Citibank Europe Plc.

Pillar 3 Disclosures

31 March 2025

Contents

Tables

Introduction

Citibank Europe Plc. ("the Company") and its subsidiaries (together as "CEP" or "the Group") are recognised as being an integral part of the Citi network, both regionally and globally. The core activities of the Group comprise of Markets, Services, Banking, Wealth and Personal Banking.

The Company is a registered credit institution in the Republic of Ireland which is authorised and regulated by the Central Bank of Ireland (CBI) and supervised under the Single Supervisory Mechanism (SSM) by the European Central Bank (ECB). CEP is designated as an Other Systemically Important Institution (OSII).

CEP is headquartered in Dublin, Ireland and operates across 21 additional branches in the European Economic Areas (EEA) and the UK. CEP hosts three Citi solution Centres (CSCs) in Ireland, Hungary and Poland providing services to CEP and other affiliates.

CEP is Citi's principal European banking subsidiary, providing services to Citi's clients who require or wish to transact via an EU licensed bank. Citi's mission is to serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress.

CEP continues to progress on its strategic priorities outlined below:

- Transformation
- Invest for Growth
- Simplification
- Culture & Talent

CEP remains aligned with Citi's core strategy and these strategic priorities.

The five businesses within Citi are: Services, Markets, Banking, Wealth and US Personal Banking. CEP's businesses are outlined below.

The Services organization combines Treasury and Trade Solutions ("TTS") and Securities Services. The TTS business provides integrated Treasury solutions (payments, deposits, liquidity management, commercial card and channel capabilities) and Trade solutions (documentary trade services, working capital solutions and export agency finance) to multinational corporations, financial institutions and public sector organisations. Securities Services provides three main services: One Custody (securities settlement, clearing, custody and asset servicing), Fund Services (valuation, fund accounting, investment administration and depositary services), and Issuer Services (services to institutional clients who are raising, deploying or mobilising capital).

Markets provide corporate, institutional and public sector clients with liquidity and the ability to hedge with access to global markets and products provided by the Rates, Currencies, Spread Products and Equities business units. Markets offer EEA clients access to Citi's global network and global clients access to European markets and products.

The Banking organization comprises three businesses: Investment, Corporate and Commercial Banking. Investment Banking provides institutional clients with a full range of M&A advisory and Capital Markets products, as well as access to Product & Industry specialists based across the globe. Corporate Banking manages the relationship with institutional clients headquartered in Europe, providing them with financial services and coordinating the access to Citi's global network; in addition, the business supports the financing needs of its clients through the extension of credit facilities. Commercial Banking performs similar activities as Corporate Banking with the differentiating factor being the target market size of clients.

Wealth serves two client segments in CEP: Citi Private Bank (CPB) and Wealth at Work (WaW). CPB, primarily from CEP Luxembourg, serves EEA as a touchpoint for ultra-high-net-worth individuals, family offices and their associated structures, providing an extensive range of services from banking, custody and cash management to investment finance, investment strategies, trust and specialised services. WaW provides wealth management solutions to firms and senior employees of Law Firms, Professional Services Group (accountancy, consultancy), Investment Managers and Enterprise (private firms in specialist areas).

Bank Handlowy w Warszawie S.A.

In November 2023, Citi Overseas Investment Corp ("COIC") transferred all of its stake in Bank Handlowy w Warszawie S.A. (BHW) to CEP to bring Citi's European banks under common ownership.

BHW is a subsidiary of CEP but, as before, continues to operate independently. BHW offers its products and services under the Citi Handlowy brand.

BHW is a Poland-based bank and one of the oldest continually operating banks in Europe. BHW merged with Citibank (Poland) SA in 2001, with Citibank becoming its largest shareholder, owning 75% of shares. BHW has been listed on the Warsaw Stock Exchange since 1997 and is a constituent of the WIG-BANKI index.

On 27th May 2025, BHW announced an agreement to sell its consumer banking business to VeloBank S.A, a Poland-based universal bank. The transaction, which is subject to regulatory approvals, antitrust clearance and other customary conditions. This involves the demerger of BHW's consumer banking operations to VeloBank S.A., including wealth management, micro business banking, credit cards, consumer loans, deposits and assets under management, consumer clients of the brokerage business, branches and other consumer-related assets. The transaction is expected to close by mid-2026.

Regulatory framework for disclosure

The Capital Requirements Directive (CRD V) package was transposed into Irish law on 22 December 2020. It 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.

The basis of the disclosure for CEP is the consolidated level (Group) for all periods.

These disclosures are made in accordance with Part Eight of Regulation (EU) No 575/2013 of the Capital Requirements Regulation (CRR), as amended by Regulation (EU) 2019/876 (CRR II) and Regulation (EU) 2024/1623 (CRR III). In addition, CEP has implemented the disclosure templates and instructions as set out in the Implementing Regulation (EU) 2024/3172 on public disclosures and Implementing Regulation (EU) 2021/763 on public disclosure of the minimum requirement for own funds and eligible liabilities as amended by Implementing Regulation (EU) 2024/1618.

Frequency and Scope of disclosure

CEP, as a large listed institution on a consolidated level, is subject to the disclosure requirements set out in Article 433a(1), On the basis that CEP is a material subsidiary of a non-EU G-SII and is not a resolution entity, CEP must also disclose its own funds and eligible liabilities in accordance with Article 433a(3). CEP publishes Pillar 3 Disclosures quarterly, with a more comprehensive disclosure on an annual basis. The scope covered by CEP's quarterly disclosures include the Minimum Requirement for Own funds and Eligible liabilities (MREL), Key Metrics, Overview of Risk Weighted Exposures and Liquidity. All disclosures are made in EUR, unless otherwise stated. CEP publishes its Pillar 3 Disclosures at: https://www.citigroup.com/citi/investor/reg.htm.

Policy and Verification

In accordance with Article 431 (3) of the CRR II, CEP's Pillar 3 Disclosures are covered under the Citi EU Pillar 3 Standard, which outlines the principles and minimum standards to be applied for preparing CEP's Pillar 3 Disclosures. The firm operates within a framework of internal controls and procedures for assessing the appropriateness of this disclosure.

This Pillar 3 document is subject to a formal governance process and was reviewed by the CEP Executive Committee.

Attestation by Chief Financial Officer ("CFO")

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

Natalia Bozek
CEP Chief Financial Officer

Regulatory Outlook

Basel Reforms

The Basel Committee on Banking Supervision adopted a set of reforms in 2017, known as "Basel III Finalisation", which covered a number of areas including a new Standardised Approach to Credit Risk (SA-CR), a new Credit Valuation Adjustment ("CVA") framework, revisions to the approach to measuring exposure on Securities Financing Transactions, Fundamental Review of the Trading Book ("FRTB"), the Output Floor, a new Standardised Approach to Operational Risk, new ESG reporting requirements and a transitional regime for cryptoasset exposures. These reforms were implemented in the European Union (EU) through amendments to the Capital Requirements Regulation ("CRR III").

The implementation date for CRR III was 1 January 2025 with the exception of market risk where a delegated act was published in October 2024 to move the FRTB start date to 1 January 2026. Due to delays in implementation in other major jurisdictions and in order to maintain a level playing field, the European Commission adopted a second delegated act in June 2025 to postpone the date of application of FRTB by a further year to 1 January 2027. The adoption starts a 3-month non-objection scrutiny period (extendable once by 3 more months) for the European Parliament and the Council.

These Pillar 3 disclosures are prepared under CRR III.

Key Metrics

CEP's capital resources consist predominately of Common Equity Tier 1 (CET1) capital. As at 31 March 2025, CEP's total capital ratio was 19.91%, which significantly exceeds the regulatory overall capital requirement of 14.77%, and the leverage ratio of 7.39% is significantly in excess of the 3.2% regulatory requirement.

Table 1: EU KM1 – Key Metrics template

		31 March 2025	31 December 2024	30 September 2024	30 June 2024	31 March 2024
	Available own funds	**€ million**	**€ million**	€ million	€ million	€ million
1	Common Equity Tier 1 (CET1) capital	**15,779**	**16,519**	16,616	17,350	17,260
2	Tier 1 capital	**15,779**	**16,519**	16,616	17,350	17,260
3	Total capital	**15,779**	**16,519**	16,616	17,350	17,260
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	**79,253**	**81,084**	70,605	66,770	63,622
4a	**Total risk exposure pre-floor**	**79,253**	**N/A**	N/A	N/A	N/A
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	**19.91%**	**20.37%**	23.53%	25.99%	27.13%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	**19.91%**	**N/A**	N/A	N/A	N/A
6	Tier 1 ratio (%)	**19.91%**	**20.37%**	23.53%	25.99%	27.13%
6b	Tier 1 ratio considering unfloored TREA (%)	**19.91%**	**N/A**	N/A	N/A	N/A
7	Total capital ratio (%)	**19.91%**	**20.37%**	23.53%	25.99%	27.13%
7b	**Total capital ratio considering unfloored TREA (%)**	**19.91%**	**N/A**	N/A	N/A	N/A
	Additional own funds requirements to address risks other than the risk excessive leverage					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	**2.40%**	**2.50%**	2.50%	2.50%	2.50%
EU 7e	of which: to be made up of CET1 capital (percentage points)	**1.35%**	**1.41%**	1.41%	1.41%	1.41%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	**1.80%**	**1.88%**	1.88%	1.88%	1.88%
EU 7g	Total SREP own funds requirements (%)	**10.40%**	**10.50%**	10.50%	10.50%	10.50%
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	**2.50%**	**2.50%**	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	**0.87%**	**0.87%**	0.87%	0.84%	0.76%
EU 9a	Systemic risk buffer (%)	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
10	Global Systemically Important Institution buffer (%)	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	**1.00%**	**1.00%**	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	**4.37%**	**4.37%**	4.37%	4.34%	4.26%
EU 11a	Overall capital requirements (%)	**14.77%**	**14.87%**	14.87%	14.84%	14.76%
12	CET1 available after meeting the total SREP own funds requirements (%)	**9.51%**	**9.87%**	13.03%	15.49%	16.63%
	Leverage ratio					
13	Total exposure measure	**213,410**	**179,698**	168,678	171,192	165,062
14	Leverage ratio (%)	**7.39%**	**9.19%**	9.85%	10.14%	10.46%
	Additional own funds requirements to address the risk of excessive leverage					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	**0.20%**	**0.00%**	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirement (%)	**3.20%**	**3.00%**	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	**0.00%**	**0.00%**	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirements (%)	**3.20%**	**3.00%**	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio[1]					
15	Total high-quality liquid assets (HQLA) (Weighted value-average)	**55,030**	**52,058**	50,229	49,743	47,775
EU 16a	Cash outflows - Total weighted value	**50,753**	**47,497**	45,188	45,207	44,281
EU 16b	Cash inflows - Total weighted value	**9,231**	**8,852**	8,398	8,440	8,184
16	Total net cash outflows (adjustment value)	**41,521**	**38,645**	36,790	36,767	36,097
17	Liquidity coverage ratio (%)	**133.46%**	**135.11%**	136.54%	135.31%	132.51%
	Net Stable Funding Ratio[2]					

[1] Effective from Q1 2025 CEP is required to maintain a minimum LCR of 108%

[2] Effective from Q1 2025 CEP is required to maintain a minimum NSFR of 105%

-

		31 March 2025	31 December 2024	30 September 2024	30 June 2024	31 March 2024
	Available own funds	**€ million**	**€ million**	€ million	€ million	€ million
18	Total available stable funding	**54,872**	**58,853**	57,027	56,628	54,778
19	Total required stable funding	**38,809**	**38,813**	35,999	36,479	34,030
20	NSFR ratio (%)	**149.78%**	**151.63%**	158.41%	155.23%	160.97%

As at 31 March 2025, CEP's total capital ratio is at 19.91%, a decrease of 0.46% compared to year-end. This is mainly driven by a decrease of 0.93% in Own Funds mainly due to the EUR/USD FX Rate change. This was partially offset by an RWEA decrease with an impact of 0.47% increase in the total capital ratio, mainly driven by the change in calculation methodology as a result of the implementation of CRR III.

As at 31 March 2025, CEP's leverage ratio is at 7.39%, a decrease of 1.80% compared to year-end. This is mainly driven by an increase in Total Exposure by €33.7 billion, mainly driven by €15.0 billion increase in Regular way Sales, €10.0 billion increase in Traded Assets, €7.0 billion increase in Other assets in scope of credit risk, €4.0 billion increase in SFT Exposure partially offset by €4.0 billion decrease in Off Balance sheet items.

Overview of Risk Weighted Exposure Amounts

Table 2: EU OV1 - Overview of total risk exposure amounts

		31 March 2025	31 December 2024	31 March 2025
		Risk weighted exposure amounts (RWEAs)		Total own funds requirements
		€ million	€ million	€ million
1	**Credit risk (excluding CCR)**	47,804	53,382	3,824
2	Of which the standardised approach	47,804	53,379	3,824
3	Of which the Foundation IRB (F-IRB) approach	—	—	—
4	Of which: slotting approach	—	—	—
EU 4a	Of which: equities under the simple risk weighted approach	—	—	—
5	Of which the Advanced IRB (A-IRB) approach	—	—	—
6	**Counterparty credit risk - CCR**	5,916	6,979	473
7	Of which the standardised approach	1,137	1,025	91
8	Of which internal model method (IMM)	3,329	4,065	266
EU 8a	Of which exposures to a CCP	173	168	14
9	Of which other CCR	1,277	1,721	102
10	**Credit valuation adjustments risk - CVA risk**	2,107	979	169
EU 10a	**Of which the standardised approach (SA)**	—	—	—
EU 10b	**Of which the basic approach (F-BA and R-BA)**	2,107	—	169
EU 10c	**Of which the simplified approach**	—	—	—
15	**Settlement risk**	—	—	—
16	**Securitisation exposures in the non-trading book (after the cap)**	382	364	31
17	Of which SEC-IRBA approach	—	—	—
18	Of which SEC-ERBA (including IAA)	1	1	—
19	Of which SEC-SA approach	381	363	30
EU 19a	Of which 1250% / deduction	—	—	—
20	**Position, foreign exchange and commodities risk (Market risk)**	15,532	10,699	1,243
21	Of which the standardised approach (A-SA)	—	—	—
EU 21a	Of which the Simplified standardised approach (S-SA)	1,133	1,323	91
22	Of which the Alternative Internal Models Approach (A-IMA)	—	—	—
EU 22a	**Large exposures**[1]	—	—	—
23	**Reclassifications between trading and non-trading books**	—	—	—
24	**Operational risk**	7,512	8,681	601
EU 24a	Exposures to crypto-assets	—	—	—
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	391	407	31
26	Output floor applied (%)	50.00%	—	
27	Floor adjustment (before application of transitional cap)	—	—	
28	**Floor adjustment (after application of transitional cap)**	—	—	
29	Total	79,253	81,084	6,340

[1] Large Exposure (LEX) capital requirements are calculated on the trading book excess. As at 31 March 2025 CEP had no LEX related RWEA.

Credit Risk

RWEA decreased by €5.6 billion primarily due to the change in calculation methodology as a result of the implementation of CRR III.

Counterparty Credit Risk

RWEA decreased by €1.1 billion primarily due to the change in calculation methodology as a result of the implementation of CRR III.

Operational risk

RWEA decreased by €1.2 billion due to the change in calculation methodology as a result of the implementation of CRR III.

Market Risk

RWEA increased by €4.8 billion, mainly driven by an increase in internal model approach in IRC due to increased net long Spanish and Dutch sovereign exposure and in SVaR due to increased level of risk taken by EGB desk which were partially offset by a decrease in standardised approach mainly in general interest risk in EUR and USD driven by swap and repo transactions.

Table 3: EU CCR7 - RWEA flow statements of CCR exposures under the IMM

This table presents a flow statement explaining changes in the CCR RWEAs under the IMM calculation. This table is disclosed at CEP Individual level. There are no BHW positions calculated under IMM, as BHW do not have permission.

		RWA
		€ million
1	**RWA as at 31 December 2024**	4,065
2	Asset size	(489)
3	Credit quality of counterparties	(250)
4	Model updates (IMM only)	—
5	Methodology and policy (IMM only)	3
6	Acquisitions and disposals	—
7	Foreign exchange movements	—
8	Other	—
9	**RWA as at 31 March 2025**	3,329

CEP's CCR RWEAs under IMM decreased by €0.7 billion, mainly driven by a €0.8 billion decrease in FX derivatives which was partially offset by a €0.1 billion increase in interest rate derivatives.

Table 4: EU MR2-B: RWEA flow statements of market risk exposure under the IMA

This table presents a flow statement explaining variations in the market risk RWEAs. This table is disclosed at CEP Individual level as BHW calculates market risk under the standardised approach.

		VaR	SVaR	IRC	Comprehensive risk measure	Other	Total RWAs	Total own funds requirements
		€ million	€ million	€ million	€ million	€ million	€ million	€ million
1	**RWEAs as at 31 December 2024**	1,586	5,645	2,146	—	—	9,376	750
1a	*Regulatory adjustment*	(1,203)	(3,488)	—	—	—	(4,691)	(375)
1b	*RWEAs at 31 December 2024 (end of the day)*	383	2,157	2,146	—	—	4,685	375
2	Movement in risk levels	(21)	123	1,496	—	—	1,598	128
3	Model updates/changes	2	207	—	—	—	209	17
4	Methodology and policy	—	—	—	—	—	—	—
5	Acquisitions and disposals	—	—	—	—	—	—	—
6	Foreign exchange movements	(16)	(88)	(88)	—	—	(192)	(15)
7	Other	—	—	—	—	—	—	—
8a	*RWEAs at 31 March 2025 (end of the day)*	348	2,398	3,554	—	—	6,300	504
8b	*Regulatory adjustment*	1,837	6,262	—	—	—	8,099	648
8	**RWAs as at 31 March 2025**	2,185	8,660	3,554	—	—	14,399	1,152

CEP's Market Risk's RWEA's calculated under the IMA increased by €5.0 billion compared to year-end mainly in SVaR and IRC, largely as a result of EGB desk taking positions in Spanish and Portugal sovereign exposures.

Table 5: EU CVA4: RWEA flow statements of credit valuation adjustment risk under the Standardised Approach (SA)

		RWA
		€ million
1	Risk weighted exposure amount as at the end of the previous reporting period	N/A
2	Risk weighted exposure amount as at the end of the current reporting period	—

Table 6: EU CMS1: Comparison of modelled and standardised risk weighted exposure amounts at risk level

		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
		€ million	€ million	€ million	€ million	€ million
1	**Credit risk (excluding counterparty credit risk)**	—	47,804	47,804	47,932	47,932
2	*Counterparty credit risk*	—	5,916	5,916	5,916	5,916
3	*Credit valuation adjustment*		2,107	2,107	3,799	3,799
4	Securitisation exposures in the banking book	—	381	381	382	382
5	Market risk	—	9,047	9,047	1,133	7,914
6	Operational risk		7,512	7,512	7,512	7,512
7	Other risk weighted exposure amounts		6,486	6,486	6,486	—
8	Total	—	79,253	79,253	73,160	73,455

Table 7: EU CMS2: Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
		€ million	€ million	€ million	€ million	€ million
1	**Central governments and central banks**	—	—	—	593	593
EU 1a	*Regional governments or local authorities*	—	—	—	793	793
EU 1b	*Public sector entities*	—	—	—	12	12
EU 1c	Categorised as Multilateral Development Banks in SA	—	—	—	61	61
EU 1d	Categorised as International organisations in SA	—	—	—	2,272	2,272
2	Institutions	—	—	—	—	—
3	Equity	—		—	4,595	4,595
5	*Corporates*	—	—	—	210	210
5.1	*Of which: F-IRB is applied*	—	—	—	—	—
5.2	Of which: A-IRB is applied	—	—	—	—	—
EU 5a	Of which: Corporates - General	—	—	—	—	—
EU 5b	Of which: Corporates - Specialised lending	—	—	—	53	53
EU 5c	Of which: Corporates - Purchased receivables	—	—	—	—	—
6	**Retail**	—	—	—	—	—
6.1	*Of which: Retail - Qualifying revolving*	—	—	—	—	—
EU 6.1a	*Of which: Retail - Purchased receivables*	—	—	—	—	—
EU 6.1b	Of which: Retail - Other	—	—	—	—	—
6.2	**Of which: Retail - Secured by residential real estate**	—	—	—	—	—
EU 7a	*Of which: Retail - Categorised as secured by mortgages on immovable properties and ADC exposures in SA*	—	—	—	—	—
EU 7b	Collective investment undertakings (CIU)	—	—	—	—	—
EU 7c	Categorised as exposures in default in SA	—	—	—	2	2
EU 7d	Categorised as subordinated debt exposures in SA	—	—	—	—	—
EU 7e	Categorised as covered bonds in SA	—	—	—	—	—
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	—	—	—	—	—
8	Others	—	—	—	53	53
9	Total	—	—	47,804	8,591	8,591

Minimum Requirement for Own Funds and Eligible Liabilities

Under Bank Recovery and Resolution Directive (BRRD II), published in the Official Journal of the EU as Directive 2014/15/EU, amended by Directive (EU) 2019/876 in May 2019, credit institutions must hold a certain level of own funds and loss absorbing (bail-in-able) liabilities to support the institution in the event of a resolution. This requirement is referred to as the Minimum Requirement for Own Funds and Eligible Liabilities (MREL). MREL resources are comprised of qualifying own funds and eligible liabilities.

CEP is deemed a Relevant Legal Entity as per the Single Resolution Board (SRB) MREL policy published in June 2022; and is subject to an internal MREL requirement. Since 1 January 2024, CEP has been required to comply with a binding requirement of 24.29% (plus its combined buffer requirement "CBR," which was 4.37% as at 31 Mar 2025) of Total Risk Exposure Amount (TREA) and 6% of Leverage Ratio Exposure (LRE), as communicated by the SRB.

TLAC

Under the CRR II, firms that are material subsidiaries of non-EU Global Systemically Important Institutions (non-EU G-SIIs) per the CRR definition are subject to an internal minimum amount of Total Loss-Absorbing Capacity (iTLAC). CEP continues to meet the definition of material subsidiary as per Art 4(135) of CRR, hence is also subject to the iTLAC requirements in addition to the MREL requirements under BRRD II.

CEP has an iTLAC requirement of 16.2% (plus its CBR) of TREA, and 6.075% of LRE, in line with Article 92(b) of the Capital Requirements Regulation (CRR). CEP's Eligible Liabilities are currently structured and documented in such a way to satisfy both the CRR TLAC and BRRD MREL requirements.

CEP has an internal management action trigger framework in place to ensure compliance with the regulatory requirements and its internal risk appetite.

Table 8: EU iLAC – Internal loss absorbing capacity

	€ million	Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII Requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application				
EU 1	Is the entity subject to a Non-EU G-SII Requirement for own funds and eligible liabilities? (Y/N)			Y
EU 2	If EU 1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			C
EU 2a	Is the entity subject to an internal MREL requirement? (Y/N)			Y
EU 2b	If EU 2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			C
Own funds and eligible liabilities				
EU 3	Common Equity Tier 1 capital (CET1)	15,779	15,779	
EU 4	Eligible Additional Tier 1 instruments	—	—	
EU 5	Eligible Tier 2 instruments	—	—	
EU 6	Eligible own funds	15,779	15,779	
EU 7	Eligible liabilities	9,228	9228	
EU 8	Of which permitted guarantees	—		
EU 9a	(Adjustments)	—		
EU 9b	Own funds and eligible liabilities items after adjustments	25,007	25,007	
Total risk exposure amount and total exposure measure				
EU 10	Total risk exposure amount	79,253	79,253	
EU 11	Total exposure measure	213,410	213,410	
Ratio of own funds and eligible liabilities				
EU 12	Own funds and eligible liabilities (as a percentage of TREA)	31.55%	31.55%	
EU 13	>>> of which permitted guarantees	0.00%		
EU 14	Own funds and eligible liabilities (as a percentage of leverage exposure)	11.72%	11.72%	
EU 15	>>> of which permitted guarantees	0.00%		
EU 16	CET1 (as a percentage of TREA) available after meeting the entity's requirements	7.26%	7.26%	
EU 17	Institution-specific combined buffer requirement*		4.37%	
Requirements				
EU 18	Requirement expressed as a percentage of the total risk exposure amount**	24.29%	16.20%	
EU 19	>>> of which may be met with guarantees	0.00%		
EU 20	Internal MREL expressed as percentage of the total exposure measure	6.00%	6.08%	
EU 21	>>> of which may be met with guarantees	0.00%		
Memorandum items				
EU 22	Total amount of excluded liabilities referred to in Article 72a(2) CRR***		157,251	

* Row EU 17 requires reporting Institution-specific combined buffer requirement, but EBA template mapping refers to cell M 03.00, r0540, c0020 (O-SII requirement). CEP is reporting the Institution-specific combined buffer requirement in this row.

** Row EU 18 The MREL requirement presented is the base requirement only and does not include the additional Combined Buffer Requirement (CBR) of 4.37%.

*** Row EU 22 requires reporting Total amount of excluded liabilities referred to in Article 72a(2) CRR, but EBA template mapping refers to cell M 03.00, r0590, c0020 (Other bailinable liabilities with residual maturity of >= 1 year and < 2 years). CEP is reporting Total amount of excluded liabilities in this row.

Liquidity Risk

Table 9: EU LIQ1 – Quantitative information of LCR[3]

Values and figures disclosed for June 2024, September 2024, December 2024 and March 2025, for the Group, are calculated as the simple averages of month-end observations over the seven months, ten months and 12 months respectively, preceding each quarter-end.

		Total unweighted value				Total weighted value			
		March 2025	December 2024	September 2024	June 2024	March 2025	December 2024	September 2024	June 2024
Number of data points used in the calculation of averages		4	12	10	7	4	12	10	7
		€ million	€ million	€ million	€ million	**€ million**	€ million	€ million	€ million
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					55,030	52,058	50,229	49,743
CASH-OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	6,855	6,801	6,758	6,744	1,346	1,543	1,734	1,728
3	*Stable deposits*	1,558	1,551	1,529	1,515	78	78	76	76
4	*Less stable deposits*	4,753	4,455	4,187	4,193	724	671	615	615
5	Unsecured wholesale funding	70,231	65,924	63,178	62,932	37,938	34,823	32,932	32,932
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	22,394	22,409	22,403	22,963	5,572	5,578	5,577	5,717
7	*Non-operational deposits (all counterparties)*	47,837	43,514	40,775	39,969	32,366	29,245	27,355	27,216
8	*Unsecured debt*	—	—	—	—	—	—	—	—
9	Secured wholesale funding					70	51	40	31
10	Additional requirements	41,763	39,709	38,288	37,804	7,794	7,458	7,272	7,251
11	*Outflows related to derivative exposures and other collateral requirements*	2,367	2,303	2,323	2,410	2,367	2,303	2,323	2,410
12	*Outflows related to loss of funding on debt products*	—	—	—	—	—	—	—	—
13	*Credit and liquidity facilities*	39,395	37,405	35,965	35,394	5,426	5,155	4,949	4,841
14	Other contractual funding obligations	11,878	9,174	7,522	7,710	3,153	3,179	2,779	2,840
15	Other contingent funding obligations	16,324	16,233	16,148	16,181	452	442	431	425
16	**TOTAL CASH OUTFLOWS**					50,753	47,497	45,188	45,207
CASH-INFLOWS									
17	Secured lending (e.g. reverse repos)	21,745	17,639	15,769	14,773	211	372	461	547
18	Inflows from fully performing exposures	6,800	6,445	6,049	5,927	5,638	5,310	4,908	4,816
19	Other cash inflows	5,042	4,788	4,633	4,614	3,382	3,169	3,029	3,077
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					—	—	—	—
EU-19b	(Excess inflows from a related specialized credit institution)					—	—	—	—
20	**TOTAL CASH INFLOWS**	33,587	28,872	26,451	25,314	9,231	8,852	8,398	8,440
EU-20a	***Fully exempt inflows***	—	—	—	—	—	—	—	—
EU-20b	***Inflows Subject to 90% Cap***	—	—	—	—	—	—	—	—
EU-20c	***Inflows Subject to 75% Cap***	33,587	28,872	26,451	25,314	9,231	8,852	8,398	8,440

[3] Effective from Q1 2025 CEP is required to maintain a minimum LCR of 108%

		Total unweighted value				Total weighted value			
		March 2025	December 2024	September 2024	June 2024	March 2025	December 2024	September 2024	June 2024
TOTAL ADJUSTMENT VALUE									
21	LIQUIDITY BUFFER					55,030	52,058	50,229	49,743
22	TOTAL NET CASH OUTFLOWS					41,521	38,645	36,790	36,767
23	LIQUIDITY COVERAGE RATIO (%)					133.46 %	135.11 %	136.54 %	135.31 %

LCR Evolution and Drivers

in Q1 2025, the LCR has remained well in excess of regulatory and internal limits. CEP customer deposits remain at elevated levels in 2025, contributing to a highly liquid position.

The liquidity buffer is the primary mechanism for ensuring that CEP can withstand the prescribed stresses under LCR. In line with the criteria set out in the LCR Delegated Regulation, the assets held in the buffer are unencumbered, well diversified, under the control of CEP Treasury and monetisable in a stress scenario. CEP also ensures that the currency denomination of its buffer is consistent with the distribution by significant currency of its net liquidity outflows. The buffer is comprised of cash placed with European central banks and high quality, unencumbered securities. The composition of the liquidity buffer remained largely unchanged in Q1 2025.

CEP operates a deposit-based funding model which is supplemented by equity and MREL. The deposit portfolio is well-diversified across a large number of clients and industries. The largest component of LCR outflows is third-party deposits. Other material drivers of CEP's outflows include committed credit and liquidity facilities and derivatives. LCR inflows are primarily from loans receivable in the next 30 days.

Currency mismatch in the LCR

Due to the global nature of the business model, CEP has a multi-currency balance sheet, the resulting currency risk (mismatch between the currency of assets and the currency of liabilities) is monitored and managed daily ensuring CEP has sufficient liquidity to continue business activities and withstand stresses on an individual currency basis.

CEP reports and monitors LCR on a consolidated basis in the reporting currency (EUR) and on an individual currency basis for significant currencies. Significant currencies are defined as currencies in which aggregate liabilities are greater than 5% of total liabilities.

As of 31 March 2025 significant currencies in CEP were EUR, USD and PLN. To monitor significant currencies, CEP has a currency limits framework comprised of economic and normative limits.

Derivative exposures and potential collateral calls

In the ordinary course of business, CEP enters into various types of derivative transactions, including bilateral transactions that are OTC and transactions settled via exchanges with central counterparties. CEP maintains liquidity reserves to counter potential liquidity outflows from derivatives.

CEP's LCR reports additional collateral outflows per the historical lookback approach. This additional outflow is based on the past 24 months of net daily collateral flows over any consecutive 30-day period. The highest point of which is considered as outflow weighted at 100%, simulating the impact of an adverse market scenario on CEP's derivative portfolio. In Q1 2025, contingent outflows relating to downgrade triggers were immaterial.

Other items relevant for the LCR calculation

CEP is a direct participant in Settlement Systems where it offers General Clearing Member (GCM) services across EMEA and Settlement Agent services in multiple European markets through CEP's branches and the centralised Target 2 Securities clearing platform. To support direct clearing activity CEP must post cash and securities collateral in order to access credit lines and fund payment obligations. To ensure there is sufficient liquidity to meet CEP's intraday liquidity needs, any cash amount regularly used for intraday payments and any collateral pledged for intraday credit are reported as encumbered for CEP's regulatory liquidity reporting. The ALCO Technical Review Forum serves as the supporting committee for the monitoring and review of intraday liquidity and related encumbered collateral.

Abbreviations

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

ALCO	Asset and Liability Committee
BHW	Bank Handlowy w Warszavie S.A.
BRRD	Bank Recovery and Resolution Directive
CCP	Central Clearing Counterparty
CCR	Counterparty Credit Risk
CEP	Citibank Europe Plc
CET1	Common Equity Tier 1
CFO	Chief Finance Officer
COHBL	Citi Overseas Holdings Bahamas Limited
CPB	Citi Private Bank
CRD	Capital Requirements Directive
CRR	Capital Requirements Regulation
CSC	Citi Solutions Center
CVA	Credit Valuation Adjustment
EBA	European Banking Authority
ECB	European Central Bank
EEA	European Economic Area
EGB	European Government Bonds
EMEA	Europe, Middle East and Africa
ESG	Environmental, Social and Governance
EU	European Union
FRTB	Fundamental Review of the Trading Book
FX	Foreign exchange
GCM	General Clearing Member
G-SII	Global Systemically Important Institution
HQLA	High-Quality Liquid Assets
IMA	Internal Model Approach
IMM	Internal Models Method
IRC	Incremental Risk Charge
ITS	Implementing Technical Standard
LCR	Liquidity Coverage Ratio
LEX	Large Exposures
LRE	Leverage Ratio Exposure
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
NSFR	Net Stable Funding Ratio
OSII	Other Systemically Important Institution
OTC	Over The Counter
RWEA	Risk Weighted Exposure Amount
SA	Standardised Approach
SA-CR	Standardised Approach for Credit Risk
SEC-ERBA	Securitisation External Ratings Based Approach
SEC-SA	Securitisation Standardised Approach
SFT	Securities Financing Transaction
SRB	Single Resolution Board
SREP	Supervisory Review and Evaluation Process
SSM	Single Supervisory Mechanism
SVaR	Stressed Value at Risk
TLAC	Total Loss Absorbing Capacity
TREA	Total Risk Exposure Amount
TTS	Treasury and Trade solutions
VaR	Value at Risk
WaW	Wealth at Work