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

30 September 2023

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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 (2023: 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 30 September 2023.

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/BSN/N/2022/1887 dated 9 May 2022 on “Update 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 30 September 2023.

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 Q3-2023.

The significant Capital increase is due capital retention in order to cover Pillar 2 risks requirements from the new Central Bank guidance received in Dec'22. The increase caused the improvement of the CAR ratio also.

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 6.3% as of Q3-2023, 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)	3,276,839	3,249,063	3,286,117	2,550,565	2,518,224
1a	Fully loaded ECL accounting model	3,276,839	3,249,063	3,286,117	2,550,565	2,518,224
2	Tier 1	3,276,839	3,249,063	3,286,117	2,550,565	2,518,224
2a	Fully loaded ECL accounting model Tier 1	3,276,839	3,249,063	3,286,117	2,550,565	2,518,224
3	Total capital	3,448,762	3,413,155	3,447,160	2,720,186	2,681,171
3a	Fully loaded ECL accounting model total capital	3,448,762	3,413,155	3,447,160	2,720,186	2,681,171
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	17,551,122	16,809,577	16,672,717	16,801,829	16,376,231
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	Common Equity Tier 1 ratio (%)	18.67%	19.33%	19.71%	15.18%	15.38%
5a	Fully loaded ECL accounting model CET1 (%)	18.67%	19.33%	19.71%	15.18%	15.38%
6	Tier 1 ratio (%)	18.67%	19.33%	19.71%	15.18%	15.38%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	18.67%	19.33%	19.71%	15.18%	15.38%
7	Total capital ratio (%)	19.65%	20.30%	20.68%	16.19%	16.37%
7a	Fully loaded ECL accounting model total capital ratio (%)	19.65%	20.30%	20.68%	16.19%	16.37%
<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 + row 9+ row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	9.15%	9.80%	10.18%	5.69%	5.87%
<b>Leverage Ratio</b>						
13	Total leverage ratio measure	51,996,780	52,549,383	51,353,253	55,113,386	49,109,173
14	Leverage ratio (%) (row 2/row 13)	6.30%	6.18%	6.40%	4.63%	5.13%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	6.30%	6.18%	6.40%	4.63%	5.13%
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	25,111,474	27,441,884	24,409,858	23,066,541	21,626,180
22	Total liabilities	41,976,453	42,917,748	41,894,305	45,760,679	40,346,083
23	Eligible Liquid Assets Ratio (ELAR) (%)	59.82%	63.94%	58.27%	50.41%	53.60%
<b>ASRR</b>						
24	Total available stable funding	34,597,814	34,870,239	34,617,946	33,797,794	33,519,320
25	Total Advances	11,090,499	10,764,352	10,359,947	11,053,251	10,970,854
26	Advances to Stable Resources Ratio (%)	32.06%	30.87%	29.93%	32.70%	32.73%

## 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)	13,155,328	12,425,580	1,381,309
2	Of which: standardised approach (SA)	13,155,328	12,425,580	1,381,309
3				
4				
5				
6	Counterparty credit risk (CCR)	598,550	701,810	62,848
7	Of which: standardised approach for counterparty credit risk	598,550	701,810	62,848
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	709,909	594,853	74,540
21	Of which: standardised approach (SA)	709,909	594,853	74,540
22				
23	Operational risk	3,087,334	3,087,334	324,170
24				
25				
26	<b>Total (1+6+10+11+12+13+14+15+16+20+23)</b>	<b>17,551,122</b>	<b>16,809,577</b>	<b>1,842,868</b>

The credit risk items have 3 main contributors: banks (2.2 bn AED), corporates (5.1 bn AED) retail (individual and SMEs, 4.7 bn AED) and other assets (mainly prepaid expenses, 0.6 bn AED). The rest of the credit risk balance is due to other smaller items (e.g. PSEs).

The market risk items are 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 6.3% on 30 September 2023, 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 30 September 2023.

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

	<b>a</b>
1 Total consolidated assets as per published financial statements	46,570,114
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	1,310,614
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)	4,516,792
11 Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12 Other adjustments	(400,741)
<b>13 Leverage ratio exposure measure</b>	<b>51,996,780</b>

The Other adjustments are covering the difference between the on-balance sheet items considered in Basel III (which is excluding derivatives and SFTs, but including collaterals) and the BRF 1 report.

## 9.2 Template LR2: 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)	46,169,373	47,093,293
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>	46,169,373	47,093,293
<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)	119,949	162,026
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	816,204	916,857
10	(Exempted CCP leg of client-cleared trade exposures)	0	-
11	Adjusted effective notional amount of written credit derivatives	0	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	-
13	<b>Total derivative exposures (sum of rows 8 to 12)</b>	1,310,614	1,510,437
<b>Securities financing transactions</b>			
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	0	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	CCR exposure for SFT assets	0	0
17	Agent transaction exposures	0	0
18	<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	0	0
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	14,057,940	13,128,106
20	(Adjustments for conversion to credit equivalent amounts)	9,541,148	9,182,453
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	0	-
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	4,516,792	3,945,653
<b>Capital and total exposures</b>			
23	<b>Tier 1 capital</b>	3,276,839	3,249,063
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	51,996,780	52,549,383
<b>Leverage ratio</b>			
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	6.30%	6.18%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	NA	NA
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%
27	<b>Applicable leverage buffers</b>	3.30%	3.18%

On balance sheet exposures mainly consists of: Cash and balances with CB (20 bn AED), Balances due from banks (2.1 bn AED), Debt securities (11.7 bn AED), Loans and advances (9.3 bn AED), Other assets (1.4 bn AED).

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

Off balance sheet exposures mainly consists of: Guarantees (3.1 bn AED) and Commitments (mainly unused credit card limits and other commitments, 10 bn AED).



## 6. Liquidity

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

Not applicable for CBNA UAE, since this is applicable for local banks only.

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

1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	20,348,935	
1.2	UAE Federal Government Bonds and Sukuks	0	
	Sub Total (1.1 to 1.2)	20,348,935	20,348,935
1.3	UAE local governments publicly traded debt securities	66,631	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub total (1.3 to 1.4)	66,631	66,631
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	13,026,541	4,695,908
1.6	<b>Total</b>	<b>33,442,107</b>	<b>25,111,474</b>
2	Total liabilities		41,976,453
3	<b>Eligible Liquid Assets Ratio (ELAR)</b>		<b>59.82%</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)	9,181,786
	1.2	Lending to non-banking financial institutions	-
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	662,389
	1.4	Interbank Placements	1,246,324
	<b>1.5</b>	<b>Total Advances</b>	<b>11,090,499</b>
<b>2</b>		<b>Calculation of Net Stable Resources</b>	
	2.1	Total capital + general provisions	4,512,597
		<b>Deduct:</b>	
	2.1.1	Goodwill and other intangible assets	-
	2.1.2	Fixed Assets	73,809
	2.1.3	Funds allocated to branches abroad	-
	2.1.5	Unquoted Investments	-
	2.1.6	Investment in subsidiaries, associates and affiliates	-
	<b>2.1.7</b>	<b>Total deduction</b>	<b>73,809</b>
	<b>2.2</b>	<b>Net Free Capital Funds</b>	<b>4,438,788</b>
	<b>2.3</b>	<b>Other stable resources:</b>	
	2.3.1	Funds from the head office	-
	2.3.2	Interbank deposits with remaining life of more than 6 months	2
	2.3.3	Refinancing of Housing Loans	-
	2.3.4	Borrowing from non-Banking Financial Institutions	7,398
	2.3.5	Customer Deposits	30,151,626
	2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	-
	<b>2.3.7</b>	<b>Total other stable resources</b>	<b>30,159,026</b>
	<b>2.4</b>	<b>Total Stable Resources (2.2+2.3.7)</b>	<b>34,597,814</b>
<b>3</b>		<b>Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)</b>	<b>32.06</b>