



Liquidity Risk Management Document (LRMD)

Citibank Uganda Limited

30 June 2025

**Basis of preparation**

The LRMD has been prepared as of 30 June 2025 with inputs from Citibank Uganda Limited (CUL) board, Country Coordinating Committee (CCC), management team and senior business leaders.

The purpose of this public disclosure is to provide detailed information on Citibank Uganda Limited on the below:

- (a) strategy of the financial institution for managing liquidity risk.
- (b) the governance of the liquidity risk.
- (c) liquidity risk management function and interaction with other functional areas.
- (d) stress testing and forecasting framework.

This document is submitted to supplement the general risk management disclosures, Liquidity risk ratios disclosures, and Pillar 3 Market Discipline Disclosures as of 30 June 2025.



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1. Executive Summary

This document evidences the Liquidity Risk Management process of Citibank Uganda Limited (hereinafter “CUL” or the “Bank”).

The disclosure is a regulatory requirement set by the Bank of Uganda (BOU) under its Guidelines on Liquidity Risk Management published in December 2023.

The LRMD is an articulation of the liquidity risk that CUL is exposed to, and the governance processes and controls employed by CUL to measure, limit and manage these risks under business as usual (BAU) and stressed conditions.

The LRMD documents the process and policies to control these risks, as well as the tools employed to manage them. The purpose of the LRMD is to assess whether these are sufficient to adequately contain these exposures within CUL’s liquidity risk appetite.

The Treasury is responsible for managing CUL’s liquidity on a day-to-day basis and ensuring liquidity management strategies and processes adhere to Citi’s global liquidity risk management framework. Oversight is provided by Independent Risk and Global Liquidity Management (GLM). The Asset and Liability Committee (ALCO) is the primary governance committee for liquidity management. Senior management oversight is provided by the Country Coordinating Committee (CCC). The Citibank Uganda Limited Board of Directors has the ultimate responsibility of ensuring that a risk management framework is in place at Citibank Uganda Limited.

A combination of metric monitoring, triggers, limits, and stress testing are utilised to identify and measure liquidity risk arising from various sources discussed in [Section 4](#). Limits and triggers are used to control risks, whilst stress assumptions are used to calibrate the level of liquidity buffer required for CUL to maintain adequate liquidity under different stress scenarios. To provide for resilience under stress, CUL holds an unencumbered buffer of high quality and highly liquid assets, which is comprised predominantly of cash held at the CUL and Ugandan government bonds.

CUL’s liquidity risk appetite is set by Citi’s Global Liquidity Risk Management Policy (Policy)

In addition to the BOU LRMD requirements, CUL is required to maintain sufficient liquidity to meet all maturing obligations within 12 months under the Citi Global Highly Stressed Market Disruption stress scenario (TLST – Term Liquidity Stress Test) and meet all maturing obligations within 30 days under a Severely Stressed Market Disruption stress scenario (RLAP – Resolution Liquidity Adequacy Planning).

CUL aims to continually enhance the LRMD to reflect any evolution in CUL’s risk profile, including the regulatory environment and to ensure adequate liquidity over appropriate time horizons under both business- as- usual and stressed conditions.

In conclusion, CUL is confident that risk quantification methodologies and assumptions used are robust, sufficiently stable, risk-sensitive, and conservative enough to quantify liquidity stress events that occur rarely, and CUL has adequate liquidity and stable funding in both business- as- usual and stress conditions currently, and over the planning horizon.



2. Introduction to Citi Uganda.

Citibank Uganda Limited (CUL) is a subsidiary of Citibank NA and has been doing business in Uganda since 1999. There is no expected change in the ownership structure planned in the foreseeable future.

Citigroup Inc. ("Citi") operates around these three key principles: i) creating a bank that is focused and directs resources to high-returning businesses; ii) ensuring our businesses are connected; and iii) becoming simpler to better serve our clients, fulfil our obligations to our regulators and unlock value for our shareholders.

CUL is a key entity in Citi Group's global strategy, specifically in the MEA Market Cluster. To support CUL in this role, Citi leverages its global risk and control infrastructure, supplemented with local governance and management, to ensure that CUL has robust controls, risk management and oversight in the normal course of business.

2.1 Business Strategy and interaction with other functional areas

Citigroup is managed pursuant to six operating segments: Services, Markets, Banking, Wealth, U.S Personal Banking and Legacy Franchises; CUL operates in 3 (Services, Markets and Banking) of these segments.

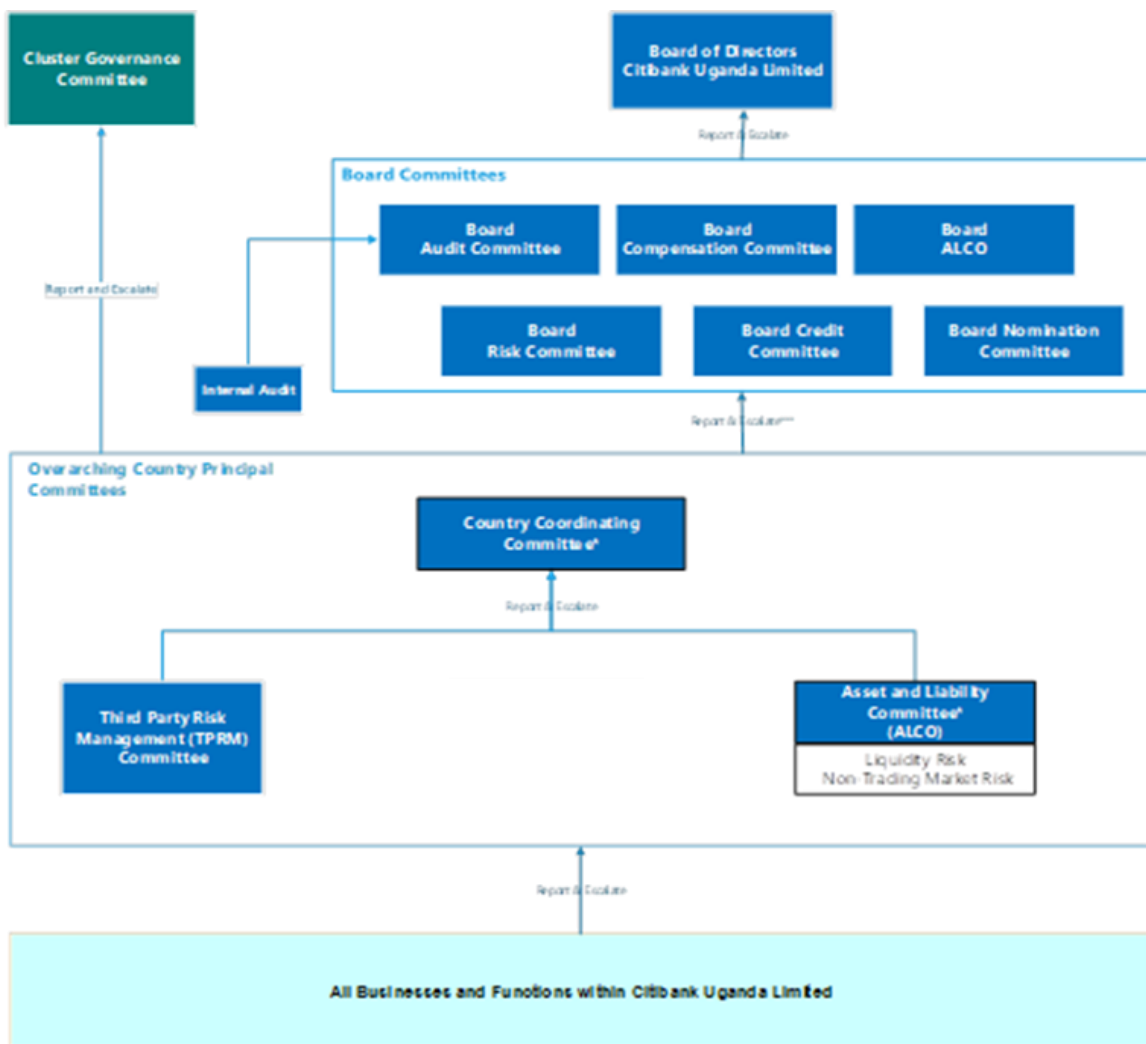
Product Unit	Description
Services	Composed of Treasury & Trade Solutions (TTS), Operations and Security Services (SS), which provide operations management, cash management, working capital solutions, and post-trade securities services.
Markets	Markets serves corporates, institutional investors and governments. The strength of its underwriting, sales and trading and distribution capabilities spans all asset classes (Commodities, FX, Equities, Rates, Spread Products), providing Citi with an unmatched ability to meet the needs of its clients.
Banking	The unified Banking and International organization oversee the local delivery of Banking products to Citi clients.

Further information about CUL Liquidity management framework is provided in the rest of the LRMD.

3. Governance and Management

This section discusses the governance structure as well as specific structure which is in place to manage CUL's liquidity daily and key committees. The committees under the structure review liquidity positions, strategies, processes, against controls in place to ensure compliance with internal and regulatory liquidity requirements.

Citibank Uganda Limited Oversight



Governance Forum/Stakeholder	Responsibility in relation to LRMD
Board of Directors	<ul style="list-style-type: none"> • Approves the LRMD. • Ultimate responsibility for ensuring the long-term viability of CUL and ensuring that the entity has adequate liquidity and funding to meet minimum regulatory requirements and to withstand unexpected but plausible severe events.
Board ALCO Committee	<ul style="list-style-type: none"> • Recommends LRMD for approval to the Board. • Advises the Board on the current risk exposures of CUL and future risk strategy taking account of the overall risk appetite of the Board and the current financial position of CUL, whilst ensuring the development and on-going maintenance of an effective risk management system.
Country Coordinating Committee	<ul style="list-style-type: none"> • Recommends LRMD for approval to the Board Asset and Liability Committee.
Assets and Liabilities Committee (ALCO)	<ul style="list-style-type: none"> • Monitors the overall level of liquidity and funding in the entity and ensures that the level is satisfactory for both current and future business, and regulatory requirements. • Recommends LRMD for approval to the Country Coordinating Committee. • Works with the Country Treasurer in the completion of the LRMD.
Risk Management	<ul style="list-style-type: none"> • Provides an independent review of the LRMD document and assess the compliance with regulatory requirements and the global liquidity policy.
Corporate Treasury	<ul style="list-style-type: none"> • Produces the LRMD document in alignment with regulatory requirements and guidelines.

3.1 Board of Directors

The Citibank Uganda Limited Board of Directors has the ultimate responsibility of ensuring that a risk management framework is in place at Citibank Uganda Limited. Citibank Uganda Limited's overarching governance structure is presented below:

The Board reviews and approves the overall approach to risk governance as set out in this Framework document.

The Board is responsible for the oversight and approval of Citibank Uganda Limited liquidity risk policies and compliance of these policies with Citigroup Standards and local regulatory requirements.



The Board meets regularly and is given the opportunity to review reports prepared by the business, Independent Risk Management, Independent Compliance Risk Management (ICRM), Internal Audit, and other functions. It exercises sound independent judgment to question and challenge recommendations and decisions made by management.

Board Asset and Liability Committee

The purpose of the Board ALCO is to assist the Board in fulfilling its oversight responsibility relating to establishing broad guidelines on Citibank Uganda Limited's tolerance for risk and expectations from investment. The Committee reviews and oversees the work of the management ALCO and for monitoring and influencing the balance sheet, investment securities and capital management activities.

3.2 Citibank Uganda Limited Management Team and Committees

Country Coordinating Committee (CCC)

The Country Coordinating Committee ("CCC") is the principal Country Management Governance Committee in which the key Principals of the Country's First, Second and Third Lines of Defense come together to discuss important franchise matters. Under the Citi Governance Policy, the CCC covers Strategic, Reputation, Credit, and Trading, Liquidity, Operational and Compliance Risks.

The Committee provides a forum for escalation and review of strategic franchise matters and other significant matters relating to franchise protection, behaviours and culture, talent management and trends arising from those matters. It also oversees transfer pricing and balance sheet optimization, evaluation of capital adequacy and local regulatory constraints.

The CCC escalates matters directly to the Board and/or committees in addition to the relevant business, risk-stripe or functional Governance Committees for action.

Uganda Asset and Liability Committee

The Uganda Asset and Liability Committee ("ALCO") is responsible for prudent Balance Sheet planning and management through the monitoring and influencing of the balance sheet, investment securities, and capital management activities. Balance Sheet optimization is closely integrated with the overall business strategy, and its objective is to drive appropriate returns given the liquidity, capital and interest rate exposure risks associated with its assets and liabilities, as defined in Citi's Asset and Liability Committee (ALCO) Standard for Citigroup ("ALCO Standard"). The ALCO covers Liquidity Risk and Non-Trading Market Risk at a Country level.

The CCO or the alternate chairs the country ALCO, and it meets at least quarterly. The scope, membership, and administration of ALCO is outlined in the ALCO charter.

Corporate Treasury Management

Citigroup operates as a centralised treasury model, whereby the overall balance sheet is managed by Treasury, through its Global Franchise and Regional Treasurers. The MEA Regional Treasurer is supported by the Uganda Treasurer who is responsible for the Uganda wide balance sheet and liquidity.



The Uganda Treasurer provides oversight to the liquidity management of CUL which is primarily managed by a dedicated Uganda based Liquidity Management team responsible for managing CUL's liquidity on a day-to-day basis.

The Country Treasurer is involved in the review and attestation of regulatory liquidity reporting for CUL.

The team is also responsible for managing the relationship with internal and external stakeholders. Internal stakeholders consist of Citi senior management and Governance committees, Business Heads and New York Citi Treasury. External stakeholders comprise of auditors, credit rating agencies and regulatory authorities.

Risk Management

Risk Management provides oversight of risk-taking activities and issues independent assessments of Citibank's liquidity risk. Risk Management establishes, maintains, and adheres to firm-wide policies and standards to identify, measure, report, monitor and control Liquidity Risk in a consistent manner.

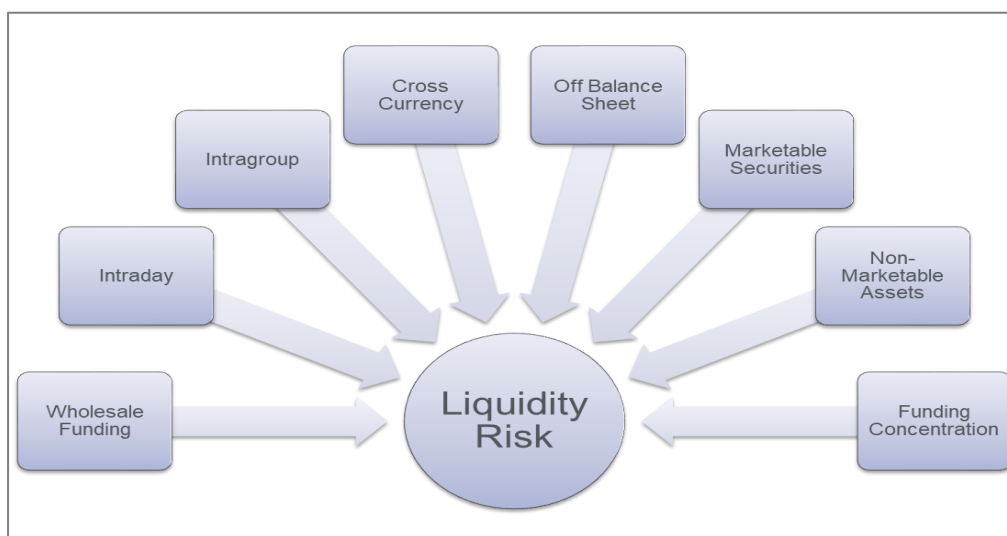
Risk Management reviews the internal limits and triggers and ensures they are appropriate and in line with the risk appetite. As part of its independent review responsibilities, Risk will review and evaluate annually the adequacy and effectiveness of liquidity risk-management processes, including liquidity stress test processes and assumptions, assess whether the entity's liquidity risk management function complies with applicable laws and regulations and sound business practices, report material liquidity risk management issues to ALCO/CCC and Board.

4. Liquidity Risk Management Framework

4.1 Assessment of risk drivers.

As a result of its business model, CUL is exposed to certain liquidity risks. CUL, as part of its banking activities engages in maturity transformation i.e., it accepts deposits which do not have a contractual maturity and can be withdrawn at any time and uses these to fund assets which are typically long dated in nature and illiquid i.e., there is no ready market to liquidate these assets. As a result of this maturity mismatch, CUL is exposed to the risk that Deposits are withdrawn whilst assets continue to be present on the balance sheet. These risks are known as Deposit (liability) run-off risk and asset funding risk. Further, CUL also writes committed facilities which albeit are undrawn and off-balance sheet can be a significant source of stress.

The following sources of liquidity risk have been identified.



The material liquidity risk drivers highlight CUL’s key liquidity risks and vulnerabilities inform the design of the idiosyncratic stress scenarios. Stress testing and its results in turn inform CUL’s risk appetite and the minimum quantum of liquidity that the Board feels is appropriate to hold.

4.2 Liquidity Risk Appetite

The Liquidity Risk Management Policy defines the liquidity risk appetite for Citi Legal Entities and is set in terms of survival horizon or mismatch limit under the designated stress scenario. As a Citi Legal Entity (CLE), CUL must:

- Maintain sufficient liquidity to meet all maturing obligations within 12 months under the Highly Stressed Market Disruption stress scenario (TLST).
- Meet a survival horizon of 30 days under their Resolution Liquidity Adequacy Positioning (RLAP). The RLAP is the most severe of CUL’s stress scenarios.

4.3 Daily monitoring

CUL’s liquidity position is closely monitored by senior management through the daily reporting of key liquidity metrics and more formally through the monthly Country Coordinating Committee (“CCC”) and quarterly Assets and Liabilities Committee (ALCO) which is responsible for endorsing the entity’s annual funding and liquidity plans and associated liquidity limits and ratios.



CUL's liquidity adequacy is determined through the entity's compliance with Citi's Liquidity Risk Management Policy and Standards which describes processes for measuring, monitoring, and reporting liquidity risk. Daily activities are listed below

- The Highly Stressed Market Disruption scenario, also referred to as Term Liquidity Stress Test (TLST), is Citi's primary long-term liquidity stress metric. Under TLST, CUL must maintain sufficient liquidity to meet all maturing obligations within 12 months.
- The Resolution liquidity adequacy positioning ratio, also referred to as RLAP, is a stressed cash flow used to measure the short term (30 calendar days) survival horizon under a severe loss of confidence (idiosyncratic event) and severe market disruption scenario.
- Regulatory ratio monitoring: Liquidity risk metrics are monitored daily
- Cash Flow Forecast - a 5-day short term forecast which informs the CUL Treasurer and the team, Markets Treasury and Global Liquidity Management about the next 5 days closing balances of CUL's significant currencies. The daily movements are monitored within agreed thresholds. The forecast is back tested daily, and deviations are reported to ALCO quarterly

4.4 Liquidity Stress Testing

Stress testing is an important robust, strategic planning tool for assessing CUL's liquidity adequacy in both baseline and adverse environment. It quantifies the likely impact of a hypothetical and plausible event on CUL's balance sheet and liquidity positions to planning of any viable contingent actions in dealing any potential stresses.

Stress testing is embedded in CUL's strategic planning process and informs and tests CUL's key risks and vulnerabilities. CUL's ability to respond effectively to its key liquidity risk vulnerabilities in an orderly manner provides comfort around CUL's liquidity risk appetite. Thus, stress testing underpins the entire LRMD and strategic planning process and informs the planning and allocation of liquidity resources.

Stress testing is intended to quantify the likely impact of an event on the balance sheet and liquidity position and to identify viable alternatives that can be utilized in a liquidity event.

The internal stress testing scenarios are developed in accordance with the Global Framework. The Citigroup Liquidity Book of Assumptions provides the comprehensive set of assumptions used for the Bank Chain vehicles, of which CUL is one.

RLAP and TLST assumptions

The assumptions for both the RLAP and TLST can differ from that of the Regulatory perspective; however, they mutually inform one another.

Whilst Regulatory metrics are assessed from normative point, the internal RLAP and TLST stress metrics are calculated on an economic basis. The economic metrics are monitored on a surplus low point basis against their Risk Appetite limits and triggers while the Regulatory normative metrics is defined in percentage terms.

Monitoring is carried out against internal Management Action Triggers (MATs) and Limits.

Liquidity stresses are generally summarized into market, idiosyncratic and combined scenarios.

Idiosyncratic liquidity stresses relevant to CUL are designed and approved globally and apply throughout Citigroup. These stresses are typically short, sharp and severe stresses, are entity specific stresses and designed to test Citi's key liquidity risks identified through the material risk driver identification process.

RLAP and TLST is based on a combined scenario which is a combination of the idiosyncratic and systemic scenarios occurring simultaneously.



Term Liquidity Stress Test (TLST)

TLST serves as Citi's long-term (one-year) scenario, is comparatively less severe versus RLAP and the firm is expected to continue to operate as a going concern. TLST scenario is characterized by firm's long and short-term ratings are assumed to be downgraded by two and one notch respectively from current levels. TLST comprises of three scenarios - standalone Idiosyncratic scenario, a standalone Market scenario and a Combined (Idiosyncratic and Market) scenario.

This scenario assumes market, credit and economic conditions are moderately to highly stressed with potential further deterioration. Access to the unsecured wholesale funding market is severely constrained and assumed to be unavailable. Access to the wholesale secured financing markets is also assumed to be constricted with the level of access based on the underlying collateral type. Potential changes in counterparty haircut requirements and other relevant market factors are accounted for when determining expected liquidity value; the severity of these impacts take into consideration the quality of the underlying asset, as well as the depth of the relevant market. Outside of highly liquid assets, access should be primarily limited to the rollover of existing activity.

Scenario modelling is designed to reflect these conditions, and where appropriate, potential operational, collateral and/or counterparty constraints are factored. If applicable, observations from prior stress periods can be used in the development of stress assumptions. For example, increases in market haircuts which were experienced during past events (i.e., the 2007-2009 Global crisis) are used as the basis for determining potential changes in secured financing haircuts.

Resolutions Liquidity Adequacy and Positioning (RLAP)

RLAP serves as Citi's internal short-term (30-day) scenario comprising a severe stress likely to drive the firm to the point of non-viability. RLAP scenario is characterized by short-term severe market, credit, and economic conditions, coupled with an idiosyncratic stress that assumes the firm's long and short-term ratings are downgraded by three and one notch respectively from current levels.

Under this scenario, market and credit conditions are assumed to be severely stressed. Access to unsecured market funding would be unavailable and not assumed. Access to wholesale secured markets will be limited to the most highly liquid assets. If access is assumed, counterparty haircut requirements and other market factors are stressed accordingly.

Both RLAP and TLST are measured and reported in form of USD surplus (inflows net of outflows) and monitored for compliance to internal Limits and Management Action Triggers (MATs) across all defined tenors.

For CUL stress tests are performed in accordance with the standard scenarios as defined within the Standards for Liquidity Risk Management Planning and Reporting Policy. The Standards provide reference and guidance for complying with the requirements of the Policy. The document outlines the minimum requirements for measuring, reporting, limiting, and managing liquidity risk.

Any stress scenario resulting in a net negative cumulative funding gap (Stress Funding Shortfall) must be reported by the Uganda Treasurer to the Independent Risk Manager, Global Liquidity Oversight & Analytics and Uganda CCC. In addition, Corporate Treasury in conjunction with the CUL businesses must establish a remediation plan to address this situation, subject to approval of the Regional Treasurer or equivalents.

4.5 Contingency Funding Plan

The Contingency Funding Plan (CFP) is a key component of the Global Framework, and it incorporates the management plan of contingent actions in the event of crisis. The CFP includes the “playbook” for addressing liquidity and funding challenges in crisis situations, triggers, procedures, roles and responsibilities, communication plan and key contact list to manage a liquidity event. The CFP defines a crisis committee that would be responsible for decision making and execution of contingency plans to address both short-term and longer-term disruptions in funding sources.

Additionally, the CFP considers continuity of business planning and ensuring there is an appropriate recovery strategy for critical processes such as financing the firm’s cash flow positions, managing business risk positions, market-making, cash management and regulatory liquidity reporting.

- The Contingency Funding Plan (CFP) is designed to demonstrate CUL’s ability to maintain adequate liquidity to fund assets and to meet financial obligations on a timely basis during market stress events or a deterioration in Citigroup’s credit ratings.
- The Uganda Country Treasurer will manage the CFP event in consultation with the Uganda CCC, to dimension the liquidity risks and to determine the appropriate action plan. This may include implementing one or more of the available contingent liquidity actions documented in this CFP.

4.5 Key Metrics

Key metrics for the last five quarters as per the Market Disclosure requirements are presented below and indicate that CUL holds sufficient liquidity to meet minimum Regulatory requirements.

DIS01: Key Prudential Metrics

Purpose: Provide an overview of a SFI’s prudential regulatory metrics.

Scope of application: The template is mandatory for all SFIs.

Content: Key prudential metrics related to regulatory capital, leverage ratio and liquidity standards. SFIs are required to disclose each metric’s value using the corresponding standard’s specifications for the reporting period-end (designated by T in the template below) as well as the four previous quarter-end figures (T-1 to T-4).

All metrics are intended to reflect actual bank values for (T)

Frequency: Quarterly.

		a	b	c	d	e
		T	T-1	T-2	T-3	T-4
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	842,751,923,074	927,318,040,428	1,131,887,634,092	392,659,597,800	434,079,658,200
16	Total net cash outflow	492,165,921,327	217,068,254,347	522,544,543,190	124,797,384,438	301,220,635,800
17	LCR (%)	171%	427%	217%	315%	144%
Net Stable Funding Ratio						
18	Total available stable funding	402,788,357,000	1,079,587,471,901	880,159,358,834	1,210,008,399,008	951,034,724,533
19	Total required stable funding	178,229,967,000	334,810,753,769	197,928,019,401	1,022,913,093,850	601,970,806,700
20	NSFR	226%	322%	445%	118%	158%

The Liquidity ratio, which measures the ratio of liquid assets to total deposits ratio, is monitored daily and as of 30 June 2025 was 51.15% (compared to the regulatory requirement of 20%).



4.6 Other Key Metrics

Funding Concentration limits

This risk arises when balance sheet funding is sourced from a few depositors or lack of sufficiently diverse range of deposit liabilities contributors on the banks' balance sheet. The potential risk of a concentrated funding sources include inability of CUL to meet client outflow obligation especially in a stress scenario when there are significant outflows from the depositors.

This analysis focuses on customer deposits and group borrowings which are viewed as structural sources of liquidity.

As with other financial risks, liquidity risk can be minimised by diversifying the liquidity resources. Out of different sources of funding, long term debt and capital are considered relatively stable given the nature of these sources. Our strategy to control the concentration risk from deposits is discussed below.

To identify and monitor the potential funding concentrations around providers of funds (i.e., counterparty or group of counterparties), Citi has developed a metric called 'Large Fund Providers' (LFP) which is measured as a proportion of liabilities. LFP has been established to identify large concentrations of liquidity providers across deposits, commercial paper and other short term unsecured funding sources. LFP is also used to capture the sensitivity of customers to their potential withdrawal of funds in a stress environment.

The LFP reports are prepared and analysed to identify and monitor the potential funding concentrations around counterparty.

Triggers must be established and approved by the Independent Market Risk team, Uganda ALCO, CCC, and Citi Global Liquidity Oversight and Analytics for each of the concentration exposures.

The Uganda ALCO must review the concentration triggers and any breaches to the triggers. Interim and permanent changes in concentration triggers for the CUL must be approved by the Uganda ALCO, the Uganda Treasurer or equivalent and the Independent Risk Manager or equivalent. All breaches are also reported to the Cluster Governance Committee (CGC).