



2024

PILLAR 3 DISCLOSURE

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Attestation by CEO on Basel II

Pillar 3 Disclosure as of 31 December 2024

To the best of my knowledge, I confirm that the Basel II - Pillar 3 Disclosure for the financial period ended 31 December 2024 has been prepared and submitted to Bank Negara Malaysia in accordance with the Guideline on Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3).

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Vikram Singh

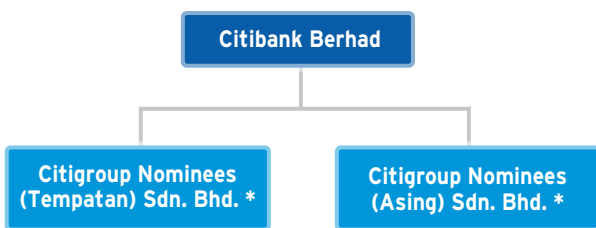
Chief Executive Officer

Citibank Berhad

Date: 28 March 2025

Citibank Berhad was incorporated in Malaysia on 22 April 1994 and has its registered office at Level 44, Menara Citibank, 165 Jalan Ampang, 50450 Kuala Lumpur, Malaysia. The Bank is licensed under the Financial Services Act 2013 ("FSA"). The Bank also operates an Islamic window under the Islamic Banking Scheme licensed under the Islamic Financial Services Act 2013 ("IFSA").

The group organisation structure of Citibank Berhad is detailed below:



* Principal activity is as a nominee company

The Group is comprised of the Bank (Citibank Berhad) and its subsidiary companies. The subsidiaries namely Citigroup Nominees (Tempatan) Sdn Bhd and Citigroup Nominees (Asing) Sdn Bhd are both consolidated into Citibank Berhad's financial statement.

The Capital Requirements Directive ("CRD"), often referred to as Basel II, introduced the need for banks operating under this new legislative framework to publish certain information relating to their risk management and capital adequacy. The disclosure of this information is known as Pillar 3 and is designed to complement the other two pillars of the Basel II, namely the Minimum Capital Requirements (Pillar 1) and the Supervisory Review Process (Pillar 2). The disclosure has

been prepared in accordance with the guidelines for *Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3) (BNM/RH/GL 001-32)* and *Capital Adequacy Framework for Islamic Banks (CAFIB) – Disclosure Requirements (Pillar 3) (BNM/RH/GL 007-18)* issued by Bank Negara Malaysia ("BNM").

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's *Capital Adequacy Framework (Capital Components) (BNM/RH/IPD 032-4)* and *Capital Adequacy Framework (Basel II - Risk-Weighted Assets) (BNM/RH/IPD 032-5)* reissued on dated 14 June 2024 and 18 December 2023 respectively, which became effective immediately. The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy ratios before including capital conservation buffer ("CCB") and countercyclical capital buffer ("CCyB") for CET 1 Capital ratio, Tier 1 Capital ratio and Total Capital ratio are 4.5%, 6.0% and 8.0% respectively.

Banking institutions are also required to maintain a CCB of 2.5% and a CCyB above the minimum regulatory capital adequacy ratios above. A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Group and the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions.

Capital Adequacy

Capital Management & Internal Capital Adequacy Assessment Process

BNM's *Risk-Weighted Capital Adequacy Framework (Basel II) – ICAAP (Pillar 2) (BNMIRH/GL 001-33)* requires a banking institution to have an Internal Capital Adequacy Assessment Process ("ICAAP"). ICAAP is the Bank's internal assessment of capital adequacy with due attention to material risks. The Bank has designed an ICAAP procedure, which is an essential risk management tool to assess the Bank's potential vulnerabilities during stressed conditions. The procedure describes procedures of risk assessment, mitigation and capital required under base and stressed scenarios.

The Bank's capital management is designed to ensure that it maintains sufficient capital consistent with the Bank's risk profile and all applicable regulatory standards and guidelines. The Bank adopts Citigroup's ICAAP Standards with a robust governance framework that defined the roles and responsibilities of the Board of Directors, the Senior Management, and independent risk management functions over the ICAAP process. Senior management engages the Board regularly in key activities that may impact capital assessment and adequacy.

As part of the internal capital management process, the Bank has put in place the following:

- (i) 3-year capital plan, where the Bank's capital requirements are determined by taking into account its business strategic plans and financial budget

(ii) Internal Capital Targets ("ICT") that factor in the following:

- Minimum capital required to meet regulatory requirements and the Bank's business plans;
- Buffer for material Pillar 2 risks where capital has not been set aside under Pillar 1, as well as buffer for other unquantifiable risks; and

(iii) Identified sources of internal capital available to meet the Bank's capital requirements.

Corporate Governance Structure for ICAAP

The Board of Directors and senior management of the Bank are responsible for understanding the nature and level of risks being taken by the Bank, ensuring that the Bank maintains adequate capital beyond the regulatory minimum to support such risk. ICAAP is driven by the ICAAP Working Group and overseen by the Country Coordinating Committee (CCC). The working group would initiate the annual ICAAP process by applying the stress test scenarios developed to assess the impact towards capital adequacy. The CCC comprises of senior management from first and second line of defense with a complete representation from business, risk managers, finance, treasury, and compliance. The CCC approves key decisions, reviews results, monitors progress on issue resolution, and participates in the discussion of contingent plans if the capital is found to be insufficient.

On a periodic basis, the Bank's capital levels are monitored against the trigger limits for ICT and are reported to the CCC and Board. A capital contingency plan is also put in place to set out the actions required in the event ICT is triggered.

Risk Identification

Risk identification is a mechanism to identify, assess and aggregate the firm's material risks. The primary goal is to systematically identify, measure, monitor, and document risks faced by the bank in an Enterprise-wide risk inventory, assess their potential impacts, and facilitate conversation around mitigation/management efforts. The identification of risks is primarily performed by the first line, with additional input and challenge from Independent Risk Management/Independent Compliance Risk Management. This collaboration is critical to ensure that there is a transparent and consistent understanding of the comprehensive set of risks the Bank faces. The Bank strives to maintain an agile approach to identifying risk, which considers both internal and external factors and environments in determining the risks the Bank is exposed to through its business activities.

The Bank has reviewed the latest Citigroup Top and Material Risk and considered the local regulatory requirements, in identifying the risks relevant to its risk profile.

The Bank adopts the Citigroup Inc. ("Citigroup") ICAAP standards Risk Identification Assessment ("RIA") process as part of which senior management assesses all the Level 0 Risk Category (primary risk category) from Citigroup's risk taxonomy and determines those risks which are material to the Bank and therefore have or can have a significant impact to the bank's capital. The material risks include the Pillar 1 risks (Credit Risk, Market Risk, and Operational Risk) and all the quantifiable and non-quantifiable Pillar 2 risks. Senior Management from first line of defense uses both quantitative and qualitative measures to perform the RIA which is then subject to review and challenge by the independent risk managers/second line of defense.

Senior management and the Board of Directors continue to identify and assess risks on an ongoing basis to ensure that new material risks that evolve are being evaluated and covered within the appropriate risk management framework. The process of risk identification is reviewed on an annual basis or more frequently if any new material risk emerges.

The Bank's ICAAP is expected to be dynamic and forward-looking in relation to the Bank's risk profile. Therefore, the Bank must ensure its capital levels remain above the total minimum regulatory capital requirements as well as the capital required to support its overall risk profile. A rigorous and forward-looking stress testing is included in the Bank's ICAAP, enabling it to assess the impact to its capital adequacy arising from adverse events or changes in market conditions.

Stress Tests

The stress tests performed by the Bank cover both financial statements as well as the material risks. Stress tests cover wholesale portfolio through the application of downside scenarios to the base case established. The stress scenarios are developed by the DART (Data, Analytics, Reporting and Technology) - ICAAP Scenario Team. The scenarios assume a set of economic and geopolitical pressures, which have significant impact on Malaysia's macro-economic performance. The Bank then assesses the stress impact on the financial, capital and liquidity position.

Integration of Risk Management and Capital Management Procedures

The results of the stress testing on balance sheets and material risks will then be considered to determine if the Bank will continue to have sufficient capital under the stress scenarios and if the Bank's capital should be further strengthened under tail-end adverse scenarios under reverse stress test.

Based on the current internal capital adequacy assessment, the Bank has adequate capital to support its current and future activities for the next three years. Other than paid up capital of the Bank, the bank's capital is historically generated via retained profits from the business.

The Risk-Weighted Assets and Capital Adequacy Ratios of Citibank Berhad are as follows:

	Dec 2024	Dec 2023
	RM'000	RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Credit Risk RWA	11,453,677	11,372,075
Credit Risk RWA Absorbed by PSIA ¹	-	-
Market Risk RWA	919,806	1,119,420*
Market Risk RWA Absorbed by PSIA ¹	-	-
Operational Risk RWA	3,212,893	3,269,214
Total Risk-Weighted Assets	15,586,376	15,760,709
Computation of Capital Ratios		
Common Equity Tier 1 ("CET 1") Capital	4,353,605	4,595,246
Tier 1 Capital	4,353,605	4,595,246
Total Capital	4,432,297	4,670,142
Before deducting proposed dividends		
Common Equity Tier 1 ("CET 1") Capital ratio	27.932%	29.156%
Tier 1 Capital Ratio	27.932%	29.156%
Total Capital Ratio	28.437%	29.632%
After deducting proposed dividends / dividend payment		
Common Equity Tier 1 ("CET 1") Capital Ratio	21.131%	22.378%
Tier 1 Capital Ratio	21.131%	22.378%
Total Capital Ratio	21.636%	22.853%

* There has been a revision to the market RWA previously reported for December 2023 due to an update on the market RWA computations. As a result of that, the market RWA has been revised from RM1,802 million to RM1,119 million and accordingly the revision is made to the CET1 Capital and Total Capital ratios as disclosed above.

The Risk-Weighted Assets and Capital Adequacy Ratios for the Islamic Banking window are as follows:

	Dec 2024 RM'000	Dec 2023 RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Credit Risk RWA	34	75
Credit Risk RWA Absorbed by PSIA ¹	-	-
Market Risk RWA	-	-
Market Risk RWA Absorbed by PSIA ¹	-	-
Operational Risk RWA	75,609	72,590
Total Risk-Weighted Assets	75,643	72,665
Computation of Capital Ratios		
Common Equity Tier 1 ("CET 1") Capital	723,096	685,496
Tier 1 Capital	723,096	685,496
Total Capital	723,096	685,496
Common Equity Tier 1 ("CET 1") Capital Ratio	955.925%	943.365%
Tier 1 Capital Ratio	955.925%	943.365%
Total Capital Ratio	955.925%	943.365%

No dividend is proposed under the Islamic Banking window.

The above ratios are well above the regulatory requirements for total capital adequacy ratio of 8%.

¹ Profit Sharing Investment Account

The following table details the classes of RWA and the types of exposure of the Group and the Bank as of 31 December 2024:

Item	Exposure Class	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Risk-Weighted Assets Absorbed by PSIA RM'000	Total Risk-Weighted Assets after effects of PSIA RM'000	Minimum Capital Requirement at 8% RM'000
1.0	Credit Risk (Standardised Approach)						
	On-Balance Sheet Exposures						
	Sovereigns/Central Banks	18,893,270	18,893,270	240,053	-	240,053	19,204
	Public Service Entities	-	-	-	-	-	-
	Banks, Development Financial Institutions and MDBs	7,639,477	7,639,477	1,757,487	-	1,757,487	140,599
	Corporates, insurance cos and securities firms	5,322,484	5,220,082	5,213,902	-	5,213,902	417,113
	Regulatory Retail	-	-	-	-	-	-
	Residential Mortgages	-	-	-	-	-	-
	Higher Risk Assets	-	-	-	-	-	-
	Other Assets	597,664	597,664	360,766	-	360,766	28,861
	Defaulted Exposures	2,648	2,648	3,968	-	3,968	317
	Total for On-Balance Sheet Exposures	32,455,543	32,353,141	7,567,176	-	7,576,176	606,094
	Off-Balance Sheet Exposures						
	OTC Derivatives	2,886,319	2,886,319	1,456,199	-	1,456,199	116,496
	Credit Derivatives	-	-	-	-	-	-
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	2,508,200	2,508,200	2,421,302	-	2,421,302	193,704
	Defaulted Exposures	-	-	-	-	-	-
	Total for Off-Balance Sheet Exposures	5,394,519	5,394,519	3,877,501	-	3,877,501	310,200
	Total On and Off-Balance Sheet Exposures	37,850,062	37,747,659	11,453,677	-	11,453,677	916,294
2.0	Large Exposure Risk Requirement	-	-	-	-	-	-
3.0	Market Risk (Standardised Approach)	Long position	Short position	Net position			
	Interest rate risk	345,693	321,738	23,954	696,272	696,272	55,702
	Foreign currency risk	30,782	78,518	(47,736)	78,518	78,518	6,281
	Equity risk	-	-	-	-	-	-
	Commodity risk	-	-	-	-	-	-
	Options risk	6,395	6,239	156	145,016	145,016	11,601
	Inventory risk	-	-	-	-	-	-
4.0	Operational Risk (Basic Indicator Approach)			3,212,893	-	3,212,893	257,031
	Total RWA and Capital Requirements			15,586,376	-	15,586,376	1,246,910

The following table details the classes of RWA and the types of exposure of the Islamic Banking window as of 31 December 2024:

Item	Exposure Class	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Risk-Weighted Assets Absorbed by PSIA RM'000	Total Risk-Weighted Assets after effects of PSIA RM'000	Minimum Capital Requirement at 8% RM'000
1.0	Credit Risk (Standardised Approach)						
	<i>On-Balance Sheet Exposures</i>						
	Sovereigns/Central Banks	2,183,351	2,183,351	-	-	-	-
	Banks, Development Financial Institutions and MDBs	6	6	3	-	3	0
	Corporates, insurance cos and securities firms	-	-	-	-	-	-
	Residential Mortgages	-	-	-	-	-	-
	Other Assets	31	31	31	-	31	3
	Defaulted Exposures	-	-	-	-	-	-
	Total for On-Balance Sheet Exposures	2,183,388	2,183,388	34	-	34	3
	<i>Off-Balance Sheet Exposures</i>						
	OTC Derivatives	-	-	-	-	-	-
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-	-	-
	Defaulted Exposures	-	-	-	-	-	-
	Total for Off-Balance Sheet Exposures	-	-	-	-	-	-
	Total On and Off-Balance Sheet Exposures	2,183,388	2,183,388	34	-	34	3
2.0	Large Exposure Risk Requirement	-	-	-	-	-	-
3.0	Market Risk (Standardised Approach)	Long position	Short position	Net position			
	Benchmark rate risk	-	-	-	-	-	-
	Foreign currency risk	-	-	-	-	-	-
	Equity risk	-	-	-	-	-	-
	Commodity risk	-	-	-	-	-	-
	Options risk	-	-	-	-	-	-
	Inventory risk	-	-	-	-	-	-
4.0	Operational Risk (Basic Indicator Approach)			75,609	-	75,609	6,049
	Total RWA and Capital Requirements			75,643	-	75,643	6,052

The following table details the classes of RWA and the types of exposure of the Group and the Bank as of 31 December 2023:

Item	Exposure Class	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Risk-Weighted Assets Absorbed by PSIA RM'000	Total Risk-Weighted Assets after effects of PSIA RM'000	Minimum Capital Requirement at 8% RM'000
1.0	Credit Risk (Standardised Approach)						
	<i>On-Balance Sheet Exposures</i>						
	Sovereigns/Central Banks	18,704,896	18,704,896	344,317	-	344,317	27,545
	Public Service Entities	-	-	-	-	-	-
	Banks, Development Financial Institutions and MDBs	6,037,040	6,037,040	2,231,528	-	2,231,528	178,523
	Corporates, insurance cos and securities firms	4,510,746	4,429,724	4,429,249	-	4,429,249	354,340
	Regulatory Retail	-	-	-	-	-	-
	Residential Mortgages	-	-	-	-	-	-
	Higher Risk Assets	-	-	-	-	-	-
	Other Assets	567,758	567,758	257,347	-	257,347	20,588
	Defaulted Exposures	22,317	22,253	33,380	-	33,380	2,670
	Total for On-Balance Sheet Exposures	29,842,757	29,761,671	7,295,821	-	7,295,821	583,666
	<i>Off-Balance Sheet Exposures</i>						
	OTC Derivatives	3,007,533	3,007,533	1,595,294	-	1,595,294	127,623
	Credit Derivatives	-	-	-	-	-	-
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	2,518,840	2,518,840	2,480,960	-	2,480,960	198,477
	Defaulted Exposures	-	-	-	-	-	-
	Total for Off-Balance Sheet Exposures	5,526,373	5,526,373	4,076,254	-	4,076,254	326,100
	Total On and Off-Balance Sheet Exposures	35,269,130	35,288,044	11,372,075	-	11,372,075	909,766
2.0	Large Exposure Risk Requirement	-	-	-	-	-	-
3.0	Market Risk (Standardised Approach)						
	Interest rate risk	369,705	325,786	43,918	951,396	951,396	76,112
	Foreign currency risk	52,991	81,081	(28,090)	81,081	81,081	6,486
	Equity risk	-	-	-	-	-	-
	Commodity risk	-	-	-	-	-	-
	Options risk	4,387	3,063	1,324	86,943	86,943	6,955
	Inventory risk	-	-	-	-	-	-
4.0	Operational Risk (Basic Indicator Approach)			3,269,214	-	3,269,214	261,537
	Total RWA and Capital Requirements			15,760,709	-	15,760,709	1,260,856

The following table details the classes of RWA and the types of exposure of the Islamic Banking window as of 31 December 2023:

Item	Exposure Class	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Risk-Weighted Assets Absorbed by PSIA RM'000	Total Risk-Weighted Assets after effects of PSIA RM'000	Minimum Capital Requirement at 8% RM'000
1.0	Credit Risk (Standardised Approach)						
	<i>On-Balance Sheet Exposures</i>						
	Sovereigns/Central Banks	1,916,688	1,916,688	-	-	-	-
	Banks, Development Financial Institutions and MDBs	16	16	9	-	9	1
	Corporates, insurance cos and securities firms	-	-	-	-	-	-
	Residential Mortgages	-	-	-	-	-	-
	Other Assets	66	66	66	-	66	5
	Defaulted Exposures	-	-	-	-	-	-
	Total for On-Balance Sheet Exposures	1,916,770	1,916,770	75	-	75	6
	<i>Off-Balance Sheet Exposures</i>						
	OTC Derivatives	-	-	-	-	-	-
	Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-	-	-
	Defaulted Exposures	-	-	-	-	-	-
	Total for Off-Balance Sheet Exposures	-	-	-	-	-	-
	Total On and Off-Balance Sheet Exposures	1,916,770	1,916,770	75	-	75	6
2.0	Large Exposure Risk Requirement	-	-	-	-	-	-
3.0	Market Risk (Standardised Approach)						
	Benchmark rate risk	-	-	-	-	-	-
	Foreign currency risk	-	-	-	-	-	-
	Equity risk	-	-	-	-	-	-
	Commodity risk	-	-	-	-	-	-
	Options risk	-	-	-	-	-	-
	Inventory risk	-	-	-	-	-	-
4.0	Operational Risk (Basic Indicator Approach)			72,590	-	72,590	5,807
	Total RWA and Capital Requirements			72,665	-	72,665	5,813

Capital Structure

The following details the capital structure for the Group and Bank:

	Group and Bank	
	Dec 2024	Dec 2023
	RM'000	RM'000
CET 1 Capital		
Paid up ordinary share capital	502,000	502,000
Retained profits	3,879,353	4,122,874
Other reserves	73,491	56,251
Less: Regulatory reserve	(70,000)	(65,000)
Less: Deferred tax assets	(29,318)	(20,879)
Less: 55% of cumulative gains of financial assets measured at FVOCI	(1,921)	-
Total CET 1 Capital / Total Tier 1 Capital	4,353,605	4,595,246
Tier 2 Capital		
Loss allowance and regulatory reserves	78,692	74,896
Total Tier 2 Capital	78,692	74,896
Total Capital	4,432,297	4,670,142

The following details the capital structure for the Islamic Banking window:

	Dec 2024	Dec 2023
	RM'000	RM'000
CET 1 Capital		
Capital funds	20,000	20,000
Retained profits	702,876	665,672
Other reserves	489	(134)
Less: Deferred tax assets	-	(42)
Less: 55% of cumulative gains of financial assets measured at FVOCI	(269)	-
Total CET 1 Capital / Total Tier 1 Capital	723,096	685,496
Tier 2 Capital		
Loss allowance and regulatory reserves	0	0
Total Tier 2 Capital	0	6
Total Capital	723,096	685,496

The capital structure of the Group and the Bank as disclosed above does not have any specific terms and conditions attached to them.

Risk Management

Citigroup's culture drives a strong risk and control environment and is at the core of the approach to risk management, underpinning the way Citigroup conducts business, and in turn Citibank Berhad ("the Bank"). The Bank has a Risk Management Framework to ensure robust and consistent management of the material risks, including credit, market and operational risks, facing the Bank. The Board is responsible for the oversight of the Bank and holds senior management accountable for implementing approved frameworks, policies, standards, and procedures, and meeting strategic objectives within risk appetite.

The Bank has a Board Risk Management Committee

("Board RMC") and a Board Audit Committee ("Board AC"). The Board RMC assists the Board in fulfilling its oversight responsibility relating to (i) activities in managing Credit, Market, Liquidity, Operational, Compliance, Strategic, and Reputation Risks, and (ii) the existence and functioning of robust risk management processes. The Board RMC meets at least quarterly, and its key responsibilities include: (i) reviewing the adoption of Citi's risk management strategies, policies, and risk tolerance and recommending these for the Board approval, (ii) assessing the adequacy of risk management policies and framework in identifying, measuring, monitoring, and controlling risks, (iii) ensuring adequate infrastructure, resources, and systems are in place for risk management, (iv) periodically reviewing the management reports on risk exposure, regulatory capital levels, capital structure, metrics, risk portfolio, composition, and risk management activities, (v) providing oversight to the strategic forecasting and stress testing, and (vi) reviewing the balance sheet, capital, funding, interest rate, and liquidity management frameworks including significant policies, processes, and systems that management uses to manage its exposures. The Board AC

is a standing committee of the Board and assists the Board in fulfilling its oversight responsibility relating to (i) the integrity of Citibank Berhad's financial statements, financial reporting process, and systems of internal accounting and financial controls, (ii) the performance of Citibank Berhad's Internal Audit ("IA") function, (iii) Citibank Berhad's compliance with legal and regulatory requirements, and (iv) the fulfilment of other responsibilities as set out in the Charter of the Board AC. The Board AC meets at least quarterly.

The compositions of the Audit Committee and Risk Management Committee are disclosed in the Statement of Corporate Governance in Citibank Berhad's Annual Report.

Overview

As a part of Citigroup, Citibank Berhad adopts Citigroup level policies, where applicable. Citigroup's policies reflect the core principles and regulatory requirements to ensure that all business operations are conducted in accordance with applicable laws, rules, regulations, principles of safety and soundness and Citigroup's commitment to Responsible Finance. Citigroup's policies are critical to maintaining a culture of compliance and control and effectively managing risk within Citibank Berhad.

The Bank's Risk Management Framework ("RMF") follows Citigroup's Enterprise Risk Management Framework ("ERMF"), which comprises of the following components:

- Culture describes the core principles and behaviours that underpin a strong culture of risk awareness in line with Citigroup's Mission, Value Proposition, and Leadership Principles.
- Governance details the committee structure and reporting arrangements that support the appropriate oversight of risk management activities at the Citigroup's Board and Executive Management levels and establishes Citigroup's Lines of Defense ("LoD") Model.
- Risk Management details the end-to-end risk management lifecycle which is comprised of activities to identify, measure, monitor, control, and report all risks including Top, Material, Growing, Idiosyncratic, and Emerging risks, and aggregated to an enterprise level.
- Enterprise Programs define the key risk management programs performed across the risk management lifecycle for all risk categories.

Each of these pillars is underpinned by supporting capabilities, which are the infrastructure, people, technology and data and modelling and analytical capabilities that are in place to enable the execution of the RMF.

Similar to Citigroup, Citibank Berhad uses a LoD model as a key component of its RMF to manage its risks and brings together risk-taking, risk oversight, and risk assurance under one umbrella and provides an avenue for risk accountability of first line of defense, a construct for

effective challenge by the second line of defense (Independent Risk Management and Independent Compliance Risk Management), and empowers independent risk assurance by the third line of defense (Internal Audit). In addition, the lines of defense model include organizational units tasked with supporting a strong control environment ("enterprise support functions"). The first, second, and third lines of defense, along with enterprise support functions, have distinct roles and responsibilities and are empowered to perform relevant risk management processes and responsibilities in order to manage risks in a consistent and effective manner.

First Line of Defense:

Front Line Units and Front Line Unit Activities

Citibank Berhad's first line of defense owns the risks and associated controls inherent in, or arising from, the execution of its business activities and is responsible for identifying, measuring, monitoring, controlling and reporting those risks consistent with the strategy, Mission and Value Proposition, Leadership Principles and risk appetite. Front line units are responsible and held accountable for managing the risks associated with their activities within the boundaries set by independent risk management. They are also responsible for designing and implementing effective internal controls and maintaining processes for managing their risk profile, including through risk mitigation, so that it remains consistent with the established risk appetite. Front line unit activities are considered part of the first line of defense and are subject to the oversight and challenge of independent risk management.

Second Line of Defense: Independent Risk Management

Independent risk management units are independent of the first line of defense. They are responsible for overseeing the risk-taking activities of the first line of defense and challenging the first line of defense in the execution of its risk management responsibilities. They are also responsible for independently identifying, measuring, monitoring, controlling and reporting aggregate risks and for setting standards for the management and oversight of risk. Independent risk management is composed of Independent Risk Management (IRM) and Independent Compliance Risk Management (ICRM).

Third Line of Defense: Internal Audit

Internal Audit is independent of the first line, second line and enterprise support functions. The role of Internal Audit is to provide independent, objective, reliable, valued and timely assurance to the Board, the Audit Committee, senior management and regulators over the effectiveness of governance, risk management and controls that mitigate current and evolving risks and enhance the control culture.

Enterprise Support Functions

Enterprise support functions engage in activities that support safety and soundness and provide advisory services and/or design, implement, maintain and oversee programs that support maintaining an effective control environment.

To assess adequacy of the bank's capital to support its current and future activities, the bank has identified material risks applicable to the Citibank Berhad's lines of business, in accordance with the BNM Guidelines for Risk Weighted Capital Adequacy Framework (Basel II) - Internal Capital Adequacy Assessment Process (Pillar 2) (BNM/RH/GL 001-33) and Stress Testing Guidelines (BNM/RH/PD 029-15). Material risks are regularly reviewed by senior management and presented to the Board of Directors. For the purpose of Pillar 3, the following material risks are discussed in this document: Credit Risk, Market Risk (comprising Price Risk, Interest Rate Risk in the Banking Book ("IRRBB")), Liquidity Risk and Operational Risk.

5.1 Credit Risk Management

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

Credit risk also arises from clearing and settlement activities, when Citibank Berhad (“Citi”) transfers an asset in advance of receiving its counter-value or advances funds to settle a transaction on behalf of a client.

The credit process is grounded in a series of fundamental policies, including:

- joint business and independent risk management responsibility for managing credit risks, where independent risk provides credible review and challenge to first line units;
- a single center of control for each credit relationship, which coordinates credit activities with each client;
- portfolio limits to ensure diversification and maintain risk/ capital alignment;
- a minimum of two authorized credit officer signatures required on most extensions of credit;
- risk rating standards, applicable to every obligor and facility; and
- consistent standards for minimum credit origination documentation and remedial management.

Citi has an established framework in place for managing credit risk across all businesses that includes a defined risk appetite, credit limits and credit policies. Citi’s credit risk management framework also includes policies and procedures to manage problem exposures.

5.2 Definition of Past Due and Impaired Loans

Exposures are considered to be past due if contractually agreed payments of principal, interest or fee has not been paid at a date it was due. A loan is impaired when there is objective evidence that demonstrates that a loss event has occurred after the initial recognition of the loan, and that the loss event has an impact on the future cash flows of the loan.

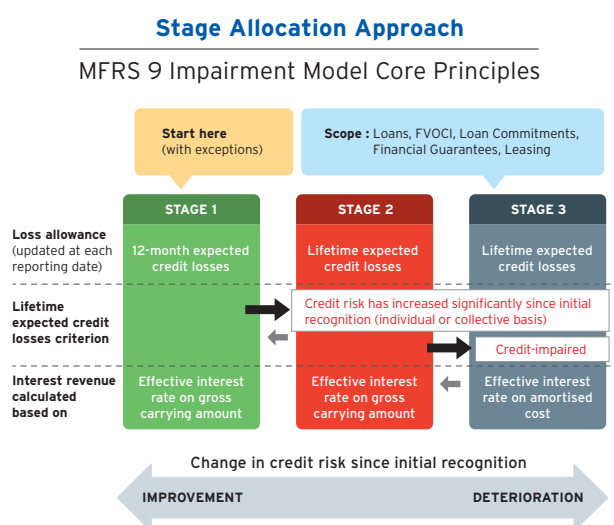
Objective evidence that a loan or a loan portfolio is impaired includes observable data that could include the following loss events:-

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- observable data relating to a portfolio of financial assets such as:
 - (i) adverse changes in the payment status of borrowers in the portfolio; and
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

Under the revised policy issued by BNM on Financial Reporting (BNM/RH/PD 032-13), if the repayment conduct of the loan is past due for more than 90 days or 3 months of either principal, interest or both, the loan shall be classified as impaired. The Bank applies this policy in addition to the above when determining if a loan is impaired.

5.3 Impairment

Citibank Berhad adopted MFRS 9 Financial Instruments with effect on 1 January 2018. The impairment model applies to financial assets measured at amortised cost, investment securities measured at fair value through other comprehensive income ("FVOCI") and to certain loan commitments and financial guarantee contracts. Under MFRS 9, credit loss allowances will be measured on each reporting date according to a three-Stage expected credit loss impairment model under which each financial asset is classified in one of the stages below:



Stage 1 12-months ECL

From initial recognition of a financial asset to the date on which the asset has experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults expected over the next 12 months.

Stage 2 Lifetime ECL - not credit impaired

Following a significant increase in credit risk relative to the risk at initial recognition of the financial asset, a loss

allowance is recognised equal to the full credit losses expected over the remaining life of the asset.

Stage 3 Lifetime ECL - credit impaired

When a financial asset is considered to be credit-impaired, a loss allowance equal to the full lifetime expected credit losses will be recognised.

5.4 Distribution of Loans, Advances and Financing

The following information on loans, advances and financing are disclosed in Note 6 in the financial statement as of 31 December 2024:

- 1) Geographical distribution
- 2) Sector
- 3) Residual contractual maturity

5.5 Impaired Loans, Past Due Loans, Lifetime ECL Credit Impaired, 12-Months ECL And Lifetime ECL Not Credit Impaired, Charges for Lifetime ECL Credit Impaired and Write Offs by Sector

The following tables present the Group's and the Bank's detailed past due loans, lifetime ECL credit impaired, 12-months ECL and lifetime ECL not credit impaired, charges and write offs for lifetime ECL credit impaired by sector as of 31 December 2024. At present, the Islamic Banking Window does not any exposure, hence the related detailed disclosure is not applicable.

The information on impaired loans by sector and by geographic area and reconciliation of changes in loan allowance are disclosed in Note 7 in the financial statements as of 31 December 2024.

5.5.1 Past Due Loans but Not Impaired

The following table details past due loans but not impaired by sector of the Group and the Bank:

	31 Dec 2024 RM'000	31 Dec 2023 RM'000
Primary agriculture	-	-
Mining and quarrying	-	-
Manufacturing	22,621	14,453
Electricity, gas, water	-	-
Construction	-	-
Wholesale, retail trade, restaurant and hotels	15,276	122
Transport, storage and communication	528	284
Finance, insurance, real estate, and business services	477	1,153
Education, health, household & others	-	-
Total	38,902	16,012

5.5.2 Lifetime ECL Credit Impaired

The following table details lifetime ECL credit impaired by sector of the Group and the Bank:

	31 Dec 2024 RM'000	31 Dec 2023 RM'000
Primary agriculture	-	-
Mining and quarrying	1	15
Manufacturing	2,167	2,167
Electricity, gas, water	-	-
Construction	-	-
Wholesale, retail trade, restaurant and hotels	1	-
Transport, storage and communication	-	-
Finance, insurance, real estate, and business services	1,661	1,661
Education, health, household & others	1	-
Community, social and personal services	-	-
Total	3,831	3,843

5.5.3 12-Months ECL and Lifetime ECL Not Credit Impaired

The following table details 12-months ECL and lifetime ECL not credit impaired by sector of the Group and the Bank:

	31 Dec 2024 RM'000	31 Dec 2023 RM'000
Primary agriculture	5	11
Mining and quarrying	57	34
Manufacturing	4,715	4,313
Electricity, gas, water	-	7
Construction	1	99
Wholesale, retail trade, restaurant and hotels	1,381	2,689
Transport, storage and communication	860	1,026
Finance, insurance, real estate, and business services	808	635
Education, health, household & others	100	46
Community, social and personal services	-	-
Total	7,927	8,860

* 12-months ECL and lifetime ECL not credit impaired including ECL restricted from Tier 2 Capital by BNM of RM Nil million for both 31 Dec 2024 and 31 Dec 2023 disclosure.

5.5.4 Charges for Lifetime ECL Credit Impaired

The following table details charges for lifetime ECL credit impaired by sector of the Group and the Bank:

	31 Dec 2024 RM'000	31 Dec 2023 RM'000
Primary agriculture	-	-
Mining and quarrying	1	14
Manufacturing	-	-
Electricity, gas, water	-	-
Construction	-	-
Wholesale, retail trade, restaurant and hotels	1	-
Transport, storage and communication	-	-
Finance, insurance, real estate, and business services	-	-
Education, health, household & others	1	-
Community, social and personal services	-	-
Total	3	14

5.5.5 Write Offs

The following table details write offs by sector of the Group and the Bank:

	31 Dec 2024 RM'000	31 Dec 2023 RM'000
Primary agriculture	-	-
Mining and quarrying	-	-
Manufacturing	-	-
Electricity, gas, water	-	-
Construction	-	-
Wholesale, retail trade, restaurant and hotels	-	7,001
Transport, storage and communication	-	-
Finance, insurance, real estate, and business services	-	2
Education, health, household & others	-	-
Community, social and personal services	-	-
Total	-	7,003

5.6 External Credit Assessment Institutions ("ECAIs")

The Bank uses ratings by global agencies i.e. Fitch Ratings, Moody's Investor Services, and Standard & Poor's. The Bank also uses ratings from local agencies Rating Agency Malaysia ("RAM") Berhad and Malaysian Rating Corporation ("MARC") Berhad. These ECAIs are used to rate Corporates, Banking Institutions, Sovereigns and Central Banks.

The Bank uses a regional system called Optima to calculate its risk-weighted assets and this system receives its external ratings from a credit system that has a feed for external ratings from approved ECAIs. The mapping of external ratings to the respective counterparties and exposures is automated in the system.

The Bank uses issue-specific ratings for securities. In general, where no issue-specific rating exists, the credit rating assigned to the counterparty of a particular credit exposure is used. Where an exposure has neither an issue-specific rating nor counterparty rating, it is deemed as unrated.

The alignment of the alphanumeric scale of each recognised ECAs used by Citibank Berhad is detailed in the table below:

CREDIT QUALITY GRADES AND ELIGIBLE ECAs								
	Credit Quality Grade	1	2	3	4	5	6	Unrated
Rating Source	Optima (Basel Credit Ratings) Rating Agencies	AAA	A+	BBB+	BB+	B+	CCC+	Unrated
Central	Fitch Ratings	AAA AA+ AA AA-	A+ A A-	BBB+ BBB BBB-	BB+ BB BB-	B+ B B-	CCC+ CCC CCC- CC C D	
Central	Moody's Investor Services	Aaa Aa1 Aa2 Aa3	A1 A2 A3	Baa1 Baa2 Baa3	Ba1 Ba2 Ba3	B1 B2 B3	Caa1 Caa2 Caa3 Ca C	
Central	Standard & Poor's	AAA AA+ AA AA-	A+ A A-	BBB+ BBB BBB-	BB+ BB BB-	B+ B B-	CCC+ CCC CCC- CC C D	
Local	Rating Agency Malaysia Berhad (RAM)	AAA Aa1 Aa2 Aa3	A1 A2 A3	BBB1 BBB2 BBB3	BB1 BB2 BB3	B1 B2 B3	C1 C2 C3 D	
Local	Malaysian Rating Corporation Berhad (MARC)	AAA AA+ AA AA-	A+ A A-	BBB+ BBB BBB-	BB+ BB BB-	B+ B B-	C C D	

The following tables show Citibank Berhad's rated and unrated exposures, by class, according to ratings by ECAs:

5.6.1 Ratings of Corporates by Approved ECAs

31 December 2024
Group and Bank

Ratings of Corporate by Approved ECAs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated	Total
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B1 to C	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	Total
Public Sector Entities (applicable for entities Risk-Weighted based on their external ratings as corporates)		-	-	-	-	198,849	198,849
Insurance Cos, Securities Firms and Fund Managers		13,774	100,247	-	-	119,371	233,392
Corporates		-	66,980	138,263	-	7,966,617	8,171,860

Islamic Banking Window

Ratings of Corporate by Approved ECAs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated	Total
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B1 to C	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	Total
Public Sector Entities (applicable for entities Risk-Weighted based on their external ratings as corporates)		-	-	-	-	-	-
Insurance Cos, Securities Firms and Fund Managers		-	-	-	-	-	-
Corporates		-	-	-	-	-	-

31 December 2023
Group and Bank

Ratings of Corporate by Approved ECAs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated	Total
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B1 to C	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
Public Sector Entities (applicable for entities Risk-Weighted based on their external ratings as corporates)		-	-	-	-	100,675	100,675
Insurance Cos, Securities Firms and Fund Managers		21,179	363,986	-	-	46,064	431,229
Corporates		-	20,106	543,923	-	7,054,006	7,618,035

Islamic Banking Window

Ratings of Corporate by Approved ECAs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated	Total
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B1 to C	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
Public Sector Entities (applicable for entities Risk-Weighted based on their external ratings as corporates)		-	-	-	-	-	-
Insurance Cos, Securities Firms and Fund Managers		-	-	-	-	-	-
Corporates		-	-	-	-	-	-

5.6.2 Short Term Ratings of Banking Institutions and Corporates by Approved ECAIs

This disclosure does not apply to Citibank Berhad as it uses long term ratings for all exposures.

5.6.3 Ratings of Sovereigns and Central Banks by Approved ECAIs

31 December 2024

Group and Bank

Ratings of Sovereigns/Central Banks by Approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
Sovereigns/Central Banks		-	1,200,265	17,714,364	-	-	-	18,914,628

Islamic Banking Window

Ratings of Sovereigns/Central Banks by Approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
Sovereigns/Central Banks		-	-	2,183,351	-	-	-	2,183,351

31 December 2023
Group and Bank

Ratings of Sovereigns/Central Banks by Approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caal to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
Sovereigns/Central Banks		-	2,139,092	16,565,804	-	-	-	18,704,896

Islamic Banking Window

Ratings of Sovereigns/Central Banks by Approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caal to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
Sovereigns/Central Banks		-	-	1,916,688	-	-	-	1,916,688

5.6.4 Rating of Banking Institutions by Approved ECAIs

31 December 2024
Group and Bank

Ratings of Banks, Development Financial Institutions and MDBs by approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated	
Banks, Development Financial Institutions and MDBs		1,683,541	2,942,694	4,454,009	8,799	205	644,420	9,733,668

Islamic Banking Window

Ratings of Banks, Development Financial Institutions and MDBs by approved ECAIs (amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	BB1 to B3	C1 to D	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	C+ to D	Unrated	
Banks, Development Financial Institutions and MDBs		-	-	-	-	-	6	6

31 December 2023
Group and Bank

Ratings of Banks, Development Financial Institutions and MDBs by approved ECAIs
(amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	BB1 to B3	C1 to D	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	C+ to D	Unrated	
Banks, Development Financial Institutions and MDBs		1,838,141	1,911,858	3,487,784	11,799	2,580	694,376	7,946,538

Islamic Banking Window

Ratings of Banks, Development Financial Institutions and MDBs by approved ECAIs
(amounts in RM'000)

Exposure Class	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	Ba1 to B3	Caa1 to C	Unrated	Total
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	CCC+ to D	Unrated	
	RAM	AAA to AA3	A to A3	BBB1 to BB3	BB1 to B3	C1 to D	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	BB+ to B-	C+ to D	Unrated	
Banks, Development Financial Institutions and MDBs		-	-	-	-	-	16	16

5.7 Credit Risk Mitigation ("CRM")

As part of its risk management activities, Citi uses various risk mitigants to hedge portions of the credit risk in its portfolios, in addition to outright asset sales. Credit risk mitigation, including netting, collateral and other techniques, is important to Citi in the effective management of its credit risk exposures. Generally, in consultation with legal counsel, Citi determines whether collateral documentation is legally enforceable and gives Citi the right to liquidate or take possession of collateral in a timely manner in the event of the default, insolvency, bankruptcy or other defined credit event of the obligor.

Collateral assets taken as credit risk mitigants in the wholesale banking book receive initial and subsequent periodic valuations. This is part of the facility approval process and is aimed at ensuring a comprehensive understanding of the potential recovery value of the pledged collateral asset in an event of obligor default. Collateral must be realizable and have either (1) a value

capable of being established on the open market or (2) a value that can be provided by a recognized external market source or independent valuer. Valuations must also take into account the environment, the relevant market, and the type of collateral. Different collateral asset types and borrowers' risk profiles may require different processes with respect to valuation, the frequency of evaluation (and re-evaluation), inspection, and verification.

The main type of credit risk mitigants utilized are guarantees or other types of full support from parents or third parties, as well as collateral such as real estate or various asset types (primarily cash).

As the end of Dec 2024, the Bank's gross credit exposure is RM37,850 million, of which RM103 million was offset by CRM. After applying required risk weights, the Bank's Credit RWA is RM11,454 million. Given the immateriality of CRM, which is 0.3% of total credit exposure, asset class breakdowns are not provided and for the same reason, there is no CRM risk concentration exposure to the Bank.

The following table shows the total exposure amounts after credit risk mitigation as of 31 December 2024:

Risk Weights	Exposures after Netting and Credit Risk Mitigation											Total Risk Weighted Assets RM'000
	Sovereigns & Central Banks RM'000	PSEs RM'000	Banks, MDBs and FDI's RM'000	Insurance Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity RM'000	Total exposures after netting and Credit Risk Mitigation RM'000	
0%	17,714,364	-	88	-	-	-	-	-	237,128	-	17,951,580	-
10%	-	-	-	-	-	-	-	-	-	-	-	-
20%	1,200,265	198,849	7,559,174	13,774	3	-	-	-	-	-	8,972,066	1,794,413
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	2,165,412	100,247	67,151	-	-	-	-	-	2,332,810	1,166,405
75%	-	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	8,789	119,371	7,999,658	-	-	-	360,516	-	8,488,334	8,488,334
110%	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	205	-	2,645	-	-	-	-	-	2,850	4,275
270%	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	20	-	20	250
Total Exposures	18,914,628	198,849	9,733,668	233,392	8,069,458	-	-	-	597,664	-	37,747,659	11,453,677
Risk-Weighted Assets by Exposures	240,053	39,770	2,603,637	172,249	8,037,202	-	-	-	360,766	-	-	11,453,677
Average Risk Weight	1%	20%	27%	74%	100%	0%	0%	0%	60%	0%	30%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

The following table details the total exposure amounts of the Islamic Banking window after credit risk mitigation as of 31 December 2024:

Risk Weights	Exposures after Netting and Credit Risk Mitigation										Total exposures after netting and Credit Risk Mitigation RM'000	Total Risk Weighted Assets RM'000
	Sovereigns & Central Banks RM'000	PSEs RM'000	Banks, MDBs and FDI RM'000	Insurance Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity RM'000		
0%	2,183,351	-	-	-	-	-	-	-	-	-	2,183,351	-
10%	-	-	-	-	-	-	-	-	-	-	-	-
20%	-	-	-	-	-	-	-	-	-	-	-	-
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	6	-	-	-	-	-	-	-	6	3
75%	-	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-	31	-	31	31
110%	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	2,183,351	-	6	-	-	-	-	-	31	-	2,183,388	34
Risk-Weighted Assets by Exposures	-	-	3	-	-	-	-	-	31	-	-	34
Average Risk Weight	0%	0%	50%	0%	100%	0%	0%	0%	100%	0%	0%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

The following table details the total exposure amounts of the Group and the Bank after credit risk mitigation as of 31 December 2023:

Risk Weights	Exposures after Netting and Credit Risk Mitigation											Total Risk Weighted Assets RM'000
	Sovereigns & Central Banks RM'000	PSEs RM'000	Banks, MDBs and FDIs RM'000	Insurance Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity RM'000	Total exposures after netting and Credit Risk Mitigation RM'000	
0%	16,983,309	-	30	-	-	-	-	-	310,641	-	17,293,981	-
10%	-	-	-	-	-	-	-	-	-	-	-	-
20%	1,721,587	100,675	3,464,977	21,179	5	-	-	-	-	-	5,308,423	1,061,685
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	4,411,608	363,986	269	-	-	-	-	-	4,775,862	2,387,931
75%	-	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	67,274	46,046	7,514,422	-	-	-	257,097	-	7,884,857	7,884,857
110%	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	2,649	-	22,253	-	-	-	-	-	24,902	37,353
270%	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	20	-	20	250
Total Exposures	18,704,896	100,675	7,946,538	431,229	7,536,949	-	-	-	567,758	-	35,288,044	11,372,075
Risk-Weighted Assets by Exposures	344,317	20,135	2,970,046	232,293	7,547,937	-	-	-	257,347	-	-	11,372,075
Average Risk Weight	2%	20%	37%	54%	100%	0%	0%	0%	45%	0%	32%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

The following table details the total exposure amounts of the Islamic Banking window after credit risk mitigation as of 31 December 2023:

Risk Weights	Exposures after Netting and Credit Risk Mitigation										Total exposures after netting and Credit Risk Mitigation RM'000	Total Risk Weighted Assets RM'000
	Sovereigns & Central Banks RM'000	PSEs RM'000	Banks, MDBs and FDI's RM'000	Insurance Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity RM'000		
0%	1,916,688	-	-	-	-	-	-	-	-	-	1,916,688	-
10%	-	-	-	-	-	-	-	-	-	-	-	-
20%	-	-	-	-	-	-	-	-	-	-	-	-
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	16	-	-	-	-	-	-	-	16	9
75%	-	-	-	-	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-	66	-	66	66
110%	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	1,916,688	-	16	-	-	-	-	-	66	-	1,916,770	75
Risk-Weighted Assets by Exposures	-	-	9	-	-	-	-	-	66	-	-	75
Average Risk Weight	0%	0%	50%	0%	100%	0%	0%	0%	100%	0%	0%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

The following table details the total exposures which is covered by eligible guarantees and financial collaterals as of 31 December 2024:

Exposure Class	Exposures before CRM RM'000	Exposures covered by guarantees RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
Credit Risk				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	18,893,270	-	-	-
Public Service Entities	-	-	-	-
Banks, Development Financial Institutions and MDBs	7,639,477	-	-	-
Corporates, insurance cos and securities firms	5,322,484	171	102,402	-
Regulatory Retail	-	-	-	-
Residential Mortgages	-	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	597,664	-	-	-
Defaulted Exposures	2,648	3	-	-
Total for On-Balance Sheet Exposures	32,455,543	174	102,402	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	2,886,319	-	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	2,508,200	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	5,394,519	-	-	-
Total On and Off-Balance Sheet Exposures	37,850,062	174	102,402	-

The following table details the total exposures which is covered by eligible guarantees and financial collaterals of the Islamic Banking window as of 31 December 2024:

Exposure Class	Exposures before CRM RM'000	Exposures covered by guarantees RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
Credit Risk				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	2,183,351	-	-	-
Banks, Development Financial Institutions and MDBs	6	-	-	-
Corporates, insurance cos and securities firms	-	-	-	-
Residential Mortgages	-	-	-	-
Other Assets	31	-	-	-
Defaulted Exposures	-	-	-	-
Total for On-Balance Sheet Exposures	2,183,388	-	-	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	-	-	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	-	-	-	-
Total On and Off-Balance Sheet Exposures	2,183,388	-	-	-

The following table details the total exposures which is covered by eligible guarantees and financial collaterals as of 31 December 2023:

Exposure Class	Exposures before CRM RM'000	Exposures covered by guarantees RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
Credit Risk				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	18,704,896	-	-	-
Public Service Entities	-	-	-	-
Banks, Development Financial Institutions and MDBs	6,037,040	-	-	-
Corporates, insurance cos and securities firms	4,510,746	274	81,022	-
Regulatory Retail	-	-	-	-
Residential Mortgages	-	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	567,758	-	-	-
Defaulted Exposures	22,317	-	64	-
Total for On-Balance Sheet Exposures	29,842,757	274	81,086	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	3,007,533	-	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	2,518,840	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	5,526,373	-	-	-
Total On and Off-Balance Sheet Exposures	35,369,130	274	81,086	-

The following table details the total exposures which is covered by eligible guarantees and financial collaterals for the Islamic Banking window as of 31 December 2023:

Exposure Class	Exposures before CRM RM'000	Exposures covered by guarantees RM'000	Exposures covered by eligible financial collateral RM'000	Exposures covered by other eligible collateral RM'000
Credit Risk				
<i>On-Balance Sheet Exposures</i>				
Sovereigns/Central Banks	1,916,688	-	-	-
Banks, Development Financial Institutions and MDBs	16	-	-	-
Corporates, insurance cos and securities firms	-	-	-	-
Residential Mortgages	-	-	-	-
Other Assets	66	-	-	-
Defaulted Exposures	-	-	-	-
Total for On-Balance Sheet Exposures	1,916,770	-	-	-
<i>Off-Balance Sheet Exposures</i>				
OTC Derivatives	-	-	-	-
Off-balance sheet exposures other than OTC derivatives or credit derivatives	-	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	-	-	-	-
Total On and Off-Balance Sheet Exposures	1,916,770	-	-	-

5.8 Off-Balance Sheet Exposures and Counterparty Credit Risk ("CCR")

The following table shows the Group and Bank's off-balance sheet exposures and Risk-Weighted Assets as of 31 December 2024:

Item	Description	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount RM'000	Risk Weighted Assets RM'000
1	Direct Credit Substitutes	1,834,652	-	1,834,652	1,792,383
2	Transaction related contingent Items	630,424	-	315,212	300,093
3	Short Term Self Liquidating trade related contingencies	175,498	-	35,100	26,480
4	Assets sold with recourse	-	-	-	-
5	Forward Asset Purchases	62,341	-	62,341	41,560
6	Obligations under an on-going underwriting agreement	-	-	-	-
7	Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions)	-	-	-	-
8	Foreign exchange related contracts	-	-	-	-
	One year or less	47,098,618	482,175	1,109,574	602,299
	Over one year to five years	3,081,892	142,525	331,314	163,131
	Over five years	91,663	2,203	11,596	5,798
9	Interest/Profit rate related contracts	-	-	-	-
	One year or less	14,128,771	497	21,529	8,052
	Over one year to five years	36,969,197	35,762	905,154	327,495
	Over five years	1,159,249	1,769	102,423	45,866
10	Equity related contracts	-	-	-	-
	One year or less	81,235	387	5,961	5,575
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
11	Gold and other precious metal contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
12	Other commodity contracts	-	-	-	-
	One year or less	3,654,329	28,326	390,332	291,717
	Over one year to five years	70,299	446	8,436	6,267
	Over five years	-	-	-	-
13	Credit Derivative Contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
14	OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	-	-	-	-
15	Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,146	-	573	573
16	Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	355,653	-	71,131	71,131
17	Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrowers creditworthiness	17,627,358	-	-	-
18	Unutilised credit card lines	945,955	-	189,191	189,081
19	Off-balance sheet items for securitisation exposures	-	-	-	-
20	Total	127,968,280	694,090	5,394,519	3,877,501

The following table shows the Islamic Banking window's off-balance sheet exposures and Risk-Weighted Assets as of 31 December 2024:

Item	Description	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount RM'000	Risk Weighted Assets RM'000
1	Direct Credit Substitutes	-	-	-	-
2	Transaction related contingent Items	-	-	-	-
3	Short Term Self Liquidating trade related contingencies	-	-	-	-
4	Assets sold with recourse	-	-	-	-
5	Forward Asset Purchases	-	-	-	-
6	Obligations under an on-going underwriting agreement	-	-	-	-
7	Commitment to buy back Islamic securities under sales and buy back agreement transactions	-	-	-	-
8	Foreign exchange related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
9	Benchmark rate related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
10	Equity related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
11	Gold and other precious metal contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
12	Other commodity contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
13	OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	-	-	-	-
14	Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	-	-	-	-
15	Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	-	-	-	-
16	Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrowers creditworthiness	-	-	-	-
17	Unutilised credit card lines	-	-	-	-
18	Off-balance sheet items for securitisation exposures	-	-	-	-
	Total	-	-	-	-

The following table shows the Group and Bank's off-balance sheet exposures and Risk-Weighted Assets as of 31 December 2023:

Item	Description	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount RM'000	Risk Weighted Assets RM'000
1	Direct Credit Substitutes	1,812,972	-	1,812,972	1,794,849
2	Transaction related contingent Items	844,552	-	422,276	403,547
3	Short Term Self Liquidating trade related contingencies	435,902	-	87,180	86,263
4	Assets sold with recourse	-	-	-	-
5	Forward Asset Purchases	18,340	-	18,340	18,340
6	Obligations under an on-going underwriting agreement	-	-	-	-
7	Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions)	-	-	-	-
8	Foreign exchange related contracts	-	-	-	-
	One year or less	54,907,067	434,374	1,158,275	634,133
	Over one year to five years	2,782,146	68,746	240,487	117,630
	Over five years	-	-	-	-
9	Interest/Profit rate related contracts	-	-	-	-
	One year or less	21,462,623	(13)	33,594	12,369
	Over one year to five years	30,068,797	54,282	769,094	274,231
	Over five years	1,338,248	7,668	107,157	46,760
10	Equity related contracts	-	-	-	-
	One year or less	121,563	1,718	8,908	8,908
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
11	Gold and other precious metal contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
12	Other commodity contracts	-	-	-	-
	One year or less	6,079,701	87,509	687,343	499,237
	Over one year to five years	22,298	515	2,676	2,026
	Over five years	-	-	-	-
13	Credit Derivative Contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
14	OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	-	-	-	-
15	Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	-	-	-	-
16	Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	112,562	-	22,512	22,512
17	Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrowers creditworthiness	15,426,018	-	-	-
18	Unutilised credit card lines	777,797	-	155,559	155,449
19	Off-balance sheet items for securitisation exposures	-	-	-	-
20	Total	136,210,586	654,799	5,526,373	4,076,254

The following table shows the Islamic Banking window's off-balance sheet exposures and Risk-Weighted Assets as of 31 December 2023:

Item	Description	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount RM'000	Risk Weighted Assets RM'000
1	Direct Credit Substitutes	-	-	-	-
2	Transaction related contingent Items	-	-	-	-
3	Short Term Self Liquidating trade related contingencies	-	-	-	-
4	Assets sold with recourse	-	-	-	-
5	Forward Asset Purchases	-	-	-	-
6	Obligations under an on-going underwriting agreement	-	-	-	-
7	Commitment to buy back Islamic securities under sales and buy back agreement transactions	-	-	-	-
8	Foreign exchange related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
9	Benchmark rate related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
10	Equity related contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
11	Gold and other precious metal contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
12	Other commodity contracts	-	-	-	-
	One year or less	-	-	-	-
	Over one year to five years	-	-	-	-
	Over five years	-	-	-	-
13	OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	-	-	-	-
14	Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	-	-	-	-
15	Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	-	-	-	-
16	Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrowers creditworthiness	-	-	-	-
17	Unutilised credit card lines	-	-	-	-
18	Off-balance sheet items for securitisation exposures	-	-	-	-
	Total	-	-	-	-

Securitisation

At present, Citibank Berhad does not have any exposures to securitisation transactions.
Hence, this disclosure is not applicable.

Market Risk

Market risk is the potential loss resulting from a change in the current economic value of a position, due to changes in the associated underlying market risk factors. Market risk encompasses price risk arising from the normal course of business operations in a global financial intermediary. At Citibank Berhad, market risk is managed through corporate-wide standards, business policies and procedures with oversight from responsible personnel and committees delegated by the Board of Directors (for example, the Country Coordinating Committee and Market Risk Management).

Market risk is measured in accordance with established standards to ensure consistency across businesses and the ability to aggregate risk for monitoring purpose. The business is required to establish, with approval from independent market risk management, a market risk limit framework for identified risk factors, clearly defining approved risk profiles within the parameters of the Bank's overall risk appetite. The result of every risk assessment and review exercise is then presented to the Board of Directors for feedback and recommended action (if necessary).

In terms of internal controls, Market Risk Management, an independent group, oversees market risk and ensures that the risk profile is consistent with Citibank Berhad's overall approved risk appetite. Price risk limits are monitored on a daily basis. Limit excesses (if any) are highlighted to the Country Coordinating Committee and the Board Risk Management Committee.

7.1 Price Risk

Price risk is the risk associated to earnings arising from changes in interest rates, foreign exchange rates, equity and commodity prices, credit spread and in their implied

volatilities. Price risk arises in trading portfolios as well as non-trading portfolios.

Price risk in trading portfolios is measured through a complementary set of tools such as factor sensitivities, value-at-risk, loss trigger and stress testing.

It is the responsibility of the independent market risk management to ensure that factor sensitivities are calculated, monitored and in most cases limited, for all relevant risks taken in a trading portfolio. In addition, stress testing is performed on trading portfolios on a regular basis to estimate the impact of extreme market movements.

Interest rate risk in non-trading portfolios is inherent in many client-related activities, primarily lending and deposit taking activities. Interest rate risk arises due to factors including the timing of rate resetting and maturity period between assets and liabilities, change in the profile of assets and liabilities whereby the maturity period differs in response to movements in market interest rates, changes in the yield curve and spread between various market rate indices.

Interest Rate Exposure (income metrics) is used as a tool to monitor interest rate risk and is calculated as the pre-tax impact on net interest revenue for banking book positions, premised upon defined shifts in interest rates over a specified reporting period. Economic Value of Equity / Economic Value Sensitivity (valuation metric) measures the impact of interest rate changes onto the bank's capital. This impact can be measured using stress test, EVS and/or DV01 risk metrics to capture the impact of interest rate changes on the economic value of assets and liabilities.

Liquidity is the ability of a financial institution to fund increases in assets and meet obligations as they come due at a reasonable cost. Liquidity risk represents the potential loss arising from the inability to access liquidity to meet all obligations as and when due without adversely affecting daily operations or the financial condition of the firm.

Citibank Berhad complies with both Citigroup's liquidity and funding policy as well as BNM's liquidity requirements, in the management, monitoring and measurement of liquidity risk within a high effective process. Citibank Berhad has established a robust control framework which ensures that liquidity risk is effectively managed within predefined and agreed risk tolerances. The control framework is being integrated into the overall Citibank Berhad's liquidity and funding process, and the liquidity monitoring framework where under the Liquidity Risk Management Policy, there is a single set of standards for the measurement, reporting and management of liquidity risk in order to ensure consistency across businesses, stability in methodologies, and transparency of risk and the establishment of appropriate risk appetite.

The control framework consists of Liquidity Review Process ("LRP") which incorporates several review requirements where main ones are in the following:

- Funding and Liquidity Forecasting
- Limits and Triggers, including Universal currency status
- Contingency Funding Plan
- Term Liquidity Stress Testing (TLST) FX capacity
- U.S. Liquidity Coverage Ratio (LCR) Highly Qualified Liquid Assets (HQLA) Tests include the following 2 tests.
 - Liquid and Readily-Marketable Tests using Liquid and Readily-Marketable Tests Template
 - Operational Capabilities Test using HQLA Sample Monetization Template and HQLA Operational Capability Assessment Template
- Local Liquidity Requirements
- Cash-Flow Projection
- Higher Risk Assessment Questionnaire (HRAQ)
- Intraday Monitoring, Management and Reserving Document (IMMRD)
- Central Bank Facility Inventory

Operational Risk

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

Operational risk is inherent in Citi's global business activities, as well as related support functions, and can result in losses. Citi maintains a comprehensive Company-wide risk taxonomy to classify operational risks that it faces using standardized definitions across Citi's Operational Risk Management Framework.

Citibank Berhad's goal is to keep operational risk at appropriate levels relative to the characteristics of its businesses, the markets in which it operates, its capital and liquidity and the competitive, economic and regulatory environment. This includes effectively managing operational risk and maintaining or reducing operational risk exposures within the bank's operational risk appetite.

Citi's Independent Operational Risk Management group has established a Global Operational Risk Management Framework with policies and practices for identification, measurement, monitoring, managing and reporting operational risks and the overall operating effectiveness of the internal control environment. As part of this framework, Citibank Berhad has defined its operational risk appetite and established a manager's control assessment (MCA) process for self-identification of

significant operational risks, assessment of the performance of key controls and mitigation of residual risk above acceptable levels.

Citibank Berhad operational risk processes are consistent with the requirement of the framework which includes:

- Understanding the operational risks they are exposed to;
- Designing controls to mitigate identified risks;
- Establishing key indicators;
- Monitoring and reporting whether the operational risk exposures are in or out of their operational risk appetite;
- Having processes in place to bring operational risk exposures within acceptable levels;
- Periodically estimating and aggregating the operational risks they are exposed to; and
- Ensuring that sufficient resources are available to actively improve the operational risk environment and mitigate emerging risks.

Citibank Berhad considers operational risks that result from the introduction of new or changes to existing products, or result from significant changes in its organizational structures, systems, processes and personnel.

Citibank Berhad has a governance structure for the oversight of operational risk exposures through Country Coordinating Committee (CCC). CCC's provide channels to inform senior management about operational risk exposures, control issues and operational risk events, and allow them to take and document decisions around the mitigation, remediation or acceptance of operational risk exposures.

In addition, Independent Risk Management, including the Operational Risk Management group, works proactively with Citi's businesses and functions to drive a strong and embedded operational risk management culture and framework across Citi. The Operational Risk Management group actively challenges business and functions implementation of the Operational Risk Management Framework requirements and the quality of operational risk management practices and outcomes.

Information about businesses' key operational risks, historical operational risk losses and the control environment is reported by each major business segment and functional area. Citibank Berhad's operational risk profile and related information is summarized and reported to senior management, as well as to Risk Committees of Citibank Berhad's Board of Directors.

Equity Exposures in the Banking Book

Investments in equity instruments are categorised as investments securities in the financial statements. These equity instruments are measured at fair value through profit or loss ("FVTPL") with effective 1 January 2018.

Realised gains arising from sales and liquidations of equities in the reporting period is as follows:

	Dec 2024 RM'000	Dec 2023 RM'000
Realised gain / (loss)	-	-

The following table shows an analysis of equity investments by appropriate equity groupings and Risk-Weighted Assets as of the period end:

	31 December 2024		31 December 2023	
	Credit Risk Exposures RM'000	RWA RM'000	Credit Risk Exposures RM'000	RWA RM'000
Privately held				
- For socio-economic purposes	5,561	5,561	5,657	5,657

Interest Rate Risk/Rate of Return Risk in the Banking Book (IRR/RORBB)

Interest Rate Risk in Banking Book (IRRBB) refers to the current or prospective risk to the bank's capital and earnings arising from adverse movements in interest rates that affect the bank's banking book positions. IRRBB risk arises from gapping mismatch from both interest bearing and non-interest bearing assets and liabilities. The Bank applies the Basel Standard 6 scenarios to measure the impact of interest rate changes to the Bank's capital for banking book. The Basel Standard prescribes the 6 interest rate shock scenarios which include Parallel shock up, Parallel shock down, Steepener shock, Flattener shock, Short rates shock up and Short rates shock down. The computation of IRRBB aligns with the guidelines outlined in the Reporting Requirements for Interest Rate and Rate of Return Risk in the Banking Book (BNM/RH/PD 029-43) issued by Bank Negara Malaysia ("BNM").

Potential interest rate risk in banking book is monitored through interest rate exposure from movement in interest rates as tabled below.

	Impact on Positions as at 31 December 2024 ± 200 bps (Parallel Shift)		Impact on Positions as at 31 December 2023 ± 200 bps (Parallel Shift)	
	Increase/ (Decline) in Earnings RM'000	Increase/ (Decline) in Economic Value RM'000	Increase/ (Decline) in Earnings RM'000	Increase/ (Decline) in Economic Value RM'000
Currency				
MYR	188,606	(10,337)	154,841	(4,468)
USD	(29,551)	110,017	2,734	119,473
Others	(207)	9,353	2,080	(20,474)

Profit Investment Sharing Accounts and Shariah Governance

12.1 Profit Sharing Investment Accounts

This disclosure is not applicable, as Citibank Berhad's Islamic Banking Window does not have any Profit Sharing Investment Accounts for year 2024.

12.2 Shariah Governance

Shariah Governance

Citibank Berhad in operating its Islamic Banking business through a Window model, adheres to the Shariah Governance Policy Document issued by Bank Negara Malaysia (BNM) on 20 September 2019. The Policy Document establishes minimum governance standards governing the Board of Directors, Shariah Committee, senior management, Shariah control functions and secretariat to the Shariah Committee. Within the Policy, all parties are bound to exercise their duty of care and diligence to ensure the Bank's Islamic Banking business, operations and affairs comply with Shariah principles.

To ensure that the Islamic Banking operations are consistently conducted in accordance to Shariah principles, the Bank established an independent Shariah Committee (SC) to advise the Bank and to perform an oversight role on Shariah matters in relation to the Bank's Islamic Banking business and operations. While the Board remains responsible and accountable for the overall governance of the Bank, the SC shall be responsible and accountable for all its decisions, views and opinions related to Shariah.

SC is supported on a functional basis by the Shariah Control Officer to cover the Secretariat, Shariah Review and Shariah Risk Management. The main duties and responsibilities of the Shariah Secretariat is to provide a secretariat function to the SC, conduct research on Shariah issues and provides day-to-day Shariah advice to the Bank's internal parties based on the rulings of the BNM Shariah Advisory

Council (SAC) and the decisions or advice of the SC. Shariah Review are being conducted on periodical basis to assess state of Shariah compliance, while the Shariah Risk Management systematically identifies, measures, monitors, and reports Shariah Non-Compliance (SNC) risks in the operations, business, affairs and activities of the Islamic Banking Window.

Furthermore, Islamic Banking Oversight Forum (IBOF) responsible to oversee Islamic banking risk, control and governance, which forms part of the Citibank Berhad's governance framework. The IBOF convene on quarterly basis or as when needed. The IBOF escalates and tables matters related to Shariah / Islamic banking to the CCC, including but not limited to instances of SNC, exceptions and breaches noted against local regulatory requirement and / or Citi internal policy, meeting applicable escalation threshold(s), amongst others.

Independently, Shariah Audit performed by the Internal Audit assess the quality and effectiveness of the Bank's internal control, risk management systems, and governance processes. The scope covers the overall compliance of the Bank's Islamic Banking Window operations, business, affairs and activities with Shariah.

Rectification Process of Shariah Non-Compliance Income Quantitative Disclosure

In the event of any potential Shariah Non-Compliant income triggers, the issue will be presented to the Shariah Committee for deliberation. If the income derived from the event resolved by the Shariah Committee as impure income, the appropriate process would take place for distribution to the charity.

For the year 2024, the total of Shariah Non-Compliance income was RM 872.87 and there was no Shariah Non-Compliance event reported during the financial year.



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