



Citibank, N.A. South Africa Branch

Pillar 3 Disclosure: Quarterly

30 September 2021

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1. INTRODUCTION

Citibank, N.A. is incorporated in the United States of America and has a national bank charter under the National Bank Act of 1863 with the ability to open branches, establish subsidiaries and provide products and services to clients globally. Citibank, N.A. is regulated by The Office of the Comptroller of Currency (OCC). This is the bank's primary regulator and is authorized to examine and supervise the bank on a consolidated global basis. The Federal Deposit Insurance Corporation (FDIC) oversees the federal deposit insurance fund that insures deposits with the bank in the United States and therefore examines the bank as well.

Citibank, N.A. is an indirect wholly owned subsidiary of Citigroup Inc. (Citigroup). This financial holding company is domiciled in the United States of America and is listed on the New York, Tokyo as well as the Mexico Stock Exchanges. The Federal Reserve (Fed) is the primary prudential regulator of Citigroup Inc.

Citibank, N.A. (Registration number 1995/007396/10) was authorized by the Office of the Registrar of Banks at the South African Reserve Bank (SARB) to conduct the business of a bank by means of a branch in South Africa in July 1995. The local branch is now supervised by the Prudential Authority ("PA"). The branch is required to adhere to the various prudential requirements as set out in the Banks Act 94 of 1990 ("Banks Act"), as amended, and Regulations relating to Banks.

Members of the general public may access further comprehensive information as contained in the Citi Annual Report, as well as view regulatory filings of Citi and the bank by visiting www.citigroup.com

2. BASIS OF PREPARATION

The purpose of this public disclosure is to provide detailed information on Citibank, N.A South Africa Branch ("Citi SA") capital structure, capital adequacy, risk exposure and risk-weighted assets ("RWA"), leverage ratio and liquidity ratios as of quarter ended 30 September 2021.

The following public disclosure presents the quarterly Pillar 3 disclosure of Citi SA which has been prepared in accordance with the South African Banks Act 94 of 1990 ("Banks Act") Regulation 43 *Public Disclosure* and Directive 1 of 2019 *Matters related to Pillar 3 disclosure requirements framework*, as well as the BCBS standards which have been applied. Further selective information on the monthly filings by Citi SA to the SARB may be obtained by visiting www.resbank.co.za

The Pillar 3 Disclosure document has been independently reviewed by an external audit firm prior to publication.

The Pillar 3 Disclosure document has been prepared and presented using local currency - South African Rand (ZAR'000).

3. MANAGEMENT'S RESPONSIBILITY STATEMENT

Citi SA management is responsible for the preparation and fair presentation of the Pillar 3 Disclosure document in accordance with the South African Banks Act Regulation 43 Public Disclosure and Directive 1 of 2019 Matters related to Pillar 3 disclosure requirements framework, as well as the BCBS standards which have been applied.

The Pillar 3 Disclosure document has been verified internally by senior management in accordance with Citi's policies on disclosure, financial reporting and governance processes.

4. TEMPLATE KM1: KEY METRICS

The key prudential metrics relate to regulatory capital, leverage ratio and liquidity standards related to Citi SA. Citi SA's capital and leverage position is managed within the risk appetite framework. No transitional arrangement with regards to implementation of IFRS 9 for the impact of expected credit loss accounting on regulatory capital have been applied.

Citi SA is subject to regulatory capital standards issued by the SARB. These rules establish an integrated capital adequacy framework, encompassing both risk-based capital ratios and leverage ratios. Citi SA manages its balance sheet proactively, with a particular focus on the efficient management of RWA.

Citi SA is not highly leveraged, with a leverage ratio of 8.45%, above the minimum leverage ratio requirement of 4%.

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
		Sep-21	Jun-21	Mar-21	Dec-20	Sep-20
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	8,110,432	8,039,250	7,961,823	7,962,472	7,941,607
1a	Fully loaded ECL accounting model	8,110,432	8,039,250	7,961,823	7,962,472	7,941,607
2	Tier 1	8,110,432	8,039,250	7,961,823	7,962,472	7,941,607
2a	Fully loaded ECL accounting model Tier 1	8,110,432	8,039,250	7,961,823	7,962,472	7,941,607
3	Total capital	8,189,488	8,100,692	8,010,378	8,046,199	8,228,438
3a	Fully loaded ECL accounting model total capital	8,189,488	8,100,692	8,010,378	8,046,199	8,228,438
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	36,402,332	38,388,547	34,458,279	33,699,853	37,198,392
4a	Total risk-weighted assets (pre-floor)	36,402,332	38,388,547	34,458,279	33,699,853	37,198,392
Risk-based capital ratios as a percentage of RWA						
5	CET1 ratio (%)	22.28%	20.94%	23.11%	23.63%	21.35%
5a	Fully loaded ECL accounting model CET1 (%)	22.28%	20.94%	23.11%	23.63%	21.35%
5b	CET1 ratio (%) (pre-floor ratio)	0.00%	0.00%	0.00%	0.00%	0.00%
6	Tier 1 ratio (%)	22.28%	20.94%	23.11%	23.63%	21.35%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	22.28%	20.94%	23.11%	23.63%	21.35%
6b	Tier 1 ratio (%) (pre-floor ratio)	0.00%	0.00%	0.00%	0.00%	0.00%
7	Total capital ratio (%)	22.50%	21.10%	23.25%	23.88%	22.12%
7a	Fully loaded ECL accounting model total capital ratio (%)	22.50%	21.10%	23.25%	23.88%	22.12%
7b	Total capital ratio (%) (pre-floor ratio)	0.00%	0.00%	0.00%	0.00%	0.00%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	22.28%	20.94%	23.11%	23.63%	21.35%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	95,977,145	95,363,505	88,621,205	90,364,320	87,409,083
14	Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	8.45%	8.43%	8.98%	8.81%	9.09%
14a	Fully loaded ECL accounting model Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) (%)	8.45%	8.43%	8.98%	8.81%	9.09%
14b	Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	8.45%	8.43%	8.98%	8.81%	9.09%
Liquidity Coverage Ratio (LCR)						
15	Total high-quality liquid assets (HQLA)	27,558,689	27,517,158	28,806,004	27,239,766	25,919,468
16	Total net cash outflow	7,174,772	8,128,036	9,434,416	10,763,459	13,364,983
17	LCR ratio (%)	384.11%	338.55%	305.33%	253.08%	193.94%
Net Stable Funding Ratio (NSFR)						
18	Total available stable funding	40,136,206	40,753,104	36,880,783	36,700,021	35,817,623
19	Total required stable funding	26,001,227	22,456,938	20,768,405	20,563,134	22,560,388
20	NSFR ratio	154.36%	181.47%	177.58%	178.47%	158.76%

Directive 2 of 2020 *Matters related to temporary capital relief to alleviate risks posed by the Covid-19 pandemic* issued on 6 April 2020 directed banks to reduce its Pillar 2A temporarily to zero. Citi SA remained adequately capitalised with a Common Equity Tier 1 (CET1) ratio of 22.28%.

Directive 1 of 2020 *Temporary measures to aid compliance with the liquidity coverage ratio during the Coronavirus (Covid-19) pandemic stress period* issued 31 March 2020, directed banks to comply with a revised minimum LCR requirement of 80%, with effect from 1 April 2020. Citi SA LCR at 384.11% was well above the minimum requirement of 80% and NSFR at 154.36%, also above the minimum requirement of 100%.

5. TEMPLATE LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE AMOUNT

		a
		Sep-21
1	Total consolidated assets as per published financial statements	88,458,737
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	615,811
9	Adjustment for securities financing transactions (ie repurchase agreements and similar secured lending)	0
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	8,134,220
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	-
13	Leverage ratio exposure measure	95,977,145

6. TEMPLATE LR2: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE

		a	b
		T	T-1
		Sep-21	Jun-21
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	81,592,222	79,581,864
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognized as an asset)	-	-
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Basel III Tier 1 capital)	-	-
6	(Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments)	-	-
7	Total on-balance sheet exposure (excluding derivatives and SFTs) (sum of rows 1 to 6)	81,592,222	79,581,864
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,533,104	4,858,967
9	Add-on amounts for potential future exposure associated with all derivative transactions	2,057,444	2,218,317
10	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivative exposures (sum of rows 8 to 12)	5,590,548	7,077,284
Securities financing transaction exposures			
14	Gross SFT assets (with no recognition of netting), after adjustments for sale accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	660,155	1,544,698
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	660,155	1,544,698
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	42,598,851	41,489,101
20	(Adjustments for conversion to credit equivalent amounts)	34,464,632	34,329,441
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	8,134,220	7,159,660
Capital and total exposures			
23	Tier 1 capital	8,110,432	8,039,250
24	Total exposures (sum of rows 7, 13, 18 and 22)	95,977,145	95,363,505
Leverage ratio			
25	Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	8.45%	8.43%
25a	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	8.45%	8.43%
26	National minimum leverage ratio requirement	4.00%	4.00%
27	Applicable leverage buffers	-	-

7. TEMPLATE OV1: OVERVIEW OF RWA

	a	b	c	
	RWA		Minimum capital requirements	
	T	T-1	T	
	Sep-21	Jun-21	Sep-21	
1	Credit risk (excluding counterparty credit risk)	22,846,113	24,125,967	1,827,689
2	Of which: standardised approach (SA)	22,846,113	24,125,967	1,827,689
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk (CCR)	781,854	1,202,417	62,548
7	Of which: standardised approach for counterparty credit risk	781,854	1,202,417	62,548
8	Of which: IMM	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	308,816	413,601	24,705
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	90	90	7
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation IRB approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	5,651,065	6,494,704	452,085
21	Of which: standardised approach (SA)	-	-	-
22	Of which: internal model approach (IMA)	5,651,065	6,494,704	452,085
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	5,789,835	5,789,835	463,187
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	1,024,560	361,933	81,965
26	Aggregate capital floor applied	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-
29	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 28)	36,402,332	38,388,547	2,912,187

8. TEMPLATE LIQ1: LIQUIDITY COVERAGE RATIO (LCR)

	Total unweighted value (average)	Total weighted value (average)
	Sep-21	Sep-21
High-quality liquid assets		
1 Total HQLA	27,558,689	27,558,689
Cash outflows		
2 Retail deposits and deposits from small business customers, of which:	-	-
3 Stable deposits	-	-
4 Less stable deposits	-	-
5 Unsecured wholesale funding, of which:	63,350,285	35,518,292
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7 Non-operational deposits (all counterparties)	63,350,285	35,518,292
8 Unsecured debt	-	-
9 Secured wholesale funding	471,809	-
10 Additional requirements, of which:	-	-
11 Outflows related to derivative exposures and other collateral requirements	-	-
12 Outflows related to loss of funding of debt products	-	-
13 Credit and liquidity facilities	-	-
14 Other contractual funding obligations	40,907,729	2,296,054
15 Other contingent funding obligations	-	-
16 TOTAL CASH OUTFLOWS	104,729,824	37,814,347
Cash inflows		
17 Secured lending (eg reverse repo)	-	-
18 Inflows from fully performing exposures	-	-
19 Other cash inflows	-	-
20 TOTAL CASH INFLOWS	33,224,740	30,639,574
		Total adjusted value
21 Total HQLA		27,558,689
22 Total net cash outflows		7,174,772
23 Liquidity coverage ratio (%)		384.11%

The strong liquidity and funding position can be evidenced by the LCR of 384.11%. LIQ1 has been prepared based on averages over the financial reporting period (i.e., the average of components and the average LCR over the most recent three months of daily positions, irrespective of the financial reporting schedule) per Basel III Pillar 3 requirements. Number of data points: 64

The composition of Citi SA's HQLA is Treasury bills, Repos / Reverse Repos, Government and government-guaranteed securities and short traded bonds.

Citi does not hold any level two high-quality liquid assets (level 2A high-quality liquid assets and level 2B high-quality liquid assets).

Weighted figures of HQLA have been calculated after the application of the respective haircuts but before the application of any caps on Level 2B and Level 2 assets. Unweighted inflows and outflows have been calculated as outstanding balances. Weighted inflows and outflows have been calculated after the application of the inflow and outflow rates.

Adjusted HQLA have been calculated after the application of both (i) haircuts and (ii) any applicable caps (i.e., cap on Level 2B and Level 2 assets). Adjusted figures of net cash outflows have been calculated after the application of both (i) inflow and outflow rates and (ii) any applicable cap (i.e., cap on inflows).

9. TEMPLATE LIQ2: NET STABLE FUNDING RATIO (NSFR)

Citi SA's NSFR ratio exceeded the minimum requirement of 100% effective 1 January 2018, as of 31 March 2021 NSFR ratio was 154.36%.

	Unweighted value by residual maturity				Weighted value Sep-21	Unweighted value by residual maturity				Weighted value Jun-21
	No maturity*	<6 months	6 months to <1 year	≥1 year		No maturity*	<6 months	6 months to <1 year	≥1 year	
	Sep-21	Sep-21	Sep-21	Sep-21		Jun-21	Jun-21	Jun-21	Jun-21	
Available stable funding (ASF) item										
1 Capital:	-	-	-	8,189,488	8,189,488	-	-	-	8,100,692	8,100,692
2 Regulatory capital	-	-	-	8,189,488	8,189,488	-	-	-	8,100,692	8,100,692
3 Other capital instruments	-	-	-	-	-	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	-	-	-	-	-	-	-	-	-	-
5 Stable deposits	-	-	-	-	-	-	-	-	-	-
6 Less stable deposits	-	-	-	-	-	-	-	-	-	-
7 Wholesale funding:	-	62,613,145	6,000	646,068	27,254,126	-	64,743,678	6,000	892,418	28,899,200
8 Operational deposits	-	-	-	-	-	-	-	-	-	-
9 Other wholesale funding	-	62,613,145	6,000	646,068	27,254,126	-	64,743,678	6,000	892,418	28,899,200
10 Liabilities with matching interdependent assets	-	-	-	-	-	-	-	-	-	-
11 Other liabilities:	-	-	-	-	-	-	-	-	-	-
12 NSFR derivative liabilities	-	-	-	-	-	-	-	-	-	-
13 All other liabilities and equity not included in the above categories	-	660,155	-	4,692,591	4,692,591	-	1,544,698	-	3,753,213	3,753,213
14 Total ASF	-	67,613,924	6,000	13,528,148	40,136,206	-	67,743,786	6,000	12,746,322	40,753,104
Required stable funding (RSF) item										
15 Total NSFR high-quality liquid assets (HQLA)	-	84,808	8,337,772	12,079,987	1,025,128	-	7,552,411	4,079,506	10,894,368	1,126,314
16 Deposits held at other financial institutions for operational purposes	-	2,348,324	-	-	41,777	-	3,486,349	-	-	52,267
17 Performing loans and securities:	-	37,097,676	452,970	1,601,445	10,740,644	-	37,706,801	339,907	78,941	9,034,176
18 Performing loans to financial institutions secured by Level 1 HQLA	-	27,530,186	-	1,601,445	5,730,973	-	28,765,405	-	78,941	4,393,752
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	-	-	-	-	-	-	-	-	-
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	9,567,490	452,970	-	5,009,671	-	8,941,396	339,907	-	4,640,424
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit	-	-	-	12,223,139	10,389,668	-	-	-	10,627,975	9,033,779
22 Performing residential mortgages, of which:	-	-	-	-	-	-	-	-	-	-
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-	-	-	-	-	-
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	-	-	-	-	-
25 Assets with matching interdependent liabilities	-	-	-	-	-	-	-	-	-	-
26 Other liabilities:	-	-	-	-	-	-	-	-	-	-
27 Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-	-
28 Assets posted as initial margin for derivative contracts and contributions to default funds of	-	-	-	-	-	-	-	-	-	-
29 NSFR derivative assets	-	-	-	738,972	738,972	-	-	-	856,039	856,039
30 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-	-	-	-	-	-
31 All other assets not included in the above categories	-	388,063	-	934,536	934,536	-	409,824	-	279,681	279,681
32 Off-balance sheet items	-	43,337,823	-	-	2,868,915	-	42,345,140	-	-	2,930,494
33 Total RSF	-	-	-	-	26,001,227	-	-	-	22,456,938	22,456,938
34 Net Stable Funding Ratio (%)	-	-	-	-	154.36%	-	-	-	-	181.47%

10.TEMPLATE MR3: IMA VALUES FOR TRADING PORTFOLIOS

		a
VaR (10 day 99%)		
1	Maximum value	68,504
2	Average value	40,825
3	Minimum value	24,910
4	Period end	24,910
sVaR (10 day 99%)		
5	Maximum value	139,272
6	Average value	89,180
7	Minimum value	63,566
8	Period end	63,566
Incremental Risk capital requirement (99.9%)		
9	Maximum value	-
10	Average value	-
11	Minimum value	-
12	Period end	-
Comprehensive Risk capital charge (99.9%)		
13	Maximum value	-
14	Average value	-
15	Minimum value	-
16	Period end	-
17	Floor (standardised measurement method)	-