# Citibank Singapore Limited
## Registration Number: 200309485K

# Pillar 3 Disclosures
## As at 30 September 2017

# Contents

# 1. Composition of Capital

The following disclosures are made pursuant to Monetary Authority of Singapore ("MAS") Notice to Banks No 637 "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" ("Notice 637").

## 1.1 Financial Statements and Regulatory Scope of Consolidation

| | S$million | Cross Reference to Section 2 |
|---|---|---|
| **Equity** | | |
| Share Capital | 1,528 | a |
| Accumulated Profits and Reserves | 2,574 | |
| *of which: Retained Earnings under CET1* | *2,500* | b |
| *of which: Accumulated other comprehensive income and other disclosed reserves under CET1* | *(234)* | c |
| **Total equity attributable to owner of the Bank** | 4,102 | |
| | | |
| **Liabilities** | | |
| Derivative liabilities | 33 | |
| Amounts due to intermediate holding company | 1,835 | |
| Amounts due to related corporations | 71 | |
| Deposits of non-bank customers | 29,656 | |
| Bills and drafts payable | 43 | |
| Current Tax payable | 65 | |
| Deferred Tax Liabilities | - | |
| Other liabilities | 977 | |
| **Total liabilities** | 32,680 | |
| | | |
| **Total equity and liabilities** | 36,783 | |
| | | |
| **Assets** | | |
| Cash and balances with central bank | 472 | |
| Singapore government treasury bills and securities | 4,245 | |
| Derivative assets | 47 | |
| Amounts due from intermediate holding company | 9,368 | |
| Amounts due from related corporations | 16 | |
| Balances and placements with bankers and agents | 2,480 | |
| Other securities | 4,119 | |
| Loans and advances to customers | 15,436 | |
| *of which: Impairment allowances admitted as eligible Tier 2 Capital* | *117* | d |
| Property, plant and equipment | 19 | |
| Deferred Tax Assets | 0 | e |
| Other assets | 583 | |
| **Total assets** | 36,783 | |

## 1.2 Capital Adequacy and Reconciliation of Regulatory Capital to the Balance Sheet

*Explanatory Notes*

The following disclosure is made in accordance to the template prescribed in MAS Notice 637 Annex 11E. The column "Amount" shows the amounts used in the computation of the regulatory capital and capital adequacy ratios. The column "Amount subject to Pre-Basel III Treatment" shows the amount of each regulatory adjustment that is subject to the treatment provided for in the cancelled MAS Notice 637 dated 14 December 2007 during the Basel III transition period. Each of these amounts is reported as regulatory adjustments under rows 41C and 56C.

The alphabetic cross-references in the column "Cross Reference to Section 1" relate to those in the reconciliation of the balance sheet on page 2.

MAS Notice 637 specifies which tier of capital each regulatory adjustment is to be taken against. When regulatory adjustments are required against Additional Tier 1 or Tier 2 capital, there are circumstances when the amount of eligible Additional Tier 1 or Tier 2 capital respectively falls short of the amount of regulatory adjustment. Under such circumstances, the shortfall is taken against the preceding tier of capital.

MAS Notice 637 specifies the computation of the amount of provisions that may be recognized in Tier 2 capital. Under the standardized approach for credit risk, general allowances are eligible, subject to a cap of 1.25% of risk-weighted assets.

| | | Amount<br>S$million | Amount subject to Pre-Basel III Treatment<br>S$million | Cross Reference to Section 1 |
|---|---|---|---|---|
| | **Common Equity Tier 1 capital: instruments and reserves** | | | |
| 1 | Paid-up ordinary shares and share premium (if applicable) | 1,528 | | a |
| 2 | Retained earnings | 2,500 | | b |
| 3# | Accumulated other comprehensive income and other disclosed reserves | (234) | | c |
| 4 | Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies) | - | | |
| 5 | Minority interest that meets criteria for inclusion | | | |
| 6 | **Common Equity Tier 1 capital before regulatory adjustments** | 3,794 | | |
| | **Common Equity Tier 1 capital: regulatory adjustments** | | | |
| 7 | Valuation adjustment pursuant to Part VIII of MAS Notice 637 | | | |
| 8 | Goodwill, net of associated deferred tax liability | | | |
| 9# | Intangible assets, net of associated deferred tax liability | | | |
| 10# | Deferred tax assets that rely on future profitability | 0 | 0 | e |
| 11 | Cash flow hedge reserve | | | |
| 12 | Shortfall of TEP relative to EL under IRBA | | | |
| 13 | Increase in equity capital resulting from securitisation transactions | | | |
| 14 | Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk | | | |
| 15 | Defined benefit pension fund assets, net of associated deferred tax liability | | | |
| 16 | Investments in own shares | - | | |
| 17 | Reciprocal cross-holdings in ordinary shares of financial institutions | | | |
| 18 | Capital investments in ordinary shares of unconsolidation financial institutions in which Reporting Bank does not hold a major stake | - | | |

| | | | | |
|---|---|---|---|---|
| 19[#] | Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) (amount above 10% threshold) | - | | |
| 20[#] | Mortgage servicing rights (amount above 10% threshold) | - | | |
| 21[#] | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | - | | |
| 22 | Amount exceeding the 15% threshold | | | |
| 23[#] | of which: investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) | | | |
| 24[#] | of which: mortgage servicing rights | - | | |
| 25[#] | of which: deferred tax assets arising from temporary differences | - | | |
| 26 | National specific regulatory adjustments | - | | |
| 26A | PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments | | | |
| 26B | PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630 | | | |
| 26C | Capital deficits in subsidiaries and associates that are regulated financial institutions | | | |
| 26D | Any other items which the Authority may specify | | | |
| 27 | Regulatory adjustments applied in calculation of CET1 Capital due to insufficient AT1 Capital to satisfy required deductions | - | | |
| 28 | **Total regulatory adjustments to CET1 Capital** | 0 | | e |
| 29 | **Common Equity Tier 1 capital (CET1)** | 3,793 | | |
| | **Additional Tier 1 capital: instruments** | | | |
| 30 | AT1 capital instruments and share premium (if applicable) | | | |
| 31 | of which: classified as equity under the Accounting Standards | | | |
| 32 | of which: classified as liabilities under the Accounting Standards | | | |
| 33 | Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4) | | | |
| 34 | AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion | | | |
| 35 | of which: instruments issued by subsidiaries subject to phase out | | | |
| 36 | **Additional Tier 1 capital before regulatory adjustments** | - | | |
| | **Additional Tier 1 capital: regulatory adjustments** | | | |
| 37 | Investments in own AT1 capital instruments | - | | |
| 38 | Reciprocal cross-holdings in AT1 capital instruments of financial institutions | | | |
| 39 | Capital investments in AT1 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake | - | | |
| 40[#] | Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) | - | | |
| 41 | National specific regulatory adjustments | 0 | | |
| 41A | PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments | | | |
| 41B | Any other items which the Authority may specify | | | |
| 41C | Regulatory adjustments applied to AT1 Capital in respect of amounts subject to pre-Basel III treatment | 0 | | |

| | | | | |
|---|---|---|---|---|
| | of which: Goodwill, net of associated deferred tax liability | | | |
| | of which: Intangible assets, net of associated deferred tax liability | - | | |
| | of which: Deferred tax assets that rely on future profitability | 0 | | e |
| | of which: Cash flow hedge reserve | | | |
| | of which: Increase in equity capital resulting from securitisation transactions | | | |
| | of which: Unrealised fair value gains/losses on financial liabilities and derivative liabilities arising from changes in own credit risk | | | |
| | of which: Shortfall of TEP relative to EL under IRBA | | | |
| | of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments | | | |
| | of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630 | | | |
| | of which: Capital deficits in subsidiaries and associates that are regulated financial institutions | | | |
| | of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries) | | | |
| | of which: PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments | | | |
| | of which: Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries) | | | |
| 42 | Regulatory adjustments applied in calculation of AT1 Capital due to insufficient Tier 2 Capital to satisfy required deductions | | | |
| 43 | **Total regulatory adjustments to Additional Tier 1 capital** | - | | |
| 44 | **Additional Tier 1 capital (AT1)** | - | | |
| 45 | **Tier 1 capital (T1 = CET1 + AT1)** | 3,793 | | |
| | **Tier 2 capital: instruments and provisions** | | | |
| 46 | Tier 2 capital instruments and share premium (if applicable) | | | |
| 47 | Transitional: Ineligible capital instruments (pursuant to paragraphs 6.5.3 and 6.5.4) | | | |
| 48 | Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion | | | |
| 49 | of which: instruments issued by subsidiaries subject to phase out | | | |
| 50 | Provisions | 117 | | d |
| 51 | **Tier 2 capital before regulatory adjustments** | 117 | | |
| | **Tier 2 capital: regulatory adjustments** | | | |
| 52 | Investments in own Tier 2 instruments | | | |
| 53 | Reciprocal cross-holdings in Tier 2 capital instruments of financial institutions | | | |
| 54 | Capital investments in Tier 2 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake | - | | |
| 55# | Investments in Tier 2 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) | - | | |
| 56 | National specific regulatory adjustments | | | |
| 56A | PE/VC investments in the form of Tier 2 capital instruments, in excess of 20% of such capital investments | | | |

| | | | | |
|---|---|---|---|---|
| 56B | Any other items which the Authority may specify | | | |
| 56C | Regulatory adjustments applied to Tier 2 Capital in respect of amounts subject to pre-Basel III treatment | - | | |
| | of which: Shortfall of TEP relative to EL under IRBA | | | |
| | of which: PE/VC investments in the form of ordinary shares, in excess of 20% of such capital investments | | | |
| | of which: PE/VC investments held beyond the relevant holding periods set out in MAS Notice 630 | | | |
| | of which: Capital deficits in subsidiaries and associates that are regulated financial institutions | | | |
| | of which: Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries) | | | |
| | of which: PE/VC investments in the form of AT1 capital instruments, in excess of 20% of such capital investments | | | |
| | of which: Investments in AT1 capital instruments of unconsolidated major stake companies approved under s32 of Banking Act (incl insurance subsidiaries) | | | |
| 57 | **Total regulatory adjustments to Tier 2 capital** | - | | |
| 58 | **Tier 2 capital (T2)** | 117 | | |
| 59 | **Total capital (TC = T1 + T2)** | 3,911 | | |
| 60 | **Total risk weighted assets** | 16,046 | | |
| | **Capital ratios (as a percentage of risk weighted assets)** | | | |
| 61 | **Common Equity Tier 1 CAR** | 23.64% | | |
| 62 | **Tier 1 CAR** | 23.64% | | |
| 63 | **Total CAR** | 24.37% | | |
| 64 | Bank-specific buffer requirement[1] | 7.763% | | |
| 65 | of which: capital conservation buffer requirement | 1.250% | | |
| 66 | of which: bank specific countercyclical buffer requirement | 0.013% | | |
| 67 | of which: G-SIB buffer requirement (if applicable) | - | | |
| 68 | Common Equity Tier 1 available to meet buffers | 14.37% | | |
| | **National minima** | | | |
| 69 | **Minimum CET1 CAR** | 6.5% | | |
| 70 | **Minimum Tier 1 CAR** | 8.0% | | |
| 71 | **Minimum Total CAR** | 10.0% | | |
| | **Amounts below the thresholds for deduction (before risk weighting)** | | | |
| 72 | Investments in ordinary shares, AT1 capital and Tier 2 capital of unconsolidated financial institutions in which the bank does not hold a major stake | - | | |
| 73 | Investments in ordinary shares of unconsolidated major stake companies approved under s32 of Banking Act (including insurance subsidiaries) | - | | |
| 74 | Mortgage servicing rights (net of related tax liability) | - | | |
| 75 | Deferred tax assets arising from temporary differences (net of related tax liability) | - | | |
| | **Applicable caps on the inclusion of provisions in Tier 2** | | | |
| 76 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap) | 117 | | |
| 77 | Cap on inclusion of provisions in Tier 2 under standardised approach | 167 | | |

| | | | | |
|---|---|---|---|---|
| 78 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) | - | | |
| 79 | Cap for inclusion of provisions in Tier 2 under internal ratings-based approach | - | | |
| | **Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)** | | | |
| 80 | Current cap on CET1 instruments subject to phase out arrangements | - | | |
| 81 | Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities) | - | | |
| 82 | Current cap on AT1 instruments subject to phase out arrangements | - | | |
| 83 | Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) | - | | |
| 84 | Current cap on T2 instruments subject to phase out arrangements | - | | |
| 85 | Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | - | | |

Items marked with a hash [#] are elements where a more conservative definition has been applied relative to those set out under the Basel III capital standards.
*Retained earnings and Accumulated other comprehensive income and other disclosed reserves are based on FY 2016 published accounts.

Note:
[1]As of 30 September 2017, Citibank Singapore's Bank-specific buffer requirement is 7.763%. The effective country-specific CCyB for Hong Kong is 1.25%, 2.0% for Sweden, 1.5% for Norway. Weightings of 1.019%, 0.015% and 0.001% are applied respectively to the Private Sector Exposures to Hong Kong, Sweden and Norway.

## 1.3 Main Features of Capital Instruments

The following disclosures are prepared in accordance with Annex 11D of MAS Notice 637.

| | Citibank Singapore Limited Ordinary Shares | |
|---|---|---|
| 1 | Issuer | Citibank Singapore Limited |
| 2 | Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement) | NA |
| 3 | Governing law(s) of the instrument | Singapore |
| | *Regulatory treatment* | |
| 4 | Transitional Basel III rules | Common Equity Tier 1 |
| 5 | Post-transitional Basel III rules | Common Equity Tier 1 |
| 6 | Eligible at solo/group/group & solo | Solo and Group |
| 7 | Instrument type | Ordinary shares |
| 8 | Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date) | S$ 1,528 million as at 30 September 2017 |
| 9 | Par value of instrument | NA |
| 10 | Accounting classification | Shareholders' equity |
| 11 | Original date of issuance | NA |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | No maturity |
| 14 | Issuer call subject to prior supervisory approval | No |
| 15 | Optional call date, contingent call dates and redemption amount | NA |
| 16 | Subsequent call dates, if applicable | NA |
| | *Coupons / dividends* | |
| 17 | Fixed or floating dividend/coupon | Discretionary dividend amount |
| 18 | Coupon rate and any related index | The ordinary shares are entitled to receive dividends as declared by the Board of Directors from time to time. |
| 19 | Existence of a dividend stopper | NA |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully discretionary |
| 21 | Existence of step up or other incentive to redeem | NA |
| 22 | Noncumulative or cumulative | NA |
| 23 | Convertible or non-convertible | NA |
| 24 | If convertible, conversion trigger(s) | NA |
| 25 | If convertible, fully or partially | NA |
| 26 | If convertible, conversion rate | NA |
| 27 | If convertible, mandatory or optional conversion | NA |
| 28 | If convertible, specify instrument type convertible into | NA |
| 29 | If convertible, specify issuer of instrument it converts into | NA |
| 30 | Write-down feature | No |
| 31 | If write-down, write-down trigger(s) | NA |
| 32 | If write-down, full or partial | NA |
| 33 | If write-down, permanent or temporary | NA |
| 34 | If temporary write-down, description of write-up mechanism | NA |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | All shares rank equally with regards to the Bank's residual assets. |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | NA |

## 2. Overview of RWA

For the purpose of calculating the risk-weighted assets ("RWA"), CSL applies the Standardised Approach ("SA") for Credit Risk and Market Risk; Basic Indicator Approach ("BIA") for Operational Risk.

As at 30 June 2017, the total RWA was $16.31bn as compared to $16.17bn in the prior quarter. The increase was mainly driven by higher Credit RWA as a result of new securitization exposure SA(SE) of S$1.52bn from the CLO trades partially offset by a reduction in forward placements and other loan exposures. The following table provides further breakdown of the RWA.

| *reported in 'mil* | | (a) | (b) | (c) |
|---|---|---|---|---|
| | | RWA | | Minimum capital requirements |
| | | As at end of current quarter | As at end of prior quarter | As at end of current quarter |
| 1 | Credit risk (excluding CCR) | 13,055 | 13,232 | 1,306 |
| 2 | *of which: SA(CR) and SA(EQ)* | 13,055 | 13,232 | 1,306 |
| 3 | *of which: IRBA and IRBA(EQ) for equity exposures under the PD/LGD method* | | | |
| 4 | CCR | 71 | 94 | 7 |
| 5 | *of which: Current Exposure Method* | 65 | 87 | 7 |
| 6 | *of which: CCR Internal Models Method* | | | |
| 7 | IRBA(EQ) for equity exposures under the simple risk weight method or the IMM | | | |
| 8 | Equity investments in funds – look through approach | | | |
| 9 | Equity investments in funds – mandate-based approach | | | |
| 10 | Equity investments in funds – fall back approach | | | |
| 10a | Equity investments in funds – fall back approach | | | |
| 11 | Unsettled transactions | | | |
| 12 | Securitisation exposures in the banking book | | | |
| 13 | *of which: IRBA(SE) - RBM and IAM* | | | |
| 14 | *of which: IRBA(SE) - SF* | | | |
| 15 | *of which: SA(SE)* | 240 | 303 | 24 |
| 16 | Market risk | 76 | 70 | 8 |
| 17 | *of which: SA(MR)* | 76 | 70 | 8 |
| 18 | *of which: IMA* | | | |
| 19 | Operational risk | 2,604 | 2,612 | 260 |
| 20 | *of which: BIA* | 2,604 | 2,612 | 260 |
| 21 | *of which: SA(OR)* | - | - | - |
| 22 | *of which: AMA* | - | - | - |
| 23 | Amounts below the thresholds for deduction (subject to 250% risk weight) | | | |
| 24 | Floor adjustment | | | |
| **25** | **Total** | **16,046** | **16,311** | **1,605** |