Citigroup Global Markets Limited Pillar 3 Disclosures

30 June 2022

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Introduction

Citigroup Global Markets Limited ("CGML" or "the Company") is a wholly owned, indirect subsidiary of Citigroup Inc. ("Citi"). It is Citi's international broker dealer, providing products and services for institutional clients. CGML acts as a market maker in equity, fixed income and commodity products across cash, over-the-counter ("OTC") derivatives and exchange traded markets, as well as a provider of investment banking capital markets and advisory services. CGML operates globally, generating the majority of its business from the Europe, Middle East and Africa ("EMEA") region with the remainder coming from Asia and the Americas.

CGML is authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and Financial Conduct Authority ("FCA"). CGML is also a Commodity Futures Trading Commission ("CFTC") and United States Securities Exchange Commission ("SEC") registered swap dealer and is considered a Risk-Taking Operating Material Legal Entity in Citi's Global Resolution Plan.

These disclosures do not constitute any form of financial statement and must not be relied upon in making any investment in or judgement on the group or any entity within the group.

Overview of Pillar 3

Amending the Capital Requirements Directive ("CRD IV"), the Capital Requirements Directive ("CRD V") came into effect on 27 June 2019 and implements the provisions of the Basel Capital Accord in the European Union (EU) and mandates a framework of capital adequacy regulation for banks and investment firms incorporating three distinct pillars:

- Pillar 1 - prescribes the minimum capital requirements for such firms;
- Pillar 2 - addresses the associated supervisory review process; and
- Pillar 3 - specifies further public disclosure requirements in respect of their capital and risk profile.

Following the UK's departure from the EU, the UK has on-shored certain parts of the Capital Requirements Regulation ("CRR II") and CRD V and has published rules to implement elements of CRR II in the UK which came into effect on 1 January 2022. These disclosures are made in accordance with Part 8 of the CRR as amended by CRR II and transposed through UK legislation in line with the disclosure requirements detailed in the PRA Rulebook. In addition, CGML implemented the disclosure templates and instructions as set out in the final rules published by the PRA in policy statements PS 22/21.

These disclosures are prepared for CGML on a consolidated basis. As at 30 June 2022, Citigroup Global Markets Europe AG ("CGME") was the only material subsidiary of CGML. CGME is authorised and regulated on an individual basis by The Federal Financial Supervisory Authority ("BaFin") in Germany.

Frequency of disclosure

CGML is a non-listed large institution as defined by Article 4 (146 and 148) of the CRR and prepares disclosures in the manner set out in Article 433a (2) and 433a (3). CGML publishes Pillar 3 disclosures quarterly, with a more comprehensive disclosure on an annual basis. CGML publishes its Pillar 3 disclosures at:
https://www.citigroup.com/citi/investor/reg.htm
As a result of being a material subsidiary, CGME's Pillar 3 disclosures are also published at the above location.

Policy and verification

In accordance with Article 431 (3) of the CRR, CGML's Pillar 3 disclosures are governed under Citi's Basel Public Disclosures Policy and associated Pillar 3 Standard, which together outline the principles and standards to be applied for preparing CGML's Pillar 3 disclosures. The firm operates within a framework of internal controls and procedures for assessing the appropriateness of this disclosure.

Senior Management Attestation

I confirm that I have taken reasonable measures to ensure that the information presented in this Pillar 3 disclosure complies with the requirements of Part 8 of on-shored EU Regulation No.2013/575, 2019/876 (and its subsequent amendments) or Section 4 of PRA rulebook on Disclosure and has been prepared in accordance with the internal control processes, systems and policies detailed in Citi's Basel Public Disclosure Policy and supporting EU Pillar 3 Standard.

Francisco Tobias
EMEA CFO

Regulatory Developments

Basel Reforms

The Basel Committee on Banking Supervision has proposed new regulations, often referred to as Basel 3.1, and covering a number of areas such as a new Standardised Approach to Credit Risk (SA-CR), a new Credit Valuation Adjustment ("CVA") framework, revisions to the approach to Securities Financing Transactions, further elements of Fundamental Review of the Trading Book ("FRTB"), the Output Floor and a new Standardised Approach to Operational Risk.

A consultation paper is expected to be published by the Bank of England / HMT/ PRA in Q4 2022 to commence the process of implementing these rules in the UK.

Environmental, Social and Governance (ESG) Risks

A new harmonised definition of the risks has been developed and firms have new reporting requirements to comply with. Some amendments to weightings have been proposed in the EU, and we anticipate further developments in the UK.

Cryptoasset exposures

The BCBS have published their second consultation on the prudential treatment of these exposures. It divides cryptoassets into two broad groups:

- Group 1 consists of those that meet in full a set of classification conditions, these would be subject to at least equivalent risk-based capital requirements based on the risk weights of underlying exposures as set out in the existing Basel Capital Framework. Examples of cryptoassets in this group are tokenised traditional assets and cryptoassets with effective stabilisation mechanisms.
- Group 2 consists of those that fail to meet any of the classification conditions (such as unbacked cryptoassets and stablecoins with ineffective stabilisation mechanisms). Since they pose additional and higher risks compared with Group 1 cryptoassets they would be subject to a newly prescribed conservative capital treatment.

Other changes include new elements such as an infrastructure risk add-on to cover the new and evolving risks of distributed ledger technologies (DLT), adjustments to increase risk sensitivity and an overall gross limit on Group 2 cryptoassets.

Key Metrics

Table 1: Key Metrics (UK KM1)

		30 June 2022	31 December 2021	30 June 2021
	Available own funds (amounts)	**$ million**	$ million	$ million
1	Common Equity Tier 1 (CET1) capital	**22,516**	22,639	22,573
2	Tier 1 capital	**26,816**	26,939	24,873
3	Total capital	**29,416**	29,539	29,473
	Risk-weighted exposure amounts			
4	Total risk-weighted exposure amount	**164,372**	156,069	155,146
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	**13.70%**	14.51%	14.55%
6	Tier 1 ratio (%)	**16.31%**	17.26%	16.03%
7	Total capital ratio (%)	**17.90%**	18.93%	19.00%
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
UK 7a	Additional CET1 SREP requirements (%)	**1.15%**	1.21%	1.09%
UK 7b	Additional AT1 SREP requirements (%)	**0.38%**	0.40%	0.36%
UK 7c	Additional T2 SREP requirements (%)	**0.51%**	0.54%	0.49%
UK 7d	Total SREP own funds requirements (%)	**10.04%**	10.15%	9.94%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	**2.50%**	2.50%	2.50%
UK 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	**-**	-	-
9	Institution specific countercyclical capital buffer (%)	**0.08%**	0.07%	0.07%
UK 9a	Systemic risk buffer (%)	**-**	-	-
10	Global Systemically Important Institution buffer (%)	**-**	-	-
UK 10a	Other Systemically Important Institution buffer	**-**	-	-
11	Combined buffer requirement (%)	**2.58%**	2.57%	2.57%
UK 11a	Overall capital requirements (%)	**12.62%**	12.72%	12.51%
12	CET1 available after meeting the total SREP own funds requirements (%)[4]	**8.05%**	8.80%	8.96%
	Leverage ratio[1]			
13	Total exposure measure excluding claims on central banks	**422,522**	485,652	489,157
14	Leverage ratio excluding claims on central banks (%)	**6.35%**	5.55%	5.08%
	Additional leverage ratio disclosure requirements[2]			
14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	-	-	-
14b	Leverage ratio including claims on central banks (%)	-	-	-
14c	Average leverage ratio excluding claims on central banks (%)	-	-	-
14d	Average leverage ratio including claims on central banks (%)	-	-	-
14e	Countercyclical leverage ratio buffer (%)	-	-	-
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	**37,475**	35,295	33,263
UK 16a	Cash outflows - Total weighted value	**52,844**	50,411	47,069
UK 16b	Cash inflows - Total weighted value	**40,570**	38,628	36,019
16	Total net cash outflows (adjusted value)	**13,802**	13,234	12,439
17	Liquidity coverage ratio (%)	**274.02%**	267.77%	268.14%
	Net Stable Funding Ratio[3]			
18	Total available stable funding	**78,897**	N/A	N/A
19	Total required stable funding	**56,211**	N/A	N/A
20	NSFR ratio (%)	**140.36%**	N/A	N/A

[1] Leverage ratio measure for 30 June 2022 is disclosed based on the PRA's instructions coming into force from 1st of January 2022 and exclude claims on central banks. Comparatives of 2021 are disclosed based on CRR I rules and include claims on central banks.
[2] CGML is not a LREQ firm and in line with instructions included in Annex II of the PS 21/21 these rows are left blank.
[3] These disclosures have been implemented from 1 January 2022 and are based on the PRA's NSFR templates and associated instructions which came into force at that time. N/A in 30 June and 31 December 2021 indicates that the disclosure is new and no comparatives are being provided. The NSFR numbers reflect the actual position as at 30 June 2022 as is disclosed based on the PRA Rulebook that came in effect on 1 January 2022.
[4] Restated in line with the CRR II requirements applicable from 1 January 2022.

As at 30 June 2022, CGML's Total capital ratio was 17.90%, a decrease of 1.03% compared to the end of 2021. This is primarily driven by additional RWA's of $8.3 billion, primarily reflecting the implementation of CRR II effective 1 January 2022.

CGML's leverage ratio increased by 80bps since the end of 2021 to 6.35% as at 30 June 2022, reflecting a $63.1 billion decrease in leverage exposures primarily due to greater derivatives netting achieved under the Standardised Approach for Counterparty Credit Risk (SA-CCR) approach.

Capital Instruments Main Features

This template is prepared using the format set out in Annex VII of the PRA Policy Statement PS 22/21 "Implementation of Basel standards: Final rules" and details the composition, maturity and main features of CGML's own funds and eligible liabilities.

Table 2: Main features of regulatory own funds instruments and eligible liabilities instruments (UK CCA)

Capital Instruments main features		CET1	CET1	AT1	AT1	AT1	Tier 2	Tier 2	Tier 2
1	Issuer	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2a	Public or private placement	Private	Private	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Regulatory treatment									
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares	Perpetual Notes	Perpetual Notes	Perpetual Notes	Subordinated Loans	Subordinated Loans	Subordinated Loans
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	US$1,500m	US$18,499m	US$1,800m	US$500m	US$2,000m	US$600m	US$1,000m	US$1,000m
9	Nominal amount of instrument	US$1.00	US$1.00	US$1,800m	US$500m	US$2,000m	US$600m	US$1,000m	US$1,000m
UK-9a	Issue price	US$1.00	US$1.00	N/A	N/A	N/A	N/A	N/A	N/A
UK-9b	Redemption price	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Accounting classification	Shareholder's equity	Shareholder's equity	Liability – Fair value option	Liability – Fair value option	Liability – Fair value option	Liability – Amortised cost	Liability – Amortised cost	Liability – Amortised cost
11	Original date of issuance	21/12/1995	31/12/2021	20/06/2017	19/06/2018	16/09/2021	21/12/2018	21/12/2018	21/12/2018
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated
13	Original maturity date	N/A	N/A	N/A	N/A	N/A	27/10/2028	24/01/2039	25/07/2028
14	Issuer call subject to prior supervisory approval	No	No	Yes	Yes	Yes	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	20/06/2022	20/06/2023	21/06/2027	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	Callable by issuer any date after original call date with sufficient notice and requirements, as defined in the conditions of the instrument.	Callable by issuer any date after original call date with sufficient notice and requirements, as defined in the conditions of the instrument.	Callable by issuer any date after original call date with sufficient notice and requirements, as defined in the conditions of the instrument.	N/A	N/A	N/A
Coupons / dividends									
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	Discretionary	Discretionary	8.664%	7.53%	5.36%	3.65% (3mth USD LIBOR + Margin + Sub fee)	3.95% (3mth USD LIBOR + Margin + Sub fee)	3.67% (3mth USD LIBOR + Margin + Sub fee)
19	Existence of a dividend stopper	No	No	No	No	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	Yes	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	N/A	N/A	Bank of England, Own Fund	Bank of England, Own Fund	Bank of England, Own Fund	Bank of England, Own Fund	Bank of England, Own Fund	Bank of England, Own Fund

				Instrument written off and Any resolution entity in Citi is under resolution.	Instrument written off and Any resolution entity in Citi is under resolution.	Instrument written off and Any resolution entity in Citi is under resolution.	Instrument written off and Any resolution entity in Citi is under resolution.	Instrument written off and Any resolution entity in Citi is under resolution.	Instrument written off and Any resolution entity in Citi is under resolution.
32	If write-down, full or partial	**N/A**	**N/A**	**Always Fully**	**Always Fully**	**Always Fully**	**Always Fully**	**Always Fully**	**Always Fully**
33	If write-down, permanent or temporary	**N/A**	**N/A**	**Permanent**	**Permanent**	**Permanent**	**Permanent**	**Permanent**	**Permanent**
34	If temporary write-down, description of write-up mechanism	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
34a	Type of subordination (only for eligible liabilities)	**Contractual**	**Contractual**	**Contractual**	**Contractual**	**Contractual**	**Contractual**	**Contractual**	**Contractual**
UK-34b	Ranking of the instrument in normal insolvency proceedings	**1 (most junior)**	**1 (most junior)**	**2**	**2**	**2**	**3**	**3**	**3**
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	**As common equity, immediately subordinate to Additional Tier 1**	**As common equity, immediately subordinate to Additional Tier 1**	**Notes constitute direct, unsecured and subordinated obligations of the Issuer and are immediately subordinate to Tier 2 instruments.**	**Notes constitute direct, unsecured and subordinated obligations of the Issuer and are immediately subordinate to Tier 2 instruments.**	**Notes constitute direct, unsecured and subordinated obligations of the Issuer and are immediately subordinate to Tier 2 instruments.**	**Immediately subordinate to Senior Subordinated Debt (Eligible Liabilities)**	**Immediately subordinate to Senior Subordinated Debt (Eligible Liabilities)**	**Immediately subordinate to Senior Subordinated Debt (Eligible Liabilities)**
36	Non-compliant transitioned features	**No**	**No**	**No**	**No**	**No**	**No**	**No**	**No**
37	If yes, specify non-compliant features	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
37a	Link to the full term and conditions of the intrument (signposting)	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**	**N/A - Private Placement**

Main features of regulatory own funds instruments and eligible liabilities instruments (UK CCA) - continued

	Capital Instruments Main Features	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities
1	Issuer	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited	Citigroup Global Markets Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	N/A	N/A	N/A	N/A	N/A
2a	Public or private placement	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	English Law	English Law	English Law	English Law	English Law	English Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A	N/A	N/A	N/A
Regulatory treatment							
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities	Eligible Liabilities
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated	Solo and Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior Subordinated Loans	Senior Subordinated Loans	Senior Subordinated Loans	Senior Subordinated Loans	Senior Subordinated Loans	Senior Subordinated Loans
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	US$1,500m	US$500m	US$500m	US$2,000m	US$1,500m	US$1,000m
9	Nominal amount of instrument	US$1,500m	US$500m	US$500m	US$2,000m	US$1,500m	US$1,000m
UK-9a	Issue price	N/A	N/A	N/A	N/A	N/A	N/A
UK-9b	Redemption price	N/A	N/A	N/A	N/A	N/A	N/A
10	Accounting classification	Liability – Amortised cost	Liability – Amortised cost	Liability – Amortised cost	Liability – Amortised cost	Liability – Amortised cost	Liability – Amortised cost
11	Original date of issuance	27/12/2018	27/12/2018	03/07/2019	07/12/2021	25/02/2022	04/03/2022
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated
13	Original maturity date	24/07/2028	29/09/2027	29/09/2027	31/03/2031	03/05/2032	03/05/2022
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A	N/A	N/A	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A
Coupons / dividends							
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	3.54% (3mth USD LIBOR + Margin + Sub fee)	3.60% (3mth USD LIBOR + Margin + Sub fee)	2.58% (3mth USD LIBOR + Margin + Sub fee)	3.12% (SOFR + Margin + Sub fee)	3.57% (SOFR + Margin + Sub fee)	3.58% (SOFR + Margin + Sub fee)
19	Existence of a dividend stopper	No	No	No	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	Yes	Yes	Yes	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.	Bank of England, Own Fund Instrument written off and Any resolution entity in Citi is under resolution.
32	If write-down, full or partial	Always Fully	Always Fully	Always Fully	Always Fully	Always Fully	Always Fully
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Contractual	Contractual	Contractual	Contractual	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	4 (most senior)	4 (most senior)	4 (most senior)	4 (most senior)	4 (most senior)	4 (most senior)
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately subordinate to senior unsecured obligations of the issuer	Immediately subordinate to senior unsecured obligations of the issuer	Immediately subordinate to senior unsecured obligations of the issuer	Immediately subordinate to senior unsecured obligations of the issuer	Immediately subordinate to senior unsecured obligations of the issuer	Immediately subordinate to senior unsecured obligations of the issuer
36	Non-compliant transitioned features	No	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the intrument (signposting)	N/A - Private Placement	N/A - Private Placement	N/A - Private Placement	N/A - Private Placement	N/A - Private Placement	N/A - Private Placement

Minimum Requirement for Own Funds and Eligible Liabilities (MREL)

From January 2019, systemically important banks were required to hold additional long-term debt which could be made available to absorb losses from a failing institution, known as Total Loss Absorbing Capacity ("TLAC").

In the EU these requirements were introduced under CRR II as the Minimum Requirement for Own Funds and Eligible Liabilities ("MREL"), with effect from June 2019. MREL requirements under CRR II were adopted to UK law by The Capital Requirements (Amendment) (EU Exit) Regulations 2019. MREL is a requirement for firms to maintain a minimum amount of loss-absorbing resources over and above the own funds requirements. This helps to ensure that when firms fail, the resolution authority ("the Bank of England") can use a firm's own financial resources to absorb losses and recapitalise the business so it can continue to provide critical functions without the need to rely upon public funds and without threatening financial market stability. MREL resources can take the form of regulatory capital ("own funds") and certain types of debt liabilities ("eligible liabilities") that will be written down and/or converted to equity if a firm is likely to fail.

CGML, as a material subsidiary of a non-UK/non-EU Global Systemically Important Institution ("G-SII") under Article 92b of CRR II, makes these disclosures in accordance with point (b) of Article 430 (1), Article 437a and point (h) of Article 447. These tables have been prepared using the uniform format set out in the Basel Committee for Banking Supervision ("BCBS") Standard on Pillar 3 disclosure requirements published in 2017. As at 30 June 2022, CGML is subject to a minimum CRR II internal MREL requirement of the higher of 18% of RWA or 6.75% of leverage exposures, both subject to a 90% scalar.

Table 3: TLAC Composition (TLAC1)

The table below provides details of the composition of CGML's internal TLAC eligible instruments.

		30 June 2022	31 March 2022
		$ million	$ million
Regulatory capital elements of TLAC and adjustments			
1	**Common Equity Tier 1 (CET1) capital**	**22,516**	**22,850**
2	Additional Tier 1 (AT1) capital before TLAC adjustments	**4,300**	**4,300**
3	AT1 capital ineligible as TLAC as issued out of subsidiaries to third parties	-	-
4	Other adjustments	-	-
5	**AT1 instruments eligible under the TLAC framework**	**4,300**	**4,300**
6	Tier 2 (T2) capital before TLAC adjustments	**2,600**	**2,600**
7	Amortised portion of Tier 2 instruments where remaining maturity > 1 year	-	-
8	Tier2 capital ineligible as TLAC as issued out of subsidiaries to third parties	-	-
9	Other adjustments	-	-
10	**Tier2 instruments eligible under the TLAC framework**	**2,600**	**2,600**
11	**TLAC arising from regulatory capital**	**29,416**	**29,750**
Non-regulatory capital elements of TLAC			
12	Internal TLAC instruments issued directly by the entity and subordinated to excluded liabilities	**7,000**	**7,000**
13	Internal TLAC instruments issued directly by the entity which are not subordinated to excluded liabilities but meet all other TLAC Term Sheet requirements	-	-
17	**TLAC arising from non-regulatory capital instruments before adjustments**	**7,000**	**7,000**
Non-regulatory capital elements of TLAC: adjustments			
18	TLAC before deductions	**36,416**	**36,750**
19	Deductions of exposures between MPE resolution groups that correspond to items eligible for TLAC (not applicable to single point of entry G-SIBs)	-	-
20	Deduction of investments in own other TLAC liabilities	-	-
21	Other adjustments to TLAC	-	-
22	**TLAC after deductions**	**36,416**	**36,750**
Risk-weighted assets (RWA) and leverage exposure measure for TLAC purposes			
23	Total RWA adjusted as permitted under the TLAC regime	**164,372**	**175,470**
24	Leverage exposure measure	**422,522**	**430,090**
TLAC ratios and buffers			
25	TLAC (as a percentage of RWA adjusted as permitted under the TLAC regime)	**22.15%**	**20.94%**
26	TLAC (as a percentage of leverage exposure)	**8.62%**	**8.54%**
27	CET1 (as a percentage of RWA) available after meeting the entity's minimum capital and TLAC requirements	**5.95%**	**4.74%**
28	Bank-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss-absorbency requirement, expressed as a percentage of RWA)	**2.58%**	**2.58%**
29	Of which: capital conservation buffer requirement	**2.50%**	**2.50%**
30	Of which: bank-specific countercyclical buffer requirement	**0.08%**	**0.08%**
31	Of which: higher loss-absorbency requirement	-	-

Table 4: TLAC Creditor Ranking (TLAC2)

The following table provides a breakdown of eligible instruments in the creditor hierarchy of CGML.

		Creditor ranking				
		(most junior) 1	2	3	(most senior) 4	Total as at 30 June 2022
		$ million	$ million	$ million	$ million	$ million
1	Is the resolution entity the creditor/investor? (yes or no)	Yes	Yes	Yes	Yes	
2	Description of creditor ranking (free text)	Ordinary Shares	AT1	Subordinated Loans	Senior Subordinated Loans	
3	Total capital and liabilities net of credit risk mitigation	19,999	4,300	2,600	7,000	33,899
4	Subset of row 3 that are excluded liabilities	-	-	-	-	-
5	Total capital and liabilities less excluded liabilities (row 3 minus row 4)	19,999	4,300	2,600	7,000	33,899
6	Subset of row 5 that are eligible as TLAC	19,999	4,300	2,600	7,000	33,899
7	Subset of row 6 with 1 year ≤ residual maturity < 2 years	-	-	-	-	-
8	Subset of row 6 with 2 years ≤ residual maturity < 5 years	-	-	-	-	-
9	Subset of row 6 with 5 years ≤ residual maturity < 10 years	-	-	1,600	7,000	8,600
10	Subset of row 6 with residual maturity ≥ 10 years, but excluded perpetual securities	-	-	1,000	-	1,000
11	Subset of row 6 that is perpetual securities	19,999	4,300	-	-	24,299

Abbreviations

Please refer to the below abbreviations used frequently throughout the document.

BCBS	Basel Committee on Banking Supervision
CET1	Common Equity Tier 1
CGME	Citigroup Global Markets Europe AG
CGML	Citigroup Global Markets Limited
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
EU	European Union
MREL	Minimum Requirement for Eligible Liabilities
OTC	Over The Counter
PRA	Prudential Regulation Authority
SA-CCR	Standardised Approach for Counterparty Credit Risk
SREP	Supervisory Review and Evaluation Process
TLAC	Total Loss Absorbing Capacity