CITIGROUP SAUDI ARABIA

LICENSE NUMBER 17184-31

DECEMBER 2019

PILLAR III DISCLOSURE

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1. Scope of Application

In line with the requirements of Article 68 of the Prudential Regulations issued by the Capital Markets Authority (CMA), All Authorized Persons are required to prepare and publish the pillar III disclosure document. This Pillar III disclosure report is prepared and published by Citigroup Saudi Arabia (CSA) in order to satisfy the regulatory provision.

The final report will be published on CSA website below.

(https://www.citigroup.com/citi/about/countries-and-jurisdictions/saudi-arabia.html)

CSA is a closed Joint Stock Company (JSC), incorporated in 2017 under commercial registration number 1010612164. CSA is wholly owned by Citigroup Financial Products Inc. (CFPI). CFPI also owns Citigroup Global Markets Limited (CGML) and Citigroup Global Markets Inc. (CGMI).

CFPI is a fully owned subsidiary of Citigroup Global Markets Holding Inc. (CGMHI), which in turn is wholly owned by Citigroup Inc. CFPI, CGMHI and Citigroup Inc. are all incorporated and headquartered in the United States of America.

CSA is licensed by the Capital Market Authority (CMA) with license number 17184-31 to conduct the following securities business activities:

- Dealing as Underwriter
- Arranging
- Advising
- Custody
- Equity trading

The paid up capital of CSA is SAR 187,500,000. CSA obtained its license on April 25, 2017 and started conducting business on January 22, 2018, following the commencement of business authorization from the CMA.

CSA is located in Riyadh on the 20th floor of Kingdom Tower, P. O. Box 301700, Riyadh 11372, Central Province, Kingdom of Saudi Arabia.

2. Capital Structure

The capital of SAR 187.5 million injected by the parent company CFPI, is long term in nature and has no terms and conditions attached to it.

The total capital base as at December 31, 2019 stood at SAR187.2 million without considering the impact of 2019 unverified profit amount of SAR3.1 million.

Further information on capital structure is set out in Appendix I.

3. Capital Adequacy

CSA maintains a significant capital ratio and it is anticipated that this will continue into the future. The ratio is being monitored internally to ensure appropriate management actions are taken to ensure sufficient capital for the level of risk carried by CSA at any time. Should a need for additional capital arise, we will manage the balance sheet, risk weighting and risk element to optimise existing capital which may include risk defeasance, netting or asset sales and any other action. If there is still a need for additional capital we will request a capital injection from CSA's parent company.

Based on CMA Prudential Rules and as indicated by the Capital Adequacy model, CSA minimum capital requirement is SAR18.0 million as at December 31, 2019, however CSA capital position as at this date stood at SAR 183.2 million, giving rise to a capital surplus of SAR 165.2 million and a coverage ratio of 10.17 times

Additional information regarding capital adequacy is contained in appendix II

4. Risk Management

4.1 General Qualitative Disclosure For Risks

Global Context

Citigroup (hereinafter "Citi") is a large and diversified global financial services group. Its mission is to serve as a trusted partner to its clients by responsibly providing financial services that facilitates growth and economic progress. Its core activities are safeguarding assets, lending money, making payments and accessing the capital markets on behalf of its clients. In accordance with this mission statement, Citi's strategy is to provide its institutional and retail clients with a set of best-in-class services, consistently applied across product, client and geography.

Citi's business model is designed with primary reference to its client and product portfolio rather than its legal entity structure. From a practical perspective, this means that decisions regarding the prioritisation of products and clients in which to invest resources will typically precede the selection of legal entity used to undertake the resulting business.

To support this model, Citi has a global network of legal entities in over 160 countries and jurisdictions which act as the booking, employing and processing units for the underlying business and which hold the regulatory permissions that allow the relevant activity to take place.

As a result, the strategy of any Citi legal entity, together with the composition of its revenue stream, balance sheet, client lines and product portfolio, is impacted by global business lines and clients as management pursues Citi's group strategy and assigns activity to individual legal entities accordingly. To support CSA in this role, Citi leverages its global risk and control infrastructure, supplemented with local governance and risk management, to ensure that CSA has robust controls, risk management and oversight in the normal course of business.

Legal Entity Level – CSA

As a result of Citi's group level strategic decision-making, an important responsibility of CSA's board and management is to ensure that its human, operational and capital resources are adequate to effectively absorb and efficiently manage the activities centrally assigned to it in a stable fashion. While Citi strives to achieve a diversified and risk-controlled portfolio of activities at a global level, the results of efficiently allocating transactions and resources between legal entities within the group structure can potentially lead to the underlying legal entities becoming less diversified.

CSA's management aims to ensure that business decisions, including which business lines to pursue, are consistent with CSA's strategy and capabilities, so that when undertaken, the company would have adequate resources to manage their inherent risks in an appropriately controlled manner.

Application at CSA

In executing this responsibility, CSA leverages a common framework with the rest of Citi, which ensures clear and transparent control and risk management structures and processes, whilst mapping between the whole group and its constituent parts. It also uses management information systems and governance structures designed for this purpose at a legal entity level. Its control structures have thresholds calibrated at a legal entity level to control risk in aggregate, with the use of transaction-level controls used in circumstances where:

- new activities are taking the legal entity into unfamiliar areas of risk, or
- the legal entity is approaching its resource limits in terms of risk management triggers, risk appetite, risk concentration or management span.

Risk Management Framework

The risk management framework has its foundation on a robust set of policies, procedures and processes covering broad categories of risk.

The risk management policies serve as the basis for risk identification and analysis inherent in the product offering as well as operating environment, setting of appropriate risk limits and controls and monitoring adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. Business managers and functional heads are accountable for the risks in their businesses and functions. CSA, through its training, management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Enterprise risk review

The diversity of customers, products, and business strategies at CSA Limited requires that we have a well-defined risk management framework to identify, analyze, originate, monitor and report on acceptable risk taking activities within pre-defined thresholds.

The entity's risk management function works with the business towards the goal of taking intelligent risk with shared responsibility, without forsaking individual accountability, and mitigating the potential of losses in risk activities under the broad categories: Credit risk, Liquidity, Market risk and Operational risk. Senior Business Management's objectives (budgets, portfolios and investments) must be prudent, reflecting their view of risks and rewards arising from market conditions and should dynamically adjust these strategies and budgets to fit changing environments.

Governance structure

Citigroup Saudi Arabia is committed to ensuring the implementation of good corporate governance principles in all its activities. CSA adheres to the provisions of the Capital Market Authority's Authorized Person's Regulations.

As at December 31, 2019 the Board of Directors consisted of six members comprising, four Non-Executive Directors and two Independent Directors, and were appointed based on criteria laid down by the CMA. The Board is responsible for the oversight of executive management, ensuring that CSA's operations are conducted in accordance with legal and regulatory requirements, approving and reviewing corporate strategy and performance, and ensuring that the rights of the shareholders are protected at all times. The members of the Board possess the necessary experience and expertise to exercise their oversight functions. The Board has delegated some of its responsibilities to the following board committees; Audit Committee, Nomination and Remuneration Committee. Each of these committees reports to the Board on its activities. The membership of the Board Committees is in line with the requirements of the CMA's Authorized Person's regulation.

Management Committees

The following are the two key management committees Saudi Arabia Quarterly Governance Committee and Regulatory Reporting Governance Committee (RRGC), both committees meet quarterly.

The Saudi Arabia Quarterly Governance Committee is the principal management committee for Citigroup Saudi Arabia in which the principals of the significant front, middle and back offices meet quarterly to discuss high level strategic franchise matters & for escalation / reporting operational risk events, internal control, legal, compliance, regulatory and risk issues. The key objectives of the committee are:

- To ensure the timely sharing of information and identification of any franchise-wide initiatives and issues across all country businesses and functions.
- To review the country's business performances, coordinate business strategic planning and optimize investment.
- To ensure mobilization of talents and a talent strategy that aligns with the business strategy, including focus on development, retention and hiring.
- External Relations (such as government, regulatory, media and community relations, etc.)

- To discuss and challenge the management of the most significant risk and control issues impacting the local business activities, including the proposed associated action and remediation plans.
- To monitor the management of business risks that affect the franchise and as well as its constituent parts through assisting Senior Management to focus on the most significant risk, control issues, emerging risks impacting business objectives and activities, and the timeliness and effectiveness of corrective actions.

The Regulatory Reporting Governance Committee is the senior governance body and has responsibility for the oversight and monitoring of regulatory reporting activities in Saudi Arabia.

4.2 Credit Risk Disclosure

Citi - Credit Risk Management

Credit risk is one of the most significant risks Citi faces as an institution. As a result, Citi has a well-established framework in place for managing credit risk across all businesses. This includes defined risk appetite, credit limits and credit policies, both at the business level as well as at the firm-wide level. Citi's credit risk management also includes processes and policies with respect to problem recognition, including "watch lists," portfolio review, updated risk ratings and classification triggers.

With respect to Citi's settlement and clearing activities, intra-day client usage of lines is closely monitored against limits, as well as against "normal" usage patterns. To the extent a problem develops, Citi typically moves the client to a secured (collateralized) operating model. Generally, Citi's intra-day settlement and clearing lines are uncommitted and cancellable at any time.

To manage concentration of risk within credit risk, Citi has in place a concentration management framework consisting of industry limits, obligor limits and single-name triggers. Independent risk management reviews concentration of risk across Citi's regions and businesses to assist in managing this type of risk.

Citi - Credit Risk Measurement and Stress Testing

Credit exposures are generally reported in notional terms for accrual loans, reflecting the value at which the loans are carried on the consolidated balance sheet.

The credit risk associated with these credit exposures is a function of the creditworthiness of the obligor, as well as the terms and conditions of the specific obligation. Citi assesses the credit risk associated with its credit exposures on a regular basis through its loan loss reserve process, as well as through regular stress testing at the company, business, geography, and product levels. These stress-testing processes typically estimate potential incremental credit costs that would occur as a result of either downgrades in the credit quality or defaults of the obligors or counterparties.

Application at CSA

The local credit risk assumed in Saudi Arabia is with respect to the operating capital placed with a local bank rated BBB+ / A+ /A- by S&P, Moody's, Fitch and the deposits held with Citibank N.A, UAE branch which is rated A1 by Moody's, A+ by S&P and AA- by Fitch. This credit risk profile is limited in nature.

Other assets mainly comprise plant and equipment, fee accruals due from related parties and prepaid expenses. Due to the nature of the business conducted by CSA, there is limited credit risk arising from its activities. There are no past due claims or receivables provision on the CSA balance sheet. No collateral or netting activity occurred during the year.

Appendix III contains a detailed analysis on credit risk exposures.

4.3 Credit Risk Mitigation Exposure

Citigroup Saudi Arabia did not take any collateral or entered into a netting activity during 2019.

4.4 Counterparty Credit Risk and Off-Balance Sheet Disclosure

Citigroup Saudi Arabia did not engage in any of OTC derivatives, repos and reverse repos, and securities borrowing or lending activities during 2019.

4.5 Market Risk Disclosure

Citi - Market Risk

Market risk is the risk to earnings or capital from adverse changes in market factors such as interest rates, foreign exchange rates, equity and commodity prices, as well as their implied volatilities and other higher order factors.

Market risk is measured through a complementary set of tools, including factor sensitivities, Value at Risk (VaR), and stress testing.

Citi Market Risk Management

Each business is required to establish, with approval from Citi's market risk management, a market risk limit framework for identified risk factors that clearly defines approved risk profiles and is within the parameters of Citi's overall risk tolerance. These limits are monitored by independent market risk. In all cases, the businesses are ultimately responsible for the market risks taken and for remaining within their defined limits.

Price risk losses arise from fluctuations in the market value of trading and non-trading positions resulting from changes in interest rates, credit spreads, foreign exchange rates, equity and commodity prices, and in their implied volatilities.

Price risks are measured in accordance with established standards to ensure consistency across businesses and the ability to aggregate risk. Price risk in Citi's trading portfolios is monitored using a series of measures, including but not limited to:

- Value at risk (VAR)

- Stress testing
- Factor sensitivity

Each trading portfolio across Citi's business segments (Citicorp, Citi Holdings and Corporate/Other) has its own market risk limit framework encompassing these measures and other controls, including trading mandates, permitted product lists and a new product approval process for complex products. All trading positions are marked to market, with the results reflected in earnings.

Factor Sensitivities

Factor sensitivities are expressed as the change in the value of a position for a defined change in a market risk factor, such as a change in the value of a Treasury bill for a one-basis-point change in interest rates. Citi's independent market risk management ensures that factor sensitivities are calculated, monitored, and in most cases, limited, for all material risks taken in a trading portfolio.

Stress Testing

Citi performs stress testing on a regular basis to estimate the impact of extreme market movements. It is performed on individual positions and trading portfolios, as well as in aggregate inclusive of multiple trading portfolios. Citi's independent market risk management organization, after consultations with the businesses, develops both systemic and specific stress scenarios, reviews the output of periodic stress testing exercises, and uses the information to assess the ongoing appropriateness of exposure levels and limits.

Interest Rate Risk in Banking Books (IRBB)

IRRBB is the risk to interest income arising from a mismatch between the duration of assets and liabilities that arises in the normal course of business activities. Net Interest Income (NII) or Interest Rate Exposure (IRE) measures the potential pre-tax impact on Net Interest Revenue (NIR) for Banking Book positions, due to defined shifts in interest rates over a specified reporting period. NIR is the difference between the accrued interest income earned on assets (e.g., customer loans) and the interest expense paid on the liabilities (e.g., customer deposits and company borrowings). NIR is affected by factors such as changes in the level of interest rates, volumes and customer rates. NII is measured using the un-discounted impact of accounting earnings from a shift in interest rates for the next 12-months and 24-months.

CSA - Market Risk Management

Market Risk comprises only foreign exchange risk which is and the associated capital charge is computed as 2% of the Net Open Foreign Currency Position (other than SAR) in line with the CMA Prudential Rules for Currency Risk. The non-LCY open currency positions were created by USD and EUR denominated balances.

IRRBB in CSA is minimal as cash balances are kept with local banks as short term time deposits and Citi UAE (cash operating account).

Below is a summary of 12 month IRE exposures for CSA:

$ 000's	**+100bps Scenario**	**-100bps Scenario**	**+200bps Scenario**	**-200bps Scenario**
IRE	413.3	(413.3)	826.6	(791.8)

Appendix II provides more illustrations on market risk

4.6 Operational Risk Disclosure

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, systems or human factors, or from external events. It includes the reputation and franchise risk associated with business practices or market conduct in which CSA is involved. It also includes the risk of failing to comply with applicable laws, regulations, ethical standards or Citi policies.

Operational Risk does not encompass strategic risk or the risk of loss resulting solely from authorized judgments made with respect to taking credit, market, liquidity, or insurance risk.

Operational risk is inherent in Citi's global business activities, as well as the internal processes that support those business activities, and can result in losses arising from events related to the following, among others:

- Fraud, theft and unauthorized activities;
- Employment practices and workplace environment;
- Clients, products and business practices;
- Physical assets and infrastructure; and
- Execution, delivery and process management.

Citi - Operational Risk Management

Citi's operational risk is managed through the Operational Risk Management (ORM) Policy, which defines an overall framework designed to balance strong corporate oversight with well-defined independent risk management. This framework includes:

- Recognised ownership of the risk by the businesses;
- Oversight by Citi's independent control functions; and
- Independent assessment by Citi's Internal Audit function.

The goal is to keep operational risk at appropriate levels relative to the characteristics of Citi's businesses, the markets in which it operates its capital and liquidity, and the competitive, economic and regulatory environment.

To anticipate, mitigate and control operational risk, Citigroup maintains a system of policies and has established a consistent framework for monitoring, assessing and communicating operational risks and the overall effectiveness of the internal control environment across Citigroup. As part of this framework, Citi has launched an initiative sponsored by Operational Risk Management, Independent Compliance Risk Management & Citi Productivity called Governance Risk & Compliance ('GRC') rolled out in CSA from Q2 2019. GRC aims to achieve greater convergence through common frameworks, processes and platforms for managing risk and controls as well as deliver improved transparency and efficiencies in the Manager's Control Assessment (MCA). The GRC initiative strengthens the risk assessment and management processes as well as streamlines duplicative, parallel processes.

The GRC Taxonomy is a subset of the firm-wide Risk Governance Framework and the Office of the Comptroller of the Currency (OCC) Heightened Standards risk types, and is used for the identification, assessment and reporting of GRC Risks across the first and second lines of defense. GRC Taxonomy consists of a searchable database housing Citi's official inventory of activities, risks, controls and monitoring tools.

Operational Risk Management function, within Citi's Risk Management Group, proactively assists the businesses, operations and technology and the other independent control groups in enhancing the effectiveness of controls and managing operational risks across products, business lines and regions.

Operational Risk is inherent in the activities carried out by CSA and to anticipate, mitigate and control operational risk, CSA has adopted group level policies and framework related to operational risk that are designed to maintain a sound and well-controlled operational environment. CSA has also adopted the Manager's Control Assessment (MCA) which is a Self-assessment process through which Managers at the entity identify, monitor, measure, report on and manage risks and the related controls) to help managers self-assess significant operational risks and key controls and identify and address weaknesses in the design and/or operating effectiveness of internal controls that mitigate significant operational risks. Additionally, Operational Risk Management, works proactively with the businesses and other independent control functions to embed a strong operational risk management culture and framework and also engages with the businesses to ensure effective implementation of the Operational Risk Management framework by focusing on (i) identification, analysis and assessment of operational risks, (ii) effective challenge of key control issues and operational risks and (iii) anticipation and mitigation of operational risk events.

The entity has also adopted the 'Three Lines of Defense' Governance Structure for effective management of Operational Risk. The Roles and Responsibilities of the Three Lines of Defense are as follows:

- First Line of Defense: The Business own and manage the risks inherent in or arising from the business, and is responsible for establishing and operating controls to mitigate key risks, performing manager assessments of the design and effectiveness of internal controls, and promoting a culture of compliance and control.
- Second Line of Defense: Independent Control Functions set standards against which the businesses and functions are required to manage and oversee risks, including conformance with applicable laws, regulatory requirements, and policies and standards of ethical conduct. These functions are involved in identifying, measuring, monitoring, or controlling aggregate risks, and are independent from front line units.
- Third Line of Defense: Internal Audit independently reviews activities of the first two lines of defense, based on a risk-based audit plan and methodology approved by the Audit Committees of the Citigroup and CBNA Boards of Directors.

To support the ORM Framework for the entity, a Quarterly Governance Committee has been set-up that focuses on significant risk and control themes, emerging risks impacting business objectives and other relevant aspects of the Business' operational risk profile and is also subject to EMEA regional oversight from the EMEA Regional BRCC and EMEA Operational Risk Forum.

- Quarterly Governance Committee: is the principal management committee for Citigroup Saudi Arabia in which the principals of the significant front, middle and back offices meet quarterly to discuss high level strategic franchise matters & for escalation / reporting operational risk events, internal control, legal, compliance, regulatory and risk issues.

- The EMEA Regional BRCC: The committee receives and reviews a quarterly risk report that includes a report on EMEA Operational Risk and provides MCA results, key operational risk exposures and internal and external loss experiences.
- The EMEA Operational Risk Forum: The Committee is the regional forum for the exchange of information and views on all operational risk matters and the raising of operational risk issues of a more strategic nature. The Committee covers all business activities of Citi within the region and all such activities undertaken on legal vehicles resident within the region. The Committee provides a catalyst for the consistent implementation of an operational risk framework within the region and across all Citi legal vehicles operating within the region, country or legal vehicle. The membership of the Committee consists of Operational Risk representatives from each of the Regional Business Sectors and Functions.

4.7 Liquidity Risk Disclosure

Liquidity Risk

The liquidity position of the Legal Vehicles is managed as a part of Citigroup's global liquidity risk management framework. Citigroup's Liquidity Risk Management Policy (the "Policy") establishes the standards for defining, measuring, limiting and reporting liquidity risk to ensure the transparency and comparability of liquidity risk taking activities and establishment of appropriate risk appetite. The Policy applies to Citigroup Inc., its consolidated subsidiaries and managed affiliates and was approved by both the Citigroup and Citibank N.A Chief Risk Officers and the Board of Directors. The Policy is supplemented by the Standards for Liquidity Risk Management Planning and Reporting ("The Standards") which provides guidance, templates and methodology to implement the Policy.

The Policy and the Standards are collectively referred to as the "Citi Global Framework". The Global Framework sets out the following key aspects of liquidity risk management:

- Liquidity risk appetite;
- Governance structure;
- Funding and liquidity plan;
- Stress testing;
- Contingency funding plan;
- Intra-day liquidity risk; and
- Key metrics (e.g. S2 & RLAP), Citi's primary liquidity stress metrics.

Application at CSA

CSA does not have significant liquidity risk based on the business structure and activities it engages in. CSA closed with a very liquid position as at December 31, 2019, cash balance with local banks and UAE branch of Citibank N.A stood at SAR 170.0 million.

APPENDIXES

Appendix I

Disclosure on Capital Base: As at 31 December 2019

Capital Base	SAR '000
Tier-1 Capital	
Paid-up capital	187,500
Audited retained earnings	(3,621)
Share premium	-
Reserves (other than revaluation reserves)	-
Tier-1 capital contribution	-
Deductions from Tier-1 capital	(701)
Total Tier-1 capital	**183,178**
Tier-2 Capital	
Subordinated loans	-
Cumulative preference shares	-
Revaluation reserves	-
Other deductions from Tier-2 (-)	
Deduction to meet Tier-2 capital limit (-)	-
Total Tier-2 capital	**-**
Total Capital Base	**183,178**

Appendix II

Disclosure on Capital Adequacy: As at 31 December 2019

Exposure Class	Exposures before CRM SAR '000	Net Exposures after CRM SAR '000	Risk Weighted Assets SAR '000	Capital Requirement SAR '000
Credit Risk				
On–balance Sheet Exposures				
Governments and Central Banks	-	-	-	-
Authorised Persons and Banks	184,399	184,399	36,880	5,163
Corporates	-	-	-	-
Retail	-	-	-	-
Investments	-	-	-	-
Securitisation	-	-	-	-
Margin Financing	-	-	-	-
Other Assets	17,211	17,211	66,164	9,263
Total On–Balance sheet Exposures	**201,610**	**201,610**	**103,044**	**14,426**
Off–balance Sheet Exposures				
OTC/Credit Derivatives	-	-	-	-
Repurchase agreements	-	-	-	-
Securities borrowing/lending	-	-	-	-
Commitments	-	-	-	-
Other off–balance sheet exposures	-	-	-	-
Total Off–Balance sheet Exposures	-	-	-	-
Total On and Off-Balance sheet Exposures	**201,610**	**201,610**	**103,044**	**14,426**
Prohibited Exposure Risk Requirement	-	-	-	-
Total Credit Risk Exposures	**201,610**	**201,610**	**103,044**	**14,426**

Market Risk	**Long Position**		**Short Position**			
Interest rate risks	-		-			-
Equity price risks	-		-			-
Risks related to investment funds	-		-			-
Securitization/re-securitization positions	-		-			-
Excess exposure risks	-		-			-
Settlement risks and counterparty risks	-		-			-
Foreign exchange rate risks	19,613	-	8,720			218
Commodities risks	-		-			
Total Market Risk Exposures	**19,613**	**-**	**8,720**	**-**	**-**	**218**
Operational Risk						**3,243**
Minimum Capital Requirements						**17,887**
Surplus/(Deficit) in capital						**165,291**
Total Capital ratio (times)						**10.24**

Appendix III

Disclosure on Credit Risk's Risk Weight: As at 31 December 2019

	Exposures after netting and credit risk mitigation												
Risk Weights	Governments and central banks	Administrative bodies and NPO	Authorised persons and banks	Margin Financing	Corporates	Retail	Past due items	Investments	Securitisation	Other assets	Off-balance sheet commitments	Exposure after netting and Credit Risk Mitigatio	Total Risk Weighted Assets
0%	-	-	-	-	-	-	-	-	-	-	-	-	-
20%	-	-	184,399	-	-	-	-	-	-	-	-	184,399	36,880
50%	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-	-	-	-	-
200%	-	-	-	-	-	-	-	-	-	-	-	-	-
300%	-	-	-	-	-	-	-	-	-	13,701	-	13,701	41,103
400%	-	-	-	-	-	-	-	-	-	-	-	-	-
500%	-	-	-	-	-	-	-	-	-	-	-	-	-
714% (include prohibited exposure)	-	-	-	-	-	-	-	-	-	3,510	-	3,510	25,061
Average Risk Weight	0%	0%	20%	0%	0%	0%	0%	0%	0%	300%	0%	160%	160%
Deduction from Capital Base	-	-	5,163	-	-	-	-	-	-	9,263	-	14,426	14,426

Appendix IV

Disclosure on Credit Risk's Rated Exposure: As at 31 December 2019

Exposure Class	Long term Ratings of counterparties							
	Credit quality step	1	2	3	4	5	6	Unrated
	S&P	AAA TO AA-	A+ TO A-	BBB+ TO BBB-	BB+ TO BB-	B+ TO B-	CCC+ and below	Unrated
	Fitch	AAA TO AA-	A+ TO A-	BBB+ TO BBB-	BB+ TO BB-	B+ TO B-	CCC+ and below	Unrated
	Moody's	Aaa TO Aa3	A1 TO A3	Baa1 TO Baa3	Ba1 TO Ba3	B1 TO B3	Caa1 and below	Unrated
	Capital Intelligence	AAA	AA TO A	BBB	BB	B	C and below	Unrated
On and Off-balance-sheet Exposures								
Governments and Central Banks	-	-	-	-	-	-	-	-
Authorised Persons and Banks			19,933	164,466	-	-	-	-
Corporates	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-	-	-
Margin Financing	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	17,211
Total	**-**	**-**	**19,933**	**164,466**	**-**	**-**	**-**	**17,211**

Exposure Class	Short term Ratings of counterparties					
	Credit quality step	1	2	3	4	Unrated
	S&P	A-1+, A-1	A-2	A-3	Below A-3	Unrated
	Fitch	F1+, F1	F2	F3	Below F3	Unrated
	Moody's	P-1	P-2	P-3	Not Prime	Unrated
	Capital Intelligence	A1	A2	A3	Below A3	Unrated
On and Off-balance-sheet Exposures						
Governments and Central Banks	-	-	-	-	-	-
Authorised Persons and Banks	-	184,399	-	-	-	-
Corporates	-	-	-	-	-	-
Retail	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-
Margin Financing	-	-	-	-	-	-
Other Assets	-	-	-	-	-	17,211
Total	**-**	**184,399**	**-**	**-**	**-**	**17,211**

Appendix V

Disclosure on Credit Risk Mitigation (CRM): As at 31 December 2019

Exposure Class	Exposures before CRM	Exposures covered by Guarantees / Credit derivatives	Exposures covered by Financial Collateral	Exposures covered by Netting Agreement	Exposures covered by other eligible collaterals	Exposures after CRM
Credit Risk						
On-balance Sheet Exposures						
Governments and Central Banks	-	-	-	-	-	-
Authorised Persons and Banks	184,399	-	-	-	-	184,399
Corporates	-	-	-	-	-	-
Retail	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Securitisation	-	-	-	-	-	-
Margin Financing	-	-	-	-	-	-
Other Assets	17,211	-	-	-	-	17,211
Total On-Balance sheet Exposures	**201,610**	**-**	**-**	**-**	**-**	**201,610**
Off-balance Sheet Exposures						
OTC/Credit Derivatives	-	-	-	-	-	-
Exposure in the form of repurchase agreements	-	-	-	-	-	-
Exposure in the form of securities lending	-	-	-	-	-	-
Exposure in the form of commitments	-	-	-	-	-	-
*Other Off-Balance sheet Exposures	-	-	-	-	-	-
Total Off-Balance sheet Exposures	**-**	**-**	**-**	**-**	**-**	**-**
Total On and Off-Balance sheet Exposures	**201,610**	**-**	**-**	**-**	**-**	**201,610**