CGMI may also publish through one or more financial information vendors), will reflect a temporary upward adjustment from the price or value that would otherwise be determined. This temporary upward adjustment represents a portion of the hedging profit expected to be realized by CGMI or its affiliates over the term of the securities. The amount of this temporary upward adjustment will decline to zero on a straight-line basis over the three-month temporary adjustment period. However, CGMI is not obligated to buy the securities from investors at any time. See “Summary Risk Factors—The securities will not be listed on any securities exchange and you may not be able to sell them prior to maturity.”

Certain Selling Restrictions

Hong Kong Special Administrative Region

The contents of this pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus have not been reviewed by any regulatory authority in the Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"). Investors are advised to exercise caution in relation to the offer. If investors are in any doubt about any of the contents of this pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus, they should obtain independent professional advice.

The securities have not been offered or sold and will not be offered or sold in Hong Kong by means of any document, other than

- (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or
- (ii) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "Securities and Futures Ordinance") and any rules made under that Ordinance; or

in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (iii) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

There is no advertisement, invitation or document relating to the securities which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Non-insured Product: These securities are not insured by any governmental agency. These securities are not bank deposits and are not covered by the Hong Kong Deposit Protection Scheme.

Singapore

This pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus have not been registered as a prospectus with the Monetary Authority of Singapore, and the securities

will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the “Securities and Futures Act”). Accordingly, the

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Citigroup Global Markets Holdings Inc.

securities may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this pricing supplement or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any securities be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (b) to a relevant person under Section 275(1) of the Securities and Futures Act or to any person pursuant to Section 275(1A) of the Securities and Futures Act and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act. Where the securities are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the (a) sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor, securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interests (howsoever described) in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the relevant securities pursuant to an offer under Section 275 of the Securities and Futures Act except:

to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to (i) any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or

(ii) where no consideration is or will be given for the transfer; or

(iii) where the transfer is by operation of law; or

(iv) pursuant to Section 276(7) of the Securities and Futures Act; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Any securities referred to herein may not be registered with any regulator, regulatory body or similar organization or institution in any jurisdiction.

The securities are Specified Investment Products (as defined in the Notice on Recommendations on Investment Products and Notice on the Sale of Investment Product issued by the Monetary Authority of Singapore on 28 July 2011) that is neither listed nor quoted on a securities market or a futures market.

Non-insured Product: These securities are not insured by any governmental agency. These securities are not bank deposits. These securities are not insured products subject to the provisions of the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore and are not eligible for deposit insurance coverage under the Deposit Insurance Scheme.

Validity of the Securities

In the opinion of Davis Polk & Wardwell LLP, as special products counsel to Citigroup Global Markets Holdings Inc., when the securities offered by this pricing supplement have been executed and issued by Citigroup Global Markets Holdings Inc. and authenticated by the trustee pursuant to the indenture, and delivered against payment therefor, such securities and the related guarantee of Citigroup Inc. will be valid and binding obligations of Citigroup Global Markets Holdings Inc. and Citigroup Inc., respectively, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability (including, without limitation, concepts of good faith, fair dealing and the lack of bad faith), provided that such counsel expresses no opinion as to the effect of fraudulent conveyance, fraudulent transfer or similar provision of applicable law on the conclusions expressed above. This opinion is given as of the date of this pricing supplement and is limited to the laws of the State of New York, except that such counsel expresses no opinion as to the application of state securities or Blue Sky laws to the securities.

In giving this opinion, Davis Polk & Wardwell LLP has assumed the legal conclusions expressed in the opinions set forth below of Scott L. Flood, General Counsel and Secretary of Citigroup Global Markets Holdings Inc., and Barbara Politi, Assistant General Counsel—Capital Markets of Citigroup Inc. In addition, this opinion is subject to the assumptions set forth in the letter of Davis Polk & Wardwell LLP dated May 17, 2018, which has been filed as an exhibit to a Current Report on Form 8-K filed by Citigroup Inc. on May 17, 2018, that the indenture has been duly authorized, executed and delivered by, and is a valid, binding and enforceable agreement of, the trustee and that none of the terms of the securities nor the issuance and delivery of the securities and the related guarantee, nor the compliance by Citigroup Global Markets Holdings Inc. and Citigroup Inc. with the terms of the securities and the related guarantee respectively, will result in a violation of any provision of any instrument or agreement then binding upon Citigroup Global Markets Holdings Inc. or Citigroup Inc., as applicable, or any restriction imposed by any court or governmental body having jurisdiction over Citigroup Global Markets Holdings Inc. or Citigroup Inc., as applicable.

Citigroup Global Markets Holdings Inc.

In the opinion of Scott L. Flood, Secretary and General Counsel of Citigroup Global Markets Holdings Inc., (i) the terms of the securities offered by this pricing supplement have been duly established under the indenture and the Board of Directors (or a duly authorized committee thereof) of Citigroup Global Markets Holdings Inc. has duly authorized the issuance and sale of such securities and such authorization has not been modified or rescinded; (ii) Citigroup Global Markets Holdings Inc. is validly existing and in good standing under the laws of the State of New York; (iii) the indenture has been duly authorized, executed and delivered by Citigroup Global Markets Holdings Inc.; and (iv) the execution and delivery of such indenture and of the securities offered by this pricing supplement by Citigroup Global Markets Holdings Inc., and the performance by Citigroup Global Markets Holdings Inc. of its obligations thereunder, are within its corporate powers and do not contravene its certificate of incorporation or bylaws or other constitutive documents. This opinion is given as of the date of this pricing supplement and is limited to the laws of the State of New York.

Scott L. Flood, or other internal attorneys with whom he has consulted, has examined and is familiar with originals, or copies certified or otherwise identified to his satisfaction, of such corporate records of Citigroup Global Markets Holdings Inc., certificates or documents as he has deemed appropriate as a basis for the opinions expressed above. In such examination, he or such persons has assumed the legal capacity of all natural persons, the genuineness of all signatures (other than those of officers of Citigroup Global Markets Holdings Inc.), the authenticity of all documents submitted to him or such persons as originals, the conformity to original documents of all documents submitted to him or such persons as certified or photostatic copies and the authenticity of the originals of such copies.

In the opinion of Barbara Politi, Assistant General Counsel—Capital Markets of Citigroup Inc., (i) the Board of Directors (or a duly authorized committee thereof) of Citigroup Inc. has duly authorized the guarantee of such securities by Citigroup Inc. and such authorization has not been modified or rescinded; (ii) Citigroup Inc. is validly existing and in good standing under the laws of the State of Delaware; (iii) the indenture has been duly authorized, executed and delivered by Citigroup Inc.; and (iv) the execution and delivery of such indenture, and the performance by Citigroup Inc. of its obligations thereunder, are within its corporate powers and do not contravene its certificate of incorporation or bylaws or other constitutive documents. This opinion is given as of the date of this pricing supplement and is limited to the General Corporation Law of the State of Delaware.

Barbara Politi, or other internal attorneys with whom she has consulted, has examined and is familiar with originals, or copies certified or otherwise identified to her satisfaction, of such corporate records of Citigroup Inc., certificates or documents as she has deemed appropriate as a basis for the opinions expressed above. In such examination, she or such persons has assumed the legal capacity of all natural persons, the genuineness of all signatures (other than those of officers of Citigroup Inc.), the authenticity of all documents submitted to her or such persons as originals, the conformity to original documents of all documents submitted to her or such persons as certified or photostatic copies and the authenticity of the originals of such copies.

Contact

Clients may contact their local brokerage representative. Third-party distributors may contact Citi Structured Investment Sales at (212) 723-7005.

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J. D. Robinson III

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L. W. Sullivan, M.D.

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* Chair

Audit Committee

The Audit Committee is appointed by and generally acts on behalf of our Board of Directors. The Audit Committee works closely with management as well as our independent registered public accounting firm. The Audit Committee is responsible primarily for overseeing and monitoring the quality of our accounting and auditing practices and is directly responsible for the appointment, compensation and oversight of our independent registered public accounting firm for the purpose of preparing or issuing audit reports and related work regarding our financial statements. The Audit Committee also assists our Board in fulfilling its responsibilities for general oversight of compliance with legal and regulatory requirements, the performance of our internal audit function and independent registered public accounting firm, and business risk assessment and business risk management. Other specific duties and responsibilities include: (i) meeting to review our disclosure controls and procedures, internal controls, periodic filings with the U.S. Securities and Exchange Commission (SEC), earnings releases and earnings guidance; (ii) producing the required audit committee annual report for inclusion in our proxy statement; and (iii) overseeing investigations into complaints concerning financial or accounting matters.

The Audit Committee has the resources and authority appropriate to discharge its responsibilities, including the authority to retain independent legal counsel, accounting or other consultants or experts to advise the Committee. The Committee may also use the services of the company's legal counsel and other advisors to the company.

The report of the Audit Committee is contained on page 32. The charter of the Audit Committee is attached to this Proxy Statement as Annex B.

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Our Board of Directors has determined that James M. Cornelius qualifies as an audit committee financial expert based on the Board's understanding of the applicable SEC rules. In addition, our Board of Directors has determined that each current and former chief executive officer presently serving on the Audit Committee may also qualify as audit committee financial experts. Our Board has also determined that each member of the Audit Committee is independent, as defined by the applicable New York Stock Exchange rules.

Including service on our company's Audit Committee, Mr. Cornelius currently serves on the audit committees of four publicly traded companies. Our Board of Directors has determined that

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Mr. Cornelius's simultaneous service on these audit committees does not impair his ability to serve effectively on our company's Audit Committee. In making this determination, our Board of Directors has considered that Mr. Cornelius will step down from one company's audit committee within one year.

Compensation and Management Development Committee

The Compensation and Management Development Committee is responsible primarily for reviewing, approving and reporting to our Board on major compensation and benefits plans, policies and programs of the company; reviewing and evaluating the performance and approving the compensation of executive officers and certain senior management; and overseeing our management development programs, performance assessment of senior executives and succession planning. Other specific duties and responsibilities include: annually reviewing and approving corporate goals and objectives relevant to CEO compensation; evaluating the CEO's performance in light of those goals and objectives, and recommending to our Board the CEO's compensation levels based on this evaluation; and producing the required annual report on executive compensation for inclusion in our proxy statement.

The Compensation and Management Development Committee has the resources and authority appropriate to discharge its responsibilities, including the authority to retain consultants or experts to advise the Committee.

The report of the Compensation and Management Development Committee is contained on page 21. The charter of the Compensation and Management Development Committee is attached to this Proxy Statement as Annex C.

Committee on Directors and Corporate Governance

The Committee on Directors and Corporate Governance is responsible primarily for identifying individuals qualified to become Board members; recommending that our Board select the director nominees for the next annual meeting of stockholders; and overseeing our Board's annual evaluation of its performance. The Committee on Directors and Corporate Governance is also responsible for identifying best practices and developing and recommending to our Board a set of corporate governance guidelines applicable to the company and for periodically reviewing such guidelines. Other specific duties and responsibilities include: reviewing and recommending annually to our Board of Directors the compensation of non-employee directors; considering questions of potential conflicts of interest of directors and senior management; defining specific categorical standards for director independence, considering matters of corporate social responsibility and matters of significance in areas related to corporate public affairs and our employees and stockholders.

The Committee on Directors and Corporate Governance has the resources and authority appropriate to discharge its responsibilities, including the sole authority to retain, set compensation for, and terminate a search firm to be used to identify director candidates. In addition, the Committee has authority to obtain advice and assistance from other experts or consultants to advise the Committee. The charter of the Committee on Directors and Corporate Governance is attached to this Proxy Statement as Annex D.

Executive Committee

The Executive Committee is appointed by our Board of Directors and generally acts during the intervals between the meetings of the entire Board. The Executive Committee may exercise all of the

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powers of the entire Board in the management of the business and affairs of Bristol-Myers Squibb, except for specific powers that are reserved for the entire Board as set forth in our Bylaws.

Director Qualifications

Our corporate governance guidelines contain Board membership criteria that apply to nominees for a position on our Board of Directors. Under these criteria, members of our Board should be persons of diverse backgrounds with broad experience in areas important to the operation of the company such as business, science, finance/accounting, law, education or government and should possess qualities reflecting integrity, independence, wisdom, an inquiring mind, vision, a proven record of accomplishment and ability to work with others. Each director must represent the interests of our stockholders.

Identification and Selection of Nominees for our Board

The Committee on Directors and Corporate Governance periodically assesses the appropriate size of our Board, and whether any vacancies on our Board are expected due to retirement or otherwise. In the event that vacancies are anticipated or otherwise arise, the Committee on Directors and Corporate Governance considers candidates for director. Candidates may come to the attention of the Committee on Directors and Corporate Governance through current Board members, professional search firms, management, stockholders or others. The Chair of the Committee on Directors and Corporate Governance, in consultation with the Chairman of the Board, conducts an initial evaluation of the prospective nominees against the established Board membership criteria discussed above. Additional information relevant to the qualifications of prospective nominees may be requested from third-party search firms, other directors, management or other sources. After this initial evaluation, prospective nominees may be interviewed by telephone or in person by the Chair of the Committee on Directors and Corporate Governance, the Chairman of the Board and other directors. After completing this evaluation and interview, the Committee on Directors and Corporate Governance makes a recommendation to the full Board as to the persons who should be nominated by our Board, and the full Board determines the nominees after considering the recommendation and any additional information it may deem appropriate.

In 2004, the Committee on Directors and Corporate Governance retained a third-party search firm to identify candidates for director. The third-party search firm identified Mr. James M. Cornelius, among other potential candidates. Mr. Allen and Mr. Dolan interviewed Mr. Cornelius and reported back to the Committee on Directors and Corporate Governance. The Committee on Directors and Corporate Governance then recommended Mr. Cornelius as a nominee for director to the full Board.

Stockholder Nominations for Director

The Committee on Directors and Corporate Governance considers stockholder recommendations of nominees for election to our Board of Directors if they are accompanied by a comprehensive written resume of the recommended nominee's business experience and background and a consent in writing signed by the recommended nominee that he or she is willing to be considered as a nominee and, if nominated and elected, he or she will serve as a director. Stockholders should send their written recommendations of nominees accompanied by the aforesaid documents to the principal executive offices of the company addressed to: Bristol-Myers Squibb Company, 345 Park Avenue, New York, New York 10154, attention: Secretary.

Executive Sessions and Presiding Director

In 2004, our independent directors met in Executive Session four times to discuss such topics as our independent directors determined, including the evaluation of the performance of the Chief

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Executive Officer. Mr. Allen, as Chair of the Committee on Directors and Corporate Governance, presided over these sessions.

Communications with our Board of Directors

The Committee on Directors and Corporate Governance has created a process by which stockholders may communicate directly with our independent directors. Any stockholder wishing to contact an independent director may do so in writing by sending a letter to:

[Name of Director]

c/o Secretary

Bristol-Myers Squibb Company

345 Park Avenue

New York, NY 10154

Any matter relating to our financial statements, accounting practices or internal controls should be addressed to the Chair of the Audit Committee. All other matters should be addressed to the Chair of the Committee on Directors and Corporate Governance. Our Corporate Secretary reviews all correspondence and regularly forwards to our Board a summary of all such correspondence and copies of all correspondence that, in the opinion of our Corporate Secretary, deals with the functions of our Board or its committees, or that our Corporate Secretary otherwise determines requires Board attention. Directors may at any time review a log of the correspondence we receive that is addressed to members of the Board and request copies of any such correspondence.

Codes of Conduct

Our Board of Directors has adopted the Standards of Business Conduct and Ethics that sets forth important company policies and procedures in conducting our business in a legal, ethical and responsible manner. These standards are applicable to all of our employees, including the chief executive officer, chief financial officer and controller. In addition, the Audit Committee has adopted the Code of Ethics for Senior Financial Officers that supplements the Standards of Business Conduct and Ethics by providing more specific requirements and guidance on certain topics. The Code of Ethics for Senior Financial Officers applies to the chief executive officer, the chief financial officer, the controller, the treasurer and the heads of major business units. Our Board has also adopted the Code of Business Conduct and Ethics for Directors that applies to all directors and sets forth guidance with respect to recognizing and handling areas of ethical issues. The Standards of Business Conduct and Ethics, the Code of Ethics for Senior Financial Officers and the Code of Business Conduct and Ethics for Directors are available on our website at www.bms.com. We intend to post any material amendments to or waivers from our Code of Ethics for Senior Financial Officers and Code of Business Conduct and Ethics for Directors on our website.

Availability of Corporate Governance Documents

Our Corporate Governance Guidelines (including the categorical standards of director independence), Board committee charters, Standards of Business Conduct and Ethics, Code of Ethics for Senior Financial Officers and Code of Business Conduct and Ethics for Directors are available on our corporate governance webpage at www.bms.com and are available to any stockholder who requests them by writing to: Secretary, Bristol-Myers Squibb Company, 345 Park Avenue, New York, New York 10154.

Compensation of Directors

In 2004, our independent directors received an annual retainer of \$45,000. We require that 25% of the retainer be deferred and credited to a deferred compensation account, the value of which is

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determined by the value of our common stock, until certain ownership guidelines are attained. Independent directors received an additional fee of \$2,000 for attending each Board meeting, Board Committee meeting, and the Annual Meeting of Stockholders. In addition, the Chairs of the Audit Committee, the Compensation and Management Development Committee and the Committee on Directors and Corporate Governance received an annual fee of \$10,000.

An independent director may elect to defer payment of all or part of the compensation received as a director under our company's 1987 Deferred Compensation Plan for Non-Employee Directors. Deferred funds may be credited to a 3-month United States Treasury bill equivalent fund, a fund based on the return on the company's invested cash or a fund based on the return on our common stock or to two or three of the funds. Deferred portions are payable in a lump sum or in a maximum of ten annual installments. Payments under the Plan begin when a participant ceases to be a director or at a future date previously specified by the director.

All independent directors received an annual award of 2,000 deferred common share units, the value of which is determined by the value of our common stock. Our Retirement Plan for Non-Employee Directors was terminated in 1996. Benefits existing under the Plan were vested as of that time for all directors who had served on the Board as of that date. Under our 2000 Non-Employee Directors' Stock Option Plan, each independent director received on the date of the 2004 Annual Meeting, an option to purchase 2,500 shares of our common stock, provided the director was elected to the Board of Directors on the date of the Annual Meeting or had previously been elected to the Board of Directors for a term extending beyond such Annual Meeting. The price of the option was the fair market price of our common stock on the date the option was granted. Each option becomes exercisable in four equal installments commencing on the earlier of the first anniversary of the date of the grant or the date of the next Annual Meeting and continuing similarly for the three years thereafter. The options also become fully exercisable upon retirement from the Board after one year of service following the grant date. In 2004, options for a total of 22,500 shares were granted under the plan, consisting of options for 2,500 shares granted to each of the nine independent directors.

The Directors' Charitable Contribution Program is part of our overall program of charitable contributions in which all current directors participate. The Program is partially funded by life insurance policies purchased by our company on individual members and retired members of the Board of Directors. In 2004, we paid a total of \$61,454 in premiums on policies covering five current directors and certain retired directors. The policies provide for a \$1 million death benefit for each director covered. Upon the death of a director, Bristol-Myers Squibb donates one-half of the \$1 million benefit to one or more qualifying charitable organizations designated by the director. The remaining one-half of the benefit is contributed to the Bristol-Myers Squibb Foundation, Inc. for distribution according to the Foundation's program for charitable contributions to medical research, health-related and community service organizations, educational institutions and education-related programs and cultural and civic activities. Individual directors derive no financial benefit from this program since the tax benefit of all charitable deductions relating to the contributions accrue solely to Bristol-Myers Squibb.

Each year the Committee on Directors and Corporate Governance reviews our directors' compensation practices and compares them against the practices of our peer group companies and the largest U.S. companies in market capitalization. The Committee believes the total director compensation package we offer continues to be competitive with the compensation offered by other companies, and appropriately aligns the interests of directors to stockholders by ensuring directors have a proprietary stake in our company.

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ITEM 1 ELECTION OF DIRECTORS

Our Board of Directors is currently divided into two classes. At the 2003 Annual Meeting, our stockholders voted to gradually declassify our Board of Directors, such that at the 2006 Annual Meeting all elected directors will serve for a one-year term. Our Board of Directors has nominated seven current directors, Vance D. Coffman, James M. Cornelius, Peter R. Dolan, Ellen V. Futter, Louis V. Gerstner, Jr., Leif Johansson and Louis W. Sullivan, M.D. to serve as directors of Bristol-Myers Squibb for a one-year term expiring at the 2006 Annual Meeting. After the election of seven directors at the Annual Meeting, the Board of Directors will be composed of eleven directors, including four continuing directors whose terms extend beyond the Annual Meeting. If any nominee is unable to serve, proxies will be voted in favor of the remainder of those nominated and may be voted for substitute nominees, unless our Board of Directors provides for a lesser number of directors.

Listed below is certain biographical information of each of the nominees for election followed by information for directors whose terms extend beyond this Annual Meeting, including his or her principal occupation and other business affiliations.

Nominees for Directors for a Term Expiring in 2006

VANCE D. COFFMAN

Director since 1998

Chairman and Retired Chief Executive Officer since 1998 of Lockheed Martin Corporation, a high technology aerospace and defense company. He is a Director of the 3M Company, Deere & Company, the United Negro College Fund and The Atlantic Council of the United States. He is a Member of the President's National Security Telecommunications Advisory Committee, the National Academy of Engineering and the Security Affairs Support Association as well as a Fellow in the American Institute of Aeronautics and Astronautics and the American Astronautical Society. He is also a Member of the Aerospace Industries Association, Inc., The Business Roundtable, The Business Council, the U.S. Chamber of Commerce and Council on Foreign Relations. Board Committees: Audit Committee (Chair) and Compensation and Management Development Committee. Age 60.

JAMES M. CORNELIUS

Director since 2005

Non-executive Chairman of the Board of Directors of Guidant Corporation, a U.S. cardiac and vascular medical device company, since 2000. From 1995 until 2000, Mr. Cornelius served as the Senior Executive and Chairman of Guidant Corporation. From 1983 to 1994, Mr. Cornelius was a Director, a member of the Executive Committee and Chief Financial Officer of Eli Lilly and Company. Mr. Cornelius is a Director of The Chubb Corporation, The DirecTV Group, Inc. and Given Imaging, Ltd. He is a Managing Partner at Twilight Ventures Partners and a Board member of Leerink Swann & Company and a Member of The National Bank of Indianapolis. He serves as Board Trustee and Treasurer of the Indianapolis Museum of Art. Board Committee: Audit. Age 61.

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PETER R. DOLAN

Director since 2000

Chairman of the Board and Chief Executive Officer of our company. Mr. Dolan was elected Chairman of the Board in September 2001. He was elected President of our company in 2000 and Chief Executive Officer in May 2001. Mr. Dolan is a Director of the American Express Company, and is the 2005 Chairman Elect of the Pharmaceutical Research and Manufacturers Association (PhRMA). He is a member of the Board of the National Center on Addiction and Substance Abuse, the Steering Committee for C-Change, Board of Overseers for the Amos Tuck School of Business at Dartmouth, and the Board of Trustees at Tufts University. He is a member of The Business Council and The Business Roundtable. Board Committee: Executive Committee (Chair). Age 49.

ELLEN V. FUTTER

Director since 1990

President of the American Museum of Natural History since 1993. President of Barnard College from 1981 to 1993. Ms. Futter is a Director of J.P. Morgan Chase & Co., American International Group, Inc., Consolidated Edison, Inc., and Memorial Sloan-Kettering Cancer Center as well as a Trustee of the American Museum of Natural History. She is a Member of the Council on Foreign Relations, a Fellow of the American Academy of Arts and Sciences and a Director of NYC & Company. Ms. Futter is also a Member of the Advisory Board of Yale School of Management. Board Committee: Committee on Directors and Corporate Governance. Age 55.

LOUIS V. GERSTNER, JR.

Director since 1989

Director of Squibb Corporation from 1986 to 1989

Chairman of the Board of IBM Corporation from 1993 to 2002. He served as Chief Executive Officer of IBM from 1993 until March 2002. Mr. Gerstner has been Chairman of The Carlyle Group since January 2003. He is Vice Chairman of the Board of Memorial Sloan-Kettering Cancer Center, a Director of Bessemer Securities Corporation and Bessemer Securities Limited, the Council on Foreign Relations and a Member of the National Academy of Engineering and The Business Council. He is a Trustee of the American Museum of Natural History, a Fellow of the American Academy of Arts and Sciences and the America-China Forum. Board Committees: Committee on Directors and Corporate Governance and Executive Committee. Age 63.

LEIF JOHANSSON

Director since 1998

President of AB Volvo, an automotive company and Chief Executive Officer of the Volvo Group since 1997. He is Chairman of the Board of ACEA, Commercial Vehicles as well as Director of The Confederation of Swedish Enterprise, Royal Swedish Academy of Engineering Sciences, the Association of Swedish Engineering Industries and the Association des Constructeurs Europeens d Automobiles. He is also a Member of the European Business Roundtable of Industrialists. Board Committees: Audit Committee and Committee on Directors and Corporate Governance. Age 53.

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LOUIS W. SULLIVAN, M.D.

Director since 1993

President of the Morehouse School of Medicine from 1981 to 1989 and from 1993 to 2002. From 1989 to 1993, Dr. Sullivan was Secretary of the United States Department of Health and Human Services. Dr. Sullivan is a Director of 3-M Corporation, Georgia-Pacific Corporation, CIGNA Corporation, United Therapeutics Corporation, Equifax Inc., BioSante Pharmaceuticals, Inhibitex, Inc., and Henry Schein, Inc. Dr. Sullivan has committed to reduce the number of public company boards on which he serves to six or fewer by the end of May 2006. He is a Founder and Chairman of Medical Education for South African Blacks, Inc. and a Trustee of Morehouse School of Medicine and Africare as well as a Director of the National Center on Addiction and Substance Abuse at Columbia University. Board Committees: Audit Committee and Compensation and Management Development Committee. Age 71.

Directors whose terms expire in 2006

ROBERT E. ALLEN

Director since 1986

Chairman and Chief Executive Officer from 1988 to 1997 of AT&T, a communications and information services company. Mr. Allen is a director of PepsiCo, Inc. He is also a Member of The Business Council, a Trustee of The Mayo Foundation and Trustee Emeritus of Wabash College. Board Committees: Audit Committee, Committee on Directors and Corporate Governance (Chair) and Executive Committee. Age 70.

LEWIS B. CAMPBELL

Director since 1998

Chairman, President and Chief Executive Officer since February 1999 of Textron Inc., a multi-industry company serving the aircraft, fastening systems, industrial products and components and financial industries. Mr. Campbell is a Director of Dow Jones & Company. Mr. Campbell is a member of the G 100 Group, The Business Council, The Business Roundtable and the Defense Industry Initiative Steering Committee as well as a Member of the Board of Advisors of the Duke University Fuqua School of Business. Board Committees: Audit Committee, Committee on Directors and Corporate Governance and Compensation and Management Development Committee. Age 58.

LAURIE H. GLIMCHER, M.D.

Director since 1997

Irene Heinz Given Professor of Immunology at the Harvard School of Public Health and Professor of Medicine at Harvard Medical School since 1991. Dr. Glimcher is a Director of Waters Corporation and NDCHealth Corporation. She is a Fellow of the American Academy of Arts and Sciences and a Member of the National Academy of Sciences and the Institutes of Medicine of the National Academy of Sciences and the Irvington Institute Fellowship Committee. Board Committees: Audit Committee and Committee on Directors and Corporate Governance. Age 53.

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JAMES D. ROBINSON III

Director since 1976

Co-founder and General Partner of RRE Ventures, a private information technology venture investment firm, since 1994. He has served as President and sole stockholder of J. D. Robinson, Inc., a strategic consulting company, since 1993. He previously served as Chairman and Chief Executive Officer of American Express Company, a financial services company, from 1977 to 1993. Mr. Robinson is a Director of Novell, Inc., The Coca-Cola Company and First Data Corporation. Mr. Robinson is a Member of The Business Council, the Council on Foreign Relations and the Committee for Economic Development. He is Honorary Chairman of Memorial Sloan-Kettering Cancer Center and an Honorary Trustee of The Brookings Institution. Board Committees: Compensation and Management Development Committee (Chair), Committee on Directors and Corporate Governance and Executive Committee. Age 69.

COMPENSATION AND BENEFITS

Our compensation and benefits programs are designed to enable us to attract, retain and motivate the best possible employees to operate and manage our company at all levels.

In general, all U.S.-based employees receive a base salary, participate in an annual incentive plan, a company-supported savings plan and a company-funded pension plan and are provided with medical and other welfare benefits coverage. Employees outside of the U.S. are similarly covered by comprehensive compensation and benefits programs that are consistent with applicable local laws and regulations.

In addition, we maintain specific executive compensation programs designed to provide incentives to reward and retain outstanding executives who bear the responsibility for achieving the challenging business objectives necessary to assure our growth position in the highly complex and competitive pharmaceutical and healthcare industries in which we operate. Our executive compensation programs are based upon a pay-for-performance philosophy to provide incentives to achieve both short-term and long-term objectives and to reward exceptional performance, gains in productivity and contributions to our growth and success.

In addition to performance against financial, operational and strategic objectives and total stockholder return, which are the key determinants of incentive payments under our executive compensation programs, the successful Bristol-Myers Squibb (BMS) executive must also perform effectively in many areas that are not measured specifically by financial or operational results. Performance is also assessed against our Standards of Business Conduct and Ethics reflecting social values, environmental stewardship and the expectations of our key constituencies, including our employees and stockholders, the consumers of our products, suppliers and customers, the communities in which we operate and the countries where we do business. Executives must fully meet our Standards of Business Conduct and Ethics as a prerequisite to receiving any incentive payments. The Bristol-Myers Squibb Pledge (Pledge) clearly defines the values and behaviors that are expected of each of our employees, and the performance of our executives is appraised in this regard. Executives are evaluated pursuant to the company's performance management system whereby executives are given two ratings, one for results and one for behaviors. The results rating represents the executive's performance against specific financial and operational goals that are established at the beginning of the year and are consistent with our strategy. The behaviors rating measures how well the executive demonstrates the core BMS behaviors consistent with our company's Mission and Pledge. These ratings are key factors in determining the size of an executive's merit increase, bonus and equity awards.

Table of Contents**Executive Officer Compensation**

The following tables and notes present the compensation provided to Mr. Peter R. Dolan, Chairman and Chief Executive Officer, as well as the five other most highly compensated executive officers, for services rendered to our company in 2002, 2003 and 2004.

Summary Compensation Table

Name/Title	Annual Compensation		Long Term Compensation				All Other Compen- sation(4) \$
	Salary \$	Bonus \$	Other Annual Compensation(2) \$	Awards		Payouts	
				Restricted Stock Awards(3) \$	Securities Underlying Options/SARs #	Long Term Incentive Payouts \$	
Year	\$(1)	\$	\$	\$	#	\$	\$
P.R. Dolan							
Chairman and CEO							
2004	\$ 1,255,961	\$ 2,125,000	\$ 99,999	\$ 2,491,432	500,500	(8)	\$ 56,518
2003	\$ 1,100,000	\$ 2,125,000		\$ 2,644,000	550,000	(9)	\$ 49,500
2002	\$ 1,100,000				500,000	(10)	\$ 49,500
A.R.J. Bonfield(5)							
SVP and Chief Financial Officer							
2004	\$ 774,858	\$ 673,264	\$ 56,220	\$ 531,159	113,333	(8)	\$ 34,869
2003	\$ 725,000	\$ 554,495	\$ 1,573,980	\$ 925,400	150,000	(9)	\$ 25,096
2002	\$ 181,250	\$ 507,500		\$ 2,445,000	200,000	(10)	
D.J. Hayden, Jr.							
EVP and President Americas							
2004	\$ 705,817	\$ 718,757		\$ 515,524	110,000	(8)	\$ 31,762
2003	\$ 660,875	\$ 648,801		\$ 1,322,000	165,000	(9)	\$ 29,739
2002	\$ 653,535				125,000	(10)	\$ 29,409
J.L. McGoldrick							
EVP and General Counsel							
2004	\$ 768,960	\$ 609,045	\$ 74,413	\$ 400,710	85,500	(8)	\$ 34,603
2003	\$ 719,996	\$ 505,045		\$ 661,000	135,000	(9)	\$ 32,400
2002	\$ 712,000				90,000	(10)	\$ 32,040
E. Sigal, M.D., Ph.D.(6)							
President, Pharmaceutical Research Institute and CSO							
2004	\$ 558,426	\$ 393,844	\$ 51,419	\$ 226,535	48,333	(8)	\$ 25,129
2003	\$ 481,668	\$ 289,220		\$ 661,000	68,000	(9)	\$ 21,675
2002	\$ 435,181	\$ 63,540		\$ 630,250	65,000	(10)	\$ 19,583
J.B.D. Palmer, M.D.(7)							
Former President, Pharmaceutical Research Institute and CSO							

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2004	\$ 613,738	\$ 705,372	\$ 107,582	\$ 531,159	113,333	(8)
2003	\$ 700,000	\$ 616,322	\$ 348,657	\$ 925,400	135,000	(9)
2002	\$ 26,923	\$ 490,000		\$ 3,303,750	250,000	(10)

- (1) The numbers in this column reflect 2004 W-2 earnings which include a two-week pay period covering 2003 paid on January 2, 2004. Actual salaries earned for 2004 were as follows: Mr. Dolan \$1,213,654; Mr. Bonfield \$746,973; Mr. Hayden \$679,676; Mr. McGoldrick \$740,480, Dr. Sigal \$539,243 and Dr. Palmer \$586,815.

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- (2) For 2004, other Annual Compensation for the named executive officers was in the form of perquisites. Perquisites, including personal air travel, are calculated based on the aggregate incremental cost to the company of providing the benefit. For 2004, these perquisites included the following: Mr. Dolan (\$76,625 for personal use of company aircraft). For security reasons, Mr. Dolan is required to use the company aircraft for all air travel; Mr. Bonfield (\$39,147 for personal use of company aircraft); Mr. McGoldrick (\$49,763 for personal use of company aircraft); Dr. Sigal (\$30,950 for personal use of company aircraft) and Dr. Palmer (\$41,659 for relocation assistance for his family, \$19,067 for tax gross-ups related to the relocation and \$31,575 for personal use of company aircraft). For 2003, these included the following: Mr. Bonfield, \$1,529,248 relates to costs the company incurred in relocating Mr. Bonfield from the United Kingdom. We paid these costs to our third party relocation vendor for the sale of Mr. Bonfield's home. We received a refund from the third party vendor of \$200,000 in 2004, reducing the 2003 relocation costs to \$1,373,980. For Dr. Palmer, the cost includes \$138,671 for his relocation from North Carolina, \$120,424 for tax gross up, and \$80,608 for commercial air travel to and from his home in North Carolina prior to his relocation.
- (3) On March 2, 2004 each of these executives received the following grants with a closing value on the day of grant of \$28.12: Mr. Dolan (88,600), Mr. Bonfield (18,889), Mr. Hayden (18,333), Mr. McGoldrick (14,250), Dr. Sigal (8,056) and Dr. Palmer (18,889). These shares will vest one-third per year on the third, fourth, and fifth anniversary dates of the grant. The number and market value of all shares of unvested restricted stock held by each of these executives as of December 31, 2004 (based upon the closing market value stock price of \$25.62) was: Mr. Dolan 293,765 and \$7,526,259; Mr. Bonfield 153,889 and \$3,942,636; Mr. Hayden 85,861 and \$2,199,759; Mr. McGoldrick 69,250 and \$1,774,185 and Dr. Sigal 92,521 and \$2,370,388. Regular dividends were paid on these shares in 2004 in the following amounts: Mr. Dolan \$304,208, Mr. Bonfield \$167,067, Mr. Hayden \$110,662, Mr. McGoldrick \$62,370 and Dr. Sigal \$104,607.
- (4) Consists of matching contributions to the Savings and Investment Program (SIP) and the Benefits Equalization Plan for the SIP for 2004 as follows: Mr. Dolan (\$6,254.25 and \$50,264.02); Mr. Bonfield (\$9,225.01 and \$25,643.60); Mr. Hayden (\$8,999.99 and \$22,761.73); Mr. McGoldrick (\$9,000.00 and \$25,603.20) and Dr. Sigal (\$9,225.00 and \$15,904.18).
- (5) Mr. Bonfield was appointed Senior Vice President and Chief Financial Officer on September 23, 2002.
- (6) Dr. Sigal was appointed Chief Scientific Officer and President, Pharmaceutical Research Institute on October 28, 2004.
- (7) Dr. Palmer was appointed President, Pharmaceutical Research Institute and Chief Scientific Officer on December 1, 2002. Dr. Palmer passed away on October 26, 2004. Upon his death, his estate received accelerated vesting for all of his outstanding options held at least one year (385,000 shares) with an exercise period equal to the remaining term of the option. His estate also received accelerated vesting on his outstanding restricted stock (178,889 shares) and full participation in outstanding long-term performance incentive awards (31,600 shares) which will be paid, if earned, at the end of the performance periods.
- (8) A Long-Term Performance award was granted in 2002 which covered the three-year performance period from 2002 through 2004. The award was based on earnings per share growth, sales growth and total shareholder return ranking versus peer companies. The threshold targets were not met resulting in no payout.
- (9) A Long-Term Performance award was granted in 2001 which covered the three-year performance period from 2001 through 2003. The award was based on earnings per share growth, sales growth and total shareholder return ranking versus peer companies. The threshold targets were not met resulting in no payout.
- (10) In 2000, stock option awards were granted in lieu of Long-Term Performance Awards for the 2000-2002 cycle. The exercise price of these options was \$61.09.

Table of Contents**Option/SAR Grants in the Last Fiscal Year****Individual Grants**

Name	Number of Securities Underlying Options/SARs Granted(1)	% of Total Options/SARs Granted to Employees In Fiscal Year	Exercise Or Base Price(2)	Expiration Date	Grant Date Present Value(3)
	#		(\$/Sh)		\$
P.R. Dolan	500,500	2.5%	\$ 28.11	March 1, 2014	\$ 2,767,769
A.R.J. Bonfield	113,333	0.6%	\$ 28.11	March 1, 2014	\$ 626,732
D.J. Hayden, Jr.	110,000	0.6%	\$ 28.11	March 1, 2014	\$ 608,301
J.L. McGoldrick	85,500	0.4%	\$ 28.11	March 1, 2014	\$ 472,816
E. Sigal, M.D., Ph.D.	48,333	0.2%	\$ 28.11	March 1, 2014	\$ 267,282
J.B.D. Palmer, M.D.(4)	113,333	0.6%	\$ 28.11	March 1, 2014	\$ 626,732
All Optionees(5)	19,968,769		\$ 27.88	Various Dates, 2014	\$ 118,414,800

- (1) Individual grants become exercisable in installments of 25% per year on each of the first through the fourth anniversaries of the grant date. At age 60, all outstanding option grants held more than one year from date of grant fully vest. This provision applies to all BMS employees including those holding options under Teamshare, our broad based global stock option plan. The purpose is to allow employees to diversify holdings in preparation for retirement. For executives, the share retention guidelines described on page 24 still apply.
- (2) All options were granted at 100% of Fair Market Value as of the date of the grant.
- (3) In accordance with Securities and Exchange Commission rules, the Black-Scholes option pricing model was chosen to estimate the grant date present value of the options set forth in this table. There is no assurance that the value realized by an executive, if any, will be at or near the value estimated by the Black-Scholes model. Future compensation resulting from option grants is based solely on the performance of our company's stock price. The Black-Scholes Ratio of .1967 was determined using the following assumptions: a volatility of 29.97%, an average dividend yield of 4.43%, a risk free interest rate of 3.49%, a 7 year option term and a 3% annual risk of forfeiture.
- (4) Upon Dr. Palmer's death, this grant was forfeited as it was not held for one year as required by the Plan.
- (5) Information includes TeamShare grants. Exercise price shown is the weighted average of all grants. Actual exercise prices ranged from \$23.04 to \$29.27, reflecting the Fair Market Value of the stock on the date of the option grants.

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**Aggregated Option/SAR Exercises in the Last Fiscal Year
and Fiscal Year-End Option/SAR Values(1)**

Name	Shares Acquired On Exercise (#)	Value Realized (\$)	Annualized Value Realized(2) (\$)	Number of Securities Underlying Unexercised Options/SARs at Fiscal Year-End (#)		Value of Unexercised In The Money Options/SARs At Fiscal Year-End (\$)(3)	
				Exercisable	Unexercisable	Exercisable	Unexercisable
P.R. Dolan	0	\$ 0	\$ 0	978,000	1,644,130	\$ 452,270	\$ 1,018,875
A.R.J. Bonfield	0	\$ 0	\$ 0	137,500	325,833	\$ 235,125	\$ 420,375
D.J. Hayden, Jr.	0	\$ 0	\$ 0	583,826	535,502	\$ 368,143	\$ 305,663
J.L. McGoldrick	63,099	\$ 878,445	\$ 91,048	999,013	301,089	\$ 2,319,807	\$ 0
E. Sigal, M.D., Ph.D.	0	\$ 0	\$ 0	156,888	169,834	\$ 41,990	\$ 125,970
J.B.D. Palmer, M.D.(4)	0	\$ 0	\$ 0	385,000	0	\$ 333,450	\$ 0

(1) All options were granted at 100% of Fair Market Value. Optionees may satisfy the exercise price by submitting currently owned shares and/or cash. Income tax withholding obligations may be satisfied by electing to have our company withhold shares otherwise issuable under the option with a Fair Market Value equal to such obligations subject to statutory and regulatory requirements.

(2) Reflects the average annual value realized over the time period between grant and exercise.

(3) Calculated based upon the December 31, 2004 Fair Market Value share price of \$25.61.

(4) Shares are held by the Estate of J.B.D. Palmer, M.D.

Long-Term Incentive Plan Awards in the Last Fiscal Year

Name	Number of Shares Awarded (1)	Other Period Until Maturation or Payout	Estimated Future Payouts Under Long-Term Incentive Plan(2)		
			Threshold	Target	Maximum
P.R. Dolan	124,000	Three-Year Period Ending in 2006	47,430	124,000	313,720
A.R.J. Bonfield	15,800	Three-Year Period Ending in 2006	6,044	15,800	39,974
D.J. Hayden, Jr.	17,500	Three-Year Period Ending in 2006	6,694	17,500	44,275

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J.L. McGoldrick	15,800	Three-Year Period Ending in 2006	6,044	15,800	39,974
E. Sigal, M.D., Ph.D.	6,800	Three-Year Period Ending in 2006	2,601	6,800	17,204
J.B.D. Palmer, M.D.	15,800	Three-Year Period Ending in 2006	6,044	15,800	39,974

-
- (1) The number of shares represents the award amounts payable in the beginning of 2007 if earned for the fiscal years 2004-2006.
- (2) Target payouts under the Long-Term Incentive Plan will be based one-half on a cumulative sales target and one-half on cumulative earnings per share over the three-year period with Total Shareholder Return versus the peer group companies being used as a multiplier. Threshold, target and maximum payouts are expressed as a number of shares. Target awards will be paid only if the sales and earnings per share targets are achieved and total stockholder return is at the median of the proxy peer group of companies. Threshold performance will result in a payout of 38% of target. Performance below threshold level will result in no payout. Maximum performance will result in a payout of 253% of target. Performance above the maximum level will result in the maximum payout as shown above.

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Compensation and Management Development Committee Report on Executive Compensation

We, the Compensation and Management Development Committee, are responsible for administering the compensation program for executive officers and certain other senior management of the company. The Board of Directors has determined that each of us meets the definition of independence under the company's corporate governance guidelines. We are neither current employees nor former employees of the company nor are we eligible to participate in any of the company's executive compensation programs. Additionally, we qualify as outside directors for purposes of administering compensation programs to meet the tax deductibility criteria included in Section 162(m) of the Internal Revenue Code and further qualify as non-employee directors for purposes of Rule 16b-3 under the Securities Exchange Act of 1934.

Bristol-Myers Squibb's executive compensation program is based upon a pay-for-performance philosophy. In implementing this philosophy, we consider performance against financial objectives, total stockholder return, and operational objectives consistent with the company's strategy. We also consider the executive's demonstration of the values and behaviors defined in the Bristol-Myers Squibb Pledge. We seek an executive compensation policy that is transparent to our stockholders and in alignment with our stockholders' best interests. We review all elements of compensation both separately and in the aggregate to ensure that the amount of compensation is within appropriate competitive parameters and the program design encourages the creation of long-term stockholder value.

Under our company's program, an executive's direct compensation consists of three primary components: base salary, annual incentive (bonus) payment and long-term incentives (which may include cash-based awards, stock-based awards and/or stock options), with the greatest emphasis being placed on long-term incentives to align with long-term stockholder value. In addition, each executive participates in a company funded pension plan, a company supported savings plan, and is provided with health and welfare coverage and certain prerequisites as disclosed in the Summary Compensation Table.

A goal of our company's executive compensation program is to provide overall compensation, when targeted levels of performance are achieved, which is at the median of pay practices of a peer group of eleven large industry competitors. The corporations that comprised the peer group for 2004 were Abbott Laboratories, AstraZeneca, Aventis, Eli Lilly and Company, Glaxo SmithKline, Johnson & Johnson, Merck & Co., Inc., Novartis AG, Pfizer, Inc., Schering-Plough Corporation and Wyeth. Our executive compensation program is designed to provide value to the executive based on the extent to which individual performance, company performance versus budgeted financial targets, company longer-term financial performance and total return to stockholders (including share price appreciation and reinvested dividends) meet, exceed or fall short of expectations. Under this program design, incentive payments can exceed target levels only if expectations are exceeded. We believe that the program we have adopted, with its emphasis on long-term compensation, serves to focus the efforts of the company's executives on the attainment of sustained long-term growth and profitability for the benefit of the company and its long-term stockholders.

At the time we make executive compensation decisions, we review individual performance and company performance versus that of the peer companies. In March, when 2004 compensation decisions were made regarding merit increases, target annual incentives, stock option and restricted stock grants and target long-term plan awards, we also reviewed detailed data concerning the levels of executive pay among the peer group of companies as well as against certain large general industry companies. This data included analyses provided by our independent compensation consultant, Mercer Human Resource Consulting.

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We also believe that the performance management system (newly instituted in 2003) assists in ensuring that each executive's financial and operational objectives are aligned with our company's strategy and that each executive's compensation awards are appropriately linked to the impact that executive has on driving our strategy forward. Bristol-Myers Squibb employs a performance management system whereby each executive is rated on their performance against financial and operational objectives consistent with our strategy as well as whether the executive demonstrates behaviors consistent with our Pledge. These ratings are key determinants of the amount of an individual executive's merit increase, annual incentive, and stock option and restricted stock awards.

The following explains our considerations in setting the individual components of direct compensation for 2004.

Base Salary An executive's base salary is determined by an assessment of her/his sustained performance against her/his individual job responsibilities including, where appropriate, the impact of such performance on the business results of the company, current salary in relation to the salary range designated for the job, experience and mastery, potential for advancement and the executive's demonstration of the values and behaviors outlined in the Bristol-Myers Squibb Pledge. In addition, the results and behaviors ratings under the performance management system are key determinants of the size of the executive's merit increase, if any.

Annual Incentives Payments under our company's annual incentive plan, the Performance Incentive Plan, are tied to our company's level of achievement of annual operating pretax earnings targets, thereby establishing a direct link between executive pay and company financial performance. Annual operating pretax earnings goals for the overall company and each operating group are based upon the budgets for our company as reviewed by the Board of Directors. An individual executive's annual incentive opportunity is a percentage of her/his salary determined by the executive's job level. If annual pretax earnings targets fall below threshold, no payments will be made. We also consider each executive's performance against her/his financial and operational objectives established at the beginning of the year as well as demonstration of behaviors consistent with our Pledge in determining each executive's individual bonus.

For 2004 awards, operating pretax earnings targets were established at levels that the Board believed reflected the reasonable expectations management had for the performance of the business. As a whole, our company exceeded its pretax earnings goal, resulting in overall incentive payments to executives which were above target. We also reviewed each executive's individual performance ratings on both results and behaviors to ensure that individual bonuses paid were in alignment with each executive's performance in carrying out our company's strategy.

Long-Term Incentives In consultation with Mercer Human Resource Consulting, we revised the executive long-term incentive program for 2004.

2004 Design

In 2004, we reduced the number of stock options awarded to executives, while still maintaining them as an important component of the long-term incentive program, and introduced restricted stock, with back-weighted vesting (i.e., vesting 1/3 per year in years 3, 4 and 5), as part of our annual program while continuing the move made in 2003 to place greater emphasis on the Long-Term Performance Award Plan.

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Stock Options: Stock option value represents approximately 35%-45% of the 2004 long-term program design compared to 75% of the 2003 design. The options will vest 25% per year over four years.

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Restricted Stock: Restricted stock value represents approximately 30% of the long-term program design for 2004. Restricted stock vests 1/3 per year in years 3, 4, and 5.

To further enhance the link between executive pay and the company's performance against its business strategy, the size of each executive's stock option and restricted stock award is determined in large part based on our assessment of the executive's performance against objectives that drive our company's business strategy and demonstration of behaviors consistent with our Pledge under the performance management system.

Long-Term Performance Award Plan: The Long-Term Performance Award Plan represents approximately 25%-40% of the 2004 long-term program design. This plan, which is delivered in the form of a target number of performance shares, has a three-year cycle. For 2004-2006, the awards are based 50% on EPS, 50% on sales, with the ultimate payout modified by the company's total stockholder return versus the eleven companies in its proxy peer group. The targets established under this plan are stretch targets. If threshold targets are not met for the performance period, no payment will be made under the long-term performance award plan as was the case for the 2002-2004 and 2001-2003 performance periods.

We believe this shift to a more balanced mix of long-term incentives, with a greater emphasis on performance shares and other full-share awards, will better align the compensation of senior executives with the creation of long-term stockholder value.

2005 Design

The 2005 design for long-term incentives will be similar to the 2004 design with one important change. Beginning with the 2005 option grants, we have approved the use of performance-based exercise thresholds on annual option grants to proxy named officers and other senior executives. To satisfy the exercise threshold, Bristol-Myers Squibb stock would need to close at a price of at least 15% above the option grant price for seven (7) consecutive trading days. Although the options would vest according to the normal vesting schedule (currently 25% a year for four years), the executive may not exercise the options unless and until the exercise threshold is satisfied. For 2005 grants, to preserve favorable accounting, the exercise thresholds will lapse in years 9 and 10. Pursuant to the expensing of options, this would not be required in future years.

The use of these performance-based exercise thresholds, combined with the increased emphasis placed on the Long-Term Performance Award Plan in recent years, will assure that approximately 70% of senior executive long-term incentives are tied to specific performance criteria.

2002-2004 Long-Term Performance Award Plan Payout 2004 was the final year in a three-year performance cycle under the Long-Term Performance Award Plan, which began in 2002. The performance goals for the 2002-2004 performance cycle were equally weighted on earnings per share growth, sales growth, and relative total stockholder return compared to our company's proxy peer group. The threshold level of performance required for a payout for the 2002-2004 performance cycle was not achieved, so no amounts were earned by executive officers for this performance cycle.

Clawback of Equity Awards Our company maintains clawback provisions relating to stock option, restricted stock and long-term performance awards. Under these clawback provisions, executives that violate non-competition or non-solicitation agreements, or

otherwise act in a manner detrimental to our company's interests will forfeit any outstanding awards as of the date such violation is discovered and will have to return any gains realized in the twelve months prior to the violation. These provisions serve to protect the company's intellectual property and human capital, and help ensure that executives act in the best interest of our company and its stockholders.

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Clawback of Annual Incentive Upon our recommendation, the Board adopted a policy, effective March 1, 2005, wherein the Board will seek reimbursement of bonuses paid to an executive if such executive engaged in misconduct that caused or partially caused a restatement of financial results. In such an event, our company will seek to claw back the executive's entire annual bonus for the relevant period, plus a reasonable rate of interest. This policy may be viewed on our company's website at www.bms.com.

Share Retention Guidelines In order to preserve the linkage between the interests of executives and those of stockholders, executives are expected to use the shares obtained on the exercise of their stock options, after satisfying the cost of exercise and taxes, to establish a significant level of direct ownership. Our company continues to maintain long-standing share ownership expectations for its executives to meet through the exercise of stock option awards. These share ownership guidelines are more stringent than most of our company's peers. Under these guidelines, the Chief Executive Officer must retain shares with a value of 8 times his base salary prior to selling any of the net shares obtained upon exercise. The other named executive officers must retain shares with a value of 5 times their base salary prior to selling any of the net shares obtained upon exercise. Even after these ownership thresholds are satisfied, executives must retain 25% of all net shares obtained as a result of subsequent option exercises. These same share retention guidelines apply to restricted stock awards. The Chief Executive Officer and other named executive officers may not sell any of the net shares of stock obtained upon vesting until the ownership thresholds above are satisfied. Thereafter, the executive must still retain 25% of the net shares obtained when a restricted stock award vests. We believe these retention requirements are an important tool in aligning the interests of our company's executives with the long-term interests of our company's stockholders.

Policy Against Repricing Stock Options We have always maintained a consistent policy against repricing stock options. We believe this is a critical element in maintaining the integrity of our equity compensation program and ensuring alignment of senior executives' interests with the interests of our stockholders. Based on our recommendation, the Board of Directors adopted a formal policy prohibiting the repricing of stock options. This policy may be viewed on our company's website at www.bms.com.

Policy regarding Stockholder Approval of Severance Upon our recommendation, the Board approved effective March 1, 2005, a policy requiring stockholder approval for any future agreements that provide for cash severance payments in excess of 2.99 times the sum of an executive's base salary plus bonus. Cash severance payments exclude accrued incentive payments, the value of equity acceleration, benefits continuation or the increase in retirement benefits triggered by severance provisions or tax gross-up payments. This policy may be viewed on our company's website at www.bms.com.

CEO Compensation

The compensation for Mr. Dolan results from his participation in the same compensation programs as the other executives of Bristol-Myers Squibb. We applied the principles outlined above in establishing Mr. Dolan's compensation, in the same manner as they were applied to the other executives. Mr. Dolan's compensation is designed to provide direct compensation which approximates the median compensation for chief executive officers in the U.S. proxy peer group when targeted levels of performance are achieved.

We have also ensured Mr. Dolan's compensation is heavily weighted towards long-term incentives which are directly linked to the creation of long-term stockholder value. In 2004, 10% of Mr. Dolan's compensation was in the form of base salary, 18% was in the form of annual incentive and 72% was in the form of equity based incentives (comprised of stock options, restricted stock and target long-term performance awards).

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After not receiving a salary increase for three years, Mr. Dolan received an increase to base salary in 2004 from \$1,100,000 to \$1,250,000. We made this adjustment in light of the fact that Mr. Dolan's salary was well below competitive levels. Even with this adjustment, Mr. Dolan's current salary is positioned in the bottom quartile of the chief executive officers in our company's U.S. proxy peer group.

Mr. Dolan's annual bonus payment for 2004 was \$2,125,000 which is the same amount as his 2003 bonus payment. Mr. Dolan's 2004 bonus represents 103% of target. The annual bonus is based on financial performance of the company and on the accomplishments of key objectives in positioning the company for the future. We considered a number of factors to determine Mr. Dolan's bonus payment, which are summarized below:

Business and Financial Performance

Net sales from continuing operations increased 4% for the year, which was ahead of plan.

For the 81st year in a row, Bristol-Myers Squibb paid dividends to its stockholders, and for the fourth consecutive year, those dividend payments exceeded \$2 billion.

Our company ended the year with more than \$7 billion in cash, cash equivalents and marketable securities, compared to \$5.5 billion at the beginning of the year.

Earnings per share, while exceeding internal targets, was lower than 2003 and total stockholder return was negative for the year.

In February 2004, Bristol-Myers Squibb launched ERBITUX[®] with Imclone Systems, Incorporated in the U.S. for treatment of refractory colorectal cancer.

Our company launched two new medicines in Europe: ABILIFY[®] with Otsuka Pharmaceutical Company, Ltd. and REYATAZ[®]. Both have performed ahead of expectations in Europe, as well as in the U.S., where they were introduced earlier.

Several of our company's key in-line pharmaceuticals realized robust growth in the year.

Our company's health care businesses Mead Johnson Nutritionals, ConvaTec and Medical Imaging delivered solid growth and exceeded their plans.

Pipeline Achievements

As of the close of 2004, Bristol-Myers Squibb had nine compounds in full development, including three that are now in the regulatory approval process.

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Our company entered into a global co-development and co-commercialization agreement with Merck & Co., Inc. for muraglitazar.

Twelve supplemental approvals for in-line products were achieved and regulatory submissions were made for seven more supplemental approvals.

Five licensing agreements were achieved in 2004.

Execution of our Company Strategy

As a result of new product launches, pipeline achievements and licensing efforts, Bristol-Myers Squibb now has an established and growing or potentially significant presence in

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nearly all of its 10 disease areas of focus. These 10 cancer, HIV/AIDS, affective (psychiatric) disorders, atherosclerosis/thrombosis, diabetes, hepatitis, rheumatoid arthritis, solid organ transplantation, obesity and Alzheimer's Disease represent areas of significant unmet medical need.

Our company strengthened its specialty sales forces in oncology, HIV and neuroscience and restructured its primary care sales force to sharpen its focus on the cardiovascular and diabetes areas.

Investment in research and development increased 12%, with much of the additional support targeted to the late-stage pipeline.

Our company made several important development and manufacturing investments in the area of biologics.

Our company successfully contained costs and improved efficiencies by consolidating information management, pharmaceutical development and global medical affairs, and by rationalizing manufacturing operations.

Corporate Citizenship

Our company and the Bristol-Myers Squibb Foundation announced the establishment of two new pediatric AIDS clinics in Lesotho and Swaziland as part of the company's pioneering \$120 million SECURE THE FUTURE initiative to address the HIV/AIDS pandemic in southern and West Africa. These clinics are modeled on a similar center that opened in 2003 in Botswana, also with SECURE THE FUTURE funding, that is now one of the largest pediatric AIDS facilities in the world.

Our company provided free medicines to more than 1 million people in the U.S. in 2004 under its Access programs.

Effective March 2, 2004, Mr. Dolan received an option award of 500,500 shares and a restricted stock award of 88,600 shares. The option award has an exercise price of \$28.11 and a Black-Scholes value at grant of \$2,767,769. The restricted stock award had a value at grant of \$2,491,432. Overall the value of these awards was consistent with the value of his 2003 option and restricted stock awards, with the option value as slightly higher and the restricted stock value as slightly lower. It was our desire to maintain the approximate value of Mr. Dolan's 2004 option and restricted stock awards at 2003 levels while increasing the long-term performance shares as described below.

Mr. Dolan participates in our company's long-term incentive plan. As with other executives, Mr. Dolan did not receive a payout on the 2002-2004 plan, as the goals necessary for payment were not met. The measures for the 2002-2004 plan were equally weighted as follows: one-third earnings per share growth, one-third sales growth, and one-third relative total stockholder return compared to the company's proxy peer group. For the 2004-2006 plan, we set a target of 124,000 performance shares which is an increase over the 2003 target. We determined this increase was appropriate based on our review of a report of Mr. Dolan's total direct compensation prepared by Mercer Human Resource Consulting that showed his compensation was significantly below the median of the peer group companies.

It was also our desire to place a greater portion of total long-term compensation in the form of performance shares. This award, which represents 40% of Mr. Dolan's long-term incentive opportunity for 2004, is completely performance based. If performance targets are not achieved, the 2004-2006 award will not pay out. The goals for this plan are equally weighted 50% on cumulative

EPS targets

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and 50% on cumulative sales targets, with the final payout modified between 85% and 115% based on the company's relative total stockholder return compared to its proxy peer group. Mr. Dolan will only receive the targeted number of shares if the company meets the cumulative earnings per share and sales targets approved by us and the company achieves total stockholder returns which place it at the median of its peer group for the three-year period. If, as was the case with the 2002-2004 plan, performance against objectives is below threshold, no performance shares will be distributed to Mr. Dolan.

Mercer's Role

We retained an independent compensation consultant, Mercer Human Resource Consulting, beginning in October 2002. Mercer reports directly to us and has provided us with important assistance in evaluating our executive compensation policy and program and redesigning and enhancing elements of the program where appropriate. We continue to work with Mercer in carrying out our responsibilities of ensuring an executive compensation policy and program which is transparent to, and in the interests of, the company's long-term stockholders.

Deductibility of Compensation over \$1 Million

Section 162 (m) of the Internal Revenue Code includes potential limitations on the deductibility of compensation in excess of \$1 million paid to the company's CEO and four other most highly compensated executive officers serving on the last day of the year. Based on the regulations issued by the Internal Revenue Service, we have taken the necessary actions to ensure the deductibility of payments under the annual incentive plan and with respect to stock options and performance shares granted under our plans, whenever possible. We intend to continue to take the necessary actions to maintain the deductibility of compensation resulting from these types of awards. However, the payment of salary in excess of \$1 million to Mr. Dolan, and certain taxable benefits and perquisites provided to him, resulted in non-deductible compensation for 2004. In addition, restricted stock granted under our plans generally does not qualify as "performance-based compensation" excluded from the deductibility cap under Section 162(m). Therefore, the vesting of restricted stock in some cases will result in a loss of tax deductibility of compensation, including in the case of the CEO. We view preserving tax deductibility as an important objective, but not the sole objective, in establishing executive compensation. In specific instances we have and in the future will authorize compensation arrangements that are not fully tax deductible but which promote other important objectives of the company.

Compensation and Management Development Committee

James D. Robinson III, Chair

Lewis B. Campbell

Vance D. Coffman

Louis W. Sullivan, M.D.

Table of Contents**Performance Graph**

The following graph compares the performance of Bristol-Myers Squibb for the periods indicated with the performance of the Standard & Poor's 500 Stock Index (S&P 500) and the average performance of a group consisting of our peer corporations on a line-of-business basis. As previously noted, the corporations making up our peer companies group are Abbott Laboratories, AstraZeneca, Aventis, Eli Lilly and Company, Glaxo SmithKline, Johnson & Johnson, Merck & Co., Inc., Novartis AG, Pfizer, Inc., Schering-Plough Corporation and Wyeth.

Total return indices reflect reinvested dividends and are weighted using beginning-period market capitalization for each of the reported time periods. We measure our performance for compensation purposes against the performance of this peer companies group. We measured our performance against this same group in the 2004 Proxy Statement.

COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN

Assumes \$100 invested on 12/31/99 in Bristol-Myers Squibb Common Stock, S&P 500 Index and Peer Companies Group Index. Values are as of December 31 of specified year assuming dividends are reinvested.

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Ending of Year						
Bristol-Myers Squibb	100	117.20	86.47	41.31	53.24	49.37
S&P 500 Index	100	90.90	80.09	62.39	80.29	89.03
Peer Group	100	132.80	116.09	95.62	108.42	106.32

* The above performance does not reflect the value a stockholder would have received had the stockholder retained the shares of Zimmer Holdings, Inc. (Zimmer) acquired as a result of the spin-off in 2001. If those shares had been retained, the value of \$100 invested in Bristol-Myers Squibb on 12/31/99 would have been approximately \$60 on 12/31/04 of which \$10.63 represents the incremental value of Zimmer shares.

** As stated previously, there was no payout on the 2002-2004 Long-Term Performance Award which was based in part on total stockholder return relative to the company's proxy peer group.

Table of Contents**Pension Benefits**

The following table sets forth the aggregate annual benefit payable upon retirement at normal retirement age for each level of remuneration specified at the listed years of service.

PENSION PLAN TABLE

Remuneration	Years of Service					
	15	20	25	30	35	40
\$ 500,000	\$ 150,000	200,000	250,000	300,000	350,000	400,000
1,000,000	300,000	400,000	500,000	600,000	700,000	800,000
1,500,000	450,000	600,000	750,000	900,000	1,050,000	1,200,000
2,000,000	600,000	800,000	1,000,000	1,200,000	1,400,000	1,600,000
2,500,000	750,000	1,000,000	1,250,000	1,500,000	1,750,000	2,000,000
3,000,000	900,000	1,200,000	1,500,000	1,800,000	2,100,000	2,400,000
3,500,000	1,050,000	1,400,000	1,750,000	2,100,000	2,450,000	2,800,000
4,000,000	1,200,000	1,600,000	2,000,000	2,400,000	2,800,000	3,200,000
4,500,000	1,350,000	1,800,000	2,250,000	2,700,000	3,150,000	3,600,000
5,000,000	1,500,000	2,000,000	2,500,000	3,000,000	3,500,000	4,000,000

Pension benefits are determined by final average annual compensation (defined as the average of the highest consecutive 5 years in the last 10 years) where annual compensation is the sum of the amounts shown in the columns labeled Salary and Bonus in the Summary Compensation Table. The pension formula for executives is the same formula used for all employees. The Compensation and Management Development Committee reviews retirement benefits regularly to ensure they are in alignment with the Company's needs and consistent with competitive standards. Benefit amounts shown are straight-life annuities before the deduction for Social Security benefits. The executive officers named in the Summary Compensation Table have the following years of credited service for pension plan purposes: P.R. Dolan 17 years; A.R.J. Bonfield 2 years; D.J. Hayden, Jr. 24 years; J.L. McGoldrick 10 years; E. Sigal 7 years.

Change in Control Arrangements

We have entered into change-in-control agreements with certain executives, including the Chief Executive Officer and the other named executive officers. These agreements are intended to provide for continuity of management in the event of a change in control of our company. The original agreements were entered into in 1999 and were in effect through December 31, 2002, and had been automatically extended, beginning on January 1, 2003, in one-year increments. Effective January 1, 2005, we revised the agreements to ensure compliance with recent changes in the tax laws while maintaining the same benefits as provided under prior agreements. Prior to revising the agreements, the Compensation and Management Development Committee reviewed, in 2004, the benefits provided under these agreements to ensure they met our needs and were within competitive parameters with the assistance of its outside compensation consultant. The Committee will continue to conduct such reviews on a regular basis to ensure the agreements generally conform with applicable company policies and competitive practices. The current agreements will expire on December 31, 2005 and may be extended with revisions, as appropriate, beginning on January 1, 2006, in one-year increments.

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unless either we or the executive gives prior notice of termination of the agreement or a change-in-control shall have occurred prior to January 1 of such year. If a change in control occurs during the term of the agreement, the agreement shall continue in effect for a period of not less than 36 months beyond the month in which such change in control occurred.

The agreements provide that executive officers could be entitled to certain severance benefits following a change in control of our company and termination of employment. Under each agreement, a change in control would include any of the following events: (i) any person, as defined in the Securities and Exchange Act of 1934, as amended, acquires ownership of 20% or more of our then outstanding common stock; (ii) a majority of our directors are replaced during a two-year period; or (iii) the stockholders approve a merger or consolidation of our company or approve a plan of complete liquidation of our company.

Upon the executive's termination following a change in control, unless such termination is: (1) by the company for cause (as defined in the agreement); (2) by reason of death; or (3) by the executive without good reason (as defined in the agreement), the covered executive would be entitled to a lump sum severance payment equal to three times the sum of the executive's base salary and target bonus under the Performance Incentive Plan. In addition, the executive would receive a payout of any unpaid incentive compensation which has been allocated or awarded to the executive for the completed calendar year preceding the date of termination and a pro rata portion to the date of termination of the aggregate value of all contingent incentive compensation awards to the executive for the current calendar year.

Further, all outstanding stock options granted to the executive officer would become immediately vested and exercisable and all restrictions on restricted stock awards would lapse, unless otherwise provided for under a written stock award agreement. All unvested matching contributions in the company Savings Plan would also vest. The executive officer would receive a cash amount for the additional benefit to which the executive officer would have been entitled had he or she been fully vested and credited three additional years of service and age for the purpose of calculating his or her tax-qualified and nonqualified pension benefits. Additionally, if the executive officer is under 55 years of age and/or has fewer than 10 years of service at the time of termination, he or she would receive payment of pension benefits in such form of distribution available under the pension plan, and otherwise would be treated under such pension plan as if the executive were 55 with at least ten years of service. For a three-year period after the date of termination, the executive officer would receive life and health insurance benefits and perquisites substantially similar to those that the executive is receiving immediately prior to the notice of termination. Thereafter, the executive officer will be eligible to participate in the company's retiree medical and dental plans.

In the event that any payments made to an executive officer in connection with a change in control and termination of employment would be subject to excise tax as excess parachute payments by the Internal Revenue Code, Bristol-Myers Squibb will gross up the executive officer's compensation to fully offset such excise taxes provided the payments exceed 110% of the maximum total payment which could be made without triggering the excise taxes. If the aggregate parachute payments exceed such maximum amount but do not exceed 110% of such maximum amount, then the parachute payments would be automatically reduced so that no portion of the parachute payments is subject to excise tax and no gross-up payment would be made.

In consideration for receiving one of these agreements, each executive officer signed a non-compete/non-solicitation and general release agreement.

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Certain Relationships and Related Transactions

Our Bylaws provide that, to the extent permitted by law, our company shall indemnify current and former directors and officers for expenses incurred or paid as a result of certain claims brought against them, or to which they are a party or otherwise, by reason of their current or prior services for the company and its subsidiaries. Our Bylaws further allow the company to advance payment of such expenses prior to final disposition of a claim upon the condition that the director or officer undertake to repay any such advanced amounts to the company should it be ultimately determined that the director or officer was not entitled to indemnification by the company.

Accordingly, pursuant to our Bylaws described above, we entered into agreements with each of Peter R. Dolan, Donald J. Hayden, Jr. and John L. McGoldrick, under the terms and conditions described above, in connection with the previously disclosed private lawsuits and government investigations relating to U.S. wholesaler inventory and accounting matters. The lawsuits and investigations are further described in the company's 2004 Annual Report on Form 10-K. Pursuant to these agreements, the company paid the legal fees incurred from February 1, 2004 until December 31, 2004 for each of Mr. Dolan, Mr. Hayden and Mr. McGoldrick in the amount of \$465,645, \$487,303 and \$84,265, respectively. Amounts paid during January 2004 were previously reported in our company's 2004 Proxy Statement. We expect to make additional advances in connection with the matters noted above.

ITEM 2 RATIFICATION OF THE APPOINTMENT OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

Our Board of Directors, upon the recommendation of its Audit Committee, has ratified the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year 2005, subject to ratification by our stockholders.

Representatives from PricewaterhouseCoopers LLP will be present at the Annual Meeting to respond to appropriate questions and to make any statements as they may desire.

In the event our stockholders fail to ratify the appointment, it will be considered as a direction to our Board of Directors and the Audit Committee to select another independent registered public accounting firm. It is understood that even if the selection is ratified, our Board of Directors and the Audit Committee at their discretion, may direct the appointment of a new independent registered public accounting firm at any time during the year if our Board of Directors feels that such a change would be in the best interests of our company and our stockholders.

The Board of Directors recommends a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as Bristol-Myers Squibb's independent registered public accounting firm for 2005.

Audit and Non-Audit Fees

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The following table presents aggregate fees for professional audit services rendered by PricewaterhouseCoopers LLP (PwC) for the audit of our annual financial statements for the years ended December 31, 2003, and December 31, 2004, and fees billed for other services rendered by PwC during those periods.

	<u>2003</u>	<u>2004</u>
	(in millions)	
Audit	\$ 8.16	\$ 19.95
Audit Related	4.18	7.49
Tax	5.14	6.10
All Other	0.04	0.01
	<u> </u>	<u> </u>
Total	<u>\$ 17.52</u>	<u>\$ 33.55</u>

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Audit fees for 2004 and 2003 were for professional services rendered for the audits of our consolidated financial statements, including the restatement of previously issued financial statements, attestation services relating to the report on our internal controls in accordance with Section 404 of the Sarbanes-Oxley Act (Section 404), statutory and subsidiary audits, timely reviews of quarterly financial statements, divestiture audits, consents, income tax provision procedures, issuance of comfort letters, and assistance with review of documents filed with the SEC, including the amendment to previously issued filings.

Audit Related fees for 2004 and 2003 were primarily for assurance services including Section 404 internal control reporting readiness services, employee benefit plan audits, due diligence related to acquisitions and divestitures, accounting consultations in connection with acquisitions, attest services that are not required by statute or regulation, and consultations concerning financial accounting and reporting standards.

Tax fees for 2004 and 2003 were for services related to tax compliance, including the preparation of tax returns and claims for refund, tax planning (excluding planning related to transactions or proposals for which the sole purpose may be tax avoidance or for which tax treatment may not be supported by the Internal Revenue Code.) and tax advice, including assistance with and representation in tax audits and appeals, advice related to divestitures and acquisitions, preparation of individual income tax returns (excluding executive officers) and consultations relating to expatriate program and international compensation matters, and requests for rulings or technical advice from tax authorities.

All Other fees for 2003 and 2004 related primarily to immigration services provided to company expatriates and translation/translator services for internal auditors traveling overseas.

Pre-Approval Policy for Services Provided by our Independent Registered Public Accounting Firm

The Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by our independent registered public accounting firm consistent with applicable SEC rules. Our independent registered public accounting firm is prohibited from performing any management consulting projects. Our independent registered public accounting firm is also prohibited from providing tax consulting services relating to transactions or proposals in which the sole purpose may be tax avoidance or for which the tax treatment may not be supported in the Internal Revenue Code. Prior to the engagement of our independent registered public accounting firm for the next year's audit, management submits an aggregate of services expected to be rendered during that year for each of the four categories of services described above to the Audit Committee for approval. Prior to engagement, the Audit Committee pre-approves these services by category of service. The fees are budgeted by category of services and the Audit Committee receives periodic reports from management and our independent registered public accounting firm on actual fees versus the budget by category of service. During the year, circumstances may arise when it may become necessary to engage our independent registered public accounting firm for additional services not contemplated in the pre-approval. In those instances, the Audit Committee requires specific pre-approval before engaging our independent registered public accounting firm.

The Audit Committee may delegate pre-approval authority to one or more of its members. The member or members to whom such authority is delegated is required to report, for informational purposes, any pre-approval decisions to the Audit Committee at its next regularly scheduled meeting.

Audit Committee Report

As the Audit Committee of the Board of the Directors, we are composed of independent directors as required by and in compliance with the listing standards of the New York Stock Exchange. We operate pursuant to a written charter adopted by the Board of Directors.

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Management has primary responsibility for our company's financial reporting process, principles and internal controls as well as preparation of its consolidated financial statements. PwC is responsible for performing an audit of Bristol-Myers Squibb's financial statements and expressing an opinion as to the conformity of such financial statements with accounting principles generally accepted in the United States. We are responsible for overseeing and monitoring PwC's accounting and auditing process on behalf of the Board of Directors.

As part of its oversight of our company's financial statements, we review and discuss with both management and PwC all annual and quarterly financial statements prior to their issuance. Management advised us that each set of financial statements reviewed had been prepared in accordance with accounting principles generally accepted in the United States, and reviewed significant accounting and disclosure issues with us. These reviews included discussion with PwC of matters required to be discussed pursuant to Statement on Auditing Standards No. 61, Communications with Audit Committees in the case of annual statements and Statement of Auditing Standards No. 100, Interim Financial Information in the case of quarterly statements, as currently in effect.

In addition, we have received the letter from PwC required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), as currently in effect, and have discussed with PwC their independence from Bristol-Myers Squibb and its management. We have also determined that PwC's provision of non-audit services in 2004 was compatible with and did not impair its independence.

We have discussed with our company's internal auditors and PwC the overall scope and plans for their respective audits. We meet with the internal auditors and PwC, with and without management present to discuss the results of their examinations, the evaluations of our company's internal controls, and the overall quality of our company's financial reporting.

Based on the reviews and discussions described above, we recommended to the Board of Directors, and the Board has approved that, the audited consolidated financial statements for the year ended December 31, 2004 be included in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2004 for filing with the Securities and Exchange Commission. We and the full Board also have recommended, subject to stockholder ratification, the selection of PwC as our company's independent registered public accounting firm for 2005.

We have also confirmed there have been no new circumstances or developments since our respective appointments to the Committee that would impair any of our member's ability to act independently.

The Audit Committee

Vance D. Coffman, Chair

Robert E. Allen

Lewis B. Campbell

James M. Cornelius

Laurie H. Glimcher, M.D.

Leif Johansson

Louis W. Sullivan, M.D.

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ITEM 3 APPROVAL OF RESTATED CERTIFICATE OF INCORPORATION EFFECTING AMENDMENT TO ELIMINATE CERTAIN SUPERMAJORITY VOTE REQUIREMENTS

At the 2003 Annual Meeting of Stockholders, upon recommendation of our Board of Directors, stockholders approved amendments to our Certificate of Incorporation to gradually declassify our Board of Directors such that all directors will be elected for one-year terms beginning at the 2006 Annual Meeting of Stockholders. An affirmative vote of more than 75% of the required then current outstanding shares approved the amendments. Our Board of Directors, in its continuing review of corporate governance matters, and after careful consideration and upon recommendation of the Committee on Directors and Corporate Governance, has concluded that it is in the best interests of the company's stockholders to remove all the remaining supermajority voting requirements in our company's Restated Certificate of Incorporation, except for the supermajority voting requirement to return to a classified board structure. To effect these changes, our Board of Directors has approved and recommends for approval by the company's stockholders a Restated Certificate of Incorporation effecting amendments to Articles EIGHTH and NINTH, and the removal of Article TWELFTH of the company's Restated Certificate of Incorporation. The current provisions and the proposed amendments are described below:

Board of Directors

Article EIGHTH(a) provides that: (i) the number of, the retirement age of and other restrictions and qualifications of the company's directors of the company will be fixed by the Bylaws, and such provisions of the Bylaws may be altered only by a majority vote of the entire Board or the affirmative vote of the holders of at least 75% of the outstanding shares of company stock entitled to vote generally in the election of directors (the "voting stock"); (ii) the Board will be elected annually; and (iii) any director or the entire Board may be removed from office, with or without cause only by the affirmative vote of holders of at least 75% of the voting stock. Each of these provisions can be amended or repealed only by the affirmative vote of holders of at least 75% of the voting stock. The proposed Restated Certificate of Incorporation would remove the supermajority voting requirements described in clauses (i) and (iii) of this paragraph.

Amendment of Bylaws

Article EIGHTH(b) expressly authorizes the Board to make, alter, amend and repeal the Bylaws. This provision can be amended or repealed only by the affirmative vote of holders of at least 75% of the voting stock. The proposed Restated Certificate of Incorporation would eliminate the supermajority vote requirement.

Stockholder Action

Article NINTH requires that: (i) any action required or permitted to be taken by the company's stockholders must be effected at a duly called annual or special meeting and may not be effected by written consent and (ii) special meetings of stockholders may only be called by the Chairman of the Board or by majority vote of the entire Board. Each of these provisions can be amended or repealed only by the affirmative vote of holders of at least 75% of the voting stock. The proposed Restated Certificate of Incorporation would eliminate the supermajority vote requirement.

Fair Price Provision

Article TWELFTH requires the affirmative vote of the holders of least 75% of the voting stock for approval of any Business Combination with an Interested Stockholder unless (i) a majority of the

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Continuing Directors approves the Business Combination or (ii) certain fair price and procedural requirements are met. These provisions can be amended or repealed only by an affirmative supermajority vote.

A Business Combination includes, (i) any merger or consolidation, (ii) any sale, lease, exchange, mortgage, pledge, transfer or disposition of any assets having an aggregate fair market value of \$25 million or more, (iii) the issuance or transfer of securities in exchange for cash securities or other property having an aggregate fair market value of \$25 million or more, (iv) the adoption of any plan or proposal for liquidation and (v) any reclassification of securities, or recapitalization of the company, or any merger or consolidation of the company with any of its subsidiaries or any other transaction that has the effect, directly or indirectly of increasing the proportionate share of the outstanding shares of any class equity or convertible securities of the company that is directly or indirectly owned by an Interested Stockholder.

An Interested Stockholder means any person (other than the company) who (i) beneficially owns, directly or indirectly, 10% or more of the voting stock of the company; (ii) is an affiliate of the company and at any time within the two-year period immediately prior to the date in question beneficially owned, either directly or indirectly, 10% or more of the voting stock; or (iii) is an assignee of or has otherwise succeeded to any shares of voting stock which were at any time within the two-year period immediately prior to the date in question beneficially owned by an Interested Stockholder, if such assignment or succession occurred in the course of a transaction or series of transaction not involving a public offering within the meaning of the Securities Act of 1933.

A Continuing Director means any member of the Board who is unaffiliated with the Interested Stockholder and was a member of the Board prior to time that the Interested Stockholder became an Interested Stockholder, and any successor of a Continuing Director who is unaffiliated with the Interested Stockholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on Board.

To meet the fair price requirement, the consideration offered in a Business Combination must be (i) at least equal to the highest of the following: (A) the highest per share price paid by the Interested Stockholder for any shares of common stock acquired by it (x) within the two-year period immediately prior to the first public announcement of the proposed Business Combination (the Announcement Date) or (y) in the transaction in which it became an Interested Stockholder, whichever is higher, and (B) the highest per share price paid or offered by the Interested Stockholder for any shares of common stock on or after the Announcement Date and (ii) in cash or in the same form as the Interested Stockholder has previously paid for common stock.

If Article TWELFTH is eliminated, then under General Corporation Law of the State of Delaware the holders of only a majority of outstanding voting stock generally would be required to approve the Business Combinations described above, subject to the following exception. If the transaction constitutes a business combination within the meaning of Section 203 of the General Corporation Law of the State of Delaware involving a person owning 15% or more of the company's voting stock (referred to as an interested stockholder), then the transaction could not be completed for a period of three years after the time the person became an interested stockholder unless (i) the Board of Directors approved either the business combination or the transaction that resulted in the person becoming an interested stockholder prior to such business combination or transaction, (2) upon consummation of the transaction that resulted in the person becoming an interested shareholder, that person owned at least 85% of the company's outstanding voting stock (excluding shares owned by persons who are directors and officers of the company and shares owned by certain employee benefit plans of the company), or (3) the business combination was approved by the Board and by the affirmative vote of at least 66 2/3% of the company's outstanding voting stock not owned by the interested stockholder.

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The sections of the Restated Certificate of Incorporation that reflect the proposed amendments to be effected by the proposed Restated Certificate of Incorporation are attached to this Proxy Statement as Annex E and are marked to show changes from our current Restated Certificate of Incorporation.

Approval of this Proposal requires the affirmative vote of holders of record of a majority of the outstanding shares of the company entitled to vote for the election of directors.

If the proposal is approved by our stockholders, it will be effected by the filing of a Restated Certificate of Incorporation with the State of Delaware promptly after this Annual Meeting.

The Board of Directors unanimously recommends that the stockholders vote FOR this proposal.

STOCKHOLDER PROPOSALS

We expect the following stockholder proposals (Proposals 4 through 10 on the proxy card) to be presented by stockholders at the Annual Meeting. The proposals are printed in the order in which they were received. Some of the proposals contained assertions about our company that we believe are inaccurate. We have not attempted to correct or refute all the inaccuracies. The Board of Directors, however, has recommended a vote against these proposals for broader policy reasons as set forth following each proposal. The names, addresses and share holdings of each of the stockholder proponents and, where applicable, of co-filers will be provided upon request to the Secretary of Bristol-Myers Squibb.

ITEM 4 STOCKHOLDER PROPOSAL ON POLITICAL CONTRIBUTIONS

RESOLVED: That the stockholders recommend that the Board direct management that within five days after approval by the shareholders of this proposal, the management shall publish in newspapers of general circulation in the cities of New York, Washington, D.C., Detroit, Chicago, San Francisco, Los Angeles, Dallas, Houston and Miami, and in the Wall Street Journal and U.S.A. Today, a detailed statement of each contribution made by the Company, either directly or indirectly, within the immediately preceding fiscal year, in respect of a political campaign, political party, referendum or citizens initiative, or attempts to influence legislation, specifying the date and amount of each such contribution, and the person or organization to whom the contribution was made. Subsequent to this initial disclosure, the management shall cause like data to be included in each succeeding report to shareholders. And if no such disbursements were made, to have that fact publicized in the same manner.

REASONS: This proposal, if adopted, would require the management to advise the shareholders how many corporate dollars are being spent for political purposes and to specify what political causes the management seeks to promote with those funds. It is therefore no more than a requirement that the shareholders be given a more detailed accounting of these special purpose expenditures that they now receive. These political contributions are made with dollars that belong to the shareholders as a group and they are entitled to know how they are being spent.

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Last year the owners of 92,488,660 shares, representing approximately 6.9% of shares voting, voted FOR this proposal.

If you AGREE, please mark your proxy FOR this resolution.

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Board of Directors Position

The Board of Directors recommends a vote AGAINST this proposal for the following reasons:

The Board of Directors believes that the proposal is unnecessary because we already publish on our website at www.bms.com on an annual basis, all political contributions made by Bristol-Myers Squibb and by the company sponsored employee political action committee (EPAC) to political committees, parties or candidates on both state and federal levels. The report is also available to stockholders upon written request. The information in the report includes the names of recipients and the specific amounts contributed.

We comply with all applicable federal, state and local laws concerning political contributions. Federal law prohibits us from making direct or indirect contributions to candidates or political parties at the federal level, and many states laws regulate and limit such activities at the state level. The EPAC, supported solely by voluntary contributions from our employees, makes political contributions to federal, state and local candidates and committees. We are also fully committed to complying with campaign finance and lobbying laws that may be enacted.

The Board believes it is in the best interest of our company s stockholders to support the legislative process by contributing prudently to state and local candidates and political organizations when such contributions are permitted by federal, state and local laws. Generally, contributions are made to office holders and candidates whose views on industry specific issues are consistent with our company s long-term legislative and regulatory goals or to those who represent the communities served by our company and its subsidiaries.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

ITEM 5 STOCKHOLDER PROPOSAL ON HIV/AIDS-TB-MALARIA

Resolved:

Shareholders request that our Board review the economic effects of the HIV/AIDS, tuberculosis and malaria pandemics on the company s business strategy, and its initiatives to date, and report to shareholders within six (6) months following the 2005 annual meeting. This report, developed at reasonable costs and omitting proprietary information, will identify the impacts of these pandemics on the company.

Supporting Statement:

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We believe that HIV/AIDS, tuberculosis (TB) and Malaria pose major risks to the long-term financial health of firms, like Bristol-Myers Squibb Company that operate in emerging markets.

The crisis of HIV/AIDS in Africa, with half of all global HIV/AIDS cases, is well known. UNAIDS the joint United Nations AIDS program reports life expectancy in much of southern Africa has declined by over half, to barely thirty years.

New research also shows disturbing trends in Asian markets. New infection rates in Asia are at all-time highs. 7.4 million people there are living with HIV. India alone has more citizens living with HIV than any country, except South Africa. (Report on the Global AIDS Pandemic, UNAIDS 2004).

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Foreign Affairs reported in December 2002 that even moderate HIV pandemics in India and China may reduce per capita GNP by 2005 to virtually 2000 levels wiping out a generations worth of economic growth.

In China, UNAIDS projects 10 million infections by 2010. Stephan Roach, Morgan Stanley's Chief Economist, wrote in June 2004 that all the economic growth in the world cannot possibly compensate for the devastation China would face if [UNAIDS] projections were to come to pass.

Standard Chartered Bank Group Chief Executive Mervyn Davies, in a 2004 world Economic Forum report, cautioned that AIDS imposes a day-to-day economic tax that compromises business productivity. Firms pay in increased health and benefit costs, decreased productivity, higher turnover, and other ways.

Despite these warnings, the same report concluded firms are not particularly active in combating HIV/AIDS and businesses appear to be making decisions based on a patchy assessment of the risks they face.

Unfortunately, most companies do not yet report appropriate data for investors to make informed decisions about the impact of HIV/AIDS, says a 2003 survey of corporations by UNAIDS. We believe, to date, our company's reporting has also been inadequate.

In contrast to our company's performance, several large-cap firms make reporting on infectious diseases best practice. The Bill & Melinda Gates Foundation has funded an HIV/AIDS Resource Document at the Global Reporting Initiative.

In 2004, Coca-Cola shareholders approved a resolution seeking such a report with 98% support. Coca-Cola's subsequent report notes the moral and business imperatives are of equal importance in responding to HIV/AIDS.

Our experience with Coca-Cola and other leading companies demonstrates that these reports need not be onerous. In our opinion, shareholders must fully understand the threats posed by these diseases in order to make informed assessments of our company's value.

We urge shareholders to vote FOR this resolution.

Board of Directors Position

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

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The Board of Directors believes that the proposal is unnecessary because we already report extensively on the devastating effects of the HIV/AIDS pandemic and the initiatives we have taken to address this pandemic. We do not make, and have no plans to make, tuberculosis or malaria drugs.

We have been and remain a leader among global pharmaceutical companies and other global corporations in addressing the HIV/AIDS pandemic. Our company is well aware of the human and economic impacts of HIV/AIDS, as demonstrated by our many leading edge programs and initiatives to address the pandemic. In 1999, we launched SECURE THE FUTURE®, an unprecedented, multi-year public-private initiative to help alleviate the HIV/AIDS crisis among women and children affected and infected by HIV/AIDS in sub-Saharan Africa, a region hit hard by the pandemic. We have committed \$120 million to this initiative, the first and largest corporate commitment of its kind to fight HIV/AIDS in Africa. In all, more than 170 individual grants for community outreach and education, medical research

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and care and capacity building have been awarded in nine countries in southern and West Africa. Through these grants, the initiative is funding a range of sustainable and replicable programs in some of the hardest hit and most resource-constrained areas of the world. The countries are: South Africa, Swaziland, Botswana, Namibia, Lesotho, Senegal, Burkina Faso, Mali and Cote d'Ivoire. As recently as October 2004, we committed to fund medical centers focused on caring for children with HIV/AIDS in Lesotho and Swaziland. The centers will be modeled on a Children's Clinical Center of Excellence in Botswana, also funded by a SECURE THE FUTURE® grant.

We are a founding partner of the Accelerating Access Initiative (AAI), an unprecedented public-private collaboration established in May 2000 to help increase access to HIV/AIDS care and treatment in the developing world. Under the initiative, we have worked closely with United Nations agencies and with governments and other partners, in developing and implementing national plans to expand access to sustainable prevention, care and treatment of HIV/AIDS.

Despite the successes to date achieved by these and other best collective efforts, we recognize that more needs to be done to solve the AIDS crisis. Consistent with our company's Pledge to extend and enhance human life, we will continue to explore opportunities to make a meaningful difference.

We have clearly reviewed and are aware of the economic effects of HIV/AIDS on our strategy. We already report extensively to employees, major stakeholders and other constituents, as well as the trade and mainstream media, on the devastating impact of HIV/AIDS, as well as initiatives our company has taken, such as the Global Access and SECURE THE FUTURE® programs. Information on initiatives our company has taken to address the HIV/AIDS pandemic is available at www.bms.com/sr/data. The Board believes that adoption of the proposal would not serve stockholder interests and would be an ineffective use of stockholder funds.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

ITEM 6 STOCKHOLDER PROPOSAL ON ANIMAL TESTING

This Proposal is submitted by concerned shareholders¹.

WHEREAS

A. We as shareholders wish to minimize animal testing;

B. statistics show that a majority of painful and distressing animal experiments are conducted to satisfy outdated, government-mandated testing requirements² and that such testing is on the rise;³

C. the majority of animals used in regulatory testing experience pain without any pain relief;⁴

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- ¹ The proponents of this Resolution are Stablecott Properties Ltd; Chicago Exhibitors Corporation, Susan Natoli, Donna Berriman, Grace Holden, James Boreham, James and Helen Boreham Trustees, Barbara A. Hormel, M.D., and Joan C. Trombetta.
- ² CCAC Animal Use Survey 2001: <http://www.ccac.ca/english/FACTS/Facframeaus2001.htm>
- ³ Statistics of Scientific Procedures on Living Animals Great Britain 2002: <http://www.official-documents.co.uk/document/cm58/5886/.htm>
- ⁴ CCAC Animal Use Survey 2001

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D. non-animal test methods are generally cheaper, faster and more humane, than animal-based tests;

E. unlike animal tests, non-animal methods have been scientifically validated and/or accepted as total replacements for the following five toxicity endpoints: skin corrosion (irreversible tissue damage), skin irritation (milder and reversible damage), skin absorption (the rate of chemical penetration), phototoxicity (an inflammatory reaction caused by the interaction of a chemical with sunlight), and pyrogenicity (a fever-like reaction that can occur when certain intravenous drugs interact with the immune system);

RESOLVED, that the shareholders request that the Board:

1. Commit specifically to using only non-animal methods for assessing skin corrosion, irritation, absorption, phototoxicity and pyrogenicity.

2. Confirm that it is in the Company's best interest to commit replacing animal-based tests with non-animal methods.

3. Petition the relevant regulatory agencies requiring safety testing for the Company's products to accept as total replacements for animal-based methods, those approved non-animal methods described above, along with any others currently used and accepted by the Organization for Economic Cooperation and Development (OECD) and other developed countries.

Supporting Statement: This Resolution is designed to harmonize the interests of sound science with the elimination of animal-based test methods where non-animal methodologies exist. It seeks to encourage the relevant regulatory agencies to join their peers in accepting validated *in vitro* and other non-animal test methods. It will not compromise consumer safety or violate applicable statutes and regulations.

Further, this Resolution commits the Company to end animal testing for five specific endpoints in favor of valid non-animal methods. These include the 3T3 Neutral Red Uptake Phototoxicity Test, human skin equivalent tests for corrosivity, and a human blood-based test for pyrogenicity, all of which have been successfully validated through the European Centre for the Validation of Alternative Methods.⁵ Several non-animal methods have also been adopted as Test Guidelines by the OECD⁶ (an alliance of 30 member countries including the US, EU, Japan, Canada and Australia). Regulatory agencies in OECD member countries are not at liberty to reject data from non-animal tests for skin corrosion, skin absorption and phototoxicity where such data have been generated in accordance with an OECD Test Guideline.

We urge shareholders to support this Resolution.

Board of Directors Position

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

The Board of Directors strongly believes that as a research-based pharmaceutical company seeking to discover and develop products to extend and enhance human life, we have both legal and ethical obligations to ensure the safety and efficacy of our products. At times, to ensure fulfillment of

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⁵ ECVAM website: <http://ecvam.jrc.it>

⁶ OECD test guidelines:
http://www.oecd.or/document/22/0.2340.en_2649_34377_1916054_1_1_1_1.00.html

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these obligations, research or testing methods that include the use of animals is required. All pharmaceutical and healthcare companies are required by law to demonstrate the safety and efficacy of their products in animals.

We have maintained a long-standing, highly regarded program that is committed to reducing reliance on animal testing methods; that promotes the development, validation and use of non-animal tests; and that provides the highest level of care when use of laboratory animals is required. All company laboratory animal facilities in the United States are accredited by the Association of Assessment and Accreditation of Laboratory Animal Care International, an unaffiliated review organization. We continue to meet or exceed the high standards of care and humaneness set by the National Research Council of the National Academy of Sciences, the National Institutes of Health and the U.S. Department of Agriculture as mandated under the Animal Welfare Act. All company facilities and programs involved with the care and use of animals are periodically subjected to rigorous inspection by company auditors to ensure compliance with applicable standards.

Testing with animals, where required, will continue to be an essential component of our company's research and development efforts. We will also continue our firm commitment to pursue quality humane care, reduce use of animals and to develop, where feasible, alternatives to animal use.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

ITEM 7 STOCKHOLDER PROPOSAL ON SEPARATION OF CHAIRMAN AND CEO POSITIONS

Resolved: The Shareholders of Bristol-Myers Squibb (BMS) urge the Board of directors (the Board) to amend the bylaws to require that an independent director who has not served as chief executive officer of the Company shall serve as chairman of the Board.

SUPPORTING STATEMENT

Since 2000 BMS's performance has been disappointing.

The stock price is down by two-thirds.

Earnings are down and heading lower, without prospect for recovery until 2007 or later.

The company has not brought new medicines to market as needed to get sales growing again at a healthy rate.

Legal problems have cost more than \$1 billion in payments so far.

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Long-term debt is up from \$1.3 billion to \$8.5 billion.

We believe that the company's disappointing record makes an overwhelming case for revitalizing the board and the way it works. All of BMS's independent directors have served since 1998 or before. As three of them reached or neared the retirement age of 70, the board raised the retirement age to 72. While we appreciate directors' service, we believe that is a step in the wrong direction. As the company must replenish itself with new products and new people, so the board needs to renew itself. Fresh views can help solve old problems.

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In our view, it is unrealistic to expect a CEO, especially one facing serious performance problems, to lead the board in changing itself; it is equally unrealistic to expect the board to oversee the performance of its nominal chairman. Such an arrangement leaves no one responsible for the board.

It is realistic to separate the CEO and chairman jobs, so that the chairman leads the board, the board genuinely oversees the CEO, and the CEO leads the company. A non-executive chairman can lead the orderly succession of board members, bringing in needed strengths, and help improve board processes to come to grips with poor performance.

Separating the CEO and chairman jobs is a reform that works. Barron's recently reported:

According to a recent report by Richard Bernstein, chief U.S. strategist at Merrill Lynch, of the 100 largest companies in the Standard & Poor's 500, those splitting the top two positions have, as a class, outperformed those that haven't over the last decade. Indeed, those with split roles had an average annual return of 22%, compared with 18% for those without a split.

The science underlying medicines is moving faster than ever, and the marketplace is evolving in ways that challenge drug companies to keep up. Drugs will thrive on clinical merit, not personal selling, advertising, and price increases. Drugs will be smarter and more targeted, with perhaps fewer blockbusters. BMS's board will need new strengths to find opportunity in advancing science and evolving markets.

We believe that shareholders deserve a chairman not tied to management who will challenge management to deliver great performance and nothing less.

Please vote FOR this proposal.

Board of Directors Position

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

The Board of Directors, which includes ten independent, non-management directors among its eleven members, believes that the positions of Chairman of the Board and Chief Executive Officer should be held by the same person, except in unusual circumstances such as a transition in leadership. The Board believes that currently it is in the best interest of our company to have a single person serve as Chairman and CEO to provide unified leadership and direction. The Board may separate these positions in the future should circumstances change.

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The Board agrees that an independent Board structure is necessary for good corporate governance and accountability. The Board, however, does not believe its independence is compromised by having a single person serve as Chairman and CEO. The functions of the Board are carried out by the full Board, and when delegated, by the Board committees. Each director is a full and equal participant in the major strategic and policy decisions of our company. The independent Board members meet on at least a quarterly basis in executive sessions that are led by the Chair of the Committee on Directors and Corporate Governance, who is an independent director. The insight and advice that each independent director provides to our company would not change if he or she served as non-executive Chairman of the Board.

The Board is committed to high standards of corporate governance and has adopted Corporate Governance Guidelines that are posted on our website. These guidelines were designed in part, to

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ensure the independence of the Board and include a formal process for the evaluation of CEO performance by all independent Board members. The evaluation is used by the Compensation and Management Development Committee as a basis to recommend the compensation of the CEO, which is approved by all independent Board members.

The Investor Responsibility Research Center reports that a large majority of the S&P 500 companies have a single person serve as both the Chairman and CEO. Specifically, none of our U.S. peer companies have a separate Chairman and CEO. The Board believes that our corporate governance structure, with its emphasis on independence, makes it unnecessary to have a policy of separating the roles of Chairman and CEO. The Board believes it is important that it has the discretion to act in the best interests of stockholders at any point in time. The proposal would deprive the Board of its flexibility to organize its functions and conduct its business in the manner it deems most efficient.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

ITEM 8 STOCKHOLDER PROPOSAL ON RESTATEMENT SITUATIONS

RESOLVED: The shareholders of Bristol-Myers Squibb Company (BMS or the Company) request the board of directors to adopt a policy whereby, in the event of a restatement of financial results, the board will review all bonuses and other awards that were made to senior executives on the basis of having met or exceeded performance targets during the period of the restatement and will recoup for the benefit of the Company all such bonuses or awards to the extent that these performance targets were not achieved.

SUPPORTING STATEMENT

Like many companies, BMS has a system of incentive compensation intended to encourage its executives and management to work enthusiastically in the Company's interest. Incentive compensation can be a useful way to reward and motivate senior executives, but we believe that such compensation should be tied closely to the actual attainment of pre-set performance goals. We are concerned that this may not be happening at BMS.

In its 2002 10-K report, BMS restated results previously reported for 1997 through 2001 and the first half of 2002. The Company's disclosure and related press reports were not altogether clear, but evidently sales had been overstated by some \$2.5 billion and earnings by \$900 million. It was clearly in the Company's interest to have reported results correctly at the time, rather than misstating results for years, then having to restate them.

During the six years affected by the restatement, the Company reported the following incentive payments to the five or six named officers in each year's proxy statement:

\$78 million for bonuses, restricted stock awards, and long-term incentive payouts.

6.8 million shares underlying stock options, SARs, etc.

These payments and awards were presumably based on results reported at the time, not on the restated results. Given the magnitude of the restatements, these payments would presumably have been lower if calculated based on restated results. In our view, the difference between what the

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payments and awards were and what they would have been if calculated on the basis of accurate numbers is a form of ill-gotten gains.

We view the Company's current policy as inadequate. BMS noted in its 2004 Proxy Statement:

Additionally, the Committee established clawback provisions relating to stock option, restricted stock and long-term performance awards. Under these clawback provisions, executives that violate non-competition or non-solicitation agreements, or otherwise act in a manner detrimental to the company's interests will forfeit any outstanding awards and will have to return any gains realized in the prior twelve months.

BMS' policy does not explicitly require the repayment of unearned incentive pay in restatement situations, does not mention bonuses, and leaves much discretion to the Committee. Also, the policy is limited only to the prior twelve months and seemingly contemplates that executives may retain unearned incentive compensation for earlier years.

It is not enough for the Company's compensation system to encourage good work. It needs also to discourage bad work and misstatement of results.

Please vote FOR this resolution.

Board of Directors Position

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

The Board of Directors believes that adoption of the proposal is unnecessary because the Board has already adopted a policy that addresses the concern raised by the proposal. Under the policy, which is posted on our website at www.bms.com, we will require reimbursement of any bonus paid to executive officers and certain other officers where: a) the payment was predicated upon the achievement of certain financial results that were the subject of a restatement, b) in the Board's view the executive engaged in misconduct that caused or partially caused the need for restatement, and c) a lower payment would have been made to the executive based upon the restated financial results. In each such instance, we will seek to recover the executive's entire annual bonus for the relevant period, plus a reasonable rate of interest.

The Board also believes the proposal is unworkable because it is vague and overreaching. It would presumably apply to all restatement situations, even restatements that were not caused by misconduct. In addition, it would apply to all senior executives, including those who have no role in causing a restatement. As such, the adoption of the proposal could have the unintended effect of placing our company at a competitive disadvantage in recruiting critical talent. In contrast, the policy adopted by the Board addresses the concern raised by the proposal in a practicable and enforceable manner. The policy, together with our existing clawback provisions relating to stock options, restricted stock and long-term performance awards, makes clear the Board of

Directors will take appropriate action in the event of misconduct.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

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ITEM 9 STOCKHOLDER PROPOSAL ON RESTRICTED STOCK

RESOLVED, that the stockholders of Bristol-Myers Squibb Company (Bristol-Myers) ask the Compensation and Management Development Committee of the Board of Directors to adopt a policy that a significant portion of restricted stock granted to senior executives require the achievement of performance goals as a prerequisite to vesting. The policy should be implemented in a way that does not violate any existing employment agreement or the terms of any equity compensation plan.

SUPPORTING STATEMENT

Bristol-Myers uses a substantial amount of restricted stock to compensate its senior executives. From 2001 through 2003, CEO Peter Dolan received awards with a total value of \$4,194,000, while chief scientific officer J.B.D. Palmer, M.D. received awards valued at \$4,229,150 in 2002 and 2003. The vesting of these awards does not depend on the achievement of any performance goals; rather, they simply vest over time.

We believe that compensation policies should align the interest of senior executives with those of stockholders, and we therefore applaud Bristol-Myers' decision to deemphasize stock options and move to restricted stock, which facilitates direct ownership of stock. Restricted stock grants also have the virtue of more transparent accounting treatment than stock options, whose cost unlike that of restricted stock is not recognized on a company's income statement. However, to provide appropriate incentives, we believe that restricted stock awards should have real downside risk.

There has been significant criticism of the incentive value of restricted stock grants without performance hurdles. An August 11, 2003 editorial in *Forbes* characterized restricted stock grants without performance targets as "weak incentives for improving performance." WorldCom/MCI corporate monitor and former SEC chairman Richard Breeden opined in his August 2003 governance recommendations that "there is not a strong reason for granting restricted stock rather than simply paying cash unless there are performance hurdles to vesting." Matt Ward, CEO of San Francisco-based Westward Pay Strategies, says restricted stock grants without performance targets create "the lay-low effect: just lay low and don't get fired."

Leading companies have been requiring senior executives to satisfy performance requirements before restricted stock can vest. In its widely publicized 2003 shift from stock options to restricted stock, Microsoft has imposed performance vesting targets on its 600 most senior managers. The performance share units granted to GE CEO Jeffrey Immelt in 2003 similarly require the achievement of goals relating to cash flow from operations and total shareholder return. Bristol-Myers should follow the lead of these companies.

The need for performance targets for the vesting of restricted stock is especially acute in light of Bristol-Myers' stock price performance. According to the most recent proxy statement, \$100 invested in Bristol-Myers stock on December 31, 1998 would have been worth \$51.74 on December 31, 2003, while \$100 invested in an index of peer companies would have been worth \$91.55 on that date.

We urge stockholders to vote FOR this proposal.

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Board of Directors Positions

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

The Board of Directors believes adoption of the proposal is unnecessary because a significant portion of Bristol-Myers Squibb's long-term compensation program is already performance-based.

The Compensation and Management Development Committee, which is composed entirely of independent directors, with the assistance of its outside compensation consultant Mercer Human Resource Consulting, is responsible for determining the proper levels and types of compensation appropriate to attract, retain and incent the senior management team.

Our long-term compensation program is composed of three parts: a) stock options; b) a long-term performance incentive plan, and c) restricted stock.

The long-term performance share plan, which represents 25-40% of the long-term incentive mix, is 100% performance contingent. If, as was the case with the 2001-2003 plan and 2002-2004 plan, the threshold targets are not met, no payments are made under the plan.

For 2005, the Committee has approved the implementation of exercise thresholds for all annual stock option grants to the proxy named officers and other senior executives. To satisfy the exercise threshold, Bristol-Myers Squibb stock would need to close at a price of at least 15% above the option grant price for seven (7) consecutive trading days. Although the options would vest according to the normal vesting schedule, the executive may not exercise the options unless and until the threshold is satisfied. For 2005 option grants, to preserve favorable accounting under current rules, the thresholds will lapse in years 9 and 10. Pursuant to the expensing of options, this would not be required in future years.

For 2004 and 2005, the long-term compensation mix is approximately 35-45% options, 25-40% Long-Term Performance share plan and 30% restricted stock. The implementation of the exercise thresholds for options beginning in 2005, combined with the increased emphasis the Committee has placed on the Long-Term Performance Share plan in recent years, ties approximately 70% of long-term incentives to specific performance criteria. The Committee believes this satisfies the spirit of the stockholder's proposal, while still providing the flexibility it needs to make compensation decisions appropriate for our company.

The Committee does not believe it is in the best interests of our company to require the placement of performance criteria on restricted stock, as the proponent suggests. After careful review of the long-term compensation mix and business needs, the Committee has determined that it should and will continue to maintain a portion (30%) of the long-term incentive program in time-based restricted stock as it allows the Committee to attract and retain the necessary talent to execute our company's turn around.

Accordingly, the Board of Directors recommends a vote **AGAINST** the proposal.

ITEM 10 STOCKHOLDER PROPOSAL ON DIRECTOR VOTE THRESHOLD

Resolved: That the shareholders of Bristol-Myers Squibb Company (Company) hereby request that the Board of Directors initiate the appropriate process to amend the Company s governance documents (certificates of incorporation or bylaws) to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at an annual meeting of shareholders.

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Supporting Statement: Our Company is incorporated in Delaware. Among other issues, Delaware corporate law addresses the issue of the level of voting support necessary for a specific action, such as the election of corporate directors. Delaware law provides that a company's certificate of incorporation or bylaws may specify the number of votes that shall be necessary for the transaction of any business, including the election of directors. (DGCL, Title 8, Chapter 1, Subchapter VII, Section 216). Further, the law provides that if the level of voting support necessary for a specific action is not specified in the certificate of incorporation or bylaws of the corporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

Our Company presently uses the plurality vote standard for the election of directors. We feel that it is appropriate and timely for the Board to initiate a change in the Company's director election vote standard. Specifically, this shareholder proposal urges that the Board of Directors initiate a change to the director election vote standard to provide that in director elections a majority vote standard will be used in lieu of the Company's current plurality vote standard. Specifically, the new standard should provide that nominees for the board of directors must receive a majority of the vote cast in order to be elected or re-elected to the Board.

Under the Company's current plurality vote standard, a director nominee in a director election can be elected or re-elected with as little as a single affirmative vote, even while a substantial majority of the votes cast are withheld from that director nominee. So even if 99.99% of the shares withhold authority to vote for a candidate or all the candidates, a 0.01% for vote results in the candidate's election or re-election to the board. The proposed majority vote standard would require that a director receive a majority of the vote cast in order to be elected to the Board.

It is our contention that the proposed majority vote standard for corporate board elections is a fair standard that will strengthen the Company's governance and the Board. Our proposal is not intended to limit the judgment of the Board in crafting the requested governance change. For instance, the Board should address the status of incumbent directors who fail to receive a majority vote when standing for re-election under a majority vote standard or whether a plurality director election standard is appropriate in contested elections.

We urge your support of this important director election form.

Board of Directors Positions

The Board of Directors recommends a vote AGAINST the proposal for the following reasons:

The Board of Directors believes that active stockholder participation in the election of directors is important to our company and to effective corporate governance. In 2003, upon the Board's recommendation, the stockholders declassified the Board such that by 2006 each and every director will be subject to stockholder consideration on an annual basis. It is equally important, however, to ensure that the mechanisms through which stockholders participate are those that best serve the interests of our company and its stockholders.

The system of plurality voting, which the proponent seeks to replace, not only has long been the accepted system among companies comparable to our company, but is also the default system under the laws of the State of Delaware. The rules

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governing plurality voting are well understood. In addition, it is important to note that at last year's annual meeting of stockholders, each director was elected by more than 93% of the total votes cast. The proposal suggests that directors for the Bristol-Myers Squibb Board are being elected by minimal affirmative votes. That clearly is not the case.

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The Board believes that a majority voting system proposed by the proponent presents complex legal and practical issues that the proposal does not address. Although the Board could appoint directors to fill vacancies, it may not be able to find candidates willing to serve with a majority voting system. In addition, the Board believes that the appointment of directors is less democratic than the election of directors by plurality vote.

The Board also believes that implementation of the proposal at this time would be premature. The proposal is premature because the SEC has already proposed new rules that would provide stockholders with greater participation in the annual election of directors. The SEC did not propose to require a majority voting system for electing directors, but instead proposed different mechanisms to permit direct stockholder nominations in specified circumstances. If the SEC's proposals are adopted, they would more directly and uniformly provide new avenues for stockholder participation in the process for election of directors.

If the majority voting system is adopted, we may need to implement costly vote-getting strategies to ensure director nominees obtain the required vote. The end result may be increased spending by our company in routine elections and unnecessarily increasing the cost of soliciting stockholder votes. The Board believes this would be a poor use of stockholder funds.

Accordingly, the Board of Directors unanimously recommends a vote AGAINST this proposal.

ADVANCE NOTICE PROCEDURES

Under our Bylaws, no business may be brought before an annual meeting except as set forth in the notice of the meeting or as otherwise brought before the meeting by or at the direction of the Board or by a stockholder entitled to vote who has delivered notice to our company containing certain information set forth in our Bylaws, not fewer than 120 days before the date our company's proxy statement is released to stockholders in connection with the prior year's annual meeting. For our company's meeting in 2006, we must receive this notice no later than November 23, 2005. These requirements are separate and distinct from and in addition to the SEC requirements that a stockholder must meet to have a stockholder proposal included in our proxy statement.

A copy of the Bylaw provisions discussed above may be obtained by writing to us at our principal executive offices, 345 Park Avenue, New York, New York 10154, attention: Secretary.

2006 STOCKHOLDER PROPOSALS

Stockholder proposals relating to our 2006 Annual Meeting of Stockholders must be received by us at our principal executive offices, 345 Park Avenue, New York, New York 10154, attention: Secretary, no later than November 23, 2005. Stockholders are encouraged to contact the Office of the Corporate Secretary prior to submitting a stockholder proposal or any time they have concerns about our company. At the direction of the Board of Directors, that office acts as corporate governance liaison to stockholders.

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ANNEX A

CORPORATE GOVERNANCE GUIDELINES

The business of the company is managed under the direction of the Board of Directors pursuant to the Delaware General Corporation Law and the company's Bylaws. It has responsibility for establishing broad corporate policies and for the overall performance of the Company. The Board selects the senior management team that is responsible for the day-to-day operations of the company and for keeping the Board advised of the company's business. The Board acts as an advisor and counselor to senior management and ultimately monitors its performance.

Composition and Structure of the Board

1. **Size of the Board.** The Board in recent years has had between 10 and 12 members. This range permits diversity of perspectives and experience without hindering effective discussion. However, the Board is prepared to increase its membership if the Board deems it advisable, for example to bring new or specialized skills and talent to the Board.
2. **Board Membership Criteria.** The Committee on Directors and Corporate Governance is responsible for reviewing with the Board, on an annual basis, the appropriate criteria for membership to the Board. Generally, non-employee directors should be persons of diverse backgrounds with broad experience in areas important to the operation of the Company such as business, science, finance/accounting, law, education or government and should possess qualities reflecting integrity, independence, wisdom, an inquiring mind, vision, a proven record of accomplishment and ability to work with others.
3. **Selection of New Directors.** The Committee on Directors and Corporate Governance evaluates candidates and recommends them to the Board. The full Board is responsible for selecting its members and recommending them for election by the stockholders or by a majority vote of the Board to fill vacancies. The invitation to join the Board should be extended by the Chairman, on behalf of the entire Board.
4. **Independent Directors.** The Board's policy is that a substantial majority of its members be independent directors. Only independent directors may serve on the Audit Committee, Compensation Committee and Committee on Directors and Corporate Governance.

Consistent with the New York Stock Exchange listing standards, to be considered independent, the Board must determine that a director does not have any direct or indirect material relationship with the Company other than as a director. The Board will review annually all commercial and charitable relationships of directors. The Board has established the following standards to assist it in determining director independence. In each case below, the Company refers to Bristol Myers Squibb Company and its direct and indirect subsidiaries.

- a) A director will not be independent if, within the preceding three years: i) the director was employed by the Company; ii) an immediate family member of the director was employed by the Company as an executive officer; iii) the director, or an immediate family member of the director, received more than \$100,000 per year in direct compensation from the

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Company (other than director's fees or compensation that was deferred for prior service with the

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Company); or iv) an executive officer of the Company was on the board of directors of a company that employed either the director or an immediate family member of the director as an executive officer;

- b) A director will not be independent if: (i) the director is currently, or at any time during the past three years has been, a partner with or employed by the Company's independent auditor; (ii) the director has an immediate family member who is currently a partner of the independent auditor, or employed by the auditor in its audit, assurance, or tax compliance (but not tax planning) practices; or (iii) within the past three years, an immediate family member has been employed by the independent auditor and personally worked on the Company's audit within that period;
- c) The following commercial or charitable/non-profit relationships will be considered material relationships: i) the director of the Company is an executive officer or an employee, or whose immediate family member is an executive officer of another company that makes payment to, or receives payment from, the Company for property or services in an amount which, in any single fiscal year, is the greater of \$1 million, or 2% of such other company's consolidated gross revenues; or ii) the director of the Company is an executive officer of a charitable organization or non-profit organization and (a) the Company has a commercial relationship with such organization, (b) the Company makes payment to the organization pursuant to such commercial relationship and (c) such payment, in aggregate, in any single fiscal year within the preceding three years, was the greater of \$1 million or 2% of that organization's consolidated gross revenues;
- d) For relationships that are not covered by the guidelines in paragraphs a, b or c above, or that do not satisfy those guidelines, but with respect to which the Board has discretion to make an independence determination under New York Stock Exchange listing standards, the initial determination of whether the relationship is material or not, and therefore whether the director would be considered independent or not, shall be made by the independent directors.

In addition, members of certain Board committees, such as the Audit Committee, are subject to heightened standards of independence under various rules and regulations.

The Company will not make any personal loans or extensions of credit to directors or executive officers.

To help maintain the independence of directors, all directors are required to deal at arm's length with the Company and to disclose circumstances material to the director that might be perceived as a conflict of interest.

- 5. **Selection of Chairman and CEO.** The Board's policy is that the positions of Chairman and Chief Executive Officer be held by the same person, except in unusual circumstances such as transition in leadership. The Board believes this combination has served the Company well over many years by providing unified leadership and direction. The Board may separate these positions in the future should circumstances change.
- 6. **Directors Who Change Their Present Job Responsibility.** When a director's principal occupation or business association changes substantially from the position he or she held when originally invited to join the Board, the director shall tender a letter of resignation to the Board. The Committee on Director and Corporate Governance will evaluate whether to accept the resignation based on whether the individual continues to satisfy the Board's membership criteria in light of his or her new occupational status.
- 7. **Other Directorships.** Although the Board does not have a formal policy, independent directors are encouraged to limit the number of other boards (excluding non-profit) on which they serve.

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Independent directors are encouraged to advise the Chair and the Committee on Director and Corporate Governance in advance of accepting an invitation to serve on another board. The Committee on Directors and Corporate Governance and the full Board will take into account the nature of and the time involved in a director's service on other boards in evaluating the suitability of individual directors and making its recommendations to stockholders.

8. **Term Limits.** The Board's policy is to not establish term limits. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have a unique insight into the business of the Company and its operations.
9. **Board Compensation.** The Committee on Directors and Corporate Governance is responsible for reviewing and recommending, on an annual basis, the compensation for independent directors. Company management reports to the Committee as to how the Company's director compensation practices compare with those of other large public and peer group corporations. Any change in Board compensation is made upon the recommendation of the Committee on Directors and Corporate Governance, and following discussion and concurrence by the full Board. The Board believes that each director should have a personal investment in the Company and has established certain stock ownership guidelines for directors.
10. **Retirement Age.** The Board's policy is that non-employee directors and the Chief Executive Officer and any retired Chief Executive Officer should retire as a director at the Annual Meeting of Stockholders following his or her 72nd birthday. Any employee (other than the Chief Executive Officer) must retire as a director on the effective date of retirement as an employee. The full Board may make exceptions to this policy for special circumstances.
11. **Executive Sessions of Independent Directors.** The independent directors of the Board will meet in Executive Session at least four times per year to discuss such topics as the independent directors determine, including evaluation of the performance of the Chief Executive Officer. The Chair of the Committee on Directors and Corporate Governance shall preside over these sessions.

Board Responsibilities

1. **Duties of Directors.** The basic responsibility of the directors is to exercise their business judgment to act in the best interests of the Company and its stockholders. In carrying out this responsibility, the Board also considers the concerns of its other stakeholders and interested parties, including its employees, customers, suppliers, partners, local communities, and the public at large. The directors rely on the honesty and integrity of the Company's officers, employees, and outside advisors in making Board decisions. The directors are also responsible for acting as advisors to the senior management team.

Directors are expected to regularly attend Board meetings and meetings of committees on which they serve. Directors should spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Directors are expected to review meeting materials prior to Board and committee meetings. Directors are encouraged to ask questions and communicate concerns at any time.

2. **Continuing Director Education.** The Committee on Directors and Corporate Governance will make available orientation programs for new directors and from time to time continuing education programs for directors, when appropriate.

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- 3. Evaluating the Board's Performance.** The Committee on Directors and Corporate Governance is responsible for conducting an annual evaluation of the performance of the Board for the purpose of increasing the effectiveness of the Board. The Committee shall report its conclusions to the Board. This evaluation should be of the Board's contribution as a whole and specifically review areas in which the Board and/or management believe improvement may be desirable.
- 4. Compliance, Ethics and Conflicts of Interest.** The Board and its Committees are responsible for oversight of the processes designed by senior management regarding compliance, including the Company's Code of Business Conduct and Ethics for Directors, Code of Ethics of Senior Financial Officers and Standards of Business Conduct and Ethics. These Codes communicate the Company's commitment to the highest standards of moral and ethical behavior in all of its business activities and its commitment to compliance with all applicable laws and regulations. Each of these Codes is available on the Company's website.

Any waiver of these Codes by directors and executive officers may be made only by the Board of Directors or a Board Committee and must be promptly disclosed to stockholders. Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company. If any actual or potential conflict of interest arises for a director, the director shall promptly inform the Chief Executive Officer and the Chair of the Committee on Directors and Corporate Governance. If a significant conflict exists and cannot be resolved, the director shall resign. All directors will recuse themselves from any discussion or decision affecting their personal, business or professional interests.

Board Meeting Procedures

- 1. Frequency of Meetings.** The Board has approximately 10 regularly scheduled meetings per year. In addition, special meetings may be called from time to time as determined by the needs of the Company's business.
- 2. Selection of Agenda Items for Board Meetings.** The Chairman of the Board and the Secretary of the Company will establish the agenda for Board meetings. Any Board member, however, may recommend the inclusion of specific agenda items. The agenda will be distributed in advance of the meeting to each director.
- 3. Board Materials Distributed in Advance.** Information, data and presentation materials that are important to the Board's understanding of the business will be distributed in writing to the Board before the Board meets. Management will make every attempt to ensure that the materials being distributed are as concise as possible while giving directors sufficient information to make informed decisions. The Board acknowledges that, under certain circumstances, written materials may be unavailable to directors in advance of a meeting, and that certain items to be discussed at the Board meetings are of an extremely sensitive nature such that the distribution of materials on these matters prior to the Board meeting may not be appropriate.

Involvement of Senior Management

- 1. Attendance of Non-Directors at Board Meetings.** The Board welcomes the attendance at Board meetings of non-Board members who are present for the purpose of making presentations, responding to questions by the directors or providing counsel on specific matters within their area of expertise. Should the Chairman and Chief Executive Officer want to add additional people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its concurrence.

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- 2. Board Access to Management and Outside Advisors.** Board members have complete access to the Company's management and outside advisors. Board member contact with such individuals shall be handled in a manner that would not be disruptive to the business operation of the Company. Any such contact that is in writing should be copied to the Chairman and Chief Executive Officer, as appropriate.

Furthermore, the Board encourages management to bring executives into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) are executives with future potential that the senior management believes should be given exposure to the Board.

Committee Matters

- 1. Number, Structure and Independence of Committees.** The Board currently has four committees: Audit, Compensation and Management Development, Directors and Corporate Governance and Executive. From time to time, the Board may want to form a new committee or disband a current committee depending upon the circumstances. The Committee on Directors and Corporate Governance is responsible for evaluating and recommending to the Board the responsibilities of the Board committees, including the structure, operations and the authority to delegate subcommittees.

Each of the Audit Committee, Compensation and Management Development Committee and Committee on Directors and Corporate Governance shall be comprised solely of independent directors, as that term is defined in the listing standards of the New York Stock Exchange. Each of these committees shall adopt a charter outlining the responsibilities of such committee.

- 2. Assignment of Committee Members.** The Committee on Directors and Corporate Governance is responsible, after consultation with the Chairman of the Board and with consideration of the desires of individual Board members, for the assignment of Board members to various committees, including evaluating and selecting Board committee chairpersons. Consideration should be given to rotating committee members periodically at about a five year interval, but the Board does not have a firm policy mandating rotation of committee assignments since there may be reasons to maintain an individual director's committee membership for a longer period.
- 3. Frequency and Length of Committee Meetings.** The committee chair, in consultation with committee members, will determine the frequency and length of the meetings of the committee. The committee chair will report the highlights of their meetings to the full Board following each meeting.
- 4. Committee Agendas.** The committee chair, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. Any director, however, may recommend the inclusion of a specific agenda item for any committee meeting, regardless of whether the director is a member of such committee.

Leadership Development

- 1. Annual Evaluation of the Chief Executive Officer.** The independent directors perform an annual evaluation of the Chief Executive Officer. The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives and development of management succession. The evaluation will be used by the Compensation and Management Development Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

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2. **Succession Planning.** The Chief Executive Officer should provide to the Board an annual report on succession planning. There should also be available, on a continuing basis, the Chief Executive Officer's recommendation as a successor should he/she be unexpectedly disabled. This topic should be addressed regularly in Executive Session.
3. **Management Development.** The Chief Executive Officer should provide to the Board, on an annual basis, an assessment of persons considered potential successors to certain senior management positions, including a review of any management programs recommended for such individuals.

Periodic Review

1. The Committee on Directors and Corporate Governance is responsible for annually reviewing these principles, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

AUDIT COMMITTEE CHARTER

Purposes

The Audit Committee (Committee) is appointed by and generally acts on behalf of the Board of Directors (the Board). The Committee's purposes shall be: (a) to assist the Board in its oversight of (i) the quality and integrity of the Company's financial statements, financial reporting and disclosure controls and procedures, including internal controls; (ii) the performance of the Company's internal audit function; and (iii) the Company's compliance with legal and regulatory requirements; (b) to interact directly with and evaluate the performance of the independent auditors, including to determine whether to engage or dismiss the independent auditors and to monitor the independent auditors' qualifications and independence; and (c) to prepare annually the report required by the rules of the Securities and Exchange Commission (SEC) for inclusion in the proxy statement for the Company's annual meeting of stockholders.

The Committee's responsibilities are principally of an oversight nature. Although the Committee has the responsibilities set forth in this Charter, it is not the responsibility of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are accurate, complete and stated in accordance with generally accepted accounting principles (GAAP) and other applicable rules and regulations.

Management is responsible for the preparation, presentation, and integrity of the Company's financial statements, including ensuring that the financial statements are accurate, complete and stated in accordance with GAAP and, together with the other financial information included in the Company's public disclosures, fairly present the financial condition, results of operations and cash flows of the Company. Management is also responsible for the Company's financial reporting process, accounting policies, internal audit function, internal accounting controls and disclosure controls and procedures. The independent auditors are responsible for planning and conducting an audit of the Company's annual financial statements, expressing an opinion as to the conformity of such annual financial statements with GAAP and reviewing the Company's quarterly financial statements.

Composition

The Committee shall consist of three or more independent directors of the Company designated by the Committee on Directors and Corporate Governance and approved by a majority of the whole Board of Directors by resolution or resolutions. Any director who is a present or former employee of the Company may not serve on the Audit Committee. The members of the Committee shall meet the independence and experience requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 and SEC rules and regulations.

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In addition, the members of the Committee shall be financially literate as determined by the Board in its business judgment or must become financially literate within a reasonable amount of time after appointment to the Committee. Members of the Committee are not required to be engaged in the accounting or auditing profession and, consequently, some members may not be expert in financial matters or in matters involving accounting or auditing. However, to the extent possible, at least one member of the Committee shall, in the judgment of the Board, be an audit committee financial expert

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in accordance with the rules and regulations of the SEC and at least one member, who may also serve as an audit committee financial expert, shall in the judgment of the Board have accounting and financial management expertise in accordance with New York Stock Exchange rules.

The members of the Committee shall serve one-year terms. The Directors and Corporate Governance Committee shall recommend, and the Board shall designate, one member of the Committee to serve as Chairperson. The members of the Committee shall serve until their resignation, retirement, or removal by the Board and until their successors shall be appointed. No member of the Committee shall be removed except by majority vote of the independent directors of the full Board then in office.

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to retain independent legal counsel, accounting or other consultants or experts to advise the Committee. The Committee may also utilize the services of the Company's regular legal counsel and other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to any advisors employed by the Audit Committee.

Generally, no member of the Committee may serve simultaneously on the audit committees of more than three public companies (including the Company) without specific Board determination that such simultaneous service will not impair the ability of such Committee member to serve on the Committee.

Meetings

The Committee shall meet at least six times annually, or more frequently as circumstances dictate. The Committee will meet at least six times annually in separate executive sessions with the Company's General Auditor, with management, and with the independent auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately. The Committee may also request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to the Committee.

Member Compensation

No Committee member shall accept, directly or indirectly, any consulting, advisory or other compensatory fees from the Company, except for the member's fees for services as a director and member of the Committee and any other committees of the Board.

Responsibilities and Duties

The Committee shall:

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- (1) have the sole authority and responsibility for the appointment and termination of the Company's independent auditors. The Committee also shall be responsible for setting the compensation and retention terms for, and overseeing and evaluating the performance of, the independent auditors for the purpose of preparing or issuing an audit report or related work. The independent auditors shall report directly to the Committee.

- (2) have sole authority and responsibility to pre-approve all auditing services, internal control-related services and permitted non-audit services (including the terms thereof) to be performed for the

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Company by its independent auditor, subject to the de minimus exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act which are approved by the Audit Committee prior to the completion of the audit. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

- (3) ensure that the Committee receives from the independent auditors the written disclosures and letter required by Independence Standards Board Standard 1 delineating all relationships between the independent auditors and the Company; the Committee shall discuss with the independent auditors their independence, including any disclosed relationships or services that may impact the auditors' objectivity and independence. If deemed appropriate by the Committee, the Committee may recommend that the Board of Directors take appropriate action in response to the independent auditors' report to satisfy itself of their independence. The Committee shall also confirm with the independent auditors that the independent auditors are in compliance with the partner rotation requirements established by the SEC.
- (4) ensure that the Committee annually receives and reviews a report from the independent auditors describing (a) the auditing firm's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities or a private sector regulatory board, within the preceding five years, relating to independent audits carried out by the firm, and any steps taken to deal with any such issues, and (c) all relationships between the independent auditor and the Company.
- (5) review with the independent auditors and with management the proposed scope of the annual audit, past audit experience, the Company's internal audit program, recently completed internal audits and other matters bearing upon the scope of the audit. The discussion will include a review of any audit problems or difficulties, including any restrictions on the scope of the independent auditors' activities or on access to requested information, any significant disagreements with management and management's responses to such matters. The Committee shall be responsible for resolution of any disagreements between the independent auditors and management regarding financial reporting.
- (6) meet to review and discuss with management and the independent auditors the annual audited and quarterly financial statements of the Company including the Company's specific disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations prior to the filing of a report on Form 10-K or 10-Q with the Securities and Exchange Commission. This discussion should include (i) matters required to be discussed by Statement on Auditing Standards No. 61, Communications with Audit Committees, as then in effect in the case of annual statements, and Statement of Auditing Standards No. 100, Interim Financial Information, as then in effect in the case of quarterly statements; and (ii) major issues regarding accounting principles and financial statement presentations, including critical accounting estimates and judgments, significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and special audit steps adopted in light of any material control deficiencies.
- (7) recommend to the Board based on the review described in paragraphs 3 and 6 whether the audited financial statements should be included in the Company's annual report on Form 10-K.
- (8) review and discuss with the independent auditors reports that the independent auditors are required to provide to the Committee relating to significant financial reporting issues and

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judgments made in connection with preparation of the Company's financial statements, including, among other things, (i) the Company's selection, application and disclosure of accounting policies and practices that the independent auditors identify as critical; (ii) all alternative treatments of GAAP that have been discussed between management and the independent auditors, including the ramifications of such treatments and the treatment preferred by the independent auditors, and (iii) any material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

- (9) after reviewing the reports from the independent auditors and the independent auditors' work throughout the audit period, conduct an annual evaluation of the independent auditors' qualifications, performance and independence. This evaluation shall include review and evaluation of the lead audit partner. In making its evaluation, the Committee shall take into account the opinions of management and the Company's General Auditor. The Committee shall present its conclusions with respect to the independent auditors to the full Board.
- (10) discuss with management and with the independent auditors the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies. The Committee's discussion in this regard may be general in nature (such as the type of information to be disclosed and the type of presentation to be made). The Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance.
- (11) discuss periodically with management the Company's policies and guidelines regarding risk assessment and risk management, as well as the Company's major financial risk exposures and steps management has taken to monitor and control such exposures.
- (12) review the appointment and replacement of, and meet periodically with, the General Auditor to review the Internal Audit Department's Reports of Operations and discuss any matters that the General Auditor believes warrant Committee attention.
- (13) establish and maintain procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters.
- (14) discuss periodically with management and the independent auditors the adequacy of the Company's disclosure controls and procedures, including applicable internal controls and procedures for financial reporting and changes in internal controls designed to address any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees that are reported to the Committee. In addition, the Committee shall review and discuss with management and the independent auditors (i) the annual report of management affirming management's responsibility for establishing and maintaining internal controls over financial reporting and assessing the effectiveness of the internal control structure over financial reporting and (ii) the independent auditors' report on, and attestation of, management's report when those reports are required by SEC rules. Additionally, the Committee shall provide oversight over and review the effectiveness of management's antifraud programs and controls.
- (15) confirm with management on at least a biennial basis that the Company's Standards of Business Conduct and Ethics have been communicated by the Company to all key employees of the Company and its subsidiaries throughout the world with a direction that all such key employees certify that they have read, understand and are not aware of any violations of the Standards of

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Business Conduct and Ethics. The Committee shall have the sole responsibility to grant waivers of the Standards of Business Conduct and Ethics and the Code of Ethics to Senior Financial Officers to the Company's executive officers and senior financial officers.

- (16) meet periodically with the Company's Chief Compliance Officer and the General Counsel to discuss and review legal matters that may have a material impact on the financial statements or the Company's policies and procedures and internal controls and advise the Board on these discussions.
- (17) establish policies for the hiring by the Company of employees or former employees of the independent auditors.
- (18) shall review and make recommendations to the Board with respect to relevant financial affairs and policies of the Company, including matters relating to capital structure, financing activities and insurance.
- (19) through the Committee's Chair, regularly report to the full Board on the Committee's activities and actions.
- (20) provide the Company and the Board with the report of the Committee with respect to the audited financial statements for inclusion in the Company's annual proxy statement as required by SEC rules.
- (21) annually evaluate the Committee's own performance and deliver a report to the Board setting forth the results of the evaluation.
- (22) review and reassess the adequacy of the Committee charter on an annual basis and submit any recommended changes to the Board for consideration.
- (23) perform any other activities consistent with this Charter, the Company's bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE CHARTER

Purpose

The Compensation and Management Development Committee (Committee) is appointed by and acts on behalf of the Board of Directors (Board). It is responsible for reviewing, approving and reporting to the Board on major compensation plans, policies and programs of the company. The Committee approves the compensation of executive officers and certain senior management and has oversight responsibility over the company s management development programs, performance assessment of senior executives and succession planning. The Committee shall issue an annual report on executive compensation for inclusion in the company s proxy statement for its annual meeting of stockholders in accordance with applicable rules and regulations.

Composition

The Committee shall consist of three or more independent directors of the company designated by the Board and approved by a majority of the whole Board by resolution or resolutions. The members of the Committee shall meet the independence requirements of the New York Stock Exchange. In addition, for purposes of meeting the requirements of Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), or any successor Code section, the Committee, or a sub-committee approving the performance goals to which certain of the executive compensation is tied, shall consist of at least two outside directors, as defined in Treasury Regulation 1.162-27(e)(3) of the Code.

The members of the Committee shall serve one-year terms. The members of the Committee shall serve until their resignation, retirement, or removal by the Board or until their successors shall be appointed. No member of the Committee shall be removed except by majority vote of the independent directors of the full Board then in office.

Responsibilities and Duties

The Committee shall:

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annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and recommend to the Board the CEO's compensation levels based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee will consider the company's performance and relative stockholder return, the value of similar incentive awards to CEOs at peer group companies, and the awards given to the CEO in past years, and other such matters deemed relevant.

2. annually review and make recommendations to the Board with respect to the compensation of executive officers and certain other senior management.
3. review matters relating to management succession, including, but not limited to, compensation.

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4. if appropriate, hire experts in the field of executive compensation to assist the Committee with its evaluation of CEO or senior executive compensation. The Committee shall have the sole authority to retain and to terminate such experts, and to approve the experts' fees and other retention terms. The Committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting, human resource, or other advisors.
5. make recommendations to the Board with respect to incentive-compensation plans and equity-based plans and interpret and administer such plans, including but not limited to determining eligibility, the number and type of equity awards available for grant, and the terms of such grants.
6. appoint, monitor and terminate members of the company's Pension and Savings Plan Committees and the plan trustees, and monitor, adopt, amend and terminate the company's qualified and non-qualified savings and pension plans.
7. form and delegate authority to subcommittees when appropriate.
8. make regular reports to the Board.
9. produce the required annual report on executive compensation for inclusion in the company's proxy statement.
10. annually evaluate its own performance.
11. fulfill such other duties and responsibilities as may be assigned to the Committee, from time to time, by the Board and/or Chairman of the Board.
12. review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
13. oversee the Company's compensation philosophy and strategy.

**COMMITTEE ON DIRECTORS AND
CORPORATE GOVERNANCE
CHARTER**

Purpose

The Committee on Directors and Corporate Governance (Committee) is appointed by and acts on behalf of the Board of Directors (Board). It is responsible for (i) identifying individuals qualified to become Board members, (ii) recommending that the Board select the director nominees for the next annual meeting of stockholders, and (iii) overseeing the Board 's annual evaluation of its performance. It is also responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to the company and for periodically reviewing such guidelines.

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the sole authority to retain, set compensation for, and terminate a search firm to be used to identify director candidates. In addition, the Committee shall have authority to obtain advice and assistance from other experts or consultants to advise the Committee.

Composition

The Committee shall consist of three or more independent directors of the company designated by the Board and approved by a majority of the whole Board by resolution or resolutions. The members of the Committee shall meet the independence requirements of the New York Stock Exchange.

The members of the Committee shall serve one-year terms. The members of the Committee shall serve until their resignation, retirement, or removal by the Board or until their successors shall be appointed. No member of the Committee shall be removed except by majority vote of the independent directors of the full Board then in office.

Meetings

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The Committee shall meet at least twice annually, or more frequently as circumstances dictate. The Committee may delegate to one or more of its members one or more of the responsibilities and duties set forth below.

Responsibilities and Duties

The Committee shall:

1. consider and make recommendations to the Board concerning the appropriate size, function and needs of the Board, taking into account that the Board as a whole shall have competency in the following areas: (i) industry knowledge; (ii) accounting and finance; (iii) business judgment; (iv) management; (v) leadership; (vi) international markets; (vii) business strategy; (viii) crisis management; and (ix) corporate governance.
2. determine the criteria for Board membership, including desired skills and attributes, conduct searches for prospective directors based on the criteria, and evaluate and recommend candidates for election to the Board by the stockholders or to fill Board vacancies.

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3. consider nominations for Board membership made by stockholders.
4. evaluate and make recommendations to the Board of Directors concerning the appointment of directors to Board committees and the selection of Board Committee chairs.
5. evaluate and recommend to the Board the responsibilities of the Board committees, including the structure, operations and the authority to delegate to subcommittees.
6. recommend the desired ratio of employee directors to non-employee directors, but in no event shall the Board be composed of less than a majority of independent directors.
7. review the format of Board meetings and make recommendations for the improvement of such meetings.
8. review and recommend to the Board on an annual basis the compensation for non-employee directors.
9. consider questions of possible conflicts of interest of Board members and the Executive Committee members.
10. annually review and assess the adequacy of the Company's corporate governance guidelines and recommend any changes to the Board for its approval and adoption.
11. consider matters of corporate social responsibility and matters of significance in areas related to corporate public affairs and the company's employees and stockholders.
12. annually evaluate its own performance as well as oversee the annual self-evaluation of the Board and Board Committees.
13. report its activities and actions to the Board of Directors on a regular basis.
14. review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for its approval.
15. perform any other activities consistent with this Charter, the Company's Certificate of Incorporation, Bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

RESTATED CERTIFICATE OF INCORPORATION

of

BRISTOL-MYERS SQUIBB COMPANY

~~Original Certificate of Incorporation~~

~~Filed with the Secretary of State~~

~~on August 11, 1933~~

EIGHTH: (a) Subject to the rights under Article FOURTH hereof of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect additional directors under specified circumstances, the number of, the retirement age of and other restrictions and qualifications for directors of the corporation shall be fixed by the by-laws of the corporation and such number, retirement age and other restrictions and qualifications may be altered only by a majority vote of the entire board of directors from time to time in the manner provided in the by-laws or by amendment thereof adopted by a majority vote of the entire board of directors or adopted by the stockholders; ~~provided, however, that any such amendment adopted by the stockholders must be adopted by the affirmative vote of holders of at least 75% of the outstanding shares of stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.~~

Except with respect to directors who may be elected by holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, at the 2004 annual meeting of stockholders, the successors of the directors whose terms expire at that meeting shall be elected for a term expiring at the 2005 annual meeting of stockholders (which number of directors shall be approximately one-third of the total number of directors of the corporation); at the 2005 annual meeting of stockholders, the successors of the directors whose terms expire at that meeting shall be elected for a term expiring at the 2006 annual meeting of stockholders (which number of directors shall be approximately two-thirds of the total number of directors of the corporation); and at each annual meeting of stockholders thereafter, the directors shall be elected for terms expiring at the next annual meeting of stockholders. No decrease in the number of directors constituting the board of directors or change in the restrictions and qualifications for directors shall shorten the term of any incumbent director.

~~Subject to the rights under Article FOURTH hereof of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation to elect directors under specified circumstances, any director or the entire board of directors may be removed from office, with or without cause, only by the affirmative vote of the holders of at least 75% of the outstanding shares of stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.~~

Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 75% of the outstanding shares of stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article EIGHTH (a).

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(b) In furtherance, and not in limitation of the powers conferred by statute, the board of directors of the corporation is expressly authorized:

1. To make, alter, amend and repeal the by-laws of the corporation, ~~and, notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 75% of the outstanding shares of stock of the corporation entitled to vote generally in the~~

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~~election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal any part of this Article EIGHTH (b) that relates to the power of the board of directors to make, alter, amend or repeal the by-laws of the corporation;~~

2. To authorize and cause to be executed mortgages and liens upon the real and personal property of the corporation; and
3. From time to time to decide whether and to what extent and at what times and under what conditions and requirements the accounts and books of said corporation (other than the stock ledger) shall be open to the inspection of the stockholders, and no stockholder shall have any right to inspect any account book or document of the corporation except as such right may be conferred by the statutes of the State of Delaware, or by resolution of the board of directors.

The board of directors may from time to time provide and carry out and revise and change a plan or plans for the participation by all or any of the employees (including directors and officers of the corporation or of any corporations in which or in the welfare of which the corporation has any interest, and those actively engaged in the conduct of the corporation's business or the business of its subsidiary or affiliated corporations), in the profits of the corporation or of any subsidiary or of any branch or division thereof as part of the corporation's legitimate expenses or the expenses of such subsidiary, branch or division.

The board of directors shall have absolute discretion in the declaration of dividends out of the net profits of said corporation; and they may accumulate such profits to such extent as they may deem advisable, issue or distribute them among the stockholders, and may invest and reinvest the same in such manner as in their absolute discretion they may deem advisable.

They may set apart out of any funds of the corporation available for dividends a reserve or reserves for any proper purpose or may abolish any such reserve in the manner in which it was created.

They may by resolution or resolutions, passed by a majority of the whole board, designate one or more committees, each committee to consist of two or more of the directors of the corporation, which, to the extent provided in said resolution or resolutions or in the by-laws of the corporation, shall have and may exercise the powers of the board of directors in the management of the business and affairs of the corporation, and may have power to authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the by-laws of the corporation or as may be determined from time to time by resolution adopted by the board of directors.

In the absence of fraud, no contract or other transaction between said corporation and any other corporation and no act of said corporation shall be in any way invalidated or otherwise affected by the fact that any one or more of the directors of said corporation are pecuniarily or otherwise interested in, or are directors or officers of such other corporation. Any director of said corporation individually, or any firm or association of which any director may be a member, may be a party to, or may be pecuniarily or otherwise interested in, any contract or transaction of said corporation, provided that the fact that he individually or as a member of such firm or association is so interested shall be disclosed or shall have been known to the board of directors or a majority of the members thereof; and any director of said corporation who is also a director or officer of such other corporation or who is so interested may be counted in determining the existence of a quorum at any meeting of the board of directors or of any committee of said corporation which shall authorize any such contract or transaction and may vote thereat to authorize any such contract or transactions with like force and effect as if he were not such director or officer of such other corporation or not so interested. Any contract, transaction or act of said corporation or of the board of directors or of any committee which shall be

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ratified by the majority of a quorum of the stockholders of said corporation at any annual meeting or any special meeting called for such purpose shall, insofar as permitted by law, be as valid and as binding as though ratified by every stockholder of said corporation.

The corporation may in its by-laws confer powers upon its board of directors in addition to the foregoing, and in addition to the powers and authorities expressly conferred upon it by statute.

~~NINTH: Any action required or permitted to be taken by the stockholders of the corporation must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any consent in writing by such stockholders. Except as otherwise required by law and subject to the rights under Article FOURTH hereof of the holders of any class or series of stock having a preference over the Common Stock as to dividends or upon liquidation, special meetings of stockholders of the corporation may be called only by the Chairman of the Board or by the board of directors pursuant to a resolution approved by a majority of the entire board of directors. Notwithstanding anything contained in this Certificate of Incorporation to the contrary, the affirmative vote of the holders of at least 75% of the outstanding shares of stock of the corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend, adopt any provision inconsistent with or repeal this Article NINTH.~~

~~TWELFTH: (a) In addition to any affirmative vote required by law or this Certificate of Incorporation, and except as otherwise expressly provided in paragraph (b) of this Article TWELFTH,~~

- ~~(i) any merger or consolidation of the Corporation or any Subsidiary (as such terms are hereinafter defined) with (1) any Interested Stockholder (as hereinafter defined) or (2) any other person (whether or not itself an Interested Stockholder) which is, or after such merger or consolidation would be, an Affiliate or Associate (as such terms are hereinafter defined) of an Interested Stockholder, or~~
- ~~(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with (1) any Interested Stockholder or (2) any other person (whether or not itself an Interested Stockholder) which is, or after such sale, lease, exchange, mortgage, pledge, transfer or other disposition would be, an Affiliate or Associate of any Interested Stockholder of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value of \$25,000,000 or more, or~~
- ~~(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to (1) any Interested Stockholder or (2) any other person (whether or not itself an Interested Stockholder) which is, or after such issuance or transfer would be, an Affiliate or Associate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of \$25,000,000 or more, or~~
- ~~(iv) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of an Interested Stockholder or any Affiliate or Associate of any Interested Stockholder, or~~
- ~~(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by (1) any Interested Stockholder or (2) any other person (whether or not itself an~~

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~~Interested Stockholder) which is, or after such reclassification, recapitalization, merger or consolidation or other transaction would be, an Affiliate or Associate of any Interested Stockholder, shall require the affirmative vote of the holders of at least 75% of the outstanding shares of stock of the Corporation entitled to vote~~

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generally in the election of directors (the ~~Voting Stock~~), voting together as a single class (it being understood that for purposes of this Article TWELFTH, each share of the ~~Voting Stock~~ shall have the number of votes granted to it pursuant to Article FOURTH of this Certificate of Incorporation). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that a lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise. The term ~~Business Combination~~ as used in this Article TWELFTH shall mean any transaction which is referred to in any one or more of clauses (i) through (v) of paragraph (a) of this Article TWELFTH.

(b) The provisions of paragraph (a) of this Article TWELFTH shall not be applicable to any particular ~~Business Combination~~, and such ~~Business Combination~~ shall require only such affirmative vote as is required by law and any other provision of this Certificate of Incorporation, if all of the conditions specified in either of the following subparagraphs 1 and 2 are met:

1. ~~Approval by Continuing Directors.~~ The ~~Business Combination~~ shall have been approved by a majority of the ~~Continuing Directors~~ (as hereinafter defined).

2. ~~Price and Procedure Requirements.~~ All of the following conditions shall have been met:
 - A. The aggregate amount of the cash and the Fair Market Value (as hereinafter defined) as of the date of the consummation of the ~~Business Combination~~ of consideration other than cash to be received per share by holders of Common Stock in such ~~Business Combination~~ shall be at least equal to the highest of the following:
 - (i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers fees) paid by the Interested Stockholder for any shares of Common Stock acquired by it (1) within the two year period immediately prior to the first public announcement of the proposed ~~Business Combination~~ (the ~~Announcement Date~~) or (2) in the transaction in which it became an Interested Stockholder, whichever is higher; and
 - (ii) (if applicable) the highest per share price (including any brokerage commission, transfer taxes and soliciting dealers fees) paid or offered by the Interested Stockholder for any shares of Common Stock on or after the ~~Announcement Date~~;
 - B. If the transaction constituting the ~~Business Combination~~ shall provide for a consideration to be received by holders of any class of outstanding ~~Voting Stock~~ other than Common Stock, the aggregate amount of the cash and the Fair Market Value as of the date of the consummation of the ~~Business Combination~~ of consideration other than cash to be received per share by holders of shares of such class of ~~Voting Stock~~ shall be at least equal to the highest of the following (it being intended that the requirements of this subdivision B shall be required to be met with respect to every class of outstanding ~~Voting Stock~~, whether or not the Interested Stockholder has previously acquired any shares of a particular class of ~~Voting Stock~~):
 - (i) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers fees) paid by the Interested Stockholder for any shares of such class of ~~Voting Stock~~ acquired by it (1) within the two year period immediately prior to the ~~Announcement Date~~ or (2) in the transaction in which it became an Interested Stockholder, whichever is higher;
 - (ii) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers fees) paid or offered by the Interested Stockholder for any shares of such class of ~~Voting Stock~~ on or after the ~~Announcement Date~~; and
 - (iii) (if applicable) the highest preferential amount per share to which the holders of shares of such class of ~~Voting Stock~~ are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

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- ~~G. The consideration to be received by holders of a particular class of outstanding Voting Stock (including Common Stock) shall be in cash or in the same form as the Interested Stockholder has previously paid for shares of such class of Voting Stock. If the Interested Stockholder has paid for shares of any class of Voting Stock with varying forms of consideration, the form of consideration for such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock previously acquired by it;~~
- ~~D. After such Interested Stockholder has become an Interested Stockholder and prior to the consummation of such Business Combination:~~
- ~~(i) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on the outstanding preferred stock; (ii) there shall have been (1) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Continuing Directors, and (2) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split, recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (iii) such Interested Stockholder shall not have become the beneficial owner of any additional shares of Voting Stock except as part of the transaction which resulted in such Interested Stockholder's becoming an Interested Stockholder;~~
- ~~E. After such Interested Stockholder has become an Interested Stockholder, such Interested Stockholder shall not have received the benefit, directly or indirectly (except proportionately as a stockholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise; and~~
- ~~F. A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Securities Exchange Act of 1934 and the rules and regulations thereunder (or any subsequent provisions replacing such Act, rules or regulations) shall be mailed to public stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether or not such proxy or information statement is required to be mailed pursuant to such Act or subsequent provisions). Such proxy statements shall contain at the front thereof, in a prominent place, any recommendations as to the advisability (or inadvisability) of the Business Combination which the Continuing Directors, or any of these, may have furnished in writing and, if deemed advisable by a majority of the Continuing Directors, an opinion of a reputable investment banking firm as to the fairness (or lack of fairness) of the terms of such Business Combination, from the point of view of the holders of Voting Stock other than any Interested Stockholder (such investment banking firm to be selected by a majority of the Continuing Directors, to be furnished with all information it reasonably requests and to be paid a reasonable fee for its services upon receipt by the corporation of such opinion).~~
- ~~(e) For the purposes of this Article TWELFTH:~~
- ~~1. A person shall mean any individual, firm, trust, partnership, association, corporation or other entity.~~
- ~~2. Interested Stockholder shall mean any person (other than the Corporation or any Subsidiary) who or which:~~
- ~~(i) is the beneficial owner, directly or indirectly, of more than 10% of the voting power of the outstanding Voting Stock; or~~

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- (ii) ~~is an Affiliate of the Corporation and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding Voting Stock; or~~
 - (iii) ~~is an assignee of or has otherwise succeeded to any shares of Voting Stock which were at any time within the two-year period immediately prior to the date in question beneficially owned by any Interested Stockholder, if such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering within the meaning of the Securities Act of 1933.~~
3. ~~A person shall be a beneficial owner of any Voting Stock:~~
- (i) ~~which such person or any of its Affiliates or Associates beneficially owns, directly or indirectly; or~~
 - (ii) ~~which such person or any of its Affiliates or Associates has (1) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (2) the right to vote pursuant to any agreement, arrangement or understanding; or~~
 - (iii) ~~which are beneficially owned, directly or indirectly, by any other person with which such person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of Voting Stock.~~
4. ~~For the purposes of determining whether a person is an Interested Stockholder pursuant to subparagraph 2 of this paragraph (c), the number of shares of Voting Stock deemed to be outstanding shall include shares deemed owned through application of subparagraph 3 of this paragraph (c) but shall not include any other shares of Voting Stock which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.~~
5. ~~Affiliate or Associate shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1984.~~
6. ~~Subsidiary means any corporation of which a majority of any class of equity security (as defined in Rule 3a1-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on January 1, 1984) is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Interested Stockholder set forth in subparagraph 2 of this paragraph (c), the term Subsidiary shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.~~
7. ~~Continuing Director means any member of the board of directors of the Corporation (the Board) who is unaffiliated with the Interested Stockholder and was a member of the Board prior to the time that the Interested Stockholder became an Interested Stockholder, and any successor of a Continuing Director who is unaffiliated with the Interested Stockholder and is recommended to succeed a Continuing Director by a majority of Continuing Directors then on the Board.~~
8. ~~Fair Market Value means: (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such stock on the Composite Tape for New York Stock Exchange Listed Stocks, or, if such stock is not quoted on the Composite Tape, on the New York Stock Exchange, or, if such stock is not listed on such Exchange, on the principal United States securities exchange registered under the Securities Exchange Act of 1934 on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations~~

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~~System or any System then in use, or if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Board in good faith; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by the Board in good faith.~~

9. ~~In the event of any Business Combination in which the Corporation survives, the phrase—consideration other than cash to be received—as used in subparagraphs 2A and B of paragraph~~

~~(b) of this Article TWELFTH shall include the shares of Common Stock and/or the shares of any other class of outstanding Voting Stock retained by the holders of such shares.~~

10. ~~—Corporation—shall mean Bristol Myers Company, a Delaware corporation.~~

~~(d) A majority of the Continuing Directors shall have the power and duty to determine for the purposes of this Article TWELFTH, on the basis of information known to them, (i) whether a person is an Interested Stockholder, (ii) the number of shares of Voting Stock beneficially owned by any person, (iii) whether a person is an Affiliate or Associate of another, (iv) whether the assets which are the subject of any Business Combination have, or the consideration to be received for the issuance or transfer of securities by the corporation or any Subsidiary in any Business Combination has, an aggregate Fair Market Value of \$25,000,000 or more, and (v) such other matters with respect to which a determination is required under this Article TWELFTH.~~

~~(e) Nothing contained in this Article TWELFTH shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.~~

~~(f) Notwithstanding any other provisions of this Certificate of Incorporation or the by laws of the Corporation (and notwithstanding the fact that a lesser percentage may be specified by law, this Certificate of Incorporation or the by laws of the Corporation), the affirmative vote of the holders of at least 75% of the outstanding Voting Stock, voting together as a single class, shall be required to amend, alter, adopt any provision inconsistent with or repeal this Article TWELFTH.~~

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DIRECTIONS TO THE HOTEL DUPONT

By Car:

From Baltimore or Downstate Delaware:

1. Take I-95 North to Wilmington Exit 7 marked Route 52, Delaware Avenue .
2. From right lane, take Exit 7 onto Adams Street.
3. At the third traffic light on Adams Street, turn right onto 11th Street.
4. At the intersection of Delaware Avenue, bear left, continuing on 11th Street.
5. Follow 11th Street through six traffic lights. Hotel duPont is on the right.

From New Jersey:

(New Jersey Turnpike)

1. Take the New Jersey Turnpike South to Delaware Memorial Bridge.
2. After crossing the Delaware Memorial Bridge, follow signs to I-95 North.
3. From I-95 North, follow steps 1-5 outlined in directions From Baltimore or Downstate Delaware .

From Philadelphia:

(I-95 South):

1. Take I-95 South through Chester to Wilmington.

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2. Follow I-95 South to Exit 7A marked 52 South, Delaware Avenue .
3. Follow 11th Street in the middle lane through six traffic lights. Hotel du Pont is on the right.

By Train:

Amtrak train service is available into Wilmington, Delaware Station. The Hotel duPont is located approximately twelve blocks from the train station.

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YOUR VOTE IS IMPORTANT
PLEASE VOTE YOUR PROXY

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