Citibank Singapore Limited
Registration Number: 200309485K

Annual Pillar 3 Disclosure
As at 31 December 2023

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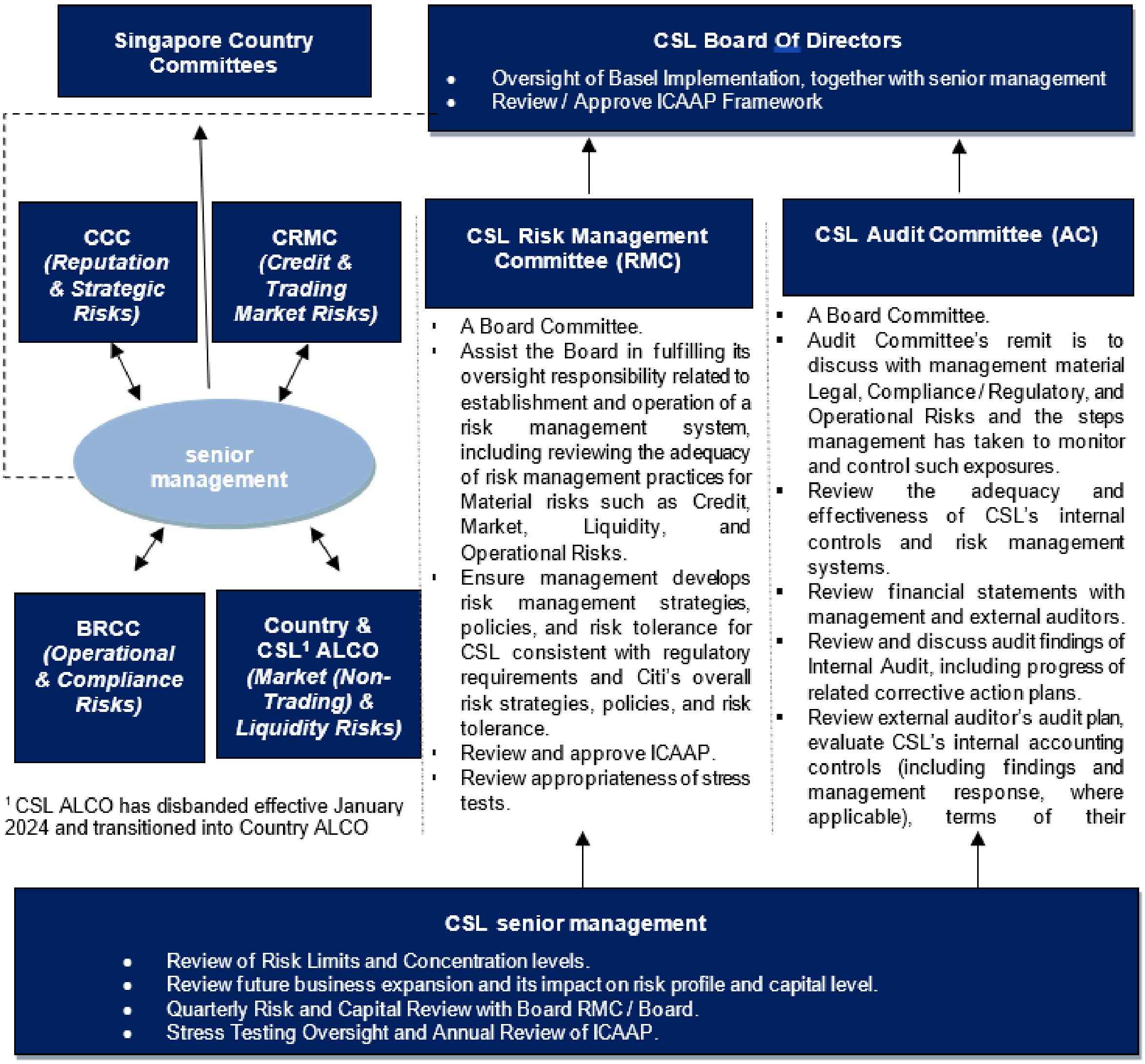
1. Introduction

Citibank Singapore Limited ("CSL" or the "Bank") is incorporated in the Republic of Singapore and has its registered office at 5 Changi Business Park Crescent, Level 5, Singapore 486027. The Bank operates in Singapore under a full bank licence with a Qualifying Full Bank privileges granted by the Monetary Authority of Singapore ("MAS"). The Bank is wholly-owned by Citigroup Holding (Singapore) Private Limited, a company incorporated in the Republic of Singapore, which is in turn ultimately held by Citigroup Inc. ("Citigroup"), a company incorporated in the United States of America.

The following disclosure has been prepared in accordance with MAS Notice No. 637. This disclosure is known as Pillar 3 and is designed to complement the other two pillars of the Basel III, namely the minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2). This Pillar 3 disclosure should be read in conjunction with Citibank Singapore Limited's Financial Statements for the financial year ended 2023.

2. Corporate Governance

The CSL Board, Board AC, Board RMC and Senior Management are responsible for assessing and determining the nature and extent of risks that CSL should take in achieving its strategic goals and ensuring that CSL maintains adequate capital to support such risks. The corporate governance structure of CSL for ICAAP is as set out below.



CSL's risk governance framework comprises of the risk management terms of references ("TORs") framework (i.e., the TORs of the Board RMC and AC Charter of the Board AC) and the risk management engagement framework (i.e., how both committees will engage with each other and the Board in the oversight of Enterprise Risk). Under the TORs, Board RMC has oversight of the establishment and operation of an independent risk management system for managing risks on an enterprise-wide basis. Coverage of internal controls has been specifically delegated by the Board to the Board AC, which under the AC Charter, also has oversight of significant financial reporting issues, the internal audit function, and the scope/results of the external audit. Under its TOR, the Board approves the overall regulatory policies and risk appetite framework for CSL.

The terms of engagement between the Board AC and Board RMC are described in the framework to set the roles and responsibilities of each committee. The quarterly Board AC meetings are typically scheduled just before the quarterly Board RMC meetings. The assessment of the adequacy and effectiveness of CSL's internal control environment and risk management systems is based on Citigroup's GRC framework. At the quarterly Board RMC meetings, CSL CRO presents the summary of quarterly assessment of risks to the Board RMC, which also receives updates on matters (including any concerns from the Board AC regarding the adequacy and effectiveness of CSL's risk management systems) discussed during the immediately preceding Board AC meeting. The Board RMC is also provided with a forward-looking assessment of any emerging risks, in addition to the material risks monitored by the Board RMC on an ongoing basis. These emerging risks are in-turn communicated back to the Board AC for determining any incremental controls that are needed. The Board AC & Board RMC Chairpersons will then brief the Board at the quarterly Board meetings on the highlights of their respective committee discussions.

Underpinning the TORs and engagement between the two committees is the lines of defense construct, the First Line being the front-line units (i.e. the Businesses, CSL Treasury, Wealth Risk and Controls, Enterprise Infrastructure, Operations and Technology, Finance, Corporate Affairs and CSIS), the Second Line being the Independent Risk Management ("IRM") and Independent Compliance Risk Management ("**ICRM**"), and the Third Line being Internal Audit. Human Resources and Legal are grouped under the enterprise support functions.

At each quarterly AC and RMC meeting, a quarterly Summary of Internal Control Assessment and Summary of Risk Assessment are provided respectively to the AC and RMC. These summaries draw on the work done, issues raised, and findings made under the lines of defense during the preceding quarter.

Annually, the AC will receive from the front-line units responsible for internal risk and control framework a presentation of the internal control adequacy scorecard of the preceding financial year and from the risk management functions a presentation of the risk management adequacy scorecard of the preceding financial year. The results of these discussions are reported by the Audit Committee Chairperson to the Board at the next Board meeting. This is to allow the Board to comment, as required under the MAS corporate governance guidelines, on the adequacy and effectiveness of the Bank's internal controls and risk management systems in the corporate governance report.

Risk Management Terms of Reference ("TORs") Framework

Regulatory Policies & Risk Appetite Framework

CSL Board of Directors

- Define CSL risk appetite and establish an acceptable level of risks that the bank may take, as well as the capital strategy of the bank.
- Review and approve the target level and composition of capital, and the process for setting and monitoring such targets at least annually.

CSL Audit Committee

- Review of: (i) significant financial reporting issues, (ii) reporting on the adequacy and effectiveness of internal controls and risk management systems, (iii) effectiveness of Internal Audit function, (iv) scope/results of external audit, their independence.
- Provide overall assessment on internal controls and risk management systems, to Board RMC and Board.

CSL Risk Management Committee

- Oversee the establishment and operation of an independent risk management system for identifying, measuring, monitoring, controlling, and reporting risks on an enterprise-wide basis.
- Receive quarterly update from Board AC Chairman on internal controls and risk management systems.

Lines of Defense

First Line of Defense: Front Line Units

- Ensure that risk appetite framework, including Benchmarks (Through-the-Door guardrails; portfolio delinquency and loss performance), is well embedded in the business.
- Manage day-to-day control processes including the execution of the self-assessment processes e.g., MCA and QAF.
- Lead or coordinate processes to mitigate risks.
- Manage / forecast growth and risk profile of assets and liabilities.
- Provide market knowledge of competitor pricing or promotional activities.
- Involve in the management of liquidity.
- Enhance and protect the reputation of Citi, its businesses, and the brand.
- Conduct (i) Security Risk assessments based on the level of perceived threat, (ii) investigations on matters which may impact Citi reputation, (iii) due diligence activities to ascertain the background of clients and customers.

Second Line of Defense: IRM & ICRM

- Implement enterprise-wide risk frameworks, policies, standards, and guidelines.
- Ensure compliance with regulations, policies, and standards.
- Review deviations and risk exceptions.
- Set up and oversee self-assessment frameworks.
- Perform compliance testing and business monitoring / reviews.
- Consult and advise business on risks, controls, and mitigating actions.

Third Line of Defense:

- Independent assessment of the control environment and risks.

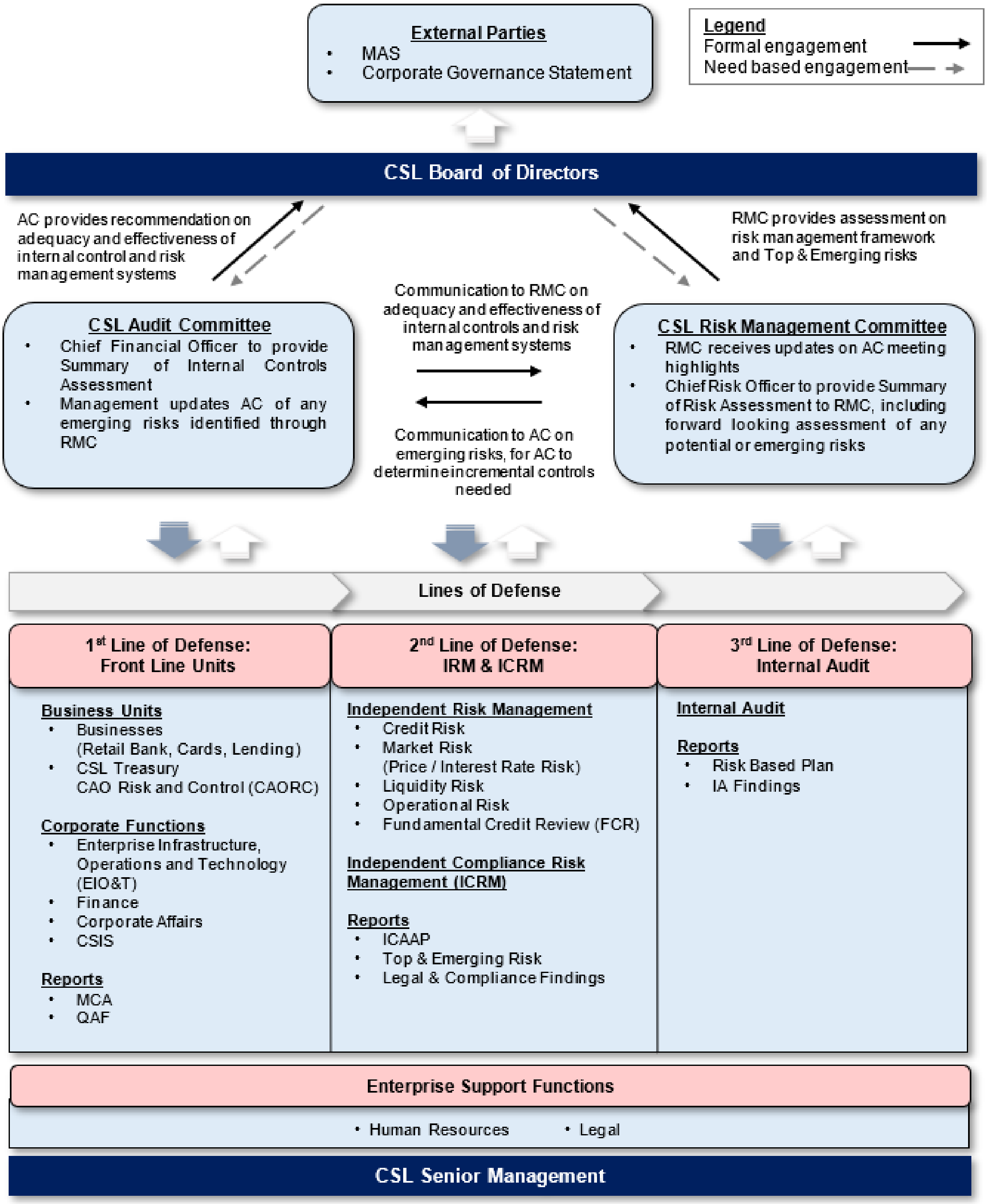
Enterprise Support Functions

- Develop HR programs associated with compensation, benefits, performance management, talent acquisition, talent and diversity, and workforce relations.
- Provide legal advice to Businesses and other Functions on the interpretation of legal and regulatory requirements.

CSL Senior Management

- Review future business expansion/initiatives and its impact on CSL's risk profile and capital level.
- Establish frameworks for assessing the categories of risks facing CSL and develop systems for relating these risks to the capital level.

Risk Management Engagement Framework



3. Capital Structure and Capital Adequacy

The Bank's capital management is designed to ensure that it maintains sufficient capital consistent with the Bank's risk profile and all applicable regulatory standards and guidelines. The Bank adopts a balanced approach in risk taking, balancing Senior Management and Board's oversight with well-defined independent risk management functions. The Board engages Senior Management regularly in key activities that may impact capital assessment and adequacy.

In accordance with Part X of the MAS Notice 637, CSL has an annual internal capital adequacy assessment process (ICAAP) in place, which is a rigorous process for determining the adequacy of its capital to support all risks to which it is exposed.

Other than paid-up capital of the Bank, CSL's capital is historically generated via retained earnings from the business.

3.1 Capital Management

Pursuant to section 9 of the Banking Act (Cap 19) of Singapore, the Bank is required to maintain a paid-up capital and capital funds of not less than $1,500,000,000. The Bank's capital fund is the aggregate of its paid-up capital and published reserves, which includes foreign currency translation reserve, statutory reserve and accumulated profits.

In 2007, MAS approved the Bank's application to adopt the Basel II Standardised Approach with effect from 1 January 2008 for computing its regulatory capital requirements. The Bank's capital adequacy ratio ("CAR") is computed in accordance with MAS Notice to Banks No. 637. The Basel III capital adequacy requirements apply with effect from 1 January 2013.

At the end of 2023, CSL's Common Equity Tier 1 capital adequacy ratio and Tier 1 capital adequacy ratio is 20.28% (2022: 22.94%) and total capital adequacy ratio is 20.67% (2022: 23.39%). The above ratios are well above the regulatory requirements for Common Equity Tier 1, Tier 1 and total capital adequacy of 6.5%, 8% and 10% respectively.

To assess adequacy of the Bank's capital to support its current and future activities, the Bank has identified material risks applicable to CSL's lines of business.

The material risks identified are Credit Risk, Operational Risk, Market Risk (Trading and Non-Trading), Interest Rate Risk in the Banking Book ("IRRBB"), Liquidity Risk, Business & Strategic Risk, Reputation Risk and Model Risk.

	(in S$million)	Basel III 2023	Basel III 2022
1	**Tier 1 Capital**		
	Paid-up ordinary share capital	1,528	1,528
	Disclosed reserves [1]	2,322	2,436
	Total regulatory adjustments to Common Equity Tier 1	(10)	(11)
	Common Equity Tier 1 capital	**3,840**	**3,953**
2	**Tier 2 Capital**		
	General provisions	73	76
	Net Tier 2 capital	**73**	**76**
3	**Total eligible capital**	**3,913**	**4,029**
	Risk Weighted Assets	18,935	17,227
	Common Equity Tier 1 capital adequacy ratio	20.28%	22.94%
	Tier 1 capital adequacy ratio	20.28%	22.94%
	Total capital adequacy ratio	20.67%	23.39%

Note
[1] Disclosed reserves comprises translation reserves and accumulated profits

3.2 Overview of RWA

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

As at 31 December 2023, the total RWA was $18.94 billion as compared to $19.04 billion in the prior quarter. The decrease was mainly driven by lower Credit RWA from Bank Asset class. The following Table 11-3B provides further breakdown of the RWA.

reported in S$million		(a)	(b)	(c)
		RWA		**Minimum capital requirements**
		31-Dec-23	**30-Sep-23**	**31-Dec-23**
1	Credit risk (excluding CCR)	16,154	16,310	1,615
2	*of which: Standardised Approach*	16,154	16,310	1,615
3	*of which: F-IRBA*	-	-	-
4	*of which: supervisory slotting approach*			
5	*of which: A-IRBA*			
6	CCR	46	74	5
7	*of which: SA-CCR*	46	74	5
8	*of which: CCR Internal Models Method*	-	-	-
9	*of which: other CCR*	-	-	-
9a	*of which: CCP*			
10	CVA	25	16	3
11	Equity exposures under the simple risk weight method			
11a	Equity exposures under the IMM			
12	Equity investments in funds – look through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall back approach	-	-	-
14a	Equity investments in funds – partial use of an approach	-	-	-
15	Unsettled transactions	-	-	-
16	Securitisation exposures in the banking book	-	-	-
17	*of which: SEC-IRBA*	-	-	-
18	*of which: SEC-ERBA, including IAA*	-	-	-
19	*of which: SEC-SA*	-	-	-
20	Market risk	76	61	8
21	*of which: SA(MR)*	76	61	8
22	*of which: IMA*	-	-	-
23	Operational risk	2,633	2,580	263
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
25	Floor adjustment	-	-	-
26	**Total**	**18,935**	**19,041**	**1,893**

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

3.3 Key Metrics

The following disclosures are prepared in accordance with Table 11-1A of MAS Notice 637.

reported in S$million		(a)	(b)	(c)	(d)	(e)
		31-Dec-23	**30-Sep-23#**	**30-Jun-23#**	**31-Mar-23#**	**31-Dec-22**
	Available capital (amounts)					
1	CET1 capital	3,840	3,984	3,974	3,935	3,953
2	Tier 1 capital	3,840	3,984	3,974	3,935	3,953
3	Total capital	3,913	4,056	4,047	4,003	4,029
	Risk weighted assets (amounts)					
4	Total RWA	18,935	19,041	18,496	17,488	17,227
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	20.28%	20.93%	21.48%	22.50%	22.94%
6	Tier 1 ratio (%)	20.28%	20.93%	21.48%	22.50%	22.94%
7	Total capital ratio (%)	20.67%	21.30%	21.88%	22.89%	23.39%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement (%)	0.011%	0.011%	0.011%	0.010%	0.009%
10	G-SIB and/or D-SIB additional requirements (%)	-	-	-	-	-
11	Total of CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.511%	2.511%	2.511%	2.510%	2.509%
12	CET1 available after meeting the Reporting Bank's minimum capital requirements (%)	10.67%	11.30%	11.88%	12.89%	13.39%
	Leverage Ratio					
13	Total Leverage Ratio exposure measure	55,338	55,898	59,638	58,215	57,084
14	Leverage Ratio (%) (row 2 / row 13)	6.94%	7.13%	6.66%	6.76%	6.92%
	Liquidity Coverage Ratio					
15	Total High Quality Liquid Assets	9,011	8,523	11,374	13,130	12,741
16	Total net cash outflow	1,035	1,023	1,057	1,012	1,041
17	Liquidity Coverage Ratio (%)	870.65%	832.87%	1075.13%	1297.09%	1223.67%
	Net Stable Funding Ratio					
18	Total available stable funding	46,263	47,415	50,801	48,916	48,841
19	Total required stable funding	25,276	26,056	27,457	26,588	25,717
20	Net Stable Funding Ratio (%)	183.03%	181.97%	185.01%	183.98%	189.91%

#Unaudited figures

4. Linkages between Financial Statements and Regulatory Exposures

4.1 Differences between Accounting and Regulatory Scopes of Consolidation

The following disclosures are prepared in accordance with Table 11-4 of MAS Notice 637.

The difference in "Derivative assets" is due to the notional amount which is subjected to credit risk requirement but reported off-balance sheet in the financial statements. Secondly, the accrued interests from "Loans & advances to customers" are reported separately under "Other assets" in the financial statements but are combined with the outstanding loans to form the exposure amount for credit risk requirement. The final difference is on "Property, plant and equipment" whereby the financial statement is showing the net book value but the historical carrying cost is subjected to credit risk requirement.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			Carrying amounts of items -				
reported in S$million	Carrying amounts as reported in balance sheet of published financial statements	Carrying amounts under regulatory scope of consolidation	subject to credit risk requirements	subject to CCR requirements	subject to securitisation framework	subject to market risk requirements	not subject to capital requirements or subject to deduction from regulatory capital
Assets							
Cash and balances with central bank	1,043	1,043	1,043	-	-	-	-
Singapore government treasury bills and securities	3,307	3,307	3,307	-	-	-	-
Derivative assets	29	72	-	72	-	-	(43)
Amounts due from intermediate holding company	23,826	18,194	18,194	-	-	-	5,632
Amounts due from related corporations	-	-	-	-	-	-	-
Balances and placements with bankers and agents	1,325	1,325	1,325	-	-	-	-
Loans and advances to customers	17,341	17,455	17,455	-	-	-	(114)
Other securities	5,610	5,610	4,485	-	-	1,125	-
Deferred Tax Assets	10	10	10	-	-	-	10
Other assets	600	470	470	-	-	-	130
Property, plant and equipment	23	107	107	-	-	-	(84)
Total assets	**53,114**	**47,593**	**46,396**	**72**	**-**	**1,125**	**5,531**
Liabilities							
Derivative liabilities	98	-	-	-	-	-	98
Amounts due to intermediate holding company	8,687	-	-	-	-	-	8,687
Amounts due to related corporations	97	-	-	-	-	-	97
Deposits of non-bank customers	39,179	-	-	-	-	-	39,179
Bills and drafts payable	39	-	-	-	-	-	39
Current Tax payable	88	-	-	-	-	-	88
Deferred Tax Liabilities	-	-	-	-	-	-	-
Other liabilities	1,075	-	-	-	-	-	1,075
Total liabilities	**49,263**	**-**	**-**	**-**	**-**	**-**	**49,263**

4.2 Main Sources of Differences between Regulatory Exposure Amounts and Carrying Amounts in Financial Statements

The following disclosures are prepared in accordance with Table 11-5 of MAS Notice 637:

		(a)	(b)	(c)	(d)	(e)
			Items subject to:			
reported in S$million		Total	credit risk requirements	CCR requiremetns	securitisation framework	market risk requirements
1	Asset carrying amount under regulatory scope of consolidation (as per Table 11-4)	47,593	46,396	72	-	1,125
2	Liabilities carrying amount under regulatory scope of consolidation (as per Table 11-4)	-	-	-	-	-
3	Total net amount under regulatory scope of consolidation	47,593	46,396	72	-	1,125
4	Off-balance sheet amounts	34,203	18,660	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
7	Differences due to consideration of provisions					
8	Differences due to prudential filters	-	-	-	-	-
9	Exposure amounts considered for regulatory purposes	81,796	65,056	72	-	1,125

5 Credit Risk

5.1 Credit Risk Management Policy

Credit Risk can originate from business activities booked in CSL, which include but are not limited to Credit Card, Ready Credit, Mortgage, and Margin Lending products. Being an MLE, CSL conducts a full range of Consumer Banking activities and key customer segments include Citibanking, Citi Priority, Citigold and Citigold Private Client.

CSL measures Credit Risk within the Legal Entity as outlined in Retail Credit Risk Policy ("RCRP"). For Consumer Credit Risk, additional requirements are described in Global Credit Initiation Practises ("GCIP") and Global Collection Practices ("GCP").

Treasury portfolio: Mainly comprises of placements with financial institutions (including Citibank, N.A. and other Citigroup Affiliates), treasury bills and securities, and derivatives. Details on the establishment of credit facilities, limits, exception monitoring and approval requirements, can be found in the "Wholesale Credit Risk Policy" and "Citi Treasury Policy".

In addition to compliance with the global credit risk policies, CSL also complies with MAS Notice No. 612 on credit grading of facilities where loans are graded into Pass, Special Mention, Substandard, Doubtful and Loss.

5.2 Impairment Allowances Policy

The Bank has adopted FRS 109 Financial Instruments from 1 January 2019. Details of impairment allowances policy, balances and non-performing credit facilities as well as reconciliation of changes in the allowance for loan impairment are disclosed in Notes 3.3, 16 and 17 of the Bank's financial statements.

5.3 Credit Risk Assessment and allowance

Credit risk assessment is performed as follows:

A) Retail Portfolio

The target markets for retail lending are individual borrowers. Key retail lending products are mortgage loan, credit card facility, revolving credit facility and margin lending facility.

There is an established set of measures, procedures, and policies for monitoring the performance of the retail asset portfolios. This is done through a monthly Portfolio Quality Review ("PQR") covering the following key areas:

- Leading indicators (including macroeconomic indicators), new booking characteristics, test programmes, significant credit changes, portfolios classified as "Mature & Stable", "Performance Exception" etc. and portfolio performance indicators (delinquencies, net flows, credit losses). Where applicable, results are compared against historical performance and/or plan/benchmarks.
- Monitoring of limits stipulated in approved programmes
- Concentration limits/caps for high risk segments
- Test programmes & Significant Credit Change tracking
- Deviation rates and related performance of exceptions approved
- Reporting Key Risk Indicators ("KRI") if benchmarks are triggered and actions are taken, where applicable. KRIs include tripwires identified during the annual stress tests
- Keeping an inventory of credit changes made. For significant credit changes, performance against benchmarks is tracked for 12 months

Depending on the product, either Number of Payments Missed or Day Past Due ("DPD") is used by CSL to assess the level of individual impairment allowance required.

Approach for Mortgage loans:

Number of Payments Missed	Classification (MAS 612)
0 – 1	Pass
2 – 3	Special Mention
4	Substandard
5 – 6	Doubtful
≥ 7	Loss
PDO[1] Account < 4	Substandard
PDO Account ≥ 4	As per number of payments missed
Rewrite < 4	Substandard
Rewrite ≥ 4	As per number of payments missed

For loans with underlying collaterals, there is a split classification and methodology for accounts falling under the substandard, doubtful and loss classification.

Approach for Ready Credit and Credit Cards:

Number of Payments Missed	Classification (MAS 612)
0 – 1	Pass
2 – 3	Special Mention
4	Sub Standard
5-6	Doubtful
≥ 7	Loss
Rewrite, RAS : (0 – 3)	Substandard
Rewrite, RAS : (4)	Doubtful
Rewrite, RAS : (≥ 5)	Loss
Settlement (0 – 3)	Substandard
Settlement (4 – 6)	Doubtful
Settlement (≥ 7)	Loss

Approach for facilities secured by cash, mutual funds, fixed income securities, shares, insurance:

DPD (Citibank)	Classification (MAS 612)
0-29	Pass
30-59	Special Mention
60-89	Substandard
90-119	Doubtful
>=120	Loss

Credit Risk Mitigation (CRM)

For the purpose of calculating and assessing Net Credit RWA, the Bank takes into account eligible collateral pledged by customers that are primarily mortgage properties, cash deposits, mutual funds, fixed income securities, insurance policies and shares.

The Bank's Credit Operations Department is guided by its Credit Policy and Procedures for collateral valuation and management. It marks to market the CRM eligible financial collateral value on a daily, weekly and monthly (whichever is applicable) basis. Margin call and force sell actions will take place if the Quantum of Financing ("QOF") is higher than that prescribed in the Credit Policy. Trade will be rejected if the QOF reaches margin call or force sell status.

[1] Past Due Obligation ("PDO")

As the end of December 2023, the Bank's gross credit exposure (excluding CVA) is S$46.88 billion, of which S$2.20 billion is offset by CRM in the retail assets portfolios. After applying the required risk weights, the Bank's Credit RWA is S$16.20 billion. Given the immateriality of CRM, which is 4.70% of total credit exposure, asset class breakdowns are not provided and for the same reason, there is no CRM risk concentration exposure to the Bank.

Twelve month forecasts of portfolio performance are carried out as part of the annual budget process. This process includes a review of volume growth, expected losses and reserves and related profitability, and is subject to the independent review and concurrence of the Regional and Global Risk Management Office, Business and Finance. Once the forecasts are approved, they are used as credit benchmarks to monitor performance of the portfolio in the following financial year.

Consumer portfolios are subject to annual business stress testing where the major asset product portfolios are put through a set of generated stress scenarios to determine their loss absorption capacity.

B) Commercial Portfolio

Target markets for commercial lending are companies with turnover of US$10 million and below. Credits with total approved limit of US$1 million and below is delinquency managed (retail reporting). The Commercial portfolio has been liquidated with only a Trade exposure of S$39,325 which are fully secured by Banker's Guarantee as at 31 Dec 2023.

The GCCP documents the core credit policies for identifying, measuring, approving and reporting credit risk for commercial lending under the delinquency managed process.

Within the risk framework of the GCCP, CSL's Small Enterprises credit risk management is outlined in greater detail in the Business Credit Program ("CP"), which is developed locally to incorporate applicable local regulations, market practices and environment and processes for approving and managing the risks of the portfolio. There is an established monitoring and review process through portfolio limits, caps and triggers. Portfolio reviews are conducted monthly and reports are shared with Global Risk Management.

To assess the allowance of Commercial Lending Portfolio, the following classification is used in accordance with the Bank's internal Credit Policy and MAS Notice No. 612:

Delinquency Managed - Number of Missed Payments	**Classification (MAS 612)**
0-1	Pass
2	Special mention
3	Substandard
NA	Doubtful
4	Loss

C) Treasury Portfolio Credit Risk

The Corporate Treasury and Integrated Foreign Exchange and Fixed Income ("CTFX") business through its activities manages the funds of the businesses that it supports. The credit risk evaluation for CTFX placements is as follows:

- **Third Party Placements**
  All approval of limits for third party placements is carried out centrally by the Global Risk Management unit. Each counterparty limit is determined globally and allocated to each country. This process ensures that Citigroup's global exposure is centrally aggregated and controlled. Prior to making any third party placements, Corporate Treasury checks to ensure that there are limits available for the transactions. The Risk Management Unit monitors the placements with counterparties to ensure that they are within the limits allocated.

A daily monitoring process is also in place to check for compliance with exposure limits to single counterparty groups. A figure of 20% of capital funds is used as the internal trigger in addition to compliance with the regulatory limit of 25% of Tier 1 Capital.

- **Inter-Company**
  Pursuant to the banking licence granted by MAS, CSL is required to maintain its net inter-company exposure in accordance to the target ratio specified by MAS. The net inter-company exposure is monitored on a daily basis. Inter-company exposure is also monitored to ensure adequate capital is maintained at all times.

5.4 Credit Ratings of External Credit Assessment Institution (ECAI)

In terms of assessing counterparty credit risk, the rating services of Moody’s Investors Service and Standard & Poor’s are selected as CSL’s approved ECAI for providing credit ratings. ECAI is used in the Bank’s Wholesale and Treasury portfolios.

The Bank uses an internally developed system to calculate its risk weighted assets and this system receives its external ratings from a credit system that has a feed for external ratings from the approved ECAI.

The alignment of the alphanumerical scale of each recognized ECAI used by CSL with relevant risk weights are detailed in the table below:

Credit Ratings and Credit Quality Grade

Rating Agencies		**Credit Ratings**						
Moody's Investor Services		Aaa Aa1 Aa2 Aa3	A1 A2 A3	Baa1 Baa2 Baa3	Ba1 Ba2 Ba3	B1 B2 B3	Caa1 Caa2 Caa3 Ca C	
Standard & Poor's		AAA AA+ AA AA-	A+ A A-	BBB+ BBB BBB-	BB+ BB BB-	B+ B B-	CCC+ CCC CCC- CC C D	
Basel Credit Ratings		**AAA**	**A+**	**BBB+**	**BB+**	**B+**	**CCC+**	
Credit Quality Grade		**1**	**2**	**3**	**4**	**5**	**6**	**Unrated**
Basel Asset Class - Bank	<= 3 months	20%	20%	20%	50%	50%	150%	20%
	>3 months	20%	50%	50%	100%	100%	150%	50%
Basel Asset Class - Corporate	<= 3 months	20%	50%	100%	100%	150%	150%	100%
	>3 months	20%	50%	100%	100%	150%	150%	100%
	Original Maturity Date	**Risk Weight Applied**						

RWA based on assessments by recognized ECAI:

In S$million	**Asset Classes**	**Exposure**	**RWA**
Moody's Investors Service	Bank asset	-	-
Moody's Investors Service Total		-	-
Standard & Poor's	Bank asset	19,902	7,256
	MDB	152	-
	PSE asset	-	-
	SOV	8,648	-
	Other exposure	16	16
Standard & Poor's Total		28,718	7,272
Grand Total		28,718	7,272

5.5 Credit Risk Exposure Disclosure

- **Gross Credit exposure**
  The gross credit exposures of the Bank are represented by the maximum exposure to credit risk for balance sheet and off-balance sheet financial instruments, before taking into account any collateral held or other credit enhancement at the balance sheet date. Gross credit exposures and residual contractual maturity breakdown can be found in Note 31 of the Bank's financial statements.

  Average gross credit exposure is used for analysis purposes only. The monthly average balance is the common method used for analysis. As average gross credit exposures are not used to determine the maximum credit exposure to the Bank, they are not disclosed.

- **Geographic and Industry Breakdown**
  Geographic distribution of the Bank's major credit exposure is disclosed in Notes 14 to 16 of the Bank's financial statements while industry distribution is disclosed in the 'Industry Analysis' section of Note 31.

  Credit-impaired and not credit-impaired impairment allowance by major industry is also disclosed in Note 31 of the Bank's financial statements.

  Further disclosures are as follows:

- **Classified Exposure - by Major Industry**

Industry	**Amount (S$million)**
Professional & Private Individuals	62
Housing	4
Total	**66**

- **Classified Exposure - by Geographical Location**

Country	**Amount (S$million)**
Singapore	66
Total	**66**

- **Past due loans under MAS612 – by Major Industry**

Past Due Loans (>90 dpd)	**Amount (S$million)**
Professional & Private Individuals	11
Total	**11**

- **Past due loans under MAS 612 – by Geographical Location**

Past Due Loans (>90 dpd)	**Amount (S$million)**
Singapore	11
Total	**11**

- **Credit-impaired impairment allowance – by Geographical Location**

Industry	**Amount (S$million)**
Singapore	9
Total	**9**

- **Charges for credit-impaired impairment allowance and charge-offs – by Major Industry**

Industry	Amount (S$million)
Professional & Private Individuals	10
Total	**10**

Note: Not credit-impaired impairment allowance is done on a total portfolio basis, thus breakdown by geography and industry is not available.

- **Restructured Exposure**

For Unsecured portfolios, Risk mitigation programs include Rewrites and settlement programs. Rewrite programs are offered to assist genuine customers who have intent to repay their debt obligation but have an impaired repayment ability. These programs are offered after discussions with customers and assessing their ability and willingness to pay. There is a monthly performance tracking of this program.

For Singapore Mortgage, Rewrites, Early Settlement and Extensions are offered as a part of the loss mitigation programs. These treatments aim to address customer's duration and severity of cash flow reduction. Any unpaid balance of existing non-written-off Mortgage loans can be considered under the Mortgage Loss Mitigation Program if it meets the Bank's Acceptance Criteria. All Rewrite proposals should be evaluated through discussions with the customer, or upon customer-initiated request to the Bank.

Breakdown by Impaired and Non-impaired Exposure (S$million)

Products	Impaired	Non-impaired	Total
Mortgage	-	-	-
Bank Cards & Ready Credit	61	-	61
Total	**61**	**-**	**61**

- **Asset Class Breakdown by Risk Weights after CRM, under SA(CR):**

	Risk Weights	Asset Class	Net Exposure (S$million)	Credit RWA (S$million)
i)	0%	Cash Items	56	-
		Public Sector Entities Exposure	-	
		Central Government & Central Government Exposure	8,641	-
		Multilateral Development Bank Exposure	152	-
ii)	20%	Cash Items - Cheques and other items in processing	-	-
		Central Government & Central Government Exposure	-	-
		Public Sector Entities Exposure	-	-
		Banking Institutions Exposure - On Balance Sheet	8,856	1,771
		- Off Balance Sheet	76	15
		- OTC	59	12
		Corporate Exposure - OTC	-	-
iii)	35%	Exposures secured by Residential Property - On Balance Sheet	8,227	2,879
		- Off Balance Sheet	344	120
iv)	50%	Banking Institutions Exposure - On Balance Sheet	10,906	5,453
		- Off Balance Sheet	-	-
		- OTC	11	5
		Corporate Exposure - OTC	-	-
v)	75%	Regulatory Retail Exposure - Individuals	5,855	4,391
		- Small Business	-	-
		- Off Balance Sheet	-	-
		Exposures secured by Residential Property - On Balance Sheet	8	6
		- Off Balance Sheet	5	4
vi)	100%	Corporate Exposure - Off Balance Sheet	0	0
		- OTC	-	-
		Banking Institutions Exposure - OTC	-	-
		Regulatory Retail Exposure - On Balance Sheet	-	-
		Exposures secured by Residential Property - On Balance Sheet	18	18
		- Off Balance Sheet	13	13
		Commercial Real Estate Exposure - On Balance Sheet	-	-
		Other Exposures Asset Class	1,492	1,492
vii)	150%	Regulatory Retail Exposure - On Balance Sheet	13	20
		Total	**44,732**	**16,201**

5.6 Credit Quality of Assets

The following table provides the credit quality of the Bank's on- and off-balance sheet assets. The following disclosures are prepared in accordance with Table 11-8 of MAS Notice 637.

reported in S$million		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amount of		Allowances and Impairments	of which: allowances for standardised approach exposures		of which: allowances for IRBA exposures	Net values (a + b - c)
		Defaulted exposures	Non-defaulted exposures		of which: specific allowances	of which: general allowances		
1	Loans	66	17,353	79	10	69	-	17,341
2	Placements with bank	-	25,154	4	-	4	-	25,150
3	Debt securities	-	8,917	1	-	1	-	8,916
4	Off-balance sheet exposures	-	166	-	-	-	-	166
5	**Total**	**66**	**51,590**	**83**	**10**	**73**	**-**	**51,573**

Defaulted exposures are non-performing credit facilities which are classified in accordance with the loan grading requirement of the MAS Notice 612.

5.7 Changes in Stock of Defaulted Loans and Debt Securities

The following table provides the changes in the Bank's defaulted loans and debt securities. The following disclosures are prepared in accordance with Table 11-9 of MAS Notice 637.

reported in S$million		(a)
1	Defaulted loans and debt securities at end of the previous semi annual reporting period	72
2	Loans and debt securities that have defaulted since the previous semiannual reporting period	21
3	Returned to non-defaulted status	(2)
4	Amounts written-off	(13)
5	Other changes	(13)
6	**Defaulted loans and debt securities at end of the semi annual reporting period (1+2-3-4±5)**	66

5.8 SA(CR) and SA(EQ) - Credit Risk Exposure and CRM Effects

The following table illustrate the effects of CRM on the calculation of capital requirements for SA(CR) and SA(EQ). The RWA density provides a synthetic metric on the riskiness of each portfolio. The following disclosures are prepared in accordance with Table 11-14 of MAS Notice 637.

reported in S$million		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
	Asset classes and others	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Cash items	56	-	56	-	-	0%
2	Central government and central bank	8,641	-	8,641	-	-	0%
3	PSE	-	-	-	-	-	0%
4	MDB	152	-	152	-	-	0%
5	Bank	19,762	75	19,762	75	7,239.08	36%
6	Corporate	-	-	-	-	-	0%
7	Regulatory retail	7,187	16,267	5,868	-	4,411.03	75%
8	Residential mortgage	8,253	724	8,253	362	3,040.82	35%
9	CRE	-	-	-	-	-	0%
10	Equity - SA(EQ)	-	-	-	-	-	0%
11	Past due exposures	-	-	-	-	-	0%
12	Higher-risk categories	-	-	-	-	-	0%
13	Other exposures	2,345	1,594	1,463	-	1,463.41	100%
14	**Total**	**46,396**	**18,660**	**44,195**	**437**	**16,154**	36%

5.9 SA(CR) and SA(EQ) – Exposures by Asset Classes and Risk Weights

The following table breakdown of credit risk exposures under the SA(CR) and SA(EQ) by asset class and risk weight, corresponding to the level of risk attributed to the exposures. The following disclosures are prepared in accordance with Table 11-15 of MAS Notice 637.

reported in S$million		**(a)**	**(b)**	**(c)**	**(d)**	**(e)**	**(f)**	**(g)**	**(h)**	**(i)**	**(j)**
	Risk Weight Asset classes and others	**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure amount (post-CCF and post-CRM)**
1	Cash items	56	-	-	-	-	-	-	-	-	56
2	Central government and central bank	8,641	-	-	-	-	-	-	-	-	8,641
3	PSE	-	-	-	-	-	-	-	-	-	-
4	MDB	152	-	-	-	-	-	-	-	-	152
5	Bank	-	-	8,930	-	10,906	-	-	-	-	19,836
6	Corporate	-	-	-	-	-	-	-	-	-	-
7	Regulatory retail	-	-	-	-	-	5,855	-	13	-	5,868
8	Residential mortgage	-	-	-	8,571	-	13	31	-	-	8,615
9	CRE	-	-	-	-	-	-	-	-	-	-
10	Equity - SA(EQ)	-	-	-	-	-	-	-	-	-	-
11	Past due exposures	-	-	-	-	-	-	-	-	-	-
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other exposures	-	-	-	-	-	-	1,463	-	-	1,463
14	**Total**	**8,849**	**-**	**8,930**	**8,571**	**10,906**	**5,868**	**1,495**	**13**	**-**	**44,632**

5.10 Overview of CRM Techniques

The following disclosures are prepared in accordance with Table 11-12 of MAS Notice 637.

reported in S$million		**(a)**	**(b)**	**(c)**	**(d)**	**(e)**
		Exposures unsecured	**Exposures secured**	**Exposures secured by collateral**	**Exposures secured by financial guarantees**	**Exposures secured by credit derivatives**
1	Loans	4,669	12,672	12,672	-	-
2	Placements with bank	25,150	-	-	-	-
3	Debt securities	8,916	-	-	-	-
4	**Total**	38,735	12,672	12,672	-	-
5	Of which: defaulted	**62**	**4**	**4**	-	-

6 Counterparty Credit Risk

Counterparty risk exposure is included in CSL's economic capital model by converting the current and future potential exposure to a counterparty into a one-year loan equivalent, aggregated with other direct and indirect exposure, and allocating economic capital based on the perceived credit quality of the obligor.

The gross credit exposure for OTC derivative transaction is calculated under the current exposure method. This comprises both replacement cost (on balance sheet mark-to-market) and potential future exposure after taking a Credit Conversion Factor ("CCF") on the derivative contract notional amount.

There are no collaterals, credit reserves or specific policy with respect to exposures that give rise to general or specific wrong-way risk.

The gross positive fair value of derivative transactions is disclosed in Note 6 of the Bank's financial statements.

6.1 Analysis of CCR Exposure by Approach

The following table provides the methods used to calculate CCR regulatory requirements and the main parameters used within each method. The following disclosures are prepared in accordance with Table 11-23 of MAS Notice 637.

reported in S$million		(a)	(b)	(c)	(d)	(d.1)	(e)	(f)
		Replacement cost	**Potential future exposure**	**Effective EPE**	**Fixed beta factor, β used for computing regulatory EAD**	**α used for computing regulatory EAD**	**EAD (post-CRM)**	**RWA**
1	SA-CCR* (for derivatives)	31	41		1.4		100	46
2	CCR internal models method (for derivatives and SFTs)							
3	FC(SA) (for SFTs)							
4	FC(CA) (for SFTs)							
5	VaR for SFTs							
6	**Total**							**46**

6.2 CVA Risk Capital Requirements

The following table provides the calculations for CVA risk capital requirements, with a breakdown by standardised and advanced methods. The following disclosures are prepared in accordance with Table 11-24 of MAS Notice 637.

reported in S$million		(a)	(b)
		EAD (post-CRM)	**RWA**
	Total portfolios subject to the Advanced CVA capital requirement	-	-
1	(i) VaR component (including the three-times multiplier)		-
2	(ii) Stressed VaR component (including the three-times multiplier)		-
3	All portfolios subject to the Standardised CVA capital requirement	99	25
4	Total portfolios subject to the CVA risk capital requirement	99	25

6.3 Standardised Approach - CCR Exposures by Portfolio and Risk Weights

The following table provides the breakdown of CCR exposures calculated in accordance with the SA(CR), by regulatory portfolio and risk weight. The following disclosures are prepared in accordance with Table 11-25 of MAS Notice 637.

reported in S$million	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(j)
Risk Weight / Asset classes and others	**0%**	**10%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure**
Central government and central bank	-	-	-	-	-	-	-	-	-
PSE	-	-	-	-	-	-	-	-	-
MDB	-	-	-	-	-	-	-	-	-
Bank	-	-	60	11	-	-	-	-	71
Corporate	-	-	-	-	-	-	0	-	0
Regulatory retail	-	-	-	-	-	-	-	-	-
Other exposures	-	-	-	-	-	28	-	-	28
Total	**-**	**-**	**60**	**11**	**-**	**28**	**0**	**-**	**100**

7 Market Risk

Market risk is the earnings risk from changes in interest rates, foreign exchange rates, and equity and commodity prices, and in their implied volatilities. Market risk arises in both trading and non-trading portfolios.

Market risk is measured in accordance with established standards to ensure consistency across businesses and the ability to aggregate risk. Each business is required to establish, with approval from independent market risk management, a market risk limit framework for identified risk factors that clearly defines approved risk profiles, which is within the parameters of Citigroup's overall risk appetite.

CSL is fully integrated into the overall Citigroup risk and control framework, balancing Senior Management oversight with well-defined independent risk management functions. It is the responsibility of Senior Management to implement Citigroup's risk policies and practices, and respond to the needs and issues in the Bank.

In terms of internal controls, independent functions Global Market Risk (GMR) and Finance Chief Risk Office (Fin CRO) oversee trading and non-trading market risks respectively, and ensure that the approved risk profile is consistent with CSL's overall risk appetite.

In line with Basel III requirements, stress testing procedures are developed in response to business or market specific concerns and applied to all Trading/Accrual portfolios within a specific business, as appropriate. The stress tests are performed periodically on Trading and Accrual portfolios at a frequency required under the independent market risk limit framework, or at the discretion of GMR.

CSL consists of 2 trading desks – Treasury which is a part of APAC CTI and APAC CGWI – Consumer Volcker Desk. Each desk has its own Permitted Product List and Trading Mandate for risk appetite framework clearly defines authorized instruments, hedging strategies and risk-taking opportunities.

7.1 Market Risk Management (Trading and Non-Trading Market Risk Management)

Market Risk for Trading and Non Trading Market Risk Positions are consistently managed using common set of Citi wide standards that define, measure, limit and report the market risk.

Market risk limits and triggers are approved by Market Risk Management (GMR for Trading book/CGWI desk, Finance CRO for CTI Treasury) and the Country ALCO (for CTI activities). An overall limits and triggers package is reviewed at least annually for the respective businesses in CSL. Market risk exposures against limits and triggers are monitored daily, as required by Citi's market risk related policies. If a limit excess occurs:

- It is reported to senior management within CSL via the relevant business (CTI Treasury or CGWI desks), Finance CRO and Global Market Risk, as well as the Country ALCO and CSL Risk Management Committee.
- Market Risk Management and the applicable desks (CTI Treasury and CGWI Desk) in CSL are responsible for agreeing on the appropriate corrective action, including a resolution date.
- Market Risk Management is responsible for the ongoing monitoring of the excess/ breach to ensure the corrective action plan is carried out.

Citi's Mark to Market Risk Policy and Non-Trading Market Risk Policy govern the measurement and reporting of trading and non-trading market risk in CSL's portfolio respectively.

Market risk Limits for CSL consist of following metrics, as applicable.

- Factor Sensitivities such as FX delta (FXDL), FX vega (FXVG) and IR delta (IRDL).
- VaR
- Stressed VaR

There are defined market risk measurement standards to ensure consistency, stability in methodologies and transparency of risk across Citi entities. The risks in CSL's non-trading and trading portfolios are computed using a common set of Citi-wide standards to monitor relevant risk factors.

Factor sensitivities are expressed as the change in the value of a position for a defined change in a market risk factor, such as a change in the value of a position for a one basis point change in interest rates. Market Risk Management monitors factor sensitivities for all relevant market risk factors.

7.2 Market Risk under Standardised Approach

The following table provides the components of the capital requirement under the standardized approach for market risk. The following disclosures are prepared in accordance with Table 11-38 of MAS Notice 637.

reported in S$million		(a)
		RWA
	Products excluding options	
1	Interest rate risk (general and specific)	52
2	Equity risk (general and specific)	-
3	Foreign exchange risk	21
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus method	3
7	Scenario approach	-
8	**Securitisation**	-
9	**Total**	76

8 Interest Rate Risk in the Banking Book (IRRBB)

For interest rate risk purposes, the bank's non-trading portfolios are referred to as the Banking Book. Management of interest rate risk in the Banking Book is governed by Citi's Non-Trading Market Risk Policy. Management's Asset & Liability Committee (ALCO) establishes bank's risk appetite and related limits for interest rate risk in the Banking Book. The limits are reviewed and monitored by the bank's Treasury, independent risk management team, ALCO, and Citi Singapore Limited (CSL) Risk Management Committee (RMC). CSL Treasury is responsible for the day-to-day management of Banking Book interest rate risk as well as periodically reviewing it with the ALCO. Bank's banking book interest rate risk management is also subject to independent oversight from the second line of defense team reporting to the Country Risk Officer. CSL's principal measures of risk to economic value of equity (EVE) and net interest income (NII) are defined as per the guidelines on IRRBB issued under MAS Notice 637.

IRRBB regulatory reporting and monitoring is done quarterly, and the Economic exposure is monitored against outlier capital ratio prescribed under MAS Notice 637. IRRBB measures from this return, including any hedging strategies or actions to reduce IRRBB, are presented to the ALCO and the RMC. In addition to and in accordance with global firm-specific standards, IRRBB based on internal methodologies and assumptions is monitored monthly. While the bank uses internally defined standard interest rate shocks and scenario assumptions for internal risk reports, rate models and other assumptions that relate to interest rate risk sensitivity are consistent between internal monitoring and regulatory reporting. These models and assumptions are reviewed and validated annually, at the minimum, and where applicable, are governed by an established Model Risk Management Policy.

As part of the ongoing activities, bank's businesses generate interest rate-sensitive positions from their client-facing products, such as loans and deposits. The interest rate risk is transferred via funds transfer pricing process to CSL Treasury. CSL Treasury uses various tools to manage the total interest rate risk position within the established risk appetite and target bank's desired risk profile, including its investment securities portfolio and interest rate derivatives.

Changes in interest rates affect CSL's Banking Book through net interest income, due to a variety of risk factors, including:

- Differences in timing and amounts of the maturity or repricing of assets, liabilities, and off-balance sheet instruments.
- Changes in the level and/or shape of interest rate curves; and
- Client behavior in response to changes in interest rates (e.g., mortgage prepayments, deposit betas)

The Company employs additional measurements of vulnerability to loss, including stress testing based on the six standardized interest rate shocks defined by the MAS and internally selected scenarios that reflect plausible balance sheet and risk changes as observed in the past as well as based on hypothetical and forward looking assumptions. Potential impact from these changes is also considered when reviewing policy, setting limits as well as assessing capital adequacy.

In calculating ΔNII, the Company assumes that businesses and/or the Treasury make no additional changes in balances or positioning in response to the unanticipated rate changes. A static balance sheet is maintained throughout the 12-month forecast horizon, remaining constant in terms of size and product mix regardless of the interest rate scenario with maturing instruments being replaced with ones of the same original tenor and repricing terms. Optionality risks, both behavioral and explicit, in existing as well as new products are assessed and reviewed regularly for materiality, and when it is believed to be material, are incorporated into the IRRBB measurements. Prepayment and early redemption have been assessed as immaterial and financial impact is mitigated by the penalty fee structure in place.

Other key assumptions incorporated by the Company with respect to the MAS reporting requirements are as follows:

- For cash flow profiling, the Company adopts methodology of including commercial margins and other spread components. Spreads are added to risk-free rate for discounting.
- ΔEVE and ΔNI are aggregated for material currencies for the current annual reporting date on 31st December 2023.

8.1 Quantitative disclosure

Non-maturity deposits ("NMD") repricing risk is modeled according to modeled rate and balance forecasts that incorporate assumptions on customer behavior and the impact of pricing decisions. Both the rate and balance models, reviewed on an annual basis, at the minimum, are determined using historical data spanning different rate cycles. Other factors that may present uncertainty in runoff rates and future deposits balances are also considered.

Given multi rate sensitivity assumptions applied in the six interest rate shock scenarios, the average repricing maturity assigned to NMDs will be different. The average (notional-weighted maturity) and the longest repricing maturity in parallel up interest rate shock scenario are 2.6 years and 5.0 years respectively.

The table provides information on the change in economic value of equity ("EVE") and change in net interest income ("NII") over next 12 months under each of the prescribed interest rate shock scenario in respect of the Bank's interest rate exposures arising from banking book positions in material currencies as on 31st December 2023.

Changes in EVE and NII under standardized interest rate shock scenarios		
(in SGD million)	**ΔEVE**	**ΔNII**
Period	**31 Dec 2023**	
Parallel up	-75	-22
Parallel down	94	22
Steepener	-109	
Flattener	91	
Short rate up	53	
Short rate down	-52	
Maximum	**94**	**22**
Tier 1 capital		
Period	**31 Dec 2023**	
Tier 1 capital	3,840	

Note:
1. Positive ΔEVE and ΔNII are losses, while negative indicate gains.
2. Dec'2023 is the first year of reporting. Comparison to start from next year.

Bank's balance sheet is asset sensitive (assets reprice faster than liabilities), resulting in higher net interest income in increasing interest rate scenarios. The estimated impact to bank's net interest income in a Parallel Up shock scenario (rate shock for SGD and USD is 150bps and 200bps respectively) as of December 31, 2023, is US$22MM. Symmetrical impact is seen under Parallel down scenario.

The maximum EVE decline will be in parallel down interest rate shock scenario and is 2.45% of the Tier 1 Capital.

9 Liquidity Risk

Liquidity is the ability of a financial institution to fund increases in assets and meet obligations as they come due, at a reasonable cost. Liquidity risk is defined as the risk that the firm will not be able to efficiently meet both expected and unexpected current and future cashflow and collateral needs.

Citi Singapore manages its liquidity risk under global risk governance framework through Citi global liquidity risk management policy. The policy establishes the framework for defining, measuring, limiting, reporting, and managing liquidity risk. It ensures consistency across businesses, stability in methodologies, transparency of risk and the establishment of appropriate risk appetite.

Singapore Country Treasurer and Citibank Singapore Limited ("CSL") Treasurer have authority and responsibility for country and CSL legal entity liquidity risk management and balance sheet management activities while oversight is provided by the Entity Treasury Risk Manager and Cluster Treasury Risk Manager, as well as the Cluster Treasurer and Global Liquidity Management (“GLM”). CSL Treasurer has the right to right to monetize or otherwise liquidate any eligible, unencumbered assets for the purpose of managing the firm’s liquidity during stress and non-stress periods. Singapore Country Asset and Liability Committee ("ALCO") is the primary governance committee to review Singapore balance sheet and accountable for liquidity management for all legal entities including CSL within Singapore. In addition, CSL ALCO also provides governance from CSL entity perspective, and it has representation from all businesses with CSL CEO designated as CSL ALCO Chairman. Key members of CSL ALCO also are part of Country ALCO.

Besides monitoring local regulatory LCR and NSFR to manage Liquidity risk, Citi has its own enterprise-wide internal liquidity-related stress tests – the 30-day Resolution Liquidity Adequacy and Positioning (RLAP) and the one-year Term Liquidity Stress Test (TLST) where the goal is to maintain actual and forecast levels above the established limits and triggers for these liquidity stress metrics. Utilization against these metrics is measured and monitored in line with Citi Liquidity Risk Management Policy. Key liquidity metrics are reviewed in the monthly Country and CSL ALCO to assess compliance with the established limits and triggers.

Citi Singapore assesses Liquidity processes as part of periodic review of Horizontal Liquidity Review Process (LRP). The purpose of the LRP is to review and interpret the funding and liquidity risk profile of these entities and address strategic liquidity risks. This includes both Country Legal Entity (CLE) and Material Legal Entity (MLE) level forecasted balance sheet and liquidity metrics, as well as other components of liquidity management such as current limits and triggers for liquidity stress metrics. These submissions are reviewed by Country Treasurer and approved by Country ALCO, local Risk and/or Cluster Risk Managers as well as other focused forums for funding and liquidity risk matters.

10 Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. This definition of operational risk includes legal risk—which is the risk of loss (including litigation costs, settlements, and regulatory fines) resulting from the failure of the bank to comply with laws, regulations, prudent ethical standards, and contractual obligations in any aspect of Citi business—but excludes strategic and reputation risks. Citi also recognizes the impact of Operational Risk on the reputation risk associated with its business activities.

The Operational Risk Management (“ORM”) Policy and ORM Framework (“ORMF”) collectively enable effective management of Operational Risks across Citi, by amongst other things, bringing or maintaining Operational Risk exposures within Operational Risk Appetite, adhering to regulatory requirements, and providing an enterprise-wide assessment framework for significant current and emerging Operational Risks. The ORM Policy, underlying Standards and Procedures, apply to all Operational Risks. The Operational Risks are classified using Governance, Risk & Compliance (GRC) Taxonomy to facilitate consistent risk identification across the Bank and to provide an integrated view on reporting of Operational Risks.

The Operational Risk Identification, Measurement, Monitoring and Mitigation Standard defines what estimation and aggregation methodologies are applied to determine the likelihood of materialization of Operational Risk exposures, and the resulting impact (potential or materialized), and includes but is not limited to, requirements around the utilization of metrics, monitoring methodologies, scenario analysis, and other methodologies.

The Operational Risk is monitored through various risk metrics, including but not limited to internal and external events / factors / loss data and analysis, MCAs, regulatory / audit findings, risks stemming from new business activities.

The MCA program, documented in the Governance, Risk & Compliance & Manager’s Control Assessment Central Procedures, is a comprehensive self-assessment program, with methodology and tools to allow management to conduct risk and control identification, assessment, monitoring, and residual risk management.

The Risk & Control identification, assessment, monitoring, and mitigation are done at an Assessment Unit ("AU") level as defined in the Governance, Risk & Compliance and Manager's Control Assessment Central Procedures ("GRC and MCA Central Procedures"), covering businesses and functions.

AUs have processes in place to self-identify, assess, monitor, and mitigate Operational Risks, following MCA methodology. The AU Owner / MGE Owner reviews the main risk drivers of the AU / MGE residual risk rating and where residual risks are above acceptable thresholds (i.e., Tier 1, 2 or 3), necessary steps are taken to bring residual risk down, create a path to green and raise an issue through iCAPS

Businesses and Functions have processes in place that allow them to bring Operational Risk exposures within acceptable levels as determined by the ORM Policy.

For identified issues, Businesses and Functions 1) create the CAP in line with the Global Issue Management Policy, 2) map these issues to relative ARCMs and 3) confirm that existing CAPs are sufficient to mitigate the residual risk. The Operational Risks are managed through two key processes:

a) Internal Controls Framework - The risk owners identify controls required for managing their risks and put measures and methods in place to assess the design and operating effectiveness of those controls based on materiality of controls in question. Where appropriate, Citi strives to minimize the use of manual controls in order to drive consistency and reduce the possibility of operational errors.

b) Issue Management - Citi utilizes a consistent and structured set of processes and systems for identifying, documenting, monitoring, escalating, and resolving the issues. Each issue is assigned an Issue Owner who is responsible for determining the root cause(s) of the issue and developing an appropriate CAP for timely resolution. The Issue Owner(s), Issue Source(s) and Oversight Programs monitor Issues they own, identify, or oversee to continuously evaluate if such Issues need to be escalated to prevent Issues from becoming past due. In instances where CAPs are insufficient or issues are not adequately addressed or remediated in a timely manner, the issues are escalated to the appropriate stakeholders. The escalation process is covered below.

The First Line of Defense is responsible for implementing and maintaining effective controls to reduce the Operational Risks they are exposed to in accordance with the requirements of the ORM Policy. The Second Line of Defense provides credible challenge to the First Line of Defense's implementation of ORM Policy and Standards in addition to conducting independent reviews.

11 Other Material Risks

In line with the Citigroup Risk Taxonomy, CSL has adopted the 8 principal risks - Credit, Market (Trading and Non-Trading), Liquidity, Operational, Compliance, Strategic and Reputation risks as the key material Risks.

Risks Identification Process

The Senior Management of CSL considers the risks in both the day-to-day running and strategic planning of the business. The identification and management of top risks is a key component of an effective control environment. All the 8 principal risks – Credit, Market (Trading and Non-Trading), Liquidity, Operational, Compliance, Reputation, and Strategic – are considered material risks.

Monitoring of Material and Thematic Risks

Besides principal risks, thematic risks are monitored closely by the CSL Senior Management and are assessed regularly. The 8 principal risk categories (Level 0) are further supported by more granular risk categories (Level 1). 17 Level 1 risks are monitored in a bottom-up approach through the GRC system. On a quarterly basis, Inherent Risk, Residual Risk and Forward-Looking assessment is presented to the RMC for all the principal risks.

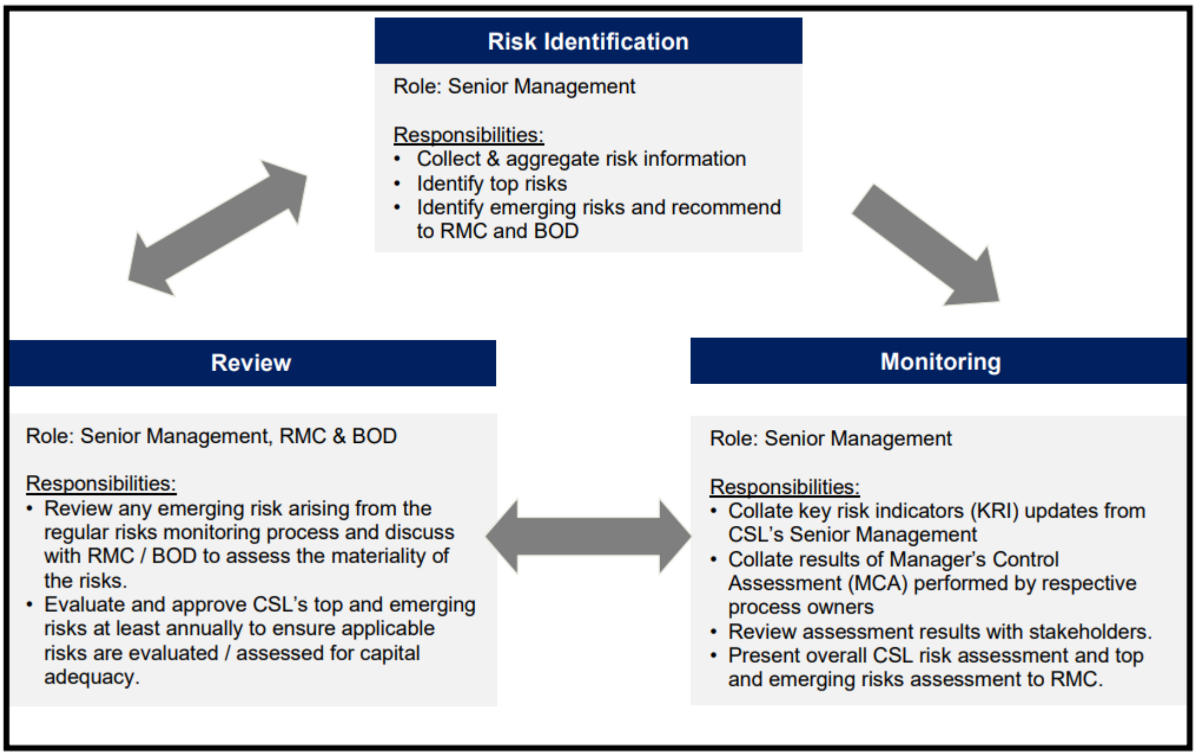
Annual Review of Top and Emerging Risks

Senior Management and the RMC/BOD identify and assess risks on an ongoing basis to ensure that evolving thematic risks are evaluated and covered within the appropriate risk management framework.

Thematic risks are assessed and categorized into Top [current] or Emerging [12-36 months horizon]. These thematic risks are further mapped to the respective principal risk stripes as described in the Citigroup Risk Taxonomy. Top/Emerging risks identified at the Citigroup level are also assessed for local relevance.

Risk Type	Definition
Emerging Risk	Risks that are new or rapidly changing, with high growth potential, and are characterized by data unavailability or other uncertainties
Material Risk	Risks that have the potential to produce a significant impact on: ● Citi's ability to maintain any of its core operations to serve its customers, ● Citi's Earnings, Liquidity, Capital, or Operating Model, or ● Citigroup / CBNA's risk profile
Top Risk	Risks that have the potential to produce an impact large enough to threaten: ● Citi's ability to maintain core operations to serve its customers, ● Citi's Earnings, Liquidity, Capital or Operating Model, or ● Citigroup's risk profile

The review of CSL's top and emerging risks is performed on annual basis by the Senior Management and RMC in the first quarter or more frequently if any new risk emerges. Key risks identified by CSL will be monitored throughout the year in RMC.



Key Material Risks

In line with the Citigroup Risk Taxonomy, CSL has adopted the 7 principal risks - Credit, Market (Trading and Non-Trading), Liquidity, Operational, Compliance, Reputation and Strategic risks as the key material Risks.

Credit, Market and Liquidity risks are quantifiable, while Operational, Compliance, Reputation and Strategic risks are qualitative in nature. The quantitative risks are primarily managed through limits and metrics with specific thresholds and defined escalation protocols. Qualitative risks are primarily managed through Citi's risk culture, behavioural expectations and policies and governance forums.

Credit Risk: Risk of loss resulting from the decline in credit quality (or downgrade risk) or failure of a borrower, counterparty, third party or issuer to honour its financial or contractual obligations.

Market Risk (Trading): Risk of loss arising from changes in the value of Citi's assets and liabilities resulting from changes in market variables, such as equity and commodity prices or credit spreads.

Market Risk (Non-Trading): Risk to current or projected financial condition and resilience arising from movements in interest rates resulting from repricing risk, basis risk, yield curve risk, and options risk.

Liquidity Risk: Risk that Citi will not be able to efficiently meet both expected and unexpected current and future cash flow and collateral needs without adversely affecting either daily operations or financial conditions of Citi.

Operational Risk: The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. This definition of operational risk includes legal risk - which is the risk of loss (including litigation costs, settlements and regulatory fines) resulting from the failure of Citi to comply with laws, regulations, prudent ethical standards and contractual obligations in any aspect of Citi's business - but excludes strategic and reputation risks.

Compliance Risk: Risk to current or projected financial condition and resilience, arising from violations of laws, rules, or regulations, or from non-conformance with prescribed practices, internal policies and procedures, or ethical standards.

Reputation Risk: Risk to current or projected financial condition and resilience arising from negative public opinion held by the public or key stakeholders. Reputation Risk can arise from, or exist in combination with, other key risks, primarily Operational, Strategic and Compliance Risk or through failure to consider long-term impacts of business decisions on stakeholders.

Strategic Risk: Risk of a sustained impact (not episodic impact) to the firm’s core strategic objectives as measured by impacts on anticipated earnings, market capitalization, or capital, arising from the external factors affecting the firm’s operating environment; as well as the risks associated with defining the strategy and executing the strategy, which are identified, measured and managed as part of the Strategic Risk Framework at the Enterprise Level.

12 Remuneration

12.1 Remuneration of Employees

The Bank's remuneration policy is aimed at attracting and retaining talented individuals. The job scope and market factors are taken into account in determining the remuneration package for an employee. To ensure that the Bank remunerates its employees competitively and appropriately, the Bank regularly reviews its base salary ranges and benefits package using market data provided by recognized surveys of comparative groups in the financial sector in Singapore.

12.2 Financial Stability Board Principles of Sound Compensation Practices

In April 2009, the Financial Stability Board ("FSB") issued the Principles of Sound Compensation Practices ("FSB Principles"). In September 2009, the FSB issued implementation guidelines for the FSB Principles. The nine principles, which are intended to reduce incentives which encourage excessive risk taking, focus on three areas:

1. Effective governance of compensation;
2. Effective alignment of compensation with prudent risk taking; and
3. Effective supervisory oversight and engagement by stakeholders.

The FSB Principles are incorporated into the Corporate Governance Guidelines for Banks, Financial Holding Companies and Direct Insurers incorporated in Singapore issued by the MAS. The management of the bank has performed a self-assessment against the FSB Principles and has concluded that its remuneration policy and compensations practices are aligned with the FSB Principles.

12.3 Effective Governance of Compensation

Board Remuneration Committee

Citigroup has a global approach to remuneration of Covered Employees ("CEs") as defined in applicable bank regulatory guidance, consisting of Citi's Compensation Philosophy, Incentive Compensation Policy, and risk-balanced incentive compensation Framework, which is applied in a consistent manner by its various businesses across the globe, including those operating in CSL (hereinafter referred to as "Global Remuneration Policy").

As with other global policies, practices and procedures that are relevant to the businesses in CSL, the Board has been apprised by Senior Management of the Global Remuneration Policy and concurs with Senior Management's proposal to adopt the Global Remuneration Policy for CSL. On at least an annual basis, the Board will review with Senior Management, the Bank's remuneration policies, structure and procedures that follow the objectives of the Global Remuneration Policy. As part of such review, the Board has been provided information on matters including the objective of the Global Remuneration Policy, the role, responsibility and composition of global, regional and country committees established for the purpose of reviewing and approving remuneration structures and guidelines, and the review and approval processes involved in determining remuneration packages for the Bank's employees such as Covered Employees and Senior Managers (as defined below). As mentioned above, the management of the bank has conducted a self-assessment of the Global Remuneration Policy adopted by the Bank against the FSB Principles and concluded that the Bank's remuneration structure/practices and processes are broadly aligned to the FSB Principles

Review and Evaluation of Incentive/Compensation Programs

At a global level, the Citigroup Board of Directors ("Citigroup Board") plays a key role in the design and oversight of the Global Remuneration Policy through the Compensation, Performance Management and Culture Committee ("CPC"). References to the CPC herein include the CPC's delegate where appropriate. The CPC approves the general remuneration structure for CEs.

In Singapore, the Country Senior Personnel Committee ("CSPC") meets on a need-to basis to review and approve all human resource related policies, including CSL's remuneration policy, based on guidelines provided by global and regional offices. CSPC is chaired by the Citi Country Officer, Mr Amol Gupte and comprises of the Chief Financial Officer ("CFO"), Country Human Resources Officer ("CHRO"), Senior Country Operations Officer ("SCOO") and the Heads of Business for Global Consumer Banking, International Personal Banking, Markets and Citi Private Bank. The remuneration packages of the Bank's management are reviewed and approved by the CEO of CSL and Regional Consumer Head for Asia Pacific. Where the Bank's management staff is from a control function (e.g. Finance, Risk Management, Compliance), the relevant Asia Pacific control function head will also review and approve the remuneration package.

1. The CPC will regularly review the design and structure of compensation programs relevant to CEs in the context of risk management.
2. In 2010, in response to FRB Guidance and European Union Capital Requirements Directive (CRD 3), our CE program was implemented. This program covers senior executives as well as employees who, either individually or as part of a group, have the ability to expose Citigroup's various businesses to material amounts of risk. Citigroup's definitions of CEs are:

   Group 1: Employees who are Section 16 officers under the US Securities Exchange Act.
   Group 2: Senior employees who can take, or influence the taking of material risk for the company or for a material business unit of the company.
   Group 3: employees who along with other employees in similar roles and with similar incentive could, as a group, create material risk for the company or a material business unit.

   The Bank adopted Citigroup's definition to identify CEs. As of 31 December 2023, the Bank has identified 2 staff in CE Group 2 and 554 staff in CE Group 3. Senior executives are defined as Senior Managers ("SM") which include the direct reports of the Chief Executive Officer of the Bank. As of 31 December 2023, there are 21 SMs (of which 17 are also classified as CE3).
3. Formal risk goals are part of the CE performance evaluation process, increasing the focus on risk, risk related performance and risk metrics. Management also established an independent review process with inputs from Risk Management, Legal, Human Resource, Internal Audit and Compliance, using both qualitative and quantitative data.
4. The CPC reviews the incentive compensation pools applicable to all employees globally at several points through-out the year-end process, including preliminary reviews in mid-December, detailed reviews with responsible global business heads in early January and final reviews in mid-January at the full CPC and Citigroup Board meeting.
5. In addition, the CE process, including all recommendations and supporting material is audited by Internal Audit globally at the conclusion of the year-end cycle.
6. The 2023 compensation deferral structure:
   a) The deferral structure for incentive compensation at or above local currency equivalent of USD75,000 ranges from 15% to 60% splits granted in deferred stock that will vest over a 4-year period.
   b) Deferred stock will be subject to a formulaic Material Adverse Outcome (MAO) condition based on performance of the CE's "reference business".
      MAO Vesting provision: CEs who have significant responsibility for the event may have unvested awards reduced or cancelled.
   c) All non-vested portions of deferred cash are subjected to forfeiture if the CPC determines that the CE:
      i. Received the award based on materially inaccurate publicly reported financial statements; or
      ii. Knowingly engaged in providing materially inaccurate information relating to publicly reported financial statements; or

iii. Engaged in behavior constituting misconduct or exercised materially imprudent judgment that caused harm to the Company's business operations, or that resulted or could result in regulatory sanctions (whether or not formalized); or
iv. Failed to supervise or monitor individuals engaging in, or failed to escalate behavior constituting misconduct (whether or not gross misconduct) or who exercised materially imprudent judgment that caused harm to the Company's business operations; or
v. Failed to supervise or monitor individuals engaging in, or failed to escalate behavior that resulted or could result in regulatory sanctions (whether or not formalized); or
vi. Materially violated any risk limits established or revised by senior management and/or risk management; or
vii. Engaged in gross misconduct.

All non-vested portions of deferred stock are subject to cancellation under clauses i, ii, vi and vii above.

Review for Control Functions staff

1. The overall incentive pools for Control functions staff (including Risk Management and Compliance) are set at the global level, after taking into consideration a number of factors including, but not limited to Citigroup's financial performance, risk metrics, business strategy in terms of building/divesting certain businesses and/or growth/contraction in certain geographical regions, and positioning against the external markets.
2. For Control function staff, compensation is weighted in favor of fixed compensation relative to variable compensation.
3. The key performance standards for Control functions are set by the independent manager in the region and cascaded down to the country to be included in the Balanced Scorecard.

12.4 Effective Alignment of Compensation with Prudent Risk Taking

1. The determination and approval of bonus pools and the respective allocation to the regional products and functions are conducted at the global level. In addition to financial performance, the pool calculations are based on a business scorecard approach which takes account of risk with increasing degrees of sophistication. Bonus pool amounts are reviewed and approved internally by Citigroup's CEO and presented to the CPC for final approval.
2. For CSL, the business will submit a bonus pool request, together with a detailed analysis based on business performance and balanced scorecard approach. Financial numbers are confirmed independently by Financial Control. The bonus pool will then be reviewed at the regional level before being submitted to global for approval.
3. Employees who receive annual variable remuneration that equals or exceeds the local currency equivalent of USD75,000 will be subjected to deferrals ranging from 15% to 60% and are subject to the Capital Accumulation Program rules. These will be awarded as deferred variable remuneration and (a) granted in the form of equity, (b) vests in four equal annual installments and (c) subject to claw-back provisions. percentage of their total annual compensation as variable remuneration and are subject to the Capital Accumulation Program rules
4. From 2010, all deferred stock awarded under the Capital Accumulation Program are subject to claw back. Non-vested amounts may be forfeited if the CPC determines that the staff:
    a) Received the award based on materially inaccurate publicly reported financial statements; or
    b) Knowingly engaged in providing materially inaccurate information relating to publicly reported financial statements; or
    c) Materially violated any risk limits established or revised by senior management and/or risk management; or
    d) Engage in gross misconduct.

12.5 Effective Supervisory Oversight and Engagement by Stakeholders

CSL is an indirect wholly owned subsidiary of Citigroup, Inc. As mentioned above, the remuneration policies/practices/structures adopted by CSL are guided and approved by Citigroup, Inc. The CSL Board reviews and concurs on the Global Remuneration Policy, including any changes to the structure and processes from previous year, annually.

In the interest of transparency to stakeholders such as its depositors, CSL has made disclosures (as it considers appropriate and aligned with the FSB Principles) of its remuneration practices and policies, bearing in the mind the sensitivity of such information from a competitive perspective.

12.6 Share Schemes

The Bank's employees are entitled to participate in various share schemes implemented by the parent company, Citigroup. Information on the share schemes is disclosed in Note 11 of the Bank's financial statements.

12.7 Quantitative Disclosures

Table 1: Special Payments (i.e. Guaranteed Bonuses, Sign-on Awards, Severance Payments)
The following disclosures are prepared in accordance with Table 11-44C of MAS Notice 637.

		Guaranteed Bonuses		Sign-on awards		Severance Payments	
		Number of Employees	Total Amount	Number of Employees	Total Amount	Number of Employees	Total Amount
1	Senior Management	0	-	0	-	2	724,300
2	Other Material Risk-Takers	0	-	0	-	0	-

Table 2: Remuneration Awarded During the 2023 Financial Year

The following disclosures are prepared in accordance with Table 11-44A of MAS Notice 637.

			Senior Management	Other Material Risk-Takers
1	Fixed Remuneration	Number of employees	24	553
2		**Total fixed remuneration (3+5+7)**	**66%**	**59%**
3		Of which: cash-based	64%	54%
4		Of which: deferred	0%	0%
5		Of which: shares or other share-linked instruments	0%	0%
6		Of which: deferred	0%	0%
7		Of which: other forms[1]	2%	5%
8		Of which: deferred	0%	0%
9	Variable Remuneration	Number of employees	20	519
10		**Total variable remuneration (11+13+15)**	**34%**	**41%**
11		Of which: cash-based	26%	40%
12		Of which: deferred	0%	0%
13		Of which: shares or other share-linked instruments	8%	0.4%
14		Of which: deferred	8%	0.4%
15		Of which: other forms	0%	0%
16		Of which: deferred	0%	0%
17	**Total Remuneration**		**100%**	**100%**

[1] Other forms refer to employer CPF contributions

Explanation Notes

1. Except for the unionized staff, all other staff are not guaranteed bonuses. Any bonuses and/or incentives paid to the non-unionized staff will be considered as variable compensation. As of 31 December 2023, 1,259 of the Bank's employees received variable compensation. This included the 2 CE2, 219 CE3 and 11 SM/KMP.

2. For the Senior Management and Other Material Risk Taker population used for Table 2, note there are 329 individuals employed by a legal entity other than CSL.

3. Under the FSB Principles for Sound Compensation Practices, compensation outcomes must be symmetric with risk outcomes; compensation payout schedules must be sensitive to the time horizon of risks; and the mix of cash, equity and other forms of compensation should be consistent with risk alignment. It is recommended that a substantial proportion, such as 40% to 60% of the variable compensation should be awarded in shares or share-linked instruments (or where appropriate, other non-cash instruments), as long as these instruments create incentives aligned with long-term value creation and the time horizons of risk. Awards in shares or share-linked instruments should be subject to an appropriate share retention policy, For the Bank, the percentage of compensation of the SM and CE that was variable and the forms in which this compensation was awarded was dependent on the amount of variable compensation that such employees received as well as the variable remuneration plan. SM who received their annual variable compensation that equaled or exceeded USD75,000 (or local currency equivalent) would have a percentage of their variable remuneration deferred under the Capital Accumulation Program ("CAP") deferred stock award. The current deferral percentage rate ranges from 15% to 60% awarded as deferred variable remuneration in equity, vested in four equal annual installments and subject to claw back provision.

Table 3: Deferred Remuneration

The following disclosures are prepared in accordance with Table 11-44E of MAS Notice 637.

	Deferred and retained remuneration	Total outstanding deferred remuneration	Of which: Total outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustments	Total amendment during the year due to ex post explicit adjustments[1]	Total amendment during the year due to ex post implicit adjustments[2]	Total deferred remuneration paid out in the financial year
1	**Senior Management**	**100%**	**100%**	**0%**	**0%**	**61%**
2	Cash	10%	10%	0%	0%	17%
3	Shares	90%	90%	0%	0%	44%
4	Share-linked instruments	0%	0%	0%	0%	0%
5	Other	0%	0%	0%	0%	0%
6	**Other Material Risk-Takers**	**100%**	**100%**	**0%**	**0%**	**41%**
7	Cash	22%	22%	0%	0%	15%
8	Shares	78%	78%	0%	0%	26%
9	Share-linked instruments	0%	0%	0%	0%	0%
10	Other	0%	0%	0%	0%	0%

Notes

[1] Examples of explicit ex-post adjustments include malus, clawbacks or similar reversals or downward revaluations of awards.

[2] Examples of implicit ex-post adjustments include fluctuations in the value of shares or performance units.

13 Composition of Capital

The following disclosure shows the reconciliation between the Bank’s published balance sheet and the regulatory capital components. The balance sheet is expanded to identify and map to the regulatory capital components as set out in Section 13.2 - Reconciliation of Regulatory Capital to the Balance Sheet (in the column “Cross Reference to Section 13.2”).

13.1 Financial Statements and Regulatory Scope of Consolidation

The following disclosures are prepared in accordance with Table 11C-1 of MAS Notice 637.

reported in S$million	**(a)** **Balance sheet as per published financial statements 31-Dec-23**	**(b)** **Under regulatory scope of consolidation 31-Dec-23**	**(c)** **Cross Reference to Table 11B-1**
Equity			
Share Capital	1,528	1,528	a
Accumulated Profits and Reserves	2,322		
of which: Retained Earnings under CET1		*2,728*	b
of which: Accumulated other comprehensive income and other disclosed reserves under CET1		*(406)*	c
Total equity attributable to owner of the Bank	3,850		
Liabilities			
Derivative liabilities	98		
Amounts due to intermediate holding company	8,687		
Amounts due to related corporations	97		
Deposits of non-bank customers	39,179		
Bills and drafts payable	39		
Current Tax payable	88		
Deferred Tax Liabilities	-		
Other liabilities	1,075		
Total liabilities	49,263		
Total equity and liabilities	53,112		
Assets			
Cash and balances with central bank	1,043		
Singapore government treasury bills and securities	3,307		
of which: Impairment allowances admitted as eligible Tier 2 Capital		*(0)*	d
Derivative assets	29		
Amounts due from intermediate holding company	23,826		
of which: Impairment allowances admitted as eligible Tier 2 Capital		*(4)*	e
Amounts due from related corporations	-		
Balances and placements with bankers and agents	1,325		
Other securities	5,610		
of which: Impairment allowances admitted as eligible Tier 2 Capital		*(0)*	f
Loans and advances to customers	17,341		
of which: Impairment allowances admitted as eligible Tier 2 Capital		*(69)*	g
Property, plant and equipment	23		
Intangible assets	-		
Deferred Tax Assets	10	10	h
Other assets	600		
Total assets	53,112		

13.2 Reconciliation of Regulatory Capital to the Balance Sheet

The following disclosures are prepared in accordance with Table 11B-1 of MAS Notice 637. The column "Amount" shows the amounts used in the computation of the regulatory capital and capital adequacy ratios. The alphabetic cross-references in the column "Cross Reference to Section 13.1" relate to those in the reconciliation of the balance sheet in Section 13.1 - Financial Statements and Regulatory Scope of Consolidation.

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 S$million	Cross Reference to Table 13.1
Common Equity Tier 1 capital: instruments and reserves			
1	Paid-up ordinary shares and share premium (if applicable)	1,528	a
2	Retained earnings	2,728	b
3#	Accumulated other comprehensive income and other disclosed reserves	(406)	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**	3,850	
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	10	h
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	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 financial institutions in which the Reporting Bank holds a major stake (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 financial institutions in which the Reporting Bank holds a major stake (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 held beyond the relevant holding periods set out in MAS Notice 630	-	
26B	Capital deficits in subsidiaries and associates that are regulated financial institutions	-	
26C	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**	10	
29	**Common Equity Tier 1 capital (CET1)**	3,840	
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**	-	
		Amount S$million	**Cross Reference to Table 13.1**
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	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 which the Authority may specify	-	
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)**	3,840	

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	73	d + e + f + g
51	**Tier 2 capital before regulatory adjustments**	73	
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	Investments in Tier 2 capital instruments of unconsolidated financial institutions in which Reporting Bank does not hold a major stake	-	
54A	Investments in other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake: amount previously designated for the 5% threshold but that no longer meets the conditions	-	
55	Investments in Tier 2 capital instruments and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank holds a major stake (including insurance subsidiaries)	-	
56	National specific regulatory adjustments which the Authority may specify	-	
57	**Total regulatory adjustments to Tier 2 capital**	-	
58	**Tier 2 capital (T2)**	73	
59	**Total capital (TC = T1 + T2)**	3,913	
60	**Floor-adjusted total risk weighted assets**	3,913	
Capital ratios (as a percentage of risk weighted assets)			
61	**Common Equity Tier 1 CAR**	20.28%	
62	**Tier 1 CAR**	20.28%	
63	**Total CAR**	20.67%	
64	Bank-specific buffer requirement	9.01%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: bank specific countercyclical buffer requirement[1]	0.01%	
67	of which: G-SIB and/or D-SIB buffer requirement (if applicable)	0.00%	
68	Common Equity Tier 1 available after meeting the Reporting Bank's minimum capital requirements	10.67%	
National minima			
69	**Minimum CET1 CAR**	6.50%	
70	**Minimum Tier 1 CAR**	8.00%	
71	**Minimum Total CAR**	10.00%	
		Amount S$million	**Cross Reference to Table 13.1**
Amounts below the thresholds for deduction (before risk weighting)			
72	Investments in ordinary shares, AT1 capital, Tier 2 capital and other TLAC liabilities of unconsolidated financial institutions in which the Reporting Bank does not hold a major stake	-	
73	Investments in ordinary shares of unconsolidated financial institutions in which the Reporting Bank holds a major stake (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)	73	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	203	
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.

14 Main Features of Capital Instruments

The following disclosures are prepared in accordance with Table 11D-1 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 31 December 2023
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	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	Floating
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	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible
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

15 Leverage Ratio

15.1 Leverage Ratio Summary Comparison Table

The following disclosures are prepared in accordance with Table 11F-1 of MAS Notice 637.

	Item	**S$million**
		31-Dec-23
1	Total consolidated assets as per financial statements	53,112
2	Adjustment for investments in entities that are consolidated for accounting purposes but are outside the regulatory scope of consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet in accordance with the Accounting Standards but excluded from the calculation of the exposure measure	-
4	Adjustment for derivative transactions	41
5	Adjustment for SFTs	-
6	Adjustment for off-balance sheet items	2,223
7	Other adjustments	(38)
8	**Exposure measure**	**55,338**

15.2 Leverage Ratio Common Disclosure Template

The following disclosures are prepared in accordance with Table 11G-1 of MAS Notice 637.

Leverage Ratio Common Disclosure Template

	Item	**S$million**	
		31-Dec-23	**30-Sep-23**
	Exposure measures of on-balance sheet items		
1	On-balance sheet items (excluding derivative transactions and SFTs, but including on-balance sheet collateral for derivative transactions or SFTs)	53,053	53,507
2	Asset amounts deducted in determining Tier 1 capital	(10)	(11)
3	**Total exposure measures of on-balance sheet items** (excluding derivative transactions and SFTs)	**53,044**	**53,496**
	Derivative exposure measures		
4	Replacement cost associated with all derivative transactions (net of the eligible cash portion of variation margins)	31	72
5	Potential future exposure associated with all derivative transactions	41	67
6	Gross-up for derivative collaterals provided where deducted from the balance sheet assets in accordance with the Accounting Standards	-	-
7	Deductions of receivables for the cash portion of variation margins provided in derivative transactions	-	-
8	CCP leg of trade exposures excluded	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	Further adjustments in effective notional amounts and deductions from potential future exposures of written credit derivatives	-	-
11	**Total derivative exposure measures**	**72**	**139**
	SFT exposure measures		
12	Gross SFT assets (with no recognition of accounting netting), after adjusting for sales accounting	-	-
13	Eligible netting of cash payables and cash receivables	-	-
14	SFT counterparty exposures	-	-
15	SFT exposure measures where a Reporting Bank acts as an agent in the SFTs	-	-
16	**Total SFT exposure measures**	**-**	**-**
	Exposure measures of off-balance sheet items		
17	Off-balance sheet items at notional amount	18,660	18,388
18	Adjustments for calculation of exposure measures of offbalance sheet items	(16,437)	(16,126)
19	**Total exposure measures of off-balance sheet items**	**2,223**	**2,262**
	Capital and Total exposures		
20	**Tier 1 capital**	**3,840**	**3,984**
21	**Total exposures**	**55,338**	**55,898**
	Leverage ratio		
22	**Leverage ratio**	**6.94%**	**7.13%**

16 Macroprudential Supervisory Measures

To provide an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the countercyclical buffer. The following disclosures are prepared in accordance with Table 11-46 of MAS Notice 637.

Geographical breakdown	**Country-specific countercyclical buffer requirement**	**RWA for private sector credit exposures used in the computation of the countercyclical buffer** (in S$million)	**Bank-specific countercyclical buffer requirement**	**Countercyclical buffer amount** (in S$million)
Hong Kong	1.000%	60	0.007%	
Sweden	2.000%	0	0.000%	
Norway	2.500%	0	0.000%	
United Kingdom	2.000%	10	0.002%	
France	0.500%	2	0.000%	
Luxembourg	0.500%	0	0.000%	
Germany	0.750%	2	0.000%	
Australia	1.000%	12	0.001%	
Netherlands	1.000%	1	0.000%	
All others		8,858	0.000%	
Total		8,944	0.011%	1

17 Liquidity Coverage Ratio and the Disclosure Template

The Monetary Authority of Singapore (“MAS”) had designated Citibank Singapore ("Citi") as a Domestic Systemically Important Bank ("D-SIB") in Singapore, and is thus subjected to the MAS Notice 649 Liquidity Coverage Ratio (“LCR”) framework with effect from 01 January 2016. The MAS has also granted Citi the approval to comply with this Notice on a Country-level group basis (consisting of Citibank N.A. Singapore branch, Citibank Singapore Limited, and Citicorp Investment Bank (Singapore) Limited).

The LCR framework is designed such that adequate levels of unencumbered High Quality Liquid Assets (“HQLA”) are maintained to meet its liquidity needs under an acute 30 calendar day stress scenario. The LCR is calculated by dividing HQLA by estimated net outflows assuming a stressed 30-day period, with the net outflows determined by applying prescribed factors to various categories of liabilities, such as deposits, unsecured and secured wholesale borrowings, unused lending commitments and other derivatives-related exposures. The outflows are partially offset by assumed inflows from assets maturing within 30 days. Similar to outflows, the inflows are calculated based on prescribed factors applied to various assets categories, such as loans, unsecured and secured wholesale lending. As a measurement, Citi is required to maintain daily LCR on ALL-Currency ("All-Ccy") and SGD-Currency ("SGD-Ccy") level to be above 50% and 100% respectively. For cautionary measure, Citi has, based on observed movements, set internal LCR triggers as forewarning of breaching the regulatory ratios in addition to the LCR being actively managed, as well as closely monitored, to ensure that it is within the ratio requirement.

The following disclosure is made pursuant to the MAS Notice 651 – LCR Disclosure, and in compliance with the requirements set out in the MAS Notice 649 at Country-level group basis.

he disclosure templates in the following two pages set forth Citi’s average HQLA, cash outflows, cash inflows, and the resulting LCR for the period indicated. The “Total Unweighted Value” column represents quarterly average balances for each category of the LCR calculation that has not been adjusted by the respective LCR factors. The “Total Weighted Value” column represents the unweighted average amounts multiplied by the respective LCR factor for each category of the LCR calculation, as prescribed by the regulatory requirements.

Country Average All-Currency LCR for Quarter 4, 2023

(Number of data points used for the calculation : 92)

Group – ALL Currency (in S$ millions)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		39,704
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	59,926	4,458
3	Stable deposits	16,924	180
4	Less stable deposits	43,002	4,279
5	Unsecured wholesale funding, of which:	44,840	23,321
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	17,724	4,407
7	Non-operational deposits (all counterparties)	27,116	18,914
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	5,146	1,176
11	Outflows related to derivative exposures and other collateral requirements	525	525
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	4,622	651
14	Other contractual funding obligations	443	443
15	Other contingent funding obligations	4,151	125
16	**TOTAL CASH OUTFLOWS**		29,523
CASH INFLOWS			
17	Secured lending (eg reverse repos)	363	0
18	Inflows from fully performing exposures	17,462	13,482
19	Other cash inflows	655	477
20	**TOTAL CASH INFLOWS**	18,480	13,959
			TOTAL ADJUSTED VALUE
21	**TOTAL HQLA**		39,704
22	**TOTAL NET CASH OUTFLOWS**		15,564
23	**LIQUIDITY COVERAGE RATIO (%)**		263%

Country Average SGD-Currency LCR for Quarter 4, 2023
(Number of data points used for the calculation : 92)

Group – SGD Currency (in S$ millions)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		23,353
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	20,359	1,388
3	Stable deposits	8,063	180
4	Less stable deposits	12,296	1,208
5	Unsecured wholesale funding, of which:	11,864	6,970
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	3,967	968
7	Non-operational deposits (all counterparties)	7,897	6,003
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	20,902	19,221
11	Outflows related to derivative exposures and other collateral requirements	18,977	18,977
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	1,925	244
14	Other contractual funding obligations	198	198
15	Other contingent funding obligations	495	15
16	**TOTAL CASH OUTFLOWS**		27,792
CASH INFLOWS			
17	Secured lending (eg reverse repos)	139	0
18	Inflows from fully performing exposures	1,159	783
19	Other cash inflows	14,837	14,796
20	**TOTAL CASH INFLOWS**	16,135	15,579
			TOTAL ADJUSTED VALUE
21	**TOTAL HQLA**		23,353
22	**TOTAL NET CASH OUTFLOWS**		12,213
23	**LIQUIDITY COVERAGE RATIO (%)**		193%

Main Drivers and Changes in LCR

Citi average All-Ccy LCR and SGD-Ccy LCR for 2023 fourth quarter were 263% and 193% respectively as compared to 281% and 208% in the previous quarter. Movements in All-Ccy LCR mainly attributed to reduction in MAS bills, coupled with some growth in 3rd party Corporate Deposits as funds was placed through Intercompany. SGD-Ccy LCR decrease largely due to movements in short-term SGD Derivatives outflow though overall movements in total outstanding All-Ccy exposures was relatively minimal.

Citi continues to maintain a higher ratio than the regulatory requirement by focusing on maintaining a stable balance sheet structure.

Composition of HQLA

As of December 2023, Citi's average weighted All-Ccy HQLA was approximately $39.7 billion, of which more than half of the average weighted HQLA ($23.3 billion) was in SGD-Ccy. These assets primarily consisted of Level 1 assets which would comprise Cash, balances with Central Banks and highly-rated Sovereign debts.

Liquidity Risk Management Function

Citi manages liquidity risk through a global standardized risk governance framework that includes Citigroup global liquidity risk management policy. The policy establishes framework for defining, measuring, limiting and reporting liquidity risk to ensure the transparency and comparability of liquidity risk-taking activities. The policy also provides for the establishment of an appropriate risk appetite and liquidity risk management strategies. The Citigroup Treasurer and the Treasury Chief Risk Officer ("CRO") oversee the policy. Citigroup's independent Risk function is responsible for governance of liquidity risk management and provides analytical challenge to the firm's liquidity risk management framework. Citi Singapore ALCO convene monthly and serves as the primary governance committee on the management of Citi's balance sheet and liquidity.

Additional LCR Qualitative/Quantitative Disclosures for the year ended 2023

Citi has a single set of standards for measuring, reporting, limiting, and managing liquidity risk to ensure consistency across businesses, stability in methodologies, transparency of risk, and the establishment of appropriate risk appetite.

Citi Treasury manages via a centralized treasury model whereby it has authority over the Citigroup balance sheet and has the right to monetize or otherwise liquidate any eligible, unencumbered assets for the purpose of managing the firm's liquidity during stress and non-stress periods. In Singapore, both Singapore Country Treasurer and Citibank Singapore Limited ("CSL") Treasurer have authority and responsibility for the respective legal entity liquidity risk management and balance sheet management activities while oversight is provided by the Entity Risk Manager and Regional Risk Manager, as well as the Regional Treasurer and Global Liquidity Management ("GLM"). Singapore Country Asset and Liability Committee ("ALCO") is the primary governance committee to review Singapore balance sheet and accountable for liquidity management for the legal entities within Singapore.

Annually, Citi Singapore prepares centralized documentation of liquidity requirements as part of the Horizontal Liquidity Review Process ("LRP"). This includes both Country Legal Entity (CLE) and Material Legal Entity (MLE) level forecasted balance sheet and liquidity metrics, as well as other components of liquidity management such as current limits and triggers for liquidity stress metrics. These submissions require review/approvals by Country ALCO, local Risk and/or Regional Risk Managers as well as other focused forums for funding and liquidity risk matters. The purpose of the LRP is to review and interpret the funding and liquidity risk profile of these entities and address strategic liquidity risks.

In addition to LCR and Net Stable Funding Ratio ("NSFR") monitoring, Citi has its own enterprise-wide internal liquidity-related stress tests – the 30-day Resolution Liquidity Adequacy and Positioning (RLAP) and the one-year Term Liquidity Stress Test (TLST) where the goal is to maintain actual and forecast levels above the established limits and triggers for these liquidity stress metrics. Utilization against these metrics is measured and monitored in order to assess risk-taking against the Board-approved risk appetite framework and reported to the Risk Management Committees of the Boards. The following liquidity metrics (and their results) are reviewed in the monthly Country ALCO to assess compliance with the established limits and triggers.

(a) Internal Liquidity Stress Tests (ILSTs) – perform on a daily basis with the intention to quantify the likely impact of an adverse event on the balance sheet and liquidity position, and to identify viable alternatives in such an event

    i. Resolution Liquidity Adequacy and Positioning (RLAP) - Citi's internal short-term (30-day) scenario comprising a severe stress likely to drive the firm to the point of non-viability. RLAP scenario is characterized by short-term severe market, credit, and economic conditions, coupled with an idiosyncratic stress that assumes the firm's long and short-term ratings are downgraded by three and one notch respectively from current levels.
        - Singapore CLE, and Operating MLEs are required to maintain self-sufficiency or at minimum $0 surplus in each day within the 30-day horizon. Monitoring must be performed daily.

    ii. Term Liquidity Stress Test (TLST) - Citi's long-term (one-year) scenario, is comparatively less severe as compared to RLAP wherein the firm's long and short-term ratings are assumed to be downgraded by two notches and one notch, respectively, from current levels and the firm is expected to continue to operate as a going concern. All CLEs are required to report and monitor TLST surplus at both the Universal currency and Individual currency levels on a daily basis.
        - Singapore CLE, and Operating MLEs are required to maintain self-sufficiency or at minimum $0 surplus in each tenor bucket within the 12-month horizon. Monitoring must be performed on a daily basis

(b) Liquidity Ratios and Other Concentration Exposure – monitor on a monthly basis and meant for management discussion of the underlying balance sheet, business, and market trends

    i. Deposits as a Percentage of Loans
    ii. Total Short-Term Contractual Funding ("TSCF") Ratio
    iii. Top Five Large Fund Providers as a Percentage of Total Third-party Liabilities

18 Net Stable Funding Ratio and the Disclosure Template

The Monetary Authority of Singapore (“MAS”) had designated Citibank ("Citi") as a Domestic Systemically Important Bank ("D-SIB") in Singapore and is thus subjected to the MAS Notice 652 Net Stable Funding Ratio (“NSFR”) framework with effect from 01 January 2018. The NSFR framework is meant to promote funding stability, limits overreliance on short-term wholesale funding and encourages better assessment of funding risk across all balance sheet items. The intention is to minimize the possibility of any disruptions to the Bank’s regular sources of funding which may erode its liquidity position and potentially heading towards insolvency.

Citi had obtained the MAS’ approval pursuant to paragraph 4 of the MAS Notice 649 to comply with this Notice on a country-level group basis (consisting of Citibank N.A. Singapore branch, Citibank Singapore Limited, and Citicorp Investment Bank (Singapore) Limited) and is required to maintain an ALL-Currency ("All-Ccy") NSFR ratio of at least 50%. For cautionary measure, Citi has, based on observed movements, set internal NSFR trigger as forewarning of breaching the regulatory ratio in addition to actively managing, as well as closely monitoring its balance sheet activities to maintain a stable funding profile.

The following disclosure is made pursuant to the MAS Notice 653 – NSFR Disclosure, and in compliance with the requirements set out in the MAS Notice 652 at a country-level group basis.

In the third and fourth quarter of 2023, Citi NSFR All-Ccy ratio was 127.5% and 132.2% respectively. Quarter-on-Quarter increase in the ratio was mainly driven by higher reduction in required stable fundings (RSF) attributed to decrease in both intercompany placements and FI loans. In comparison, reduction in available stable fundings (ASF) was much lower due to decrease in Intercompany Deposits were mainly in the short-end bucket which does not attract ASF factor.

Citi continues to maintain a higher ratio than the regulatory requirement by focusing on maintaining a stable balance sheet structure.

NSFR Disclosure Template

Country NSFR for Fourth Quarter, December 2023 (in S$ millions)		Unweighted Value by Residual Maturity				Weighted Value
		No Maturity	< 6 Months	6 Months to < 1 Yr	≥ 1Yr	
ASF Item						
1	Capital:	4,117	0	0	0	4,117
2	*Regulatory capital*	4,117	0	0	0	4,117
3	*Other capital instruments*	0	0	0	0	0
4	Retail deposits and deposits from small business customers:	18,034	28,872	0	0	42,415
5	*Stable deposits*	3,535	438	0	0	3,774
6	*Less stable deposits*	14,500	28,435	0	0	38,641
7	Wholesale funding:	35,108	29,762	3,946	15,729	33,780
8	*Operational deposits*	18,717	0	0	0	9,359
9	*Other wholesale funding*	16,391	29,762	3,946	15,729	24,422
10	Liabilities with matching interdependent assets					0
11	Other liabilities:	0	5,778	108	17,895	35
12	*NSFR derivative liabilities*		0	0	17,914	
13	*All other liabilities and equity not included in the above categories*	0	5,778	108	-19	35
14	Total ASF					80,347
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					1,502
16	Deposits held at other financial institutions for operational purposes	0	0	328	0	164
17	Performing loans and securities:	7,490	61,703	7,223	34,264	53,558
18	*Performing loans to financial institutions secured by Level 1 HQLA*	0	532	328	93	146
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	0	50,555	6,141	22,630	33,283
20	*Performing loans to non-financial corporates, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:*	7,488	9,923	426	2,116	13,324
21	*With a risk weight of less than or equal to 35% under paragraphs 7.3.13 to 7.3.20 and 7.3.24 to 7.3.26 of MAS Notice 637*	4	0	0	0	3
22	*Performing residential mortgages, of which:*	2	23	2	8,597	5,602
23	*With a risk weight of less than or equal to 35% under paragraph 7.3.29 of MAS Notice 637*	2	23	2	8,597	5,602
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	0	669	326	829	1,202
25	Assets with matching interdependent liabilities	0	0	0	0	0
26	Other assets:	0	444	66	39,455	5,308
27	*Physical traded commodities, including gold*	0				0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	17,411	908
30	*NSFR derivative liabilities before deduction of variation margin posted*		0	0	18,154	0
31	*All other assets not included in the above categories*	0	444	66	3,890	4,400
32	Off-balance sheet items		0	0	42,475	242
33	**Total RSF**					60,774
34	**Net Stable Funding Ratio (%)**					132.2%

NSFR Disclosure Template

	Country NSFR for Third Quarter, September 2023 (in S$ millions)	Unweighted Value by Residual Maturity				Weighted Value
		No Maturity	< 6 Months	6 Months to < 1 Yr	≥ 1Yr	
ASF Item						
1	Capital:	4,782	0	0	0	4,782
2	*Regulatory capital*	4,782	0	0	0	4,782
3	*Other capital instruments*	0	0	0	0	0
4	Retail deposits and deposits from small business customers:	19,168	27,834	0	0	42,509
5	*Stable deposits*	3,722	425	0	0	3,940
6	*Less stable deposits*	15,446	27,409	0	0	38,569
7	Wholesale funding:	32,595	37,182	3,235	16,988	34,469
8	*Operational deposits*	17,381	0	0	0	8,690
9	*Other wholesale funding*	15,213	37,182	3,235	16,988	25,779
10	Liabilities with matching interdependent assets					0
11	Other liabilities:	0	6,363	106	22,988	74
12	*NSFR derivative liabilities*		0	0	22,967	
13	*All other liabilities and equity not included in the above categories*	0	6,363	106	21	74
14	Total ASF					81,834
RSF Item						
15	Total NSFR high-quality liquid assets (HQLA)					1,438
16	Deposits held at other financial institutions for operational purposes	0	0	0	0	0
17	Performing loans and securities:	8,313	64,372	6,739	35,119	55,213
18	*Performing loans to financial institutions secured by Level 1 HQLA*	0	466	35	96	160
19	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	0	53,602	5,915	22,935	33,932
20	*Performing loans to non-financial corporates, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:*	8,313	9,985	718	2,259	14,324
21	*With a risk weight of less than or equal to 35% under paragraphs 7.3.13 to 7.3.20 and 7.3.24 to 7.3.26 of MAS Notice 637*	6	0	0	0	4
22	*Performing residential mortgages, of which:*	0	29	1	8,768	5,714
23	*With a risk weight of less than or equal to 35% under paragraph 7.3.29 of MAS Notice 637*	0	29	1	8,768	5,714
24	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	0	291	70	1,062	1,083
25	Assets with matching interdependent liabilities	0	0	0	0	0
26	Other assets:	0	509	67	51,860	7,282
27	*Physical traded commodities, including gold*	0				0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	24,260	2,461
30	*NSFR derivative liabilities before deduction of variation margin posted*		0	0	23,355	0
31	*All other assets not included in the above categories*	0	509	67	4,246	4,822
32	Off-balance sheet items		0	0	42,791	238
33	**Total RSF**					64,172
34	**Net Stable Funding Ratio (%)**					127.5%

19 Attestation

The Pillar 3 disclosures as at 31 December 2023 have been prepared in accordance with the internal control processes approved by the Bank's Board of Directors.

Brendan Carney
Director