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**Citibank N.A, UAE**  
**Quarterly Pillar III Disclosures**

31 March 2022

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## 1. Introduction to Citibank NA UAE

Citibank NA United Arab Emirates branch operates in the United Arab Emirates (“UAE”) through its four branches (2021: four) located in the Emirates of Abu Dhabi, Dubai and Sharjah under a license issued by the Central Bank of UAE (“CBUAE”).

The principal activities of the Bank include accepting deposits, granting loans and advances and providing consumer and corporate banking, including treasury activities.

The registered office and the address of the Bank is P.O. Box 749, Dubai, UAE.

The Bank is a branch of Citibank N.A. USA. The ultimate holding company of the Bank is Citigroup Inc.

This disclosure reflects the activities of the Branches in the United Arab Emirates only and exclude all transactions, assets and liabilities of the head office and its other branches elsewhere. Since the capital of the Bank is not publicly traded, no segment analysis has been prepared.

## 2. Basis of Preparation

The purpose of this public disclosure is to provide detailed information on Citibank NA UAE Branch (“Citi UAE”) capital structure, capital adequacy, risk exposure and risk-weighted assets (“RWA”), leverage ratio and liquidity ratios as of 31 March 2022.

The following public disclosure presents the annual Pillar 3 disclosure of Citi UAE which has been prepared in accordance with the Central Bank of UAE Notice No CBUAE/BSD/N/2021/5508 dated 30 November 2021 on “Pillar 3 Templates and Explanatory Notes”.

The Pillar 3 Disclosure document has been prepared and presented using local currency – UAE Dirhams (AED’000).

## 3. Management’s Responsibility Statement

Citi UAE management is responsible for the preparation and fair presentation of the disclosure requirements as of 31 March 2022.

The Pillar 3 Disclosure document has been verified internally by senior management in accordance with Citi’s policies on financial reporting and disclosures.

## 4. Overview of Risk Management and RWA

### 4.1 Template KM1: Key Metrics (Quarterly)

The below key prudential metrics relate to regulatory capital, leverage ratio and liquidity standards related to Citi UAE. Citi UAE capital and leverage position is managed within the risk appetite framework. No transitional arrangement with regards to implementation of IFRS9 for the impact of expected credit loss accounting on regulatory capital have been applied for Q2-2021 until Q4-2021.

Citi UAE is subject to regulatory capital standards issued by Central Bank of UAE. Citi UAE manages its balance sheet proactively, with a particular focus on the efficient management of RWA.

Citi UAE is not highly leveraged, with a leverage ratio of 5.69% as of Q1-2022, above the minimum leverage ratio requirement of 3%.

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	2,655,252	2,347,348	2,367,080	2,391,786	2,430,988
1a	Fully loaded ECL accounting model	2,655,252	2,347,348	2,367,080	2,391,786	2,393,131
2	Tier 1	2,655,252	2,347,348	2,367,080	2,391,786	2,430,988
2a	Fully loaded ECL accounting model Tier 1	2,655,252	2,347,348	2,367,080	2,391,786	2,393,131
3	Total capital	2,825,354	2,530,992	2,545,059	2,547,089	2,584,864
3a	Fully loaded ECL accounting model total capital	2,825,354	2,530,992	2,545,059	2,547,089	2,547,303
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	17,107,325	18,521,550	17,857,560	16,545,121	16,287,764
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	Common Equity Tier 1 ratio (%)	15.52%	12.67%	13.26%	14.46%	14.93%
5a	Fully loaded ECL accounting model CET1 (%)	15.52%	12.67%	13.26%	14.46%	14.67%
6	Tier 1 ratio (%)	15.52%	12.67%	13.26%	14.46%	14.93%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.52%	12.67%	13.26%	14.46%	14.67%
7	Total capital ratio (%)	16.52%	13.67%	14.25%	15.39%	15.87%
7a	Fully loaded ECL accounting model total capital ratio (%)	16.52%	13.67%	14.25%	15.39%	15.62%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
8	Capital conservation buffer requirement (2.5% from 2019)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0	0	0	0	0
10	Bank D-SIB additional requirements (%)	0	0	0	0	0
11	Total of bank CET1 specific buffer requirements (%) (row 8 + 9 + 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital	6.02%	3.17%	3.75%	4.89%	5.37%
<b>Leverage Ratio</b>						
13	Total leverage ratio measure	46,629,910	46,316,054	NA	NA	NA
14	Leverage ratio (%) (row 2/row 13)	5.69%	5.07%	NA	NA	NA
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2a/row 13a)	5.69%	5.07%	NA	NA	NA
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	NA	NA	NA	NA	NA
<b>Liquidity Coverage Ratio</b>						

15	Total HQLA	NA	NA	NA	NA	NA
16	Total net cash outflow	NA	NA	NA	NA	NA
17	LCR ratio (%)	NA	NA	NA	NA	NA
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required stable funding	NA	NA	NA	NA	NA
20	NSFR ratio (%)	NA	NA	NA	NA	NA
<b>ELAR</b>						
21	Total HQLA	18,877,304	15,568,936	13,954,945	15,039,406	11,242,611
22	Total liabilities	38,205,269	35,726,690	35,246,109	34,353,529	25,431,537
23	Eligible Liquid Assets Ratio (ELAR) (%)	49.41%	43.58%	39.59%	43.78%	44.21%
<b>ASRR</b>						
24	Total available stable funding	30,461,792	28,553,590	27,950,903	26,701,132	31,067,265
25	Total Advances	10,476,735	10,680,241	12,190,079	11,257,530	11,479,757
26	Advances to Stable Resources Ratio (%)	34.39%	37.40%	43.61%	42.16%	36.95%

## 4.2 Template OV1: Overview of RWA (Quarterly)

		a	b	c
		RWA		Minimum capital requirements
		T	T-1	T
1	Credit risk (excluding counterparty credit risk)	13,230,297	13,213,376	-
2	Of which: standardised approach (SA)	12,852,441	13,213,376	-
3				
4				
5				
6	Counterparty credit risk (CCR)	377,856	1,478,150	-
7	Of which: standardised approach for counterparty credit risk	377,856	1,478,150	-
8				
9				
10				
11				
12	Equity investments in funds - look-through approach	-	-	-
13	Equity investments in funds - mandate-based approach	-	-	-
14	Equity investments in funds - fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the banking book	-	-	-
17				
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	376,480	351,755	1,928
21	Of which: standardised approach (SA)	376,480	351,755	1,928
22				
23	Operational risk	3,122,692.22	3,478,268.31	327,882.68
24				
25				
26	<b>Total (1+6+10+11+12+13+14+15+16+20+23)</b>	<b>17,107,325</b>	<b>18,521,550</b>	<b>329,810</b>

The credit risk items have three main contributors: banks (2.1 bn AED), corporates (4.7 bn AED) retail (individual and SMEs, 4.5 bn AED) and other assets (mainly prepaid expenses, 1.8 bn AED). The rest of the credit risk balance is due to other smaller items (e.g. PSEs).

With the enhancement of our replacement cost calculation methodology in Q1-2022, we have experienced improvement in RWA of Counterparty Credit Risk.

The market risk items mainly consists of FOREX deals and also some interest rate trading.

Operational risk is calculated by the Standardized Approach (STA) so the reported figures are tying back to the Income Statement.

## 5. Leverage Ratio

The Basel III leverage ratio is a non-risk sensitive ratio used to restrict the build-up of leverage in the banking sector to avoid destabilizing deleveraging processes that can damage the broader financial system and the economy. It compares the Tier 1 capital to the total exposure (including off balance sheet items) on a non-risk weighted basis.

Citi UAE Basel III leverage ratio calculated in accordance with the Central Bank of UAE regulations, was 5.69% on 31 March 2022, above the regulatory minimum requirement of 3%.

Citi UAE leverage position is managed within the Citigroup Global Risk Appetite framework. The leverage ratio is also calculated and presented to the ALCO every month.

The following tables present Citi UAE summary comparison of accounting assets versus leverage ratio exposure amount and leverage ratio common disclosure as of quarter ended 31 March 2022.

### 9.1 Template LR1: Summary comparison of accounting assets vs leverage ratio exposure measure (January 2014 standard) (Quarterly)

		a
1	Total consolidated assets as per published financial statements	41,530,901
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	
4	Adjustments for temporary exemption of central bank reserves (if applicable)	
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustments for eligible cash pooling transactions	
8	Adjustments for derivative financial instruments	945,438
9	Adjustment for securities financing transactions (ie repos and similar secured lending)	
10	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,542,494
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	548,786
12	Other adjustments	(937,709)
13	<b>Leverage ratio exposure measure</b>	<b>46,629,910</b>

## 9.2 Leverage ratio common disclosure template (January 2014 standard) (Quarterly)

		a	b
		T	T-1
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	41,141,978	38,655,605
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	-	-
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>41,141,978</b>	<b>38,655,605</b>
<b>Derivative exposures</b>			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	57,331	1,681,396
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	617,982	539,408
10	(Exempted CCP leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	<b>Total derivative exposures (sum of rows 8 to 12)</b>	<b>945,438</b>	<b>3,109,126</b>
<b>Securities financing transactions</b>			

On B/S exposures are mainly consists of: Cash and balances with CB (15 bn AED), Balances due from banks (3.3. bn AED), Debt securities (12.4 bn AED), Loan and advances (8.6 bn AED), Other assets (1.7 bn AED).

With the enhancement of our replacement cost calculation methodology in Q1-2022, we have experienced improvement in RWA of Counterparty Credit Risk.

The derivatives Citi UAE is dealing with are mainly: FX options and Forward contracts.

Off B/S exposures are mainly consists of: Guarantees (3.4 bn AED) and Commitments (mainly unused credit card limits and other commitments, 9.5 bn AED).

## 6. Liquidity

### 10.1 Template LIQ1: Liquidity Coverage Ratio (Quarterly)

Not applicable for CBNA UAE as per CBUAE guidance this is applicable to specific banks.

### 10.2 Template ELAR: Eligible Liquid Assets Ratio (Quarterly)

<b>1</b>	<b>High Quality Liquid Assets</b>	<b>Nominal amount</b>	<b>Eligible Liquid Asset</b>
1.1	Physical cash in hand at the bank + balances with the CBUAE	15,112,550	
1.2	UAE Federal Government Bonds and Sukuks	0	
	Sub Total (1.1 to 1.2)	15,112,550	15,112,550
1.3	UAE local governments publicly traded debt securities	277,242	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub total (1.3 to 1.4)	277,242	277,242
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	12,150,183	3,487,512
<b>1.6</b>	<b>Total</b>	<b>27,539,975</b>	<b>18,877,304</b>
<b>2</b>	Total liabilities		38,205,269
<b>3</b>	<b>Eligible Liquid Assets Ratio (ELAR)</b>		<b>0.49</b>



### 10.3 Template ASRR: Advances to Stable Resources Ratio (Quarterly)

	Items	Amount
<b>1</b>	<b>Computation of Advances</b>	
1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	8,476,014
1.2	Lending to non-banking financial institutions	0
1.3	Net Financial Guarantees & Stand-by LC (issued - received)	911,155
1.4	Interbank Placements	1,089,566
<b>1.5</b>	<b>Total Advances</b>	<b>10,476,735</b>
<b>2</b>	<b>Calculation of Net Stable Resources</b>	
2.1	Total capital + general provisions	3,034,849
	<b>Deduct:</b>	
2.1.1	Goodwill and other intangible assets	0
2.1.2	Fixed Assets	117,670
2.1.3	Funds allocated to branches abroad	0
2.1.5	Unquoted Investments	0
2.1.6	Investment in subsidiaries, associates and affiliates	0
<b>2.1.7</b>	<b>Total deduction</b>	<b>117,670</b>
<b>2.2</b>	<b>Net Free Capital Funds</b>	<b>2,917,179</b>
<b>2.3</b>	<b>Other stable resources:</b>	
2.3.1	Funds from the head office	0
2.3.2	Interbank deposits with remaining life of more than 6 months	0
2.3.3	Refinancing of Housing Loans	0
2.3.4	Borrowing from non-Banking Financial Institutions	4,469
2.3.5	Customer Deposits	27,540,144
2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0
<b>2.3.7</b>	<b>Total other stable resources</b>	<b>27,544,613</b>
<b>2.4</b>	<b>Total Stable Resources (2.2+2.3.7)</b>	<b>30,461,792</b>
<b>3</b>	<b>Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)</b>	<b>34.39</b>