



CITIBANK, N.A.
NEW ZEALAND BRANCH
AND ASSOCIATED BANKING GROUP
DISCLOSURE STATEMENT
30th JUNE, 2021

Registered office

Citigroup Centre
23 Customs Street East
Auckland 1010
New Zealand

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP

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CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP

GENERAL DISCLOSURES

The financial statements are the aggregated financial statements for the "Banking Group" which consists of Citibank, N.A. New Zealand Branch (CBNA New Zealand Branch) and the Associated Banking Group (Citibank Nominees (New Zealand) Limited).

The ultimate holding company of the Banking Group is Citigroup Inc. (Citigroup) which is a global diversified financial services holding company domiciled in the United States of America whose businesses provide a broad range of financial services to consumer and corporate customers.

Registered bank: Directorate and Responsible Persons

Responsible person of Citibank, N.A. (CBNA) in New Zealand

Derek Syme
Citi Country Officer
Citibank, N.A. New Zealand Branch

Responsible person of Citibank, N.A. signing as agent for all Citibank, N.A. Directors

Timothy Sedgwick
Chief Financial Officer
Citi Australia / New Zealand

Directors of Citibank, N.A. (CBNA)

Grace E. Dailey
Barbara J. Desoer
Jane N. Fraser
Sunil Garg
Duncan P. Hennes
Peter B. Henry
Susan Leslie Ireland
Diana L. Taylor
James S. Turley

Michael Corbat retired as Director of Citibank, N.A. on 26th February 2021. Sunil Garg was appointed as Director of Citibank, N.A. effective 26th February 2021. Ellen M. Costello and Deborah C. Wright retired as Directors of Citibank, N.A. effective 27th April, 2021. Peter B. Henry was appointed as a Director of Citibank, N.A. effective 27th April, 2021. There have been no other changes to the composition of Citibank, N.A.'s Board of Directors since the last disclosure statement dated 31st December, 2020.

Guarantee arrangements

CBNA New Zealand Branch does not have any guarantees over any material obligations as at 26th August, 2021.

Insurance business and non-financial activities

CBNA New Zealand Branch and the Banking Group does not conduct any insurance business in New Zealand. CBNA does not conduct any insurance business or non-financial activities in New Zealand that are outside its Banking Group.

Auditors of Citibank, N.A. New Zealand Branch and Associated Banking Group

KPMG
Level 38, Tower Three
International Towers Sydney
300 Barangaroo Avenue
Sydney NSW 2000 Australia

Conditions of registration for Citibank, N.A. in New Zealand

There has been no applicable change to CBNA's Conditions of Registration since the last Disclosure Statement dated 31st December, 2020.

Credit ratings

CBNA has the following long-term debt ratings which are applicable to the New Zealand Branch's long-term senior unsecured obligations which are payable in New Zealand in New Zealand dollars.

Rating Agency	Current Rating
Moody's	Aa3 (stable)
Standard & Poor's	A+ (stable)
Fitch	A+ (stable)

As CBNA New Zealand Branch is part of the same legal entity as CBNA, it has an implied rating from Standard & Poor's, Moody's and Fitch equal to CBNA.

No material qualifications attach to the obligations and the ratings have not been withdrawn.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
GENERAL DISCLOSURES

Financial statements

Any person, upon request and without charge, may obtain a copy of CBNA New Zealand Branch and the Banking Group's most recent Disclosure Statement, which contains a copy of the most recent publicly available consolidated financial statements of CBNA (Citibank Call Report for the six months ended 30th June, 2021 ("Citibank Call Report") and the Citigroup Inc. Quarterly Report on Form 10-Q for the quarter ended 30th June, 2021, immediately by requesting a copy from CBNA's New Zealand office in Auckland. The Disclosure Statement is also available on the Bank's website 'www.citi.co.nz'.

CBNA is an indirect wholly owned subsidiary of Citigroup Inc. The information relating to CBNA contained in the Bank's Disclosure Statement is derived from, and is qualified in its entirety by reference to, the detailed information and consolidated financial statements included in the Citibank Call Report for the six months ended 30th June, 2021.

The Citibank Call Report is prepared in accordance with the regulatory instructions issued by the Federal Financial Institutions Examination Council ("FFIEC"). In 1997, the FFIEC adopted U.S. GAAP as the reporting basis for the Consolidated Statement of Financial Position, Statement of Comprehensive Income and related schedules included in the Call Report. Despite the adoption of U.S. GAAP as the reporting basis for the Citibank Call Report, the presentation of financial statements in the Citibank Call Report differs significantly from the presentation of financial statements included in the Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission, including without limitation the Citibank Call Report generally contains less disclosure than audited financial statements prepared in accordance with U.S. GAAP.

Profitability and size of Citibank, N.A.	(Thousands of US Dollars)	
(The following information has not been audited)	30-Jun-21	30-Jun-20
Profitability		
Net profit/(loss) after tax for the six months ended	11,519,000	1,996,000
Net profit/(loss) after tax over the previous twelve months as a percentage of average total assets	1.10%	0.71%
Size		
Total assets	1,693,227,000	1,633,727,000
Percentage Change in total assets over the previous twelve months	3.64%	11.93%
Asset quality		
Total impaired assets	6,822,000	7,982,000
Total impaired assets as a percentage of total assets	0.40%	0.49%
Total individual credit impairment allowance	1,420,000	1,994,000
Total collective credit impairment allowance	15,845,000	21,648,000

Impaired assets for CBNA consist of non-accrual loans, restructured loans, other non-accrual assets and other real estate owned. CBNA maintains an allowance that is available to absorb all probable credit losses inherent in its portfolio. The allowance for loan and lease losses at 30th June, 2021 is US\$17,265 million (30th June, 2020: US\$23,642 million).

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Note	BANKING GROUP	
		30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited
Interest income		5,088	9,328
Interest expense		629	2,352
Net interest income		4,459	6,976
Other income	3	12,032	13,599
Total revenue		16,491	20,575
Operating expenses		8,521	8,945
Loan impairment expense	5	225	2,080
Profit before income tax		7,745	9,550
Income tax expense		1,982	2,807
Profit for the period		5,763	6,743
Other comprehensive income			
Fair value through other comprehensive income reserve			
Fair value gain taken directly to equity		(262)	1,334
Tax on movements and transfers		72	(408)
Other comprehensive income / (loss) for the period, net of tax, that may be reclassified subsequently to profit		(190)	926
Total comprehensive income for the period		5,573	7,669

The Statement of Comprehensive Income should be read in conjunction with the notes to the financial statements on the accompanying pages.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Note	BANKING GROUP	
		30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited
Head office account			
CBNA New Zealand Branch			
At the beginning of the year		33,576	33,665
Movement in share based payment reserve		39	62
At the end of the period		<u>33,615</u>	<u>33,727</u>
Fair value through other comprehensive income reserve			
At the beginning of the year		156	(449)
Other comprehensive income		(190)	926
At the end of the period		<u>(34)</u>	<u>477</u>
Retained earnings			
At the beginning of the year		150,273	153,299
Profit after tax		5,763	6,743
Other movement		(75)	-
At the end of the period		<u>155,961</u>	<u>160,042</u>
Equity at the end of the period		<u><u>189,542</u></u>	<u><u>194,246</u></u>
Represented by:			
Equity at the beginning of the year		184,005	186,515
Transactions with owners, recorded directly in equity			
Movement in share based payment reserve		39	62
Other movement		(75)	-
Total transactions with owners		<u>(36)</u>	<u>62</u>
Total comprehensive income for the period			
Profit for the period		5,763	6,743
Other comprehensive income			
Net change in fair value through other comprehensive income to profit or loss on disposal		(262)	1,334
Income tax on other comprehensive income		72	(408)
Total other comprehensive income / (loss)		<u>(190)</u>	<u>926</u>
Total comprehensive income for the period		<u>5,573</u>	<u>7,669</u>
Equity at the end of the period		<u><u>189,542</u></u>	<u><u>194,246</u></u>

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements on the accompanying pages.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	BANKING GROUP		
		30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited	31-Dec-20 \$(000's) audited
Assets				
Cash and cash equivalents	6	1,555,229	869,169	1,259,300
Due from related parties	7	2,191	8,613	7,290
Derivative financial assets	7	6,604	-	-
Current tax assets		1,335	-	-
Financial assets at fair value through other comprehensive income		619,664	545,568	542,473
Loans and advances		274,959	579,221	393,589
Other assets		2,861	4,865	3,342
Deferred tax assets		885	1,303	1,026
Property plant and equipment		14	59	19
Right-of-use assets		1,229	1,504	1,364
Total assets		<u>2,464,971</u>	<u>2,010,302</u>	<u>2,208,403</u>
Liabilities				
Deposits from other banks	4	6,494	4,478	2,972
Due to related parties	7	1,062,469	664,883	707,013
Other deposits	4	1,199,723	1,138,981	1,306,134
Lease liabilities		1,271	1,509	1,389
Current tax liabilities		-	403	6
Provisions		199	195	197
Other liabilities		5,273	5,607	6,687
Total liabilities		<u>2,275,429</u>	<u>1,816,056</u>	<u>2,024,398</u>
Equity				
Head office account		33,615	33,727	33,576
Fair value through other comprehensive income reserve		(34)	477	156
Retained earnings		155,961	160,042	150,273
Total equity		<u>189,542</u>	<u>194,246</u>	<u>184,005</u>
Total liabilities and equity		<u>2,464,971</u>	<u>2,010,302</u>	<u>2,208,403</u>
Total interest earning and discount bearing assets		2,451,993	2,002,536	2,202,652
Total interest and discount bearing liabilities		2,267,908	1,807,564	2,016,119

The Statement of Financial Position should be read in conjunction with the notes to the financial statements on the accompanying pages.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Note	BANKING GROUP	
		30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited
Cash flows from operating activities			
Interest received		3,754	9,703
Interest paid		(583)	(2,773)
Net trading income / (loss)		(4,098)	3,938
Other income		8,613	10,118
Net decrease in placements due from related companies		5,099	2,706
Net increase in financial assets at fair value through other comprehensive income		(75,247)	(117,248)
Net decrease /(increase) in loans and advances.		118,405	(119,408)
Net increase in due to related parties		355,455	214,655
Net (decrease) /increase in customer deposits		(102,889)	69,618
Income tax paid		(3,129)	(2,468)
Other operating expenses paid		(9,391)	(10,390)
Net cash from operating activities	6	295,989	58,451
Cash flows used in investing activities			
Payments to acquire property, plant and equipment		-	(2)
Net cash used in investing activities		-	(2)
Cash flows used in financing activities			
Receipt of dividends		59	94
Payment of lease liabilities		(118)	1,243
Net cash used in financing activities		(59)	1,337
Net increase in cash and cash equivalents		295,929	59,786
Cash and cash equivalents at the beginning of the year		1,259,300	809,015
Cash and cash equivalents at the end of the period	6	1,555,229	868,801

The Statement of Cash Flows should be read in conjunction with the notes to the financial statements on the accompanying pages.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

The financial statements are the aggregated financial statements for the "Banking Group" which consists of Citibank, N.A. New Zealand Branch (CBNA New Zealand Branch) and the Associated Banking Group (Citibank Nominees (New Zealand) Limited).

The ultimate holding company of the Banking Group is Citigroup Inc. ("Citigroup"), which is a global diversified financial services holding company whose businesses provide a broad range of financial services to consumer and corporate customers.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Banking Group's interim financial statements have been prepared in accordance with the requirements of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended), the Financial Markets Conduct Act 2013 ("FMCA 2013"), the Companies Act 1993, the Financial Reporting Act 2013, and with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit entities. They comply with NZ IAS 34 Interim Financial Reporting ("NZ IAS 34") and International Accounting Standard 34 Interim Financial Reporting.

These interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31st December, 2020.

These interim financial statements were authorised for issue by Citibank, N.A ("CBNA") under power of attorney on this 26th day of August, 2021.

(b) Basis of preparation

The financial statements are presented in New Zealand dollars, which is the functional currency of the Banking Group.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments and financial assets at fair value through other comprehensive income.

The amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated.

(c) Changes in accounting policy

There have been no material changes in accounting policies since the last annual financial statements dated 31st December, 2020.

2. FINANCIAL RISK MANAGEMENT

There have been no material changes in the Banking Group's policies for managing risk, or material exposure to any new types of risk since the last annual financial statements dated 31st December, 2020.

3. OTHER INCOME

Net trading income
 Other operating income

BANKING GROUP	
30-Jun-21	30-Jun-20
\$(000's)	\$(000's)
unaudited	unaudited
2,505	3,535
<u>9,527</u>	<u>10,064</u>
<u>12,032</u>	<u>13,599</u>

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

	BANKING GROUP		
	30-Jun-21 S(000's) unaudited	30-Jun-20 S(000's) unaudited	31-Dec-20 S(000's) audited
4. TOTAL LIABILITIES TO THIRD PARTIES - BRANCH			
Deposits from other banks	6,494	4,478	2,972
Other deposits	1,199,723	1,138,981	1,306,134
Current tax liabilities	-	403	6
Other liabilities	5,343	5,589	6,639
	<u>1,211,560</u>	<u>1,149,451</u>	<u>1,315,751</u>

The Branch has no retail deposits as at reporting date.

Branch information is provided as per the Registered Bank Disclosure Statement (Overseas Incorporated Registered Banks) Order 2014 (as amended).

5. ASSET QUALITY

Past due and impaired assets

The Banking Group has no past due assets, impaired assets, restructured assets, assets (including real estate) acquired through the enforcement of security or other assets under administration.

The Banking Group has no unimpaired assets that are past due.

	BANKING GROUP		
	30-Jun-21 S(000's) unaudited	30-Jun-20 S(000's) unaudited	31-Dec-20 S(000's) audited
Stage 1 provisions			
Balance at start of year	587	646	646
Net movement in provision	231	1,637	(59)
Balance at end of period	818	2,283	587
Stage 2 provisions			
Balance at start of year	6	-	-
Net movement in provision	(6)	443	6
Balance at end of period	-	443	6
Stage 3 provisions			
Balance at start of year	-	-	-
Net movement in provision	-	-	-
Balance at end of period	-	-	-
Total loan impairment provisions	<u>818</u>	<u>2,726</u>	<u>593</u>

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

6. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held overnight or on call with financial institutions, nostro accounts and other short term highly liquid assets which are subject to insignificant risk of change in their fair value and are used by the Banking Group in the management of its short term commitments.

	BANKING GROUP		
	30-Jun-21	30-Jun-20	31-Dec-20
	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	audited
Cash and demand deposits with central banks	1,479,580	818,186	1,217,538
Loans and advances to financial institutions at call	73	69	14,081
Due from related parties	75,576	50,914	27,681
Due to related parties*	-	(368)	-
Cash and cash equivalents in the Consolidated Statement of Cash Flows	<u>1,555,229</u>	<u>868,801</u>	<u>1,259,300</u>

* This represents bank overdrafts repayable on demand to related parties. It is presented in the Consolidated Statement of Financial Position within "Due to related parties".

	BANKING GROUP		
	30-Jun-21	30-Jun-20	31-Dec-20
	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	audited
(b) Reconciliation of net profit to net cash from operating activities			
Net profit	5,763	6,743	13,588
Adjustments for:			
Depreciation	3	61	390
Interest expense on lease liabilities	13	5	19
Movements in operating assets and liabilities	301,013	51,154	450,105
Increase / (decrease) in accrual of interest expenses	46	(421)	(554)
Increase/ (decrease) in accrual of other expenses/income	(1,432)	349	2,756
Revaluations of financial assets and liabilities	(6,604)	-	-
Movement in tax provision	(1,147)	339	470
Movement in accrual provision	162	2	4
(Increase) / decrease in accrual of interest income	(1,334)	375	636
Increase in accrual of fees and commissions	(494)	(155)	(302)
Net cash from operating activities	<u>295,989</u>	<u>58,451</u>	<u>467,112</u>

7. RELATED PARTIES

(a) Ultimate holding company

The ultimate parent of the Banking Group is Citigroup. These financial statements reflect only the operations of the Banking Group. The financial statements of Citigroup should be read in conjunction with these financial statements.

Members of Citibank, N.A. New Zealand Branch and Associated Banking Group

CBNA New Zealand Branch	Branch of CBNA
Citibank Nominees (New Zealand) Limited	Locally incorporated wholly-owned subsidiary of Citibank Overseas Investment Corporation.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

7. RELATED PARTIES (continued)

	BANKING GROUP		
	30-Jun-21 \$'(000's) unaudited	30-Jun-20 \$'(000's) unaudited	31-Dec-20 \$'(000's) audited
(b) Related party balances			
Assets			
Due from related parties - head office (including other branches)	737	6,564	6,595
Due from related parties - other related parties	1,454	2,049	695
Due from related parties	<u>2,191</u>	<u>8,613</u>	<u>7,291</u>
Derivative financial assets - on balance sheet	6,604	-	-
Other assets - head office (including other branches)	493	624	209
Other assets - other related parties	5	64	8
Other related parties assets	<u>7,102</u>	<u>688</u>	<u>217</u>
Liabilities			
Due to related parties - head office (including other branches)	950,831	516,366	469,847
Due to related parties - other related parties	111,638	148,517	237,166
Due to related parties	<u>1,062,469</u>	<u>664,883</u>	<u>707,013</u>
Derivative financial liabilities - on balance sheet	-	-	-
Other liabilities - head office (including other branches)	127	210	45
Other liabilities - other related parties	3	3	3
Other related parties liabilities	<u>130</u>	<u>213</u>	<u>48</u>
Derivative notional amounts			
Foreign exchange forwards			
Head office (including other branches)	175,132	-	-

All transactions with related parties are at commercial arms length terms and rates. These are conducted predominantly with CBNA and CBNA branches. Outstanding related party balances are not secured.

Management fees are paid to offshore related parties for computer system usage and processing charges for back office and middle office functions.

All Citigroup entities within New Zealand are grouped for tax reporting purposes. This group includes the Branch and the Associated Banking Group. There were no outstanding balances at balance date.

Cash balances due to/from related parties are disclosed in Note 6 (a).

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

8. CONCENTRATIONS OF CREDIT EXPOSURE

	BANKING GROUP		
	30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited	31-Dec-20 \$(000's) audited
Industry sectors			
Finance	1,646,039	986,851	1,384,313
Communication	91,473	85,712	85,236
Food manufacturing	122,084	121,831	122,134
Government	650,429	563,082	582,336
Insurance	106	100,003	100,104
Property and business services	19,280	220,853	13,069
Mining	100,078	74,660	100,046
Electricity, Gas and Water	18,060	20,951	17,325
Wholesale trade	22,000	28,332	21,909
Other	33,541	35,001	33,855
	<u>2,703,090</u>	<u>2,237,275</u>	<u>2,460,327</u>
Other assets	5,405	5,357	3,638
	<u>2,708,495</u>	<u>2,242,632</u>	<u>2,463,965</u>

ANZSIC codes are used as the basis for disclosing industry sectors. The concentration of credit exposure includes both on and off balance sheet items.

9. CONCENTRATIONS OF FUNDING

	BANKING GROUP		
	30-Jun-21 \$(000's) unaudited	30-Jun-20 \$(000's) unaudited	31-Dec-20 \$(000's) audited
(a) Industry sectors			
Finance	1,398,808	997,372	1,002,562
Communication	121,348	81,682	143,236
Food manufacturing	34,259	39,092	79,845
Insurance	31,071	114,802	116,042
Other manufacturing	278,507	255,720	286,675
Property and business services	221,137	146,580	193,642
Transport	54,403	41,742	46,003
Wholesale trade	76,068	77,816	70,872
Other	53,949	55,127	78,555
	<u>2,269,550</u>	<u>1,809,933</u>	<u>2,017,432</u>
Provisions and other liabilities	5,879	6,123	6,966
	<u>2,275,429</u>	<u>1,816,056</u>	<u>2,024,398</u>

ANZSIC codes are used as the basis for disclosing industry sectors.

CITIBANK, N.A. NEW ZEALAND BRANCH AND ASSOCIATED BANKING GROUP
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE SIX MONTHS ENDED 30 JUNE 2021

9. CONCENTRATIONS OF FUNDING (continued)

		BANKING GROUP		
		30-Jun-21	30-Jun-20	31-Dec-20
		\$ (000's)	\$ (000's)	\$ (000's)
		unaudited	unaudited	audited
(b) Geographical areas				
Exposures within New Zealand		711,428	836,688	887,612
Exposures to other countries (in NZD) -				
	Australia	342,486	81,373	94,452
	Great Britain	211,776	239,033	115,226
	Singapore	221,258	94,334	269,190
	United States	181,597	111,774	160,452
	Other	601,005	446,731	490,500
		<u>2,269,550</u>	<u>1,809,933</u>	<u>2,017,432</u>
Provisions and other liabilities		5,879	6,123	6,966
		<u>2,275,429</u>	<u>1,816,056</u>	<u>2,024,398</u>

10. RESIDENTIAL MORTGAGES BY LOAN-TO-VALUATION RATIO

As at reporting date, the Banking group did not provide any residential mortgage loans in New Zealand.

11. FAIR VALUE

Financial instruments carried at fair value are categorised into different levels in the table below. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Valuation techniques with significant inputs for the asset or liability that are not substantially based on observable market data (i.e. unobservable inputs).

Cash and cash equivalents, due from related parties, due to related parties and other deposits are considered level 2 assets/liabilities in the fair value hierarchy.

Loans and advances are considered level 3 assets in the fair value hierarchy.

Fair value hierarchy of financial instruments:

	Level 1	Level 2	Level 3	Total
	\$ (000's)	\$ (000's)	\$ (000's)	\$ (000's)
	unaudited	unaudited	unaudited	unaudited
As at 30 June, 2021				
<u>Assets</u>				
Derivative financial assets	-	6,604	-	6,604
Financial assets at FVOCI	619,664	-	-	619,664
	<u>619,664</u>	<u>6,604</u>	<u>-</u>	<u>626,268</u>

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11. FAIR VALUE (continued)

As at 30 June, 2020	Level 1	Level 2	Level 3	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	unaudited	unaudited
<u>Assets</u>				
Derivative financial assets	-	-	-	-
Financial assets at FVOCI	545,568	-	-	545,568
	<u>545,568</u>	<u>-</u>	<u>-</u>	<u>545,568</u>
As at 31 December, 2020	Level 1	Level 2	Level 3	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	audited	audited	audited	audited
<u>Assets</u>				
Derivative financial assets	-	-	-	-
Financial assets at FVOCI	542,473	-	-	542,473
	<u>542,473</u>	<u>-</u>	<u>-</u>	<u>542,473</u>

12 INTEREST RATE RISK REPRICING SCHEDULE

The contractual repricing or maturity periods of financial instruments are as follows:

As at 30 June, 2021	Fixed interest rate maturing in:						
	0-3 mths	3-6 mths	6-12 mths	1-2 years	More than 2 years	Non-Interest Bearing	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	unaudited	unaudited	unaudited	unaudited	unaudited
<u>Financial assets</u>							
Cash and cash equivalents	1,555,179	-	-	-	-	50	1,555,229
Due from related parties	2,191	-	-	-	-	-	2,191
Financial assets at FVOCI	344,856	249,763	-	25,046	-	-	619,665
Loans and advances	219,959	55,000	-	-	-	-	274,959
	<u>2,122,185</u>	<u>304,763</u>	<u>-</u>	<u>25,046</u>	<u>-</u>	<u>50</u>	<u>2,452,044</u>
<u>Financial liabilities</u>							
Deposits from other banks	6,494	-	-	-	-	-	6,494
Due to related parties	1,017,469	30,000	15,000	-	-	-	1,062,469
Other deposits	1,198,945	-	-	-	-	778	1,199,723
	<u>2,222,908</u>	<u>30,000</u>	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>778</u>	<u>2,268,686</u>
<u>Off balance sheet</u>							
Foreign exchange contracts - receive	175,377	-	-	-	-	-	175,377
Foreign exchange contracts - (pay)	(175,132)	-	-	-	-	-	(175,132)
Interest rate swaps - receive	-	-	-	-	-	-	-
Interest rate swaps - (pay)	-	-	-	-	-	-	-
	<u>245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245</u>

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12. INTEREST RATE RISK REPRICING SCHEDULE (continued)

	0-3 mths	3-6 mths	6-12 mths	1-2 years	More than 2 years	Non- Interest Bearing	Total
As at 30 June, 2020	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited
<u>Financial assets</u>							
Cash and cash equivalents	869,167	-	-	-	-	2	869,169
Due from related parties	8,613	-	-	-	-	-	8,613
Financial assets at FVOCI	169,870	180,252	180,573	-	14,874	-	545,569
Loans and advances	575,620	2,914	665	-	-	22	579,221
	<u>1,623,270</u>	<u>183,166</u>	<u>181,238</u>	<u>-</u>	<u>14,874</u>	<u>24</u>	<u>2,002,572</u>
<u>Financial liabilities</u>							
Deposits from other banks	4,478	-	-	-	-	-	4,478
Due to related parties	659,880	5,000	-	-	-	3	664,883
Other deposits	1,138,429	-	-	-	-	552	1,138,981
	<u>1,802,787</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>555</u>	<u>1,808,342</u>
<u>Off balance sheet</u>							
Foreign exchange contracts - receive	-	-	-	-	-	-	-
Foreign exchange contracts - (pay)	-	-	-	-	-	-	-
Interest rate swaps - receive	-	-	-	-	-	-	-
Interest rate swaps - (pay)	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 December, 2020	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited	Non- Interest Bearing \$(000's) audited	\$(000's) audited
<u>Financial assets</u>							
Cash and cash equivalents	1,259,296	-	-	-	-	4	1,259,300
Due from related parties	7,290	-	-	-	-	-	7,290
Financial assets at FVOCI	58,930	406,873	50,924	-	25,746	-	542,473
Loans and advances	393,586	-	-	-	-	3	393,589
	<u>1,719,102</u>	<u>406,873</u>	<u>50,924</u>	<u>-</u>	<u>25,746</u>	<u>7</u>	<u>2,202,652</u>
<u>Financial liabilities</u>							
Deposits from other banks	2,972	-	-	-	-	-	2,972
Due to related parties	702,012	-	5,000	-	-	1	707,013
Other deposits	1,305,775	-	-	-	-	359	1,306,134
	<u>2,010,759</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>360</u>	<u>2,016,119</u>
<u>Off balance sheet</u>							
Foreign exchange contracts - receive	-	-	-	-	-	-	-
Foreign exchange contracts - (pay)	-	-	-	-	-	-	-
Interest rate swaps - receive	-	-	-	-	-	-	-
Interest rate swaps - (pay)	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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13. LIQUIDITY RISK - MATURITY PROFILE

(a) The contractual maturity periods of financial instruments are as follows:

	On Demand	0-12 mths	1-2 years	2-5 years	More than 5 years	Gross nominal inflow / (outflow)	Carrying Amount
As at 30 June, 2021	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited
<u>Assets</u>							
Cash and cash equivalents	1,555,229	-	-	-	-	1,555,229	1,555,229
Due from related parties	2,191	-	-	-	-	2,191	2,191
Financial assets at FVOCI	-	594,618	25,046	-	-	619,664	619,664
Loans and advances	9,709	25,840	105,685	134,707	-	275,941	274,959
Derivative financial assets	-	6,604	-	-	-	6,604	6,604
Other financial assets	30	888	-	-	-	918	918
	<u>1,567,159</u>	<u>627,950</u>	<u>130,731</u>	<u>134,707</u>	<u>-</u>	<u>2,460,547</u>	<u>2,459,565</u>
<u>Liabilities</u>							
Deposits from other banks	6,494	-	-	-	-	6,494	6,494
Due to related parties	355,334	707,258	-	-	-	1,062,592	1,062,469
Other deposits	1,187,236	11,977	-	-	-	1,199,213	1,199,723
Derivative financial liabilities	-	-	-	-	-	-	-
Other financial liabilities	59	806	-	-	-	865	865
	<u>1,549,123</u>	<u>720,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,269,164</u>	<u>2,269,551</u>
	On Demand	0-12 mths	1-2 years	2-5 years	More than 5 years	Gross nominal inflow / (outflow)	Total
As at 30 June, 2020	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited	\$(000's) unaudited
<u>Assets</u>							
Cash and cash equivalents	869,169	-	-	-	-	869,169	869,169
Due from related parties	8,613	-	-	-	-	8,613	8,613
Financial assets at FVOCI	-	530,694	-	14,874	-	545,568	545,568
Loans and advances	8,315	107,098	30,000	434,563	-	579,976	579,221
Derivative financial assets	-	-	-	-	-	-	-
Other financial assets	37	2,336	-	-	-	2,373	2,373
	<u>886,134</u>	<u>640,128</u>	<u>30,000</u>	<u>449,437</u>	<u>-</u>	<u>2,005,699</u>	<u>2,004,944</u>
<u>Liabilities</u>							
Deposits from other banks	4,478	-	-	-	-	4,478	4,478
Due to related parties	323,383	341,523	-	-	-	664,906	664,883
Other deposits	1,037,981	101,000	-	-	-	1,138,981	1,138,981
Derivative financial liabilities	-	-	-	-	-	-	-
Other financial liabilities	55	1,536	-	-	-	1,591	1,591
	<u>1,365,897</u>	<u>444,059</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,809,956</u>	<u>1,809,933</u>

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13. LIQUIDITY RISK - MATURITY PROFILE (continued)

	On Demand	0-12 mths	1-2 years	2-5 years	More than 5 years	Gross nominal inflow / (outflow)	Total
As at 31 December, 2020	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited	\$(000's) audited
<u>Assets</u>							
Cash and cash equivalents	1,259,300	-	-	-	-	1,259,300	1,259,300
Due from related parties	7,290	-	-	-	-	7,290	7,290
Financial assets at FVOCI	-	516,727	-	25,746	-	542,473	542,473
Loans and advances	4,233	131,253	83,854	174,996	-	394,336	393,589
Derivative financial assets	-	-	-	-	-	-	-
Other financial assets	71	2,041	-	-	-	2,112	2,112
	<u>1,270,894</u>	<u>650,021</u>	<u>83,854</u>	<u>200,742</u>	<u>-</u>	<u>2,205,511</u>	<u>2,204,764</u>
<u>Liabilities</u>							
Deposits from other banks	2,972	-	-	-	-	2,972	2,972
Due to related parties	373,213	333,810	-	-	-	707,023	707,013
Other deposits	1,206,134	100,003	-	-	-	1,306,137	1,306,134
Derivative financial liabilities	-	-	-	-	-	-	-
Other financial liabilities	-	1,312	-	-	-	1,312	1,312
	<u>1,582,319</u>	<u>435,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,017,444</u>	<u>2,017,431</u>

(b) Liquidity risk management

Liquidity risk is managed on the basis of expected maturity dates for certain products (see below) and is based on a business-as-usual view of the Banking Group's funding requirements.

All related party assets and liabilities are managed on a contractual maturity basis.

It is assumed that third party assets will roll over as management is not expecting any reduction in the Consolidated Statement of Financial Position and are therefore shown in the > 2 years category. The only exception is cash with central banks which is treated on a contractual maturity basis.

Third party liabilities are split into two main categories:

- (i) Long-term debt which is managed on a contractual maturity basis; and
- (ii) Corporate and other deposits. Non-volatile balances are reported in the >2 years bucket and volatile balances in the up to three months bucket. The methodology for calculating the volatile and non-volatile balances is based on an analysis of 2.36 standard deviations of the previous twelve months' balances and the resulting percentages are applied to the Consolidated Statement of Financial Position.

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13. LIQUIDITY RISK - MATURITY PROFILE (continued)

The expected maturity periods of financial instruments are based on the carrying value in the Consolidated Statement of Financial Position, and are as follows:

As at 30 June, 2021	On Demand	0-12 mths	1-2 years	More than 2 years	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	unaudited	unaudited	unaudited
<u>Assets</u>					
Cash and cash equivalents	1,555,156	-	-	73	1,555,229
Due from related parties	2,191	-	-	-	2,191
Financial assets at FVOCI	-	-	-	619,664	619,664
Loans and advances	-	-	-	274,959	274,959
Derivative financial assets	-	6,604	-	-	6,604
Other financial assets	2	-	-	916	918
	<u>1,557,349</u>	<u>6,604</u>	<u>-</u>	<u>895,612</u>	<u>2,459,565</u>
<u>Liabilities</u>					
Deposits from other banks	126	1,966	-	4,402	6,494
Due to related parties	355,334	707,135	-	-	1,062,469
Other deposits	23,239	363,112	-	813,372	1,199,723
Derivative financial liabilities	-	-	-	-	-
Other financial liabilities	28	268	-	569	865
	<u>378,727</u>	<u>1,072,481</u>	<u>-</u>	<u>818,343</u>	<u>2,269,551</u>
As at 30 June, 2020	On Demand	0-12 mths	1-2 years	More than 2 years	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	unaudited	unaudited	unaudited	unaudited	unaudited
<u>Assets</u>					
Cash and cash equivalents	869,100	-	-	69	869,169
Due from related parties	8,613	-	-	-	8,613
Financial assets at FVOCI	-	-	-	545,568	545,568
Loans and advances	-	-	-	579,220	579,220
Derivative financial assets	-	-	-	-	-
Other financial assets	13	-	-	2,360	2,373
	<u>877,726</u>	<u>-</u>	<u>-</u>	<u>1,127,217</u>	<u>2,004,943</u>
<u>Liabilities</u>					
Deposits from other banks	120	1,374	-	2,984	4,478
Due to related parties	323,383	341,500	-	-	664,883
Other deposits	30,447	349,515	-	759,019	1,138,981
Derivative financial liabilities	-	-	-	-	-
Other financial liabilities	55	581	-	955	1,591
	<u>354,005</u>	<u>692,970</u>	<u>-</u>	<u>762,958</u>	<u>1,809,933</u>

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13. LIQUIDITY RISK - MATURITY PROFILE (continued)

As at 31 December, 2020	On Demand	0-12 mths	1-2 years	More than 2 years	Total
	\$(000's)	\$(000's)	\$(000's)	\$(000's)	\$(000's)
	audited	audited	audited	audited	audited
<u>Assets</u>					
Cash and cash equivalents	1,245,219	-	-	14,081	1,259,300
Due from related parties	7,290	-	-	-	7,290
Financial assets at FVOCI	-	-	-	542,473	542,473
Loans and advances	-	-	-	393,589	393,589
Derivative financial assets	-	-	-	-	-
Other financial assets	11	-	-	2,101	2,112
	<u>1,252,520</u>	<u>-</u>	<u>-</u>	<u>952,244</u>	<u>2,204,764</u>
<u>Liabilities</u>					
Deposits from other banks	76	877	-	2,019	2,972
Due to related parties	373,213	333,800	-	-	707,013
Other deposits	33,554	385,569	-	887,011	1,306,134
Derivative financial liabilities	-	-	-	-	-
Other financial liabilities	15	895	-	402	1,312
	<u>406,858</u>	<u>721,141</u>	<u>-</u>	<u>889,432</u>	<u>2,017,431</u>

14. EXPOSURES TO MARKET RISK

	Implied risk weighted exposure	Notional capital charge
	\$(000's)	\$(000's)
	unaudited	unaudited
Interest rate risk as at 30 June, 2021	775	62
Peak end-of-day interest rate risk (01 January, 2021 to 30 June, 2021)	3,000	240
Foreign currency risk as at 30 June, 2021	1,425	114
Peak end-of-day foreign currency risk (01 January, 2021 to 30 June, 2021)	3,500	280
Interest rate risk as at 30 June, 2020	5,900	472
Peak end-of-day interest rate risk (01 January, 2020 to 30 June, 2020)	7,550	604
Foreign currency risk as at 30 June, 2020	2,713	217
Peak end-of-day foreign currency risk (01 January, 2020 to 30 June, 2020)	3,538	283
Interest rate risk as at 31 December, 2020	3,125	250
Peak end-of-date interest rate risk (01 July, 2020 to 31 December, 2020)	7,600	608
Foreign currency risk as at 31 December, 2020	1,050	84
Peak end-of-date foreign currency risk (01 July, 2020 to 31 December, 2020)	3,913	313

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14. EXPOSURES TO MARKET RISK (continued)

Market risk notional capital charges are derived in accordance with the Capital Adequacy Framework (Standardised Approach) (BS2A) per the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended).

The Banking Group segregates its exposure to market risk between trading, non-trading and accrual portfolios.

Trading portfolios cover risks arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis. Non-trading portfolios cover risks resulting from mainstream banking activities.

15. CAPITAL ADEQUACY

CBNA New Zealand Branch is a branch of, and each member of the Banking Group is a wholly-owned subsidiary of, CBNA, which is an indirect wholly-owned subsidiary of Citigroup.

Capital ratios of Citibank, N.A.

	Effective Minimum Requirement ⁽¹⁾		30-Jun-21		30-Jun-20	
	2021	2020	Advanced Approaches	Standardised Approach	Advanced Approaches	Standardised Approach
Common Equity Tier 1 Capital ratio ⁽²⁾⁽³⁾	7.0%	7.0%	13.84%	13.41%	13.72%	13.58%
Tier 1 Capital ratio ⁽²⁾⁽³⁾	8.5%	8.5%	14.04%	13.61%	13.93%	13.79%
Total Capital ratio ⁽²⁾⁽³⁾	10.5%	10.5%	15.61%	15.90%	15.56%	16.18%

	Effective Minimum Requirement	30-Jun-21	30-Jun-20
Tier 1 Leverage ratio ⁽³⁾	5.00%	8.86%	8.49%
Supplementary Leverage ratio ⁽³⁾	6.00%	6.77%	6.56%

⁽¹⁾ Citibank's effective minimum risk-based capital requirements include the 2.5% Capital Conservation Buffer (all of which must be composed of Common Equity Tier 1 Capital).

⁽²⁾ Citibank's reportable Total Capital ratio was derived under the Basel III Advanced Approaches framework, whereas Citibank's reportable Common Equity Tier 1 Capital and Tier 1 Capital ratios were the lower derived under the Basel III Standardized Approach for all periods presented.

⁽³⁾ Citibank must maintain minimum Common Equity Tier 1 Capital, Tier 1 Capital, Total Capital and Tier 1 Leverage ratios of 6.5%, 8.0%, 10.0% and 5.0%, respectively, to be considered "well capitalized" under the revised Prompt Corrective Action (PCA) regulations applicable to insured depository institutions as established by the U.S. Basel III rules. Citibank must also maintain a minimum Supplementary Leverage ratio of 6.0% to be considered "well capitalized."

As indicated in the table above, Citibank's capital ratios at June 30, 2021 were in excess of the stated and effective minimum requirements under the U.S. Basel III rules. In addition, Citibank was also "well capitalized" as of June 30, 2021.

For information on the Basel III capital adequacy framework in relation to Citigroup see "Capital Resources" in Citigroup's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021. It is available on the Bank's website 'www.citi.co.nz' as part of the Disclosure Statement dated June 30, 2021.

16. SUBSEQUENT EVENTS

There has not arisen, in the interval between 30th June, 2021 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Banking Group, to affect significantly the operations of the Banking Group, the results of those operations, or the state of affairs of the Banking Group, in future financial periods.

The Directors' and the New Zealand Chief Executive Officer's Statement

The undersigned officers of Citibank, N.A., being the Citigroup Country Officer of Citibank, N.A. New Zealand Branch (the "CCO"), signing this statement on his own behalf in such capacity, and Timothy Sedgwick, the duly authorised agent in writing of each and every Director of Citibank, N.A., signing this statement on behalf of each such Director, who, after due enquiry by the CCO and such Directors, believe that -

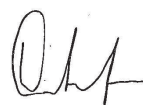
- As at the date hereof, the disclosure statement contains all the information required by the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended).
- As at the date hereof, the disclosure statement is not false or misleading.
- Over the half year accounting period ended 30th June, 2021, Citibank, N.A., New Zealand Branch has complied in all material respects with each condition of registration that applied during the period.
- During the six months ended 30th June, 2021, Citibank, N.A., New Zealand Branch had systems in place to monitor and control adequately the material risks of its Banking Group, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, and other business risks, and those systems were being properly applied.
- However, no system of internal control can facilitate the perfect management of banking risks.
- However, changes in the financial condition of Citibank, N.A., Citibank, N.A. New Zealand Branch and Associated Banking Group, and/or Citigroup Inc. may have occurred after 30th June, 2021, the most recent date of any of the financial statements included in this disclosure statement, although such changes, if any, and except as set forth in the disclosure statement, are not believed to be material in the context of such affected entity's overall financial condition.
- It is confirmed that the said powers of attorney appointing Timothy Sedgwick as agent are still in force and have not been revoked.

Tim
Sedgwick

Digitally signed by
Tim Sedgwick
Date: 2021.08.26
09:55:06 +10'00'

Signed by Timothy Sedgwick
as agent for all the Directors

Dated this 26th day of August, 2021
in Sydney
Australia



Derek
Syme

Digitally signed
by Derek Syme
Date: 2021.08.26
12:50:07 +12'00'

Signed by Derek Syme
Citi Country Officer
Citibank, N.A. New Zealand Branch

Dated this 26th day of August, 2021
in Auckland
New Zealand



Independent Review Report

To the shareholder of Citibank, N.A. New Zealand Branch and Associated Banking Group

Report on the half year disclosure statement

Conclusion

Based on our review of the interim financial statements and supplementary information of the Citibank, N.A. New Zealand Branch and Associated Banking Group (the "Banking Group") on pages 3 to 21, nothing has come to our attention that causes us to believe that:

- i. the interim financial statements do not present fairly in all material respects the Banking Group's financial position as at 30 June 2021 and its financial performance and cash flows for the 6 month period ended on that date;
- ii. the interim financial statements (excluding the supplementary information disclosed in accordance with Schedules 3, 5, 7, 9, 12 and 14 of the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 (as amended) (the "Order")), have not been prepared, in all material respects, with NZ IAS 34 *Interim Financial Reporting* ("NZ IAS 34");
- iii. the supplementary information, does not fairly state, in all material respects, the matters to which it relates in accordance with Schedules 3, 5, 7, 9, 12 and 14 of the Order; and
- iv. the supplementary information relating to capital adequacy, has not been prepared, in all material respects, in accordance with the Registered Banks conditions of registration, Capital Adequacy Framework (Standardised Approach) (BS2A) and disclosed it in accordance with Schedule 9 of the Order.

We have completed a review of the accompanying half year disclosure statement which comprises:

- the interim financial statements formed of:
 - the statement of financial position as at 30 June 2021;
 - the statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
 - notes, including a summary of significant accounting policies and other explanatory information.
- the supplementary information prescribed in Schedules 3, 5, 7, 9, 12 and 14 of the Order.



Basis for conclusion

A review of the half year disclosure statement in accordance with NZ SRE 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410") is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

As the auditor of Citibank, N.A. New Zealand Branch and Associated Banking Group, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.



Use of this independent review report

This independent review report is made solely to the shareholder as a body. Our review work has been undertaken so that we might state to the shareholder those matters we are required to state to them in the independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholder as a body for our review work, this independent review report, or any of the opinions we have formed.



Responsibilities of the Directors for the half year disclosure statement

The Directors, on behalf of the Banking Group, are responsible for:

- the preparation and fair presentation of the half year disclosure statement in accordance with NZ IAS 34 and Schedules 3, 5, 7, 9, 12 and 14 of the Order;
- the preparation and fair presentation of the supplementary information in regards to capital adequacy in accordance with the Registered Banks conditions of registration, Capital Adequacy Framework (Standardised Approach) (BS2A) and Schedule 9 of the Order;
- implementing necessary internal control to enable the preparation of a half year disclosure statement that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the review of the half year disclosure statement

Our responsibility is to express a conclusion on the half year disclosure statement based on our review. We conducted our review in accordance with NZ SRE 2410. NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that:

- the interim financial statements do not present fairly in all material respects the Banking Group's financial position as at 30 June 2021 and its financial performance and cash flows for the 6 month period ended on that date;
- the interim financial statements do not, in all material respects, comply with NZ IAS 34;
- the supplementary information does not, fairly state, in all material respects, the matters to which it relates in accordance with Schedules 3, 5, 7, 9, 12 and 14 of the Order; and



— the supplementary information relating to capital adequacy is not, prepared in all material respects, in accordance with the Registered Banks Conditions of Registration, Capital Adequacy Framework (Standardised Approach) (BS2A) and disclosed in accordance with Schedule 9 of the Order.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly we do not express an audit opinion on the half year disclosure statement.

This description forms part of our independent review report.

A handwritten signature of the letters 'KPMG' in black ink, with a horizontal line underneath.

KPMG
Sydney

26 August 2021