



Citibank (Hong Kong) Limited

Regulatory Disclosures

**For the Period ended
December 31, 2025**

Table of contents

Introduction

Template KM1: Key prudential ratios

Table OVA: Overview of risk management

Template OV1: Overview of Risk-Weighted Assets

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Template LIA: Explanations of differences between accounting and regulatory exposure amounts

Table PV1: Prudent valuation adjustments

Template CC1: Composition of regulatory capital

Template CC2: Reconciliation of regulatory capital to balance sheet

Table CCA: Main features of regulatory capital instruments

Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer

Template LR1: Summary comparison of accounting assets against leverage ratio exposure measure

Template LR2: Leverage ratio

Table LIQA: Liquidity risk management

Table CRA: General information about credit risk

Template CR1: Credit quality of exposures

Template CR2: Changes in defaulted loans and debt securities

Table CRB: Additional disclosure related to credit quality of exposures

Table CRC: Qualitative disclosures related to credit risk mitigation

Template CR3: Overview of recognized credit risk mitigation

Table CRD: Qualitative disclosures on use of ECAI ratings under STC approach

Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach

Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach

Table CCRA: Qualitative disclosures related to counterparty credit risk (including those arising from clearing through CCPs)

Template CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

Template CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for STC approach

Template CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)

Template CVAA: Qualitative disclosures related to CVA risk

Template CVA1: CVA risk under reduced basic CVA approach

Table MRA: Qualitative disclosures related to market risk

Template MR1: Market risk under STM approach

Table IRRBBA: Interest rate risk in banking book – risk management objectives and policies

Template IRRBB1: Quantitative information on interest rate risk in banking book

Table REMA: Remuneration policy

Template REM1: Remuneration awarded during financial year

Template REM2: Special payments

Template REM3: Deferred remuneration

Table ORA: General information on operational risk framework

Template OR1: Historical losses

Template OR2: Business indicator and business indicator components breakdown

Template OR3: Minimum operational risk capital requirement

Template ENC: Asset encumbrance

Introduction

Purpose and Basis of preparation

The information contained in this document is for Citibank (Hong Kong) Limited (“the Company”), and is prepared in accordance with the Banking (Disclosure) Rules (“BDR”) and disclosure templates issued by the Hong Kong Monetary Authority (“HKMA”).

These regulatory disclosures are governed by the Company’s disclosure policy, which has been approved by the Board. The disclosure policy sets out the governance, control and assurance requirements for publication of the document.

The information in this document is not audited and does not constitute statutory accounts.

The Regulatory Disclosures

The Company's Regulatory Disclosures at December 31, 2025 comprises information required under the framework of the Basel Committee on Banking Supervision (“BCBS”). The disclosures are made in accordance with the latest BDR issued by the HKMA.

According to the BDR, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates.

Template KM1: Key prudential ratios

The following table provides an overview of the key prudential ratios of the Company.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)
		At December 31, 2025	At September 30, 2025	At June 30, 2025	At March 31, 2025	At December 31, 2024
Regulatory Capital						
1 & 1a	Common Equity Tier 1 (CET1)	20,967,188	22,542,806	22,063,415	24,035,007	23,396,639
2 & 2a	Tier 1	20,967,188	22,542,806	22,063,415	24,035,007	23,396,639
3 & 3a	Total capital	21,728,368	23,325,550	22,861,666	24,833,530	24,200,529
Risk-Weighted Assets (RWA)						
4	Total RWA	75,097,362	76,477,749	78,591,434	79,544,824	88,524,972
4a	Total RWA (pre-floor)	75,097,362	76,477,749	78,591,434	79,544,824	
Risk-based regulatory capital ratios						
5 & 5a	CET1 ratio (%)	27.92%	29.48%	28.07%	30.22%	26.43%
5b	CET1 ratio (%) (pre-floor ratio)	27.92%	29.48%	28.07%	30.22%	
6 & 6a	Tier 1 ratio (%)	27.92%	29.48%	28.07%	30.22%	26.43%
6b	Tier 1 ratio (%) (pre-floor ratio)	27.92%	29.48%	28.07%	30.22%	
7 & 7a	Total capital ratio (%)	28.93%	30.50%	29.09%	31.22%	27.34%
7b	Total capital ratio (%) (pre-floor ratio)	28.93%	30.50%	29.09%	31.22%	
Additional CET1 buffer requirements						
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%)	0.508%	0.508%	0.507%	0.506%	0.502%
10	Higher loss absorbency requirements (%) (applicable only to GSIBs or DSIBs)	0.000%	0.000%	0.000%	0.000%	0.000%
11	Total AI specific CET1 buffer requirements (%)	3.008%	3.008%	3.007%	3.006%	3.002%
12	CET1 available after meeting the AI's minimum capital requirements (%)	20.93%	22.50%	21.09%	23.22%	19.34%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	341,890,604	351,551,909	334,108,657	342,688,194	330,520,453
13a	LR exposure measure based on mean values of gross assets of SFTs	341,930,199	351,309,473	334,842,458	342,478,630	
14, 14a & 14b	LR (%)	6.13%	6.41%	6.60%	7.01%	7.08%
14c & 14d	LR exposure measure based on mean values of gross assets of SFTs	6.13%	6.42%	6.59%	7.02%	
Liquidity Maintenance Ratio (LMR)						
17a	LMR (%)	74.90%	70.72%	65.13%	63.39%	65.30%
Core Funding Ratio (CFR)						
20a	CFR (%)	192.21%	186.95%	182.41%	179.02%	181.11%

Table OVA: Overview of risk management

Effective risk management is of primary importance to the Company overall operations. Accordingly, the Company's risk management process has been designed to monitor, evaluate and manage the principal risks it assumes in conducting its activities. Specifically, the activities that the Company engages in, and the risks those activities generate, must be consistent with the Company's mission and value proposition, the key principles that guide it, and risk appetite.

Citi's overarching Enterprise Risk Management Framework and Citi's Legal Entity Risk Management Framework, supported by the Company's Addenda outlining the incremental legal entity specificities, consist of management of risk by risk category, Risk Culture, Risk Governance Structure (i.e. Board, Executive Management Team and Lines of Defense), Strategic Planning fully integrated with the defined Risk Appetite, Risk Management System i.e. Risk identification through the policies, procedures, and processes which the Company identifies, measures, monitors, controls and reports risks across the firm. Independent Risk Management, in conjunction with other independent control and enterprise support functions, reviews and updates this Enterprise Risk Management Framework at least annually and as needed to address any modifications that may be required because of any material changes to the firm or its operating environment.

Board Risk Management Committee (RMC) of the Company is a standing committee of the Board, which serves to identify, measure, mitigate, and control all Top / Material risks that the Company takes during its business activities. It assists the Board in fulfilling its oversight responsibility and covers the review of risk management strategies, risk appetite, and Risk Management Framework.

The Company utilizes a Risk Taxonomy that supports firm-wide frameworks including the Enterprise Risk Management Framework. The Risk Taxonomy include the following risk categories: Credit risk, Liquidity Risk, Market Risk (Trading / Non-Trading, including interest rate risk), Operational Risk, Compliance risk, Reputation risk and Strategic risk. Additionally, the Company is exposed to risks that may materialize in, or arise from, more than one risk within or across multiple risk categories (e.g., credit risk and operational risk), creating crosscutting risks. Crosscutting risks include conduct risk, country risk and climate-related risk. Additionally, centralized programs may be established to enable an integrated approach for managing individual risks that are linked together by a common set of characteristics / themes, such as risks relating to digital assets, e-trading and operational resilience.

An effective risk management framework requires a strong risk culture composed of shared values and expected behaviors to promote safe and sound risk taking across the firm, in line with the firm's strategy and risk appetite. Citi's firm-wide conduct and culture programs are designed to: (i) set, reinforce and enhance the firm's risk culture; (ii) integrate its values and conduct expectations into the organization; and (iii) provide employees with tools to assist with making prudent and ethical risk decisions and escalate issues appropriately. As part of this risk culture, all employees are accountable for risk management and must identify, escalate, and address risk-taking activities that exceed the Company's risk appetite in a timely manner.

Stress testing is an integral component of how the Company measures risk and supports business-as-usual risk management, as well as capital and liquidity assessment and planning, strategic and operating planning and recovery and resolution planning. Stress tests are forward-looking assessments of the potential impact of various adverse events and circumstances on the Company. The Company's Enterprise Stress Testing Policy establishes the framework for evaluating the impact of the adverse and / or stressful events and circumstances on its operations and financial conditions. Stress testing is performed for individual risk categories, products and portfolios and to evaluate aggregations of risks at an overall Company level.

The Company uses a lines of defense model as a key component of the Enterprise Risk Management Framework to manage its risk. The model comprises units that create and own risks (first line of defense), those that independently oversees risk taking activities and challenges first line in their execution of risk management activities risk (second line of defense) and units that provide independent assurance (third line of defense). Additionally, the firm has units tasked with maintaining a strong control environment (Enterprise Support Functions).

First Line of Defense: Front Line Units and Front-Line Unit activities

The first line of defense ("first line") owns the risks and associated controls inherent in, or arising from, the execution of their business activities and is responsible for identifying, measuring, monitoring, controlling and reporting those risks consistent with Citi's strategy, Mission and Value Proposition, Leadership Principles and risk appetite. The first line is subject to the oversight and challenge by Independent Risk Management (IRM)/ Independent Compliance Risk Management (ICRM).

Table OVA: Overview of risk management (continued)

o In addition, front line units engage in in-unit control and in-unit management activities. These activities benefit the front-line unit through (i) the performance and/or support of the management of risks generated by the unit (i.e., in-unit control); or (ii) the performance of activities that are critical to risk management (e.g., talent, performance management, compensation; program management; governance).

o 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 Company's established risk appetite.

o Front line units may also conduct enterprise support activities which are also subject to the relevant Bank-wide independent risk management oversight processes specific to the risk category that they generate (e.g., operational risk, compliance risk, reputation risk).

Other than the front-line Business units, a number of Corporate Functions, due to their nature of responsibility, are considered as First Line of Defense. These include Chief Operating Office, Enterprise Services and Public Affairs, Finance, Technology and Business Enablement.

Second Line of Defense: Independent Risk Management

The second line of defense ("second line") is independent of the first line. The second line is responsible for overseeing the risk-taking activities of the first line and challenging the first line in their execution of their risk management responsibilities. It is also responsible for independently identifying, measuring, monitoring, controlling and reporting aggregate risks and for setting standards for the management and oversight of risk.

The second line is comprised solely of Independent Risk Management (IRM) and Independent Compliance Risk Management (ICRM) and is led by the Group CRO and Group Chief Compliance Officer respectively.

Third Line of Defense: Internal Audit

Internal audit is independent of front-line units and independent risk / compliance risk management. The role of Internal Audit is to provide independent, objective, reliable, valued and timely assurance to the Board of Directors, and its Audit Committee as relevant, 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:

Human Resources (HR) and Global Legal Affairs (including Legal, Regulatory Strategy & Policy, and Citi Security and Investigative Services) are the Enterprise Support Functions. They engage in activities that support safety and soundness across the Company. While these functions are not considered part of the second line of defense, they provide advisory services and/or design, implement, maintain, and oversee firm-wide programs that support maintaining an effective control environment. As noted above, any front-line unit activities within enterprise support functions remain subject to the relevant Bank-wide independent risk management oversight processes specific to the risk categories for which it is accountable.

Template OV1: Overview of Risk-Weighted Assets

The following table provides an overview of capital requirements in terms of a detailed breakdowns of RWAs for various risks.

In thousands of Hong Kong dollar		(a)	(b)	(c)
		RWA		Minimum capital requirements
		At December 31, 2025	At September 30, 2025	At December 31, 2025
1	Credit risk for non-securitization exposures	60,863,516	62,604,355	4,869,081
2	Of which STC approach	60,863,516	62,604,355	4,869,081
6	Counterparty credit risk and default fund contributions	30,886	15,191	2,471
7	Of which SA-CCR approach	30,886	15,191	2,471
10	CVA risk	39,288	26,163	3,143
20	Market risk	37,050	93,413	2,964
21	Of which STM approach	37,050	93,413	2,964
24	Operational risk	14,174,075	13,755,300	1,133,926
28a	Deduction to RWA	47,453	16,673	3,796
28b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	47,453	16,673	3,796
29	Total	75,097,362	76,477,749	6,007,789

Template LI1: Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

The following table shows the differences between the carrying values as reported in the Company's financial statements following the scope of accounting consolidation and the carrying values under the scope of regulatory consolidation, with a breakdown into regulatory risk categories of every item of the assets and liabilities reported in financial statements based on the scope of accounting consolidation.

At 31 December, 2025:

In thousands of Hong Kong dollar	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items:				
			subject to credit risk framework	subject to counterparty credit risk framework	subject to the securitization framework	subject to market risk framework	not subject to capital requirements or subject to deduction from capital
Assets							
Cash and balances with banks and other financial institutions	19,415,623	4,214,342	4,214,342	-	-	-	-
Placements with banks and other financial institutions	16,106,902	51,038,963	51,038,963	-	-	-	-
Loans and advances							
Loans and advances to customers	120,088,068	120,691,500	120,691,500	-	-	-	-
Loans and advances to banks	19,723,529	-	-	-	-	-	-
Financial assets measured at fair value through profit or loss	88,942,869	88,887,974	88,887,974	-	-	-	-
Financial assets measured at fair value through other comprehensive income	65,944,757	65,944,757	65,944,757	-	-	-	-
Fixed assets	362,302	53,327	53,327	-	-	-	-
Intangible assets	8,643	8,643	-	-	-	-	8,643
Deferred tax assets	50,921	50,921	-	-	-	-	50,921
Other assets ^{Note}	1,982,412	2,348,683	2,226,726	24,546	-	54,895	42,516
Impairment allowances	-	(433,596)	(49,177)	-	-	-	(384,419)
Total assets	332,626,026	332,805,514	333,008,412	24,546	-	54,895	(282,339)
Liabilities							
Deposits and balances from banks and other financial institutions	34,274,181	34,274,181	-	-	-	-	34,274,181
Deposits from customers	269,863,252	270,042,740	-	-	-	-	270,042,740
Trading financial liabilities	40,872	40,872	-	-	-	40,872	-
Current taxation	144,642	144,642	-	-	-	-	144,642
Other liabilities	6,830,292	6,830,292	-	-	-	-	6,830,292
Total liabilities	311,153,239	311,332,727	-	-	-	40,872	311,291,855

Template LI2: Main sources of differences between regulatory exposure amounts and carrying values in financial statements

The following table provides information on the main sources of differences between the carrying values in financial statements and the exposure amounts used for the calculation of regulatory capital in respect of the assets and liabilities based on the scope of regulatory consolidation.

At 31 December, 2025:

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)
		Total	Items subject to:			
			credit risk framework	securitization framework	counterparty credit risk framework	market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	333,087,853	333,008,412	-	24,546	54,895
2	- Liabilities carrying value amount under regulatory scope of consolidation (as per template LI1)	40,872	-	-	-	40,872
3	Total net amount under regulatory scope of consolidation	333,046,981	333,008,412	-	24,546	14,023
4	Off-balance sheet amounts	84,760,139	8,956,745	-	-	-
5	Potential exposures for counterparty credit risk	75,472	-	-	75,472	-
6	Alpha (α) used for computing default risk exposure	40,008	-	-	40,008	-
7	Recognized collateral for Credit risk mitigation	(12,402,775)	(12,402,775)	-	-	-
8	Exposure amounts considered for regulatory purposes	329,716,431	329,562,382	-	140,026	14,023

Template LIA: Explanations of differences between accounting and regulatory exposure amounts

The following provides explanations on the differences observed between accounting carrying values (as defined in template LI1) and amounts considered for regulatory capital purposes (as defined in template LI2).

Major differences between the amounts in columns (a) and (b) in template LI1

- i) The carrying values as reported in published financial statements are after Netting adjustment on account of foreign currency margin products.
- ii) The carrying values of “Placement with banks and other financial institutions” as reported in published financial statements which have residual contractual maturities within one month are classified as “Cash and balances with banks, central banks and other financial institutions”, while balances with residual contractual maturities greater than one year are classified as “Loans and advances”.

The main drivers for the differences between accounting values and amounts considered for regulatory purposes shown in template LI2

- i) Exposure amounts considered for regulatory purposes consist of Off-balance sheet exposures including contingent liabilities and commitments after application of Credit Conversion Factor (“CCF”).
- ii) Counterparty credit risk exposures for regulatory purposes consist of both the replacement cost and potential future exposures (“PFE”).
- iii) Under the SA-CCR approach, a factor α of 1.4 is applied to the sum of replacement cost and PFE in arriving at the default risk exposure.
- iv) Exposures amount is calculated after deducting credit risk mitigation under standardized approach.

Valuation of financial instruments

Fair value estimates are generally subjective in nature, and are made as of a specific point in time based on the characteristics of the financial instruments and relevant market information. Where available, the most suitable measure for fair value is the quoted market price. In the absence of organized secondary markets for most financial instruments, and in particular for loans, deposits and unlisted derivatives, direct market prices are not available. The fair value of such instruments was therefore calculated on the basis of well-established valuation techniques using current market parameters. In particular, the fair value is a theoretical value applicable at a given reporting date, and hence can only be used as an indicator of the value realizable in a future sale.

All valuation models are validated before they are used as a basis for financial reporting, by qualified personnel independent of the area that created the model. These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experiences and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could not be realized in an immediate sale of the instruments.

The following methods and significant assumptions have been applied in determining the fair values of financial instruments presented below:

- (i) the fair value of demand deposits and savings accounts with no specific maturity is assumed to be the amount payable on demand at the statement of financial position date;
- (ii) the fair value of variable rate financial instruments is assumed to approximate their carrying amounts and, in the case of loans and unquoted debt securities, does not, therefore, reflect changes in their credit quality, as the impact of credit risk is recognized separately by deducting the amount of the impairment allowances from both the carrying amount and fair value;
- (iii) the fair value of fixed rate loans and mortgages carried at amortized cost is estimated by comparing market interest rates when the loans were granted with current market rates offered on similar loans; and
- (iv) the fair value of forward exchange contracts is estimated by discounting future cash flows. Future cash flows are estimated based on model estimates of the amount it would receive or pay to terminate the contract at the statement of financial position date taking into account current market conditions and the current creditworthiness of the counterparties. The discount rate used is a market rate for a similar instrument at the statement of financial position date. The fair value of an option contract is determined by applying the binomial valuation model. Inputs are based on market related data at the statement of financial position date.

Fair value hierarchy

The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unverified inputs and validated models. Unverified inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unverified inputs or invalidated models.

Table PV1: Prudent valuation adjustments

The following table provide a detailed breakdown of the constituent elements of valuation adjustment.

At 31 December, 2025:

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Equity	Interest rates	FX	Credit	Commodities	Total	Of which: In the trading book	Of which: In the banking book
1	Close-out uncertainty, of which:	-	-	(71)	-	-	(71)	-	(71)
2	<i>Mid-market value</i>	-	-	(71)	-	-	(71)	-	(71)
3	<i>Close-out costs</i>	-	-	-	-	-	-	-	-
4	<i>Concentration</i>	-	-	-	-	-	-	-	-
5	Early termination	-	-	-	-	-	-	-	-
6	Model risk	-	-	-	-	-	-	-	-
7	Operational risks	-	-	-	-	-	-	-	-
8	Investing and funding costs						-	-	-
9	Unearned credit spreads						-	-	-
10	Future administrative costs	-	-	-	-	-	-	-	-
11	Other adjustments	-	-	-	-	-	-	-	-
12	Total adjustments	-	-	(71)	-	-	(71)	-	(71)

Template CC1: Composition of regulatory capital

		In thousands of Hong Kong dollar	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	CET1 capital: instruments and reserves		
1	Directly issued qualifying CET1 capital instruments plus any related share premium	7,348,440	(6)
2	Retained earnings	14,076,331	(7)
3	Disclosed reserves	48,016	(8)+(9)
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	CET1 capital before regulatory deductions	21,472,787	
	CET1 capital: regulatory deductions		
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liability)	-	
9	Other intangible assets (net of associated deferred tax liability)	8,317	(2) + (4)
10	Deferred tax assets (net of associated deferred tax liabilities)	51,247	(3) - (4)
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest only strip, and any gain on sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	12,169	(5)
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	433,866	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)		
26b	Regulatory reserve for general banking risks	433,866	
26c	Securitization exposures specified in a notice given by the Monetary Authority	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	505,599	
29	CET1 capital	20,967,188	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
36	AT1 capital before regulatory deductions	-	
	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	

Template CCI: Composition of regulatory capital (continued)

		In thousands of Hong Kong dollar	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	-	
45	Tier 1 capital (T1 = CET1 + AT1)	20,967,188	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	
50	Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	761,180	Note (i)
51	Tier 2 capital before regulatory deductions	761,180	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions)(for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	-	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	-	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	-	
57	Total regulatory deductions to Tier 2 capital	-	
58	Tier 2 capital (T2)	761,180	
59	Total regulatory capital (TC = T1 + T2)	21,728,368	
60	Total risk weighted assets	75,097,362	
	Capital ratios (as a percentage of risk weighted assets)		
61	CET1 capital ratio	27.92%	
62	Tier 1 capital ratio	27.92%	
63	Total capital ratio	28.93%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.008%	
65	<i>of which: capital conservation buffer requirement</i>	2.500%	
66	<i>of which: bank specific countercyclical buffer requirement</i>	0.508%	
67	<i>of which: higher loss absorbency requirement</i>	0.000%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	20.93%	
	National minima (if different from Basel 3 minimum)		
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
	Amounts below the thresholds for deduction (before risk weighting)		
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
74	Mortgage servicing rights (net of related tax liability)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of related tax liability)	Not applicable	Not applicable

Template CC1: Composition of regulatory capital (continued)

		In thousands of Hong Kong dollar	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	-	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposure	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	

Note (i):

The amount is the sum of regulatory reserve for general banking risks and collective impairment allowances, limited to 1.25% of risk-weighted assets for credit risks under standardized approach.

Notes to the Template

Row No.	Description	Hong Kong basis	Basel III basis
	Deferred tax assets net of deferred tax liabilities	51,247	51,247
10	<p>Explanation</p> <p>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs that rely on future profitability of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III.</p> <p>The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities and other credit exposures to connected companies) under Basel III.</p>		
Remarks:			
The amount of the 10% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.			

Template CC2: Reconciliation of regulatory capital to balance sheet

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Cross reference to Definition of Capital Components
In thousands of Hong Kong dollar	As at December 31, 2025	As at December 31, 2025	
Assets			
Cash and balances with banks and other financial institutions	19,415,623	4,214,342	
Placements with banks and other financial institutions	16,106,902	51,038,963	
Loans and advances			
- Loans and advances to customers	120,088,068	120,691,500	
- Loans and advances to banks	19,723,529		
Financial assets measured at fair value through profit or loss	88,942,869	88,887,974	
Financial assets measured at fair value through other comprehensive income	65,944,757	65,944,757	
Fixed assets	362,302	53,327	
Intangible assets	8,643	8,643	(2)
Deferred tax assets	50,921	50,921	(3)
<i>of which : deferred tax liabilities related to intangibles</i>		(326)	(4)
<i>Other assets</i>	1,982,412	2,348,683	
<i>of which: defined benefit pension fund net assets</i>		12,169	(5)
<i>Less: Impairment allowances</i>		(433,596)	
<i>of which: collective impairment allowances reflected in regulatory capital</i>		(374,767)	(1)
Total Assets	332,626,026	332,805,514	
Liabilities			
Deposits and balances from banks and other financial institutions	34,274,181	34,274,181	
Deposits from customers	269,863,252	270,042,740	
Trading financial liabilities	40,872	40,872	
Current taxation	144,642	144,642	
Other liabilities	6,830,292	6,830,292	
Total Liabilities	311,153,239	311,332,727	
Shareholders' Equity			
Share capital	7,348,440	7,348,440	
<i>of which: paid-in share capital</i>		7,348,440	(6)
Reserves	14,124,347	14,124,347	
<i>of which: retained profits</i>		14,076,331	(7)
<i>Investment revaluation reserve</i>		61,581	(8)
<i>capital reserves</i>		(13,565)	(9)
Total Shareholders' Equity	21,472,787	21,472,787	
Total Liabilities and Shareholders' Equity	332,626,026	332,805,514	

Table CCA: Main features of regulatory capital instruments

1	Issuer	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA	NA	NA	NA	NA	NA
3	Governing law(s) of the instrument	Hong Kong	Hong Kong	Hong Kong	Hong Kong	Hong Kong	Hong Kong	Hong Kong
	<i>Regulatory treatment</i>							
4	Transitional Basel III rules ²	NA	NA	NA	NA	NA	NA	NA
5	Basel III rules ³	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1
6	Eligible at solo*/group/group & solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
8	Amount recognised in regulatory capital (as of most recent reporting date)	HKD 200 (Class A)	HKD 299,800 (Class A)	HKD 170,800 (Class A)	HKD 29,200 (Class A)	HKD 50,000 (Class A)	HKD 4,450,000 (Class A)	HKD 5,000,000 (Class A)
9	Par value of instrument	NA	NA	NA	NA	NA	NA	NA
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity
11	Original date of issuance	5 July 1965	22 July 1965	11 October 1965	30 December 1965	16 January 1967	7 April 1976	3 February 1983
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	no maturity	no maturity	no maturity	no maturity	no maturity	no maturity	no maturity
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	NA	NA	NA	NA	NA	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA	NA	NA
	<i>Coupons / dividends</i>							
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	NA	NA	NA	NA	NA	NA	NA
19	Existence of a dividend stopper	No	No	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA	NA	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA	NA	NA	NA	NA	NA	NA
36	Non-compliant transitioned features	No	No	No	No	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA	NA	NA

Footnote:

² Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

³ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

* Include solo-consolidated

Table CCA: Main features of regulatory capital instruments

1	Issuer	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited	Citibank (Hong Kong) Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	NA	NA	NA	NA	NA	NA
3	Governing law(s) of the instrument	Hong Kong	Hong Kong	Hong Kong	Hong Kong	Hong Kong	Hong Kong
	<i>Regulatory treatment</i>						
4	Transitional Basel III rules ²	NA	NA	NA	NA	NA	NA
5	Basel III rules ³	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1
6	Eligible at solo ⁴ /group/group & solo	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
8	Amount recognised in regulatory capital (as of most recent reporting date)	HKD 585,000,000 (Class A)	HKD 78,000,000 (Class B)	HKD 2,722,440,000 (Class A)	HKD 78,000,000 (Class A)	HKD 3,787,983,000 (Class A)	HKD 87,017,000 (Class B)
9	Par value of instrument	NA	NA	NA	NA	NA	NA
10	Accounting classification	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity	Shareholders' equity
11	Original date of issuance	21 May 2004	1 July 2004	13 June 2005	1 July 2005	15 December 2009	15 December 2009
12	Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual
13	Original maturity date	no maturity	no maturity	no maturity	no maturity	no maturity	no maturity
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	No
15	Optional call date, contingent call dates and redemption amount	NA	NA	NA	NA	NA	NA
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA	NA
	<i>Coupons / dividends</i>						
17	Fixed or floating dividend/coupon	Floating	Floating	Floating	Floating	Floating	Floating
18	Coupon rate and any related index	NA	NA	NA	NA	NA	NA
19	Existence of a dividend stopper	No	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA
30	Write-down feature	No	No	No	No	No	No
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	NA	NA	NA	NA	NA	NA
36	Non-compliant transitioned features	No	No	No	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA	NA

Footnote:

² Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 41I of the Banking (Capital) Rules

³ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 41I of the Banking (Capital) Rules

⁴ Include solo-consolidated

Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer (“CCyB”)

The following table provides an overview of the geographical distribution of private sector credit exposures relevant for the calculation of the CCyB ratio at December 31, 2025.

	(a)	(c)	(d)	(e)
Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect (%)	RWA used in computation of CCyB ratio (in thousands of Hong Kong dollar)	AI-specific CCyB ratio (%)	CCyB amount
1 Hong Kong SAR	0.500%	43,461,777		
2 Australia	1.000%	15,759		
3 Belgium	1.000%	8		
4 Chile	0.500%	24		
5 Cyprus	1.000%	9		
6 France	1.000%	626		
7 Germany	0.750%	812		
8 Hungary	1.000%	21		
9 Iceland	2.500%	17		
10 Ireland	1.500%	483,390		
11 Luxembourg	0.500%	766,780		
12 Netherlands	2.000%	1,148		
13 Norway	2.500%	9		
14 Romania	1.000%	3		
15 South Korea	1.000%	1,285		
16 United Kingdom	2.000%	49,924		
17 Denmark	2.500%	526		
18 Czech Republic	1.250%	5		
19 Greece	0.250%	8		
20 Spain	0.500%	1,164		
21 Sweden	2.000%	4		
22 Sum		44,783,299		
23 Total		45,213,705	0.508%	381,344

Template LR1: Summary comparison of accounting assets against leverage ratio (“LR”) exposure measure

The following table reconciles the total assets in the published financial statements of the Company to the LR exposure measure.

		(a)
	Item	Value under LR framework (in thousands of Hong Kong dollar)
1	Total consolidated assets as per published financial statements	332,626,026
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
4	Adjustments for temporary exemption of central bank reserves	Not applicable
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustments for eligible cash pooling transactions	-
8	Adjustments for derivative contracts	158,174
9	Adjustment for SFTs (i.e. repos and similar secured lending)	500,316
10	Adjustment for off-balance sheet (“OBS”) items (i.e. conversion to credit equivalent amounts of OBS exposures)	8,956,745
11	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from exposure measure	(433,596)
12	Other adjustments	82,939
13	Leverage ratio exposure measure	341,890,604

Template LR2: Leverage ratio (“LR”)

The following table provides a detailed breakdown of the components of the Company's LR denominator.

		(a)	(b)
		In thousands of Hong Kong dollar	
		At December 31, 2025	At September 30, 2025
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	333,214,564	342,838,867
2	Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	-	-
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
4	Less: Adjustment for securities received under SFTs that are recognised as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	(433,596)	(419,260)
6	Less: Asset amounts deducted in determining Tier 1 capital	(505,599)	(467,858)
7	Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)	332,275,369	341,951,749
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	34,364	6,150
9	Add-on amounts for PFE associated with all derivative contracts	123,810	89,211
10	Less: Exempted CCP leg of client-cleared trade exposures	-	-
11	Adjusted effective notional amount of written credit-related derivative contracts	-	-
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts	-	-
13	Total exposures arising from derivative contracts (sum of rows 8 to 12)	158,174	95,361
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	500,000	500,000
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	316	650
17	Agent transaction exposures	-	-
18	Total exposures arising from SFTs (sum of rows 14 to 17)	500,316	500,650
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	84,760,139	85,867,121
20	Less: Adjustments for conversion to credit equivalent amounts	(75,803,394)	(76,862,972)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	8,956,745	9,004,149
Capital and total exposures			
23	Tier 1 capital	20,967,188	22,542,806
24	Total exposures (sum of rows 7, 13, 18 and 22)	341,890,604	351,551,909
Leverage ratio			
25 & 25a	Leverage ratio	6.13%	6.41%
26	Minimum leverage ratio requirement	3%	3%
27	Applicable leverage buffers	Not applicable	Not applicable
Disclosure of mean values			
28	Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	539,595	257,564
29	Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	500,000	500,000
30 & 30a	Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	341,930,199	351,309,473
31 & 31a	Leverage ratio based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	6.13%	6.42%

Table LIQA: Liquidity risk management

The Company's liquidity risk management process is integrated into the overall Citi liquidity and funding process and liquidity monitoring framework of the Group. Liquidity is managed at the Citi-level, the Citibank, N.A.-level, the Total Hong Kong level and the level of Material Legal Entity ("MLE").

Citigroup policy requires all MLE (which is the level at which the Company is operating at) to maintain a strong liquidity position and ensure sufficient cash flows to meet all financial commitment and to capitalize on opportunities for business expansion. This includes the Company's ability to meet deposit withdrawals either on demand or at contractual maturity, to repay borrowings as they mature, to comply with the statutory liquidity ratio, and make new loans and investments as opportunities arise. The Company maintains a pool of customer deposits, which made up of current and savings accounts and time deposits. The customer deposits are widely diversified by type and maturity and represent a stable source of funding.

Policies and Procedures

The Company's liquidity is managed as part of the Hong Kong ALCO. The ALCO Charter includes the monitoring and control of liquidity and funding. ALCO monitors trends in balance sheet and ensures that any concerns that might impact the stability of the customer deposits are addressed effectively.

It is the responsibility of the Company's management to ensure compliance with local regulatory requirements and limits set by ALCO. The Company's liquidity resources are managed by the treasurer. Liquidity is managed on a daily basis by the Treasury function. The Board is ultimately responsible for overseeing liquidity risk that the Company is able to take and ensure that there is a robust liquidity management process in place.

The Company's liquidity risk management framework requires limits or triggers to be set for prudent liquidity management, the major applicable liquidity metrics include:

- Net intragroup balance
- Liquidity ratios
- Deposit to loan ratio
- Term Liquidity Stress Trest ("TLST")
- Local TLST
- Resolution Liquidity Adequacy and Positioning ("RLAP")

All limits and internal triggers are reviewed at least annually as part of Horizontal Liquidity Review Process and more frequently if required, to ensure that they remain relevant to current market conditions and business strategy. These limits and triggers are reviewed and approved by ALCO on a regular basis. Any limit excess will be escalated under a delegated authority structure and reviewed by ALCO and the Board. The Company also prepares a Funding and Liquidity Plan (FLP), which contains the forecasted Balance Sheet and forecasted internal liquidity metrics (TLST and RLAP) for the year ahead which are evaluated against respective limits and internal triggers. Additionally, a Contingency Funding and Liquidity Plan ("CFP") playbook is in place for total Citi Hong Kong basis, which lays out the trigger points and actions in the event of liquidity crisis to ensure that there is an effective response by senior management in case of such an event.

The Company's securities holdings are mainly in government securities that can be liquidated, repurchased or used as collateral in the event of liquidity stress.

Stress Test

Citi uses multiple measures in monitoring its liquidity, including those described below. In addition, there continues to be numerous regulatory developments relating to future liquidity standards and requirements applicable to financial institutions such as Citi, including certain measures discussed below.

Stress testing and scenario analyzes are intended to quantify the potential impact of a liquidity event on the balance sheet (including on and off balance sheet), contingent funding obligations and other liquidity exposures, and to identify viable funding alternatives that can be utilized. These scenarios include assumptions about significant changes in key funding sources, market triggers (such as credit ratings), potential uses of funding and political and economic conditions in certain countries. These conditions include standard and stress market conditions as well as firm-specific events.

A wide range of liquidity events are considered to ascertain potential mismatches between liquidity sources and uses over a variety of time horizons by tenor buckets. Liquidity limits are set accordingly. To monitor the liquidity of the Bank, those stress tests and potential mismatches may be calculated with varying frequencies, with several important tests performed daily. All assumptions used in the stress scenarios must be reviewed under the process of "Horizontal Liquidity Review Process".

TLST - "Term Liquidity Stress Test" is the Company's primary long-term internal stress metric. The TLST scenario assumes a market and idiosyncratic backdrop against which the Company can measure its stressed liquidity needs. The scenario describes stress conditions across 365 days including the Company's customer/counterparty behaviour, its ability to access funding markets as well as any mitigating actions management can take to protect franchise. TLST is used to measure a 12-month survival, i.e. the Company must maintain sufficient liquidity to meet all maturing obligations within 12 months under the TLST stress scenario. TLST is prepared and monitored daily for all currencies including HKD, CNY and G10 currencies.

Local TLST - "Institution Specific and Local Market Scenario" represents a significant local market disruption such as a collapse of a major local bank, or an abrupt change in the regulatory or political environment, which will affect the liquidity available to that market. It requires a self-sufficiency period over a 12-month period and it is performed on a monthly basis.

Resolution Liquidity Adequacy and Positioning ("RLAP") is a short term internal stress metric used to measure the short-term (30 days) survival horizon under a Severe Market Disruption stress scenario. It is designed to ensure there are sufficient liquidity resources to withstand outflows associated with Resolution scenario with a 30-day survival period under a severely stress market condition. RLAP is prepared and monitored daily for all currencies including HKD, CNY and G10 currencies.

Table LIQA: Liquidity risk management (Continued)

Encumbered and unencumbered assets

An asset is defined as encumbered, from a liquidity perspective, if it has been pledged as collateral against an existing liability, and as a result is no longer available to the bank to secure funding, satisfy collateral needs or be sold to reduce the funding requirement. An asset is therefore categorized as unencumbered if it has not been pledged against an existing liability. As of December 31, 2025, High Quality Liquid Asset (HQLA) held by the bank is mostly unencumbered assets, except a small portion of Hong Kong exchange fund bills which are set aside for intraday liquidity needs.

The Company maintains a sufficient cushion of HQLA which can be sold or used as collateral to provide liquidity under stress period. The compositions of the HQLA are mainly in government securities. The size of the liquidity cushion was approximately HK\$155 billion as of December 31, 2025.

Citibank, N.A.'s credit ratings as at the end of December 31, 2025 were A+(S&P) and Aa3 (Moody's). Given that Citibank other entities are our only counterparties for these derivative transactions and cash positions are held or posted as collateral according to the mark to market of the contracts. Citibank's credit ratings downgrade has minimal impact on Bank's derivative collateral requirement.

Analysis of assets and liabilities by remaining maturity

The following maturity profile is based on the remaining period at the statement of financial position date to the contractual maturity date.

2025	Total	Repayable on demand	Over 1 month to 1 month or less	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years	Undated or overdue
Assets								
Cash and balances with banks, central banks and other financial institutions	19,415,623	4,214,342	15,201,281	-	-	-	-	-
Placements with banks and other financial institutions	16,106,902	-	-	6,216,106	9,890,796	-	-	-
Loans and advances	139,811,597	7,530,982	411,515	3,093,193	15,696,709	41,826,734	71,105,762	146,702
Financial assets measured at fair value through profit or loss	88,942,869	-	57,370,827	30,183,983	1,061,100	256,601	-	70,358
Financial assets measured at fair value through other comprehensive income	65,944,757	-	33,030,373	19,057,459	9,373,964	4,482,961	-	-
Non-interest bearing assets	2,404,278	-	-	-	-	-	-	2,404,278
	332,626,026	11,745,324	106,013,996	58,550,741	36,022,569	46,566,296	71,105,762	2,621,338
Liabilities								
Deposits and balances from banks and other financial institutions	34,274,181	360,156	20,050,661	1,740,796	4,405,461	7,717,107	-	-
Deposits from customers	269,863,252	117,952,781	97,650,685	46,021,004	8,237,159	1,623	-	-
Trading financial liabilities	40,872	-	-	-	-	-	-	40,872
Lease liabilities	393,154	-	11,908	23,909	110,683	246,654	-	-
Non-interest bearing liabilities	6,581,780	-	-	-	-	-	-	6,581,780
	311,153,239	118,312,937	117,713,254	47,785,709	12,753,303	7,965,384	-	6,622,652
Commitments								
Other commitments	84,760,048	83,442,596	766,382	542,104	8,966	-	-	-
Forward forward deposits placed	91	-	91	-	-	-	-	-
	84,760,139	83,442,596	766,473	542,104	8,966	-	-	-
Of which:								
Debt securities								
- included in financial assets measured at fair value through profit or loss	88,872,511	-	57,370,827	30,183,983	1,061,100	256,601	-	-
- included in financial assets measured at fair value through other comprehensive income	65,944,757	-	33,030,373	19,057,459	9,373,964	4,482,961	-	-
	154,817,268	-	90,401,200	49,241,442	10,435,064	4,739,562	-	-

Table CRA: General information about credit risk

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

This category includes credit and counterparty risks from loans and advances and counterparty risks from trading and investing activities and also third parties to either hold, collect or settle the funds on behalf of the Company. The Company identifies and manages this risk through its (a) target market definitions, (b) credit approval process, (c) post-disbursement monitoring and (d) remedial management procedures.

Credit Risk Management is responsible for the quality and performance of credit portfolios of the Company, through which it can pursue a long-term sustainable and profitable growth. It manages, monitors and controls all credit risks within the Company through:

- formulating credit policies on new acquisition, portfolio management, collection and recovery for credit portfolios;
- developing risk acceptance criteria for portfolios towards segments, sectors, industries, usages and collateral;
- undertaking an independent review and objective assessment of credit risks;
- controlling exposures to portfolios, industries, counterparties and countries etc by setting limits;
- monitoring the performance of credit portfolios, including collateral positions, and developing effective remedial strategies;
- evaluating potentially adverse scenario that may impact the quality and performance of credit portfolios;
- establishing key risk indicators that assess the market situation on on-going basis; and
- providing advice and guidance to business units on various credit-related issues.

The Company's credit risk arises mainly from its retail and treasury operations.

Retail credit risk

Retail Credit Risk (RCR) Policy and related Standards and Procedures establish the overall framework for risk acceptance in Retail businesses. The RCR Policy encompasses risk management processes to address risks undertaken by Retail Businesses through identification, measurement, monitoring, controlling and reporting of all risks and sets forth the minimum requirements to drive a consistent approach to management of retail credit risk across the credit life cycle. The ability for Independent Risk Management to successfully manage risk is complemented by a robust control framework, which includes: ongoing business monitoring; risk-based independent verification; detective mechanisms including frequent portfolio and business reviews; and a robust Risk Appetite Framework.

Active monitoring of conformance with established risk limits and tolerances occurs through a variety of Key Risk Indicators (KRIs), benchmarks, and financial measures. These include a risk tolerance limit, which requires every portfolio to obtain initial approval and annual re-approval of risk tolerances. In addition, origination benchmarks are an essential control mechanism to ensure the Company's originations are performing on a consistent basis within the risk appetite of any individual business. There are numerous monitoring systems and triggering mechanisms in place to determine if additional scrutiny or action is needed. Risk tolerance limits and the Risk Appetite Ratio are critical Key Risk Indicators which call for additional scrutiny by senior management and specific action when triggers are breached.

The Company's retail credit policy, approval process and credit delegation authority are designed for the fact that there are high volumes of relatively homogeneous, small value transactions in each retail loan category. Because of the nature of retail banking, the credit policies are based primarily on statistical analyzes of risks with respect to different products and types of customers. The Company has established methodologies on risk assessment for new product launch as well as periodic review of the terms of existing products, so as to achieve the desired customer profiles.

Credit risk for treasury transactions

The Company's treasury activities are predominantly with group entities or with institutions and governments with strong credit standing. As such, credit risk for the Company's treasury activities is not significant.

Credit-related commitments

The risks involved in credit-related commitments and contingencies are essentially the same as the credit risk involved in extending loan facilities to customers. These transactions, are therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans.

Master netting arrangements

The Company enters into master netting arrangements with counterparties whenever possible. Netting agreements provide that, if an event of default occurs, all outstanding transactions with the counterparty will be terminated and all amounts outstanding will be settled on a net basis.

Concentration of credit risk

The Company pursues a strategy of mitigating any concentration in credit risk by diversifying the asset portfolio. The total asset portfolio consists of a balanced mix of collateralized products (mortgages and margin finance), as well as credit cards and unsecured credit facilities but is concentrated in Hong Kong.

Template CR1: Credit quality of exposures

The following table provides an overview of credit quality of on- and off-balance exposures as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amounts of		Allowances / impairments	Of which ECL accounting provisions for credit losses on exposures calculated under the STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		
1	Loans	125,153	140,543,972	426,533	49,177	377,356	-	140,242,592
2	Debt securities	-	154,863,111	-	-	-	-	154,863,111
3	Off-balance sheet exposures	-	1,602,253	-	-	-	-	1,602,253
4	Total	125,153	297,009,336	426,533	49,177	377,356	-	296,707,956

Loans includes Trade Bills, Placement with banks and other financial institutions with residual maturities greater than one year and Loans and advances to customers, along with the related accrued interest receivables.

Template CR2: Changes in defaulted loans and debt securities

The following table provides information on the changes in defaulted loans and debt securities, including any changes in the amount of defaulted exposures, movements between non-defaulted and defaulted exposures, and reductions in the defaulted exposures due to write-offs as at December 31, 2025 and June 30, 2025 respectively.

In thousands of Hong Kong dollar		(a)
		Amount
1	Defaulted loans and debt securities at end of the previous reporting period	124,748
2	Loans and debt securities that have defaulted since the last reporting period	209,345
3	Returned to non-defaulted status	(15,433)
4	Amounts written off	(186,028)
5	Other changes	(7,479)
6	Defaulted loans and debt securities at end of the current reporting period	125,153

Table CRB: Additional disclosure related to credit quality of exposures

The following provide additional qualitative and quantitative information on the credit quality of exposures to supplement the quantitative information provided under templates CR1 and CR2 as at December 31, 2025.

(i) **Credit quality of Loans and advances to customers**

The Company classifies the loans and advances in accordance with the loan classification system required to be adopted for reporting to the HKMA.

The ageing analysis of loans and advances to customers that are past due but not impaired as follows:

In thousands of Hong Kong dollar	As at December 31, 2025
Gross loans and advances to customers that are past due but not impaired	
- Overdue 3 months or less	<u><u>1,904,816</u></u>

(ii) **Credit losses and impairment of assets**

The Company recognises loss allowances for expected credit loss (“ECL”) on financial assets measured at amortised cost and fair value through other comprehensive income.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due or material deterioration of other risk factors.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Table CRB: Additional disclosure related to credit quality of exposures (Continued)

(iii) Credit risk exposure by geographical areas, industry and residual maturity

Geographical area In thousands of Hong Kong dollar	As at December 31, 2025
Hong Kong	175,881,493
United States	99,730,903
Other	21,522,093
Total	297,134,489
Industry In thousands of Hong Kong dollar	As at December 31, 2025
Banks	19,754,939
Official sector	154,863,111
Non-bank private sector	
- Individual	120,662,679
- Other	1,853,760
Total	297,134,489
Residual maturity In thousands of Hong Kong dollar	As at December 31, 2025
Repayable on demand and Up to 1 year	178,575,975
Over 1 year to 5 years	46,961,413
Over 5 years	71,449,881
Undated or overdue	147,220
Total	297,134,489

(iv) Overdue loans and advances to customers

In thousands of Hong Kong dollar	As at December 31, 2025
Loans and advances to customers which have been overdue for periods of:	
- 6 months or less but over 3 months	65,434
- 1 year or less but over 6 months	1,186
- over 1 year	-
	66,620
Current market value of collateral held against the covered portion of overdue loans and advances to customers	20,691
Covered portion of overdue loans and advances to customers	7,918
Uncovered portion of overdue loans and advances to customers	58,702
	66,620
Specific impairment	42,239

Table CRB: Additional disclosure related to credit quality of exposures (Continued)

(iv) *Overdue loans and advances to customers (Continued)*

The covered portion of overdue loans and advances to customers represents the amount of collateral held against outstanding balances. Where collateral values are greater than gross loans and advances, only the amount of collateral up to the gross loans and advance was included.

The collateral held in respect of the overdue loans and advances mainly consists of properties.

After taking into account the transfer of risk, there were no exposures to a single country outside Hong Kong exceeding 10% of the aggregate overdue loans and advances to customers as at the above respective reporting dates.

(v) *Rescheduled loans and advances to customers*

In thousands of Hong Kong dollar	<i>As at December 31, 2025</i>
Rescheduled loans and advances to customers	<u>37,778</u>

Rescheduled loans and advances are those loans and advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or because of the inability of the borrower to meet the original repayment schedule. Rescheduled loans and advances to customers are stated net of any loans and advances which have subsequently become overdue for over three months and which are included in overdue loans and advances to customers in (iv) above.

(vi) *Impaired loans and advances to customers*

In thousands of Hong Kong dollar	<i>As at December 31, 2025</i>
Overdue loans and advances to customers	66,620
Rescheduled loans and advances to customers	<u>37,778</u>
Impaired loans and advances to customers	<u>104,398</u>

After taking into account the transfer of risk, there were no exposures to a single country outside Hong Kong exceeding 10% of the aggregate impaired loans and advances to customers as at the above respective reporting dates. There were also no exposures to a non-individual exceeding 10% of the aggregate impaired loans and advances to customers as at the above respective reporting dates.

Table CRC: Qualitative disclosures related to credit risk mitigation

Under the Banking (Capital) Rules, recognized netting is defined as any netting done pursuant to a valid bilateral netting arrangement. Consistent with the Banking (Capital) Rules, the Company only includes valid bilateral netting arrangements in the calculation of credit risk mitigation for capital adequacy purpose.

For all facilities except instalment mortgages, non-revolving loan supported by recognized guarantee and margin finance not hitting the required conditions, it is the Company's policy that they should be reviewed at least on an annual basis, with the collateral (if any) being revalued during the review. Where facilities have been overdue and are tangibly secured, the collateral must be revalued at a minimum of once every month.

For mortgages, valuation on the mortgaged property must be updated at a minimum of once every year through the consistent use of real estate price indices. When the market is subject to significant changes in conditions, valuation should be updated more frequently. For accounts past due over 120 days, an updated valuation through a panel surveyor on the mortgaged property is required. An updated valuation must be obtained on an annual basis or earlier if there is a reason to believe that the value of the mortgaged property has declined.

For Securities Based Lending, all collateral are subject to daily mark-to-market revaluation (excluding Saturday, Sunday and other Hong Kong Public holidays); and margin calls must be initiated if the equity position has deteriorated to the margin trigger level. The frequency of revaluation may be intensified under the volatile market scenario.

The main types of recognized collateral taken by the Company includes cash on deposit, real estate properties, Equity shares, units or shares in collective investment schemes, Exchange traded funds, Life Insurance Policies and various recognized debt securities.

The credit and market risks concentrations within the recognized collateral and guarantees used by the Company are considered to be immaterial.

Template CR3: Overview of recognized credit risk mitigation

The following table presents the extent of credit risk exposures covered by different types of recognized CRM as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
1	Loans	121,051,975	19,190,617	11,567,358	7,623,259	-
2	Debt securities	154,863,111	-	-	-	-
3	Total	275,915,086	19,190,617	11,567,358	7,623,259	-
4	Of which defaulted	78,834	9,838	9,838	-	-

Table CRD: Qualitative disclosures on use of ECAI ratings under STC approach

Credit ratings from Moody's Investors Service and Standard & Poor's Ratings Services are used for the exposures of Sovereign, Public sector entity, Multilateral development bank, Unspecified multilateral body, Bank, Qualifying non-bank financial institution, Corporate and Eligible covered bond. The Company follows the process prescribed in Part 4 of the Banking (Capital) Rules to map the ratings to the exposures booked in the Company's banking book.

Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach

The following table illustrates the effect of any recognized CRM (including recognized collateral under both comprehensive and simple approaches) on the calculation of capital requirements under the STC approach as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	156,268,525	500,316	156,268,525	316	-	0%
2	Public sector entity exposures	-	-	7,623,259	-	1,524,652	20%
3	Multilateral development bank exposures	-	-	-	-	-	0%
3a	Unspecified multilateral body exposures	-	-	-	-	-	0%
4	Bank exposures	53,520,446	91	53,520,446	91	14,122,530	26%
4a	Qualifying non-bank financial institution exposures	-	-	-	-	-	0%
5	Eligible covered bond exposures	-	-	-	-	-	0%
6	General corporate exposures	-	-	-	-	-	0%
6a	Of which: non-bank financial institution exposures excluding those reported under row 4a	-	-	-	-	-	0%
6b	Specialized lending	-	-	-	-	-	0%
7	Equity exposures	15,463	-	15,463	-	38,658	250%
7a	Significant capital investments in commercial entities	-	-	-	-	-	0%
7b	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	-	-	-	-	-	0%
7c	Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates	-	-	-	-	-	0%
8	Retail exposures	30,609,709	83,157,795	19,035,076	7,487,637	16,793,730	63%
8a	Exposures arising from IPO financing	-	-	-	-	-	0%
9	Real estate exposures	89,677,690	1,602,161	82,054,432	640,865	26,469,624	32%
9a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	89,092,626	1,556,197	81,469,368	622,479	26,038,909	32%
9b	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9c	Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	153,435	-	153,435	-	93,204	61%
9d	Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9e	Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	431,629	45,964	431,629	18,386	337,511	75%
9f	Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties)	-	-	-	-	-	0%
9g	Of which: land acquisition, development and construction exposures	-	-	-	-	-	0%
10	Defaulted exposures	75,976	92	75,976	9	109,091	144%
11	Other exposures	1,802,601	-	1,802,601	-	1,802,601	100%
11a	Cash and gold	558,042	-	558,042	-	1,431	0%
11b	Items in the process of clearing or settlement	534,855	-	534,855	-	1,199	0%
12	Total	333,063,307	85,260,455	321,488,675	8,128,918	60,863,516	18%

Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach

The following table presents a breakdown of credit risk exposures under the STC approach by asset classes and by risk weights as at December 31, 2025.

In thousands of Hong Kong dollar

		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
1	Sovereign exposures	156,268,841	-	-	-	-	-	156,268,841		
		0%	20%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
2	Public sector entity exposures	-	7,623,259	-	-	-	-	7,623,259		
		0%	20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
3	Multilateral development bank exposures	-		-	-	-	-	-		
		20%	30%	50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)		
3a	Unspecified multilateral body exposures	-	-	-	-	-	-	-		
		20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
4	Bank exposures	19,336,303	34,184,234	-	-	-	-	-	-	53,520,537
		20%	30%	40%	50%	75%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
4a	Qualifying non-bank financial institution exposures	-	-	-	-	-	-	-	-	-

Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach (continued)

5	Eligible covered bond exposures	10%	15%	20%	25%	35%	50%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)	
		-	-	-	-	-	-	-	-	-	
6	General corporate exposures	20%	30%	50%	65%	75%	85%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
6a	Of which: non-bank financial institution exposures excluding those reported under row 4a	-	-	-	-	-	-	-	-	-	-
6b	Specialized lending	20%	50%	75%	80%	100%	130%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)	
		-	-	-	-	-	-	-	-	-	
7	Equity exposures	100%	250%	400%	Other	Total credit exposure amount (post-CCF and post-CRM)					
		-	15,463	-	-	-	15,463				
7a	Significant capital investments in commercial entities	250%	400%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)					
		-	-	-	-	-	-				
7b	Holdings of capital instruments issued by, and non-capital LAC liabilities of, financial sector entities	150%	250%	400%	Other	Total credit exposure amount (post-CCF and post-CRM)					
		-	-	-	-	-	-				
7c	Subordinated debts issued by banks, qualifying non-bank financial institutions and corporates	150%	Other	Total credit exposure amount (post-CCF and post-CRM)							
		-	-	-							
8	Retail exposures	45%	75%	100%	Other	Total credit exposure amount (post CCF and post-CRM)					
		11,673,263	13,356,580	1,386,265	106,605	26,522,713					
8a	Exposures arising from IPO financing	0%	Other	Total credit exposure amount (post-CCF and post-CRM)							
		-	-	-							

Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach (continued)

		0%	20%	25%	30%	35%	40%	45%	50%	60%	65%	70%	75%	85%	90%	100%	105%	110%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
9	Real estate exposures	-	23,957,881	17,804,646	18,382,566	-	6,754,607	-	9,003,915	150,578	-	5,361,148	450,015	-	-	2,857	-	-	-	827,084	82,695,297
9a	Of which: regulatory residential real estate exposures (not materially dependent on cash flows generated by mortgaged properties)		23,957,881	17,804,646	18,382,566		6,754,607	-	9,003,915	-		5,361,148	-				-			827,084	82,091,847
9b	Of which: no loan splitting applied		23,957,881	17,804,646	18,382,566		6,754,607	-	9,003,915	-		5,361,148	-				-			827,084	82,091,847
9c	Of which: loan splitting applied (secured)																				
9d	Of which: loan splitting applied (unsecured)																				
9e	Of which: regulatory residential real estate exposures (materially dependent on cash flows generated by mortgaged properties)				-	-		-		-			-		-		-				-
9f	Of which: regulatory commercial real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-		-		-		-	150,578			-	-		2,857			-	-	153,435
9g	Of which: no loan splitting applied	-	-		-		-		-	150,578			-	-		2,857			-	-	153,435
9h	Of which: loan splitting applied (secured)																				
9i	Of which: loan splitting applied (unsecured)																				
9j	Of which: regulatory commercial real estate exposures (materially dependent on cash flows generated by mortgaged properties)											-			-			-			-
9k	Of which: other real estate exposures (not materially dependent on cash flows generated by mortgaged properties)	-	-		-		-		-				450,015	-		-			-	-	450,015
9l	Of which: no loan splitting applied	-	-		-		-		-				450,015	-		-			-	-	450,015
9m	Of which: loan splitting applied (secured)																				
9n	Of which: loan splitting applied (unsecured)																				
9o	Of which: other real estate exposures (materially dependent on cash flows generated by mortgaged properties)																		-	-	-
9p	Of which: land acquisition, development and construction exposures															-			-	-	-

Template CR5: Credit risk exposures by exposure classes and by risk weights – for STC approach (continued)

		50%	100%	150%	Other	Total credit exposure amount (post-CCF and post-CRM)
10	Defaulted exposures		9,773	66,212	-	75,985

		100%	1250%	Other	Total credit exposure amount (post-CCF and post-CRM)
11	Other exposures	1,802,601	-	-	1,802,601

		0%	100%	Other	Total credit exposure amount (post-CCF and post-CRM)
11a	Cash and gold	556,611	1,431	-	558,042

		0%	20%	Other	Total credit exposure amount (post-CCF and post-CRM)
11b	Items in the process of clearing or settlement	528,860	5,995	-	534,855

Exposure amounts and CCFs applied to off-balance sheet exposures, categorised based on risk bucket of converted exposures (STC version)

	Risk Weight	(a) On-balance sheet exposure	(b) Off-balance sheet exposure (pre-CCF)	(c) Weighted average CCF	(d) Exposure (post-CCF and post-CRM)
1	Less than 40%	271,840,885	2,001,122	40%	279,476,280
2	40-70%	34,586,917	56,309,978	10%	32,943,511
3	75%	18,097,828	25,661,959	10%	13,806,595
4	85%	-	-	0%	-
5	90- 100%	8,349,406	1,287,304	10%	3,202,927
6	105-130%	106,605	-	0%	106,605
7	131-149%	-	-	0%	-
8	150%	66,203	92	10%	66,212
9	250%	15,463	-	0%	15,463
10	400%	-	-	0%	-
11	1250%	-	-	0%	-
12	Total exposures	333,063,307	85,260,455	11%	329,617,593

Table CCRA: Qualitative disclosures related to counterparty credit risk (including those arising from clearing through CCPs)

The Company engages in over-the-counter (OTC) derivative transactions that may result in counterparty credit risk. The OTC derivative transactions include (1) embedded derivatives of hybrid (combined) deposits to customers and (2) stand-alone derivatives.

Embedded derivatives of hybrid (combined) deposits

Positioned as a single product, a hybrid (combined) deposit to customers generally consists of two components: an embedded derivative and a host cash deposit. The host cash deposit serves as a collateral over the terms of the transaction that fully mitigates the counterparty credit risks associated with the embedded derivative.

Stand-alone derivatives transactions

The Company participates in stand-alone derivative transactions predominately for managing its own exposures as part of its asset and liability management process. The derivative activities of this type are with group entities.

No internal capital for counterparty are considered necessary for the fully mitigated transactions and transactions with group entities.

Citibank, N.A.'s credit ratings as at the end of December 31, 2025 were A+(S&P) and Aa3(Moody's). Given that Citibank other entities are our only counterparties for these derivative transactions and cash positions are held or posted as collateral according to the mark to market of the contracts. Citibank's credit ratings downgrade has minimal impact on Bank's derivative collateral requirement.

Template CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

The following table presents a comprehensive breakdown of default risk exposures (other than those to CCPs), RWAs, and, where applicable, main parameters under the approaches used to calculate default risk exposures in respect of derivative contracts and SFTs as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
1	SA-CCR (for derivative contracts)	24,546	75,472		1.4	140,026	30,886
1a	CEM (for derivative contracts)	-	-		1.4	-	-
2	IMM (CCR) approach			-	-	-	-
3	Simple Approach (for SFTs)					-	-
4	Comprehensive Approach (for SFTs)					316	-
5	VaR (for SFTs)					-	-
6	Total						30,886

Template CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for STC approach

The following table presents a breakdown of default risk exposures, other than those to CCPs, in respect of derivative contracts and SFTs that are subject to the STC approach, by asset classes and risk-weights (the latter representing the riskiness attributed to the exposure according to the respective approaches), irrespective of the approach used to determine the amount of default risk exposures as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b)	(c)	(ca)	(cb)	(d)	(e)	(ea)	(f)	(g)	(h)	(i)
Exposure Class	Risk Weight	0%	10%	20%	30%	40%	50%	75%	85%	100%	150%	Others	Total default risk exposure after CRM
	1	Sovereign exposures	-	-	-	-	-	-	-	-	-	-	-
2	Public sector entity exposures	-	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-	-
4	Unspecified multilateral body exposures	-	-	-	-	-	-	-	-	-	-	-	-
5	Bank exposures	-	-	111,235	28,791	-	-	-	-	-	-	-	140,026
6	Qualifying non-bank financial institution exposures	-	-	-	-	-	-	-	-	-	-	-	-
7	General corporate exposures	-	-	-	-	-	-	-	-	-	-	-	-
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-
9	Defaulted exposures	-	-	-	-	-	-	-	-	-	-	-	-
10	Other exposures	-	-	-	-	-	-	-	-	-	-	-	-
11	Total	-	-	111,235	28,791	-	-	-	-	-	-	-	140,026

**Template CCR5: Composition of collateral for counterparty default risk exposures
(including those for contracts or transactions cleared through CCPs)**

The following table presents a breakdown of all types of collateral posted or recognized collateral received to support or reduce the exposures to counterparty default risk exposures as at December 31, 2025 in respect of derivative contracts or SFTs entered into, including contracts or transactions cleared through a CCP:

	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
In thousands of Hong Kong dollar						
Cash - domestic currency	-	335,622	-	-	500,000	-
Cash - other currencies	-	3,320,291	-	-	-	-
Debt securities	-	-	-	-	-	500,316
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	3,655,913	-	-	500,000	500,316

Table CVAA: Qualitative disclosures related to CVA risk

The Company views CVA as market risk and, as a result, the management of CVA at the Company reflects a conventional market risk structure, with CVA trading desks within Markets, market risk managers in Market Risk Management, product & valuation controllers in the Finance division. CVA trading desks manage CVA risk arising from their respective asset class, leveraging business aligned pricing and technology resources. CVA trading desks' market risk limits are subject to market risk managers' review as part of the annual market risk limits review. CVA models are applied across CVA trading desks that are subject to regular review and calibration to provide two-way pricing of CVA-related risk for its respective asset class within the Markets business. CVA stress testing is also performed regularly to re-price the CVA portfolio under a stressed environment.

The Company adopted the Reduced Basic Approach-CVA method to calculate the CVA capital charge, although it is qualified to set the CVA risk capital charge at 100% of its risk capital for counterparty credit risk.

Template CVA1: CVA risk under reduced basic CVA approach

The following table provides the components used for the calculation of CVA risk capital charge under the reduced basic CVA approach as at December 31, 2025.

In thousands of Hong Kong dollar		(a)	(b)
		Components	CVA risk capital charge under the reduced basic CVA approach
1	Aggregation of systematic components of CVA risk	5,679	
2	Aggregation of idiosyncratic components of CVA risk	4,519	
3	Total		3,143

Table MRA: Qualitative disclosures related to market risk

Market risk arises on all market risk sensitive financial instruments, including but not limited to securities, foreign exchange contracts, interest rate instruments, and potentially commodity positions, based on the nature of the Company's operations. The primary objective of market risk management at the Company is to avoid excessive exposure of earnings and equity to loss and to manage the Company's exposure to the price volatility inherent in these financial instruments.

The Company's market risk management framework is overseen by the Board of Directors and Senior Management, ensuring robust governance and alignment with the Legal Entity Risk Appetite Framework. Market risk exposure is monitored on a daily basis with appropriate limits and triggers established to control risk within defined parameters. The Risk Management function is responsible for reviewing and setting comprehensive limits packages and permitted product lists, thereby ensuring adherence to risk management objectives. These policies and processes are governed by Citi's global Mark-to-Market Policy and are subject to regular review and approval by senior management. Independent risk control units operate separately from business lines to provide objective oversight and challenge.

The Market Risk Reporting Unit is responsible for preparing detailed risk reports that monitor exposure usage against approved limits. These reports are disseminated to relevant business units and market risk management for continuous limit monitoring. In the event of a limit excess, a formal communication protocol is initiated between the business unit and Market Risk Management to define a clear resolution plan, timeline, and trace of resolution. The models and parameters utilized within the risk management systems are regularly updated, assessed, and independently validated as defined in Citi's global policies, ensuring their accuracy and appropriateness.

The Company maintains strict controls regarding the classification of instruments between trading and banking books. Reassignment of instruments between these books is not permitted. A quarterly checking process is in place to identify and address any stale trading positions within the trading book. This adherence is governed by a local policy, "Trading Book Standard" of the Company, which ensures that all business activities accounted for under Mark-to-Market or as a trading book position, along with all relevant control functions, comply with stringent standards. Furthermore, the Company does not adopt Internal Risk Transfer (IRT) mechanisms, and no IRT desk has been established. Should business evolution warrant reconsideration of IRT adoption, the Company's implementation approach would include compliance with all trading book standards and engagement with HKMA prior to operationalization. Should the Company reconsider IRT adoption, compliance with all trading book standards and HKMA engagement would be required prior to operationalization.

Template MR1: Market risk under STM approach

The following table provides components of market risk capital requirement calculated using Standardized (market risk) approach (STM approach) as at December 31, 2025.

In thousands of Hong Kong dollar		(a)
		Market risk capital charges under STM approach
1	General interest rate risk	31
2	Equity risk	-
3	Commodity risk	349
4	Foreign exchange risk	2,584
5	Credit spread risk (non-securitization)	-
6	Credit spread risk (securitization: non-correlation trading portfolio ("CTP"))	-
7	Credit spread risk (securitization: CTP)	-
8	Standardized default risk charge ("SA-DRC") (non-securitization)	-
9	SA-DRC (securitization: non-CTP)	-
10	SA-DRC (securitization: CTP)	-
11	Residual risk add-on	-
12	Total	2,964

Table IRRBBA: Interest rate risk in banking book – risk management objectives and policies

Interest Rate Risk in the Banking Book (“IRRBB”) pertains to the risk to the Company’s financial condition resulting from adverse movements in interest rates that affect the Company’s capital and earnings. The Company’s principal measures of risk to economic value of equity (“EVE”) and net interest income (“NII”) are defined based on the standardized framework described in the Supervisory Policy Manual module IR-1 “Interest Rate Risk in the Banking Book” and in accordance with the method used in the Return on Interest Rate Risk in the Banking Book (MA(BS)12A).

IRRBB is managed by Treasury within the limits that are set and monitored by the Company’s independent risk management team, Asset and Liability Committee (ALCO) and the Board. The Company has an established IRRBB limit framework for identified risk factors that clearly defines approved risk profiles and aligns with the Company’s risk appetite. In order to manage IRRBB effectively, the Company may take hedging actions or restructure existing positions to reduce IRRBB. The Company regularly assesses viability of these actions and other strategies, including further strengthening its capital position, and implement such strategies when deemed prudent, ensuring the Company operates well within established limits.

IRRBB regulatory reporting and monitoring is done on a quarterly basis. IRRBB measures from this return, including any hedging strategies or actions to reduce IRRBB, are presented to the ALCO and the Board. In addition to and in accordance with global firm-specific standards, IRRBB based on internal methodologies and assumptions is monitored on a monthly basis. While the Company uses internally defined standard interest rate shocks and scenario assumptions for internal risk reports, rate models and other assumptions that relate to interest rate risk sensitivity are consistent between internal monitoring and regulatory reporting. These models and assumptions are reviewed and validated on an annual basis, at the minimum, and where applicable, are governed by an established Model Risk Management Policy.

The Company employs additional measurements of vulnerability to loss, including stress testing based on the six standardized interest rate shocks defined by the HKMA and internally selected scenarios that reflect plausible balance sheet and risk changes as observed in the past as well as based on hypothetical or forward-looking assumptions. Potential impact from these changes is considered when reviewing policy, setting limits as well as assessing capital adequacy.

In calculating change in NII, the Company assumes that businesses and/or the Treasury make no additional changes in balances or positioning in response to the unanticipated rate changes. A static balance sheet is maintained throughout the 12 month forecast horizon, remaining constant in terms of size and product mix regardless of the interest rate scenario with maturing instruments being replaced with ones of the same original tenor and repricing terms. No prepayment and early redemption assumptions are considered for loans and time deposits as risk from these options have been assessed as immaterial and impact is curbed by the penalty fee structure in place. Optionality risks in existing as well as new products are assessed and reviewed on a regular basis, and when it is believed to be material, are incorporated into the IRRBB measurements.

Other key assumptions incorporated by the Company with respect to the HKMA reporting requirements are as follows:

For cash flow profiling, the Company adopts a methodology of including commercial margins and other spread components; and

Major currency positions reported are determined based on the criteria defined by HKMA. Currencies identified as significant for the current annual reporting date at 31st December 2025 are HKD, USD, and AUD. IRR Economic Value Sensitivities do not include any netting across currencies. All favorable exposures (gains) are excluded and adverse exposures (losses) are reported.

Quantitative Disclosure

Non-maturity deposits (“NMD”) repricing risk is modeled according to modeled rate and balance forecasts that incorporate assumptions on customer behavior and the impact of pricing decisions. Both the rate and balance models, reviewed on an annual basis, at the minimum, are determined using historical data spanning different rate cycles. Other factors that may present uncertainty in runoff rates and future deposits balances are also considered.

Given multi rate sensitivity assumptions applied in the six interest rate shock scenarios, the average repricing maturity assigned to NMDs will be different. Below table provides the average (notional-weighted maturity) and the longest repricing maturity for +/-25bps interest rate shock scenarios.

(in years)	Repricing maturity assigned to NMDs
Average (notional-weighted maturity)	1.1
Longest	5

Template IRRBB1: Quantitative information on interest rate risk in banking book

This table provides information on the change in economic value of equity (“EVE”) and change in net interest income (“NII”) over next 12 months under each of the prescribed interest rate shock scenario in respect of the Company’s interest rate exposures arising from banking book positions. The Company’s variations in earnings based on the standardized framework described in the Supervisory Policy Manual module IR-1 “Interest Rate Risk in the Banking Book” and the Return on Interest Rate Risk in the Banking Book (MA(BS)12A) for the current annual reporting date at 31st December 2025, and comparative figures versus prior year are as follows:

In million of Hong Kong dollar		change in EVE		Change in NII	
		31 st December 2025	31st December 2024	31st December 2025	31st December 2024
1	Parallel up	722	1,851	-1,398	-559
2	Parallel down	683	252	1,424	410
3	Steeper	706	327		
4	Flattener	688	1,531		
5	Short rate up	885	2,032		
6	Short rate down	859	293		
7	Maximum	885	2,032	1,424	410
	Period	31st December 2025		31st December 2024	
8	Tier 1 capital	20,967		23,397	

Based on the above reported figures, the maximum EVE decline will occur in short rate up interest rate shock scenario, which would lead to a 4.22% Maximum EVE vs Tier 1 Capital ratio in 2025, a 4.46% decrease from 8.68% reported in 2024.

In million of Hong Kong dollar		Maximum EVE		
		31 st December 2025	31st December 2024	YoY Change
1	Maximum	885	2,032	
2	Tier 1 capital	20,967	23,397	
3	Maximum EVE vs Tier 1 Capital	4.22%	8.68%	-4.46%

Table REMA: Remuneration policy

Information provided herein is in accordance with the Section 3 of the Guideline on Sound Remuneration System (CG-5), under the Supervisory Policy Manual (SPM) issued by the Hong Kong Monetary Authority (HKMA).

Governance Structure of the Remuneration System

Citibank (Hong Kong) Limited (CHKL), a subsidiary of the U.S.-incorporated Citigroup Inc., maintains a compensation framework and practices that are predominantly aligned with Citigroup's global framework. In formulating the Hong Kong Remuneration Principles, references are made from the respective global policies, standards and procedures with local regulatory governance / practices considered.

The Compensation, Performance Management and Culture Committee (CPC Committee) is a duly constituted committee of the Board of Directors of Citigroup Inc. which oversees Citi's global remuneration policies and practices.

The CPC Committee members are all Independent Non-Executive Directors of Citi who are selected and appointed based on their background in business generally, and in remuneration, corporate governance and/or regulatory matters specifically. They are also chosen for their capability to fulfil their responsibilities as CPC Committee members. The CPC Committee includes cross-membership with the Citi Board of Directors' Risk Management Committee, the Audit Committee, the Executive Committee, the Technology Committee as well as the Nomination, Governance & Public Affairs Committee. The CPC Committee draws on the considerable experience of the Non-Executive Directors of the Board of Citi and is empowered to draw upon internal and external expertise and advice as it determines appropriate. The CPC Committee also seeks advice from an independent compensation consultant who is currently FW Cook for executive compensation aspects.

The CPC Committee annually reviews the compensation structures for senior executives of Citi and a number of highly compensated and/or regulated individuals, in accordance with guidelines established by the CPC Committee and provides oversight of the design and structure of incentive programs globally in the context of risk management.

The CPC Committee's terms of reference are documented in the CPC Committee Charter, which establishes the scope and mandate of the CPC Committee's responsibilities and the general principles governing Citi remuneration policy globally. The latest Charter is available online at: <https://www.citigroup.com/rcs/citigpa/storage/public/compensation-performance-management-and-culture-committee-charter.pdf>

Locally, the Nomination and Remuneration Committee (NRC) of CHKL, reporting to the Board of CHKL, is responsible for overseeing senior management's implementation of the remuneration system applying to CHKL to ensure compliance with the applicable regulatory requirements and assessing whether CHKL's overall remuneration principles are in line with its risk appetite, risk culture and long-term interests.

Table REMA: Remuneration policy (Continued)

Hong Kong Remuneration Principles

The Hong Kong Remuneration Principles (Principles) are based on Citi's Compensation Philosophy and have been established as the general guiding principles on remuneration, including the identification of the specific categories of employees and their definitions. The Principles also cover specific restrictions and limitations on the use of different compensation tools and sets out the regular monitoring approaches to ensure full compliance to the Principles, including an annual self-assessment performed by KPMG, an external independent party, a semi-annual internal monitoring process, and Citi's internal audit review which is scheduled from time to time.

The definitions for the following categories of employees which are in accordance with the Guideline on a Sound Remuneration System (CG-5) issued by the HKMA are set out in the Principles:

Senior Management

Individual employees who are responsible for oversight of CHKL firm-wide strategy or activities, or who oversee a major material business line in CHKL. The Chief Executive (CE), Alternate Chief Executives, Executive Directors and members of the Management Committee reporting directly to the CE and Heads of Control Function (Finance, Independent Compliance Risk Management, Internal Audit and Risk Management), will be classified as Senior Management.

Key Personnel

Individual employees whose duties or activities in the course of their employment involve the assumption of material risk or the taking of material exposures on behalf of CHKL that could materially impact on CHKL capital sufficiency level. Under the current legal entity as regulated by the HKMA, the members of Management Committee who are not identified as Senior Management as mentioned above, Treasury and Operational Risk Heads, will be classified as Key Personnel.

The current version of the Principles was last updated in July 2025 and was duly approved by the Hong Kong Citi Country Officer (CCO) and Banking Head, and the Board and/or NRC of CHKL. The next annual review has been scheduled for Q2/Q3 2026.

Citi's Compensation Philosophy

The Citi Compensation Philosophy was developed and approved by the CPC, in consultation with management, independent consultants and Citi's senior risk officers, HR, and the relevant functions. It sets out Citi's commitment to properly balance risk-taking and risk-mitigating incentives, and the oversight from the CPC Committee on the design and operation of Citi's compensation programs. The Compensation Philosophy describes Citi's approach to balancing six primary objectives, as outlined below, that Citi's compensation programs are designed to achieve:

- Incentivise conduct that aligns with shareholder and other stakeholder interest
- Reinforce a business culture based on accountability, achieving excellence and maintaining the highest ethical and control standards through Citi's Leadership Principles
- Encourage prudent individual and group decision-making in regard to risk consistent with applicable regulatory guidance and Citi's Mission and Value Proposition Statement
- Function as a tool to attract and retain the best talent and to reward talent for engaging in appropriate behaviours that support Citi's corporate goals
- Encourage behaviours that are in the best interest of our customers, shareholders and the goals of the organization, and
- Align pay with achievement of important risk and control, regulatory, strategic and financial-based objectives

Table REMA: Remuneration policy (Continued)

Key Design Characteristics of the Remuneration System

Citi's compensation structure consists of a fixed remuneration component and a variable remuneration component.

The fixed remuneration refers to the individual annual salary, and any other cash allowances where applicable. Fixed remuneration is set appropriately to attract, retain and motivate employees in line with market practices. Fixed remuneration primarily reflects an employee's professional experience and organisational responsibilities as set out in the employee's job description and terms of employment.

Citi operates a flexible remuneration policy, in which variable remuneration is discretionary, subject to individual, business and firm performance, and can be reduced to zero, where permitted by law.

Citi's Discretionary Incentive and Retention Award Plan (DIRAP) is the scheme under which employees globally are awarded annual bonuses. It is designed to incentivise, reward and retain employees based on their performance and contribution. The mix between fixed and variable remuneration depends on the importance of the employee's role within the organization. In general, highly compensated employees will receive a greater percentage of their total annual compensation as variable remuneration. When implementing remuneration programs, Citi considers the risks associated with such programs, which in general would be the risk of encouraging excessive risk-taking behavior that would ultimately impact on Citi's performance and reputation.

Performance Measurement, Risk Adjustment, and the Linkage between Pay and Performance

Remuneration is determined by a combination of factors which include firm, business and individual performance / contribution. Individual performance ratings reflect both 'What' outcomes have been achieved and 'How' they were achieved. Performance ratings then guide bonus decision-making.

Bank & Business Line Performance

Citigroup employs a comprehensive set of performance metrics to evaluate its bank-wide performance and that of its various business lines. Financial measures include but are not limited to Return on Tangible Common Equity (RoTCE), Tangible Book Value per Share, Net Income and earnings per share. Other measures include but are not limited to operating efficiency ratios, expense ratios, liquidity ratios, regulatory and strategic goals achievements.

To ensure that awards, pay out and vesting of variable remuneration is not detrimental to maintaining a sound capital base, the financial soundness and liquidity of the Company is considered in advance of the year end remuneration cycle.

Determination of Bonus Pools

Bonus pools are determined at a global level. The process for determining incentive compensation pools includes the consideration of risk-balanced performance metrics, thereby limiting incentives for employees to take imprudent risks.

Citi's incentive compensation program is a discretionary program. The level of any bonus pool is based on various quantitative and qualitative factors and discretionary considerations, including performance against key risks (including conduct risk, operational risk, etc.) and control objectives.

Table REMA: Remuneration policy (Continued)

Individual Performance Link to Remuneration

Citi's various performance and accountability processes align Citi's remuneration practices with overall strategy, objectives, values and long-term interests. They reinforce achievement of goals and expected behaviour to ensure appropriate accountability, performance and compensation outcomes.

The Performance Management Framework (PM Framework) is applicable to all Citi employees globally and the structure leverages four overarching pillars (Leadership, Risk & Control, Financial Performance, and Client & Franchise Outcomes) against which all employees set their performance goals for the performance year.

To ensure Goal setting is consistent and goals are properly aligned to the strategy of the organisation, Citi operates a top-down goal setting approach. First the organisational strategic goals are set, followed by the objective of each business, followed by individual teams and finally rolling down to the Individual employee.

Employee performance is evaluated on a four-point scale at year end by a manager assessment. Pillar ratings are converted to two performance ratings: a "How" rating (composed solely by the Leadership performance pillar evaluation) and a "What" rating (auto-calculated based on the combined ratings of the applicable sub-pillars). The two performance ratings ("How", "What") carry equal weight, however there is no overall combined rating. Certain employees are also subject to a range of enhanced performance assessment and accountability processes.

Evaluation ratings generated through this PM Framework will be used for employee compensation determinations. Allocations of pools among individual employees also take into account risk, based on performance ratings in the Risk and Control Pillar of our PM Framework. The Risk & Control Pillar measures employees on a 4-point scale for performance against their Risk & Control goals. When making a compensation decision, managers are expected to account for risk and control performance and incentivizing good behaviours and are provided guidance to this effect.

Remuneration of Control Function employees

Citi maintains the independence of the compensation process for key Functions (e.g. ICRM and Risk Management) to minimise any scope for potential conflicts of interest.

Whilst remuneration levels are influenced by Citi's overall performance, individual compensation for employees in Functions is determined by reference to performance against objectives relevant to their function and assessed within their respective Functions.

Functions are allocated a bonus pool separate from the revenue generating businesses, and decisions about allocations of those pools are made within the Functions themselves. Employees engaged in Functions have direct reporting lines into the Function managers that are separate from the business. The Function managers are responsible for the reward of those employees both in terms of year-end compensation, salary increases and promotion.

The Financial Performance Pillar is not applicable for employees in Risk Management, Internal Audit and ICRM.

Table REMA: Remuneration policy (Continued)

Deferral policy and vesting criteria, and the parameters used for allocating cash versus other forms of remuneration

At Citi, variable remuneration is typically awarded in cash and Citi shares (Citi equity) and is subject to mandatory deferral periods where the individual's total annual variable compensation exceeds globally set thresholds. Citi operates a standard deferral policy period that is pro-rated over four years, which it considers proportionate to the risks. Citi believes that awarding equity and deferred awards is an effective means of aligning employee interests with those of shareholders and other stakeholders.

Deferred awards have ex-post adjustment mechanisms that may result in the cancellation of all or part of unpaid amounts. These conditions ensure an appropriate balance for risk and aligns the actual pay-out to employees with business performance.

For Covered Employees, the full deferral will be cancelled if it is determined that the participant has had significant responsibility for a Material Adverse Outcome (MAO) or Violation of any Material Risk Limits (MVRL). A MAO means any Incident that results in Material Harm to Citi. A MVRL means that the participant materially violated any material risk limits established or revised by senior management and/or risk management. Significant responsibility means that the participant engaged in conduct, or was responsible for conduct, which resulted in an Incident which was determined to be a MAO or is accountable for the event under the Global Disciplinary Review Policy. A portion of the deferred equity award will be cancelled if it is determined that the participant has had a significant responsibility for a significant loss to Citi.

Generally, any unvested deferred variable remuneration is subject to clawback or forfeiture in the case of an employee's voluntary resignation; or upon involuntary termination on account of gross misconduct; or if it is found that the award is based on materially inaccurate publicly reported financial statements; or employees knowingly engaged in providing materially inaccurate information relating to publicly reported financial statements; or employees materially violated any risk limits established or revised by senior management and/or risk management.

If Citigroup determines within three years that a condition for an award settlement was not met, the bank can clawback the distributed shares or their greater fair market value, along with any cash payments, before any tax or other deductions.

Template REM1: Remuneration awarded during financial year

		a & b	
Remuneration amount and quantitative information ^{(i) (ii) (iii)}		Senior Management & Key Personnel	
1	Fixed remuneration	Number of beneficiaries	29
2		Total fixed remuneration	42.6
3		Of which: cash-based ^(iv)	39.4
4		Of which: deferred	-
5		Of which: shares or other share-linked instruments	-
6		Of which: deferred	-
7		Of which: other forms ^(v)	3.3
8		Of which: deferred	-
9	Variable remuneration	Number of beneficiaries	24
10		Total variable remuneration^(vi)	39.4
11		Of which: cash-based	27.1
12		Of which: deferred	-
13		Of which: shares or other share-linked instruments ^(vii)	12.4
14		Of which: deferred	12.4
15		Of which: other forms	-
16		Of which: deferred	-
17	Total remuneration	82.1	

Additional Notes:

i. Reporting is provided in HKD millions. All non-HKD amounts are converted using FX rate for December 2025. Numbers presented in tables may not precisely sum to their respective totals due to rounding conventions.

ii. Data of Executive Directors, Non-Executive Directors, Senior Management and Key Personnel are reported in aggregate to preserve confidentiality of individual compensation information due to the small number of individuals identified as Key Personnel. The above classifications are based on the AIs that run the business of which the Executive Directors, Non-Executive Directors, Senior Management and Key Personnel are responsible.

iii. Number of Beneficiaries represents individuals who received remuneration during their employment assignment in a capacity of Executive Director, Non-Executive Director, Senior Management or Key Personnel, and the period could be a full year or a partial year due to people movement and turnover. For example, if an individual worked the first half year and then replaced by another individual who worked in the same capacity for the remaining half year, the number of beneficiaries will be counted as two while the remuneration disclosed will be the sum of each for their respective period.

iv. Fixed remuneration in cash includes salary.

v. Fixed remuneration in other forms includes the value of any pension and benefits.

vi. Variable remuneration awarded in respect of 2025 performance year.

vii. Share-based awards are made in Citi shares and represent value at grant.

Template REM2: Special payments

	a	b	c	d	e	f
Special payments ^{(i) (ii)}	Guaranteed bonuses		Sign-on awards		Severance payments	
	Number of beneficiaries	Total amount	Number of beneficiaries	Total amount	Number of beneficiaries	Total amount
Senior Management and Key Personnel ⁽ⁱⁱⁱ⁾	1	2.9	-	-	-	-

Additional Notes

- i. Reporting is provided in HKD millions. All non-HKD amounts are converted using FX rate for December 2025.
- ii. The above classifications are based on the AIs that run the business of which the Executive Directors, Non-Executive Directors, Senior Management and Key Personnel are responsible.
- iii. Data of Senior Management and Key Personnel reported in aggregate to preserve confidentiality of compensation information due to the small number of individuals.

Template REM3: Deferred remuneration

	a	b	c	d	e
Deferred and retained remuneration in millions ⁽ⁱ⁾⁽ⁱⁱ⁾ (iii)	Total amount of outstanding deferred remuneration ^(iv)	Of which: total amount of outstanding deferred and retained remuneration exposed to ex post explicit and/or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments	Total amount of amendment during the year due to ex post implicit adjustments	Total amount of deferred remuneration paid out in the financial year ^(v)
Cash	0.4	0.4	-	-	0.4
Shares	34.9	34.9	-	14.0	6.6
Cash-linked instruments	-	-	1.3	-	1.5
Other	-	-	-	-	-
Total	35.3	35.3	1.3	14.0	8.4

Additional Notes:

i. Value of all non-HKD cash, share awards and share-linked instruments are converted using the FX rate for December 2025. Numbers presented in tables may not precisely sum to their respective totals due to rounding conventions.

ii. Data of Executive Directors, Non-Executive Directors, Senior Management and Key Personnel are reported in aggregate to preserve confidentiality of individual compensation information due to the small number of individuals identified as Key Personnel. The above classifications are based on the AIs that run the business of which the Executive Directors, Non-Executive Directors, Senior Management and Key Personnel are responsible.

iii. Number of Beneficiaries represents individuals who received remuneration during their employment assignment in a capacity of Executive Director, Non-Executive Director, Senior Management or Key Personnel, and the period could be a full year or a partial year due to people movement and turnover. For example, if an individual worked the first half year and then replaced by another individual who worked in the same capacity for the remaining half year, the number of beneficiaries will be counted as two while the remuneration disclosed will be the sum of each for their respective period.

iv. Value of outstanding share awards and share-linked instruments is calculated using Citi closing share price as at December 31, 2025.

v. Shares and share-linked instruments are considered paid when vested. The Fair Market Value (FMV) at vest is determined by the closing New York Stock Exchange stock price for Citigroup common stock the trading day immediately prior to the award's vest date.

Table ORA: General information on operational risk framework

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. This definition of operational risk 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 Citi’s business – but excludes strategic and reputation risks.

Operational risk is inherent to Citi’s global business processes and related activities, products, and services. Citi’s objective is to keep or reduce residual operational risk to within acceptable levels, which is formalized in the operational risk appetite. This is managed through an overall framework with checks and balances that include recognized ownership of the risk by the businesses, with independent risk management oversight. Citi mitigates its operational risk by setting up its key controls and assessments according to Citigroup’s and the Regulators’ standards. They are also evaluated, monitored, and managed by its sound governance structure. The Operational Risk Management (ORM) team establishes and oversees the Operational Risk Policy, an integral part of the Enterprise Risk Management Framework. There are standards in place for consistent risk identification, measurement, monitoring and reporting supported by a robust governance structure comprising of the three lines of defence (i.e. Business, Independent Risk, Independent Compliance and Internal Audit further augmented by enterprise control and support functions, i.e. HR and Legal).

Principles of Good Operational Risk Management:

Strong Ownership and Oversight

- Established lines of defense
- Businesses and Functions self-identify issues before Regulators and Internal Audit
- Issues are remediated on time and not reopened
- Significant events are escalated timely and consistently evaluated for lessons learned
- Governance Committees actively oversee risk identification and control remediation
- Management implements effective controls to mitigate significant risks
- Products and services are delivered as intended
- Credible second-line operational risk managers

Dynamic Framework and Tools

- Risk Appetite is clearly articulated and monitored with key indicators□
- Taxonomies and scoring methodologies are intuitive and used consistently
- Managers Control Assessment (MCA) provides a dynamic residual risk picture and tool for proactive prioritization
- End-to-end processes are assessed by management
- Material risks are identified and aligned with capital / stress projections
- Reporting is timely and clearly articulates the operational risk profile
- Technology platform that integrates all framework elements

Template ORI: Historical losses

The following table shows that aggregate operational risk losses incurred over the past ten consecutive financial years as at 31 December 2025, based on the accounting date of the incurred losses.

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
In thousands of Hong Kong dollar		T	T-1	T-2	T-3	T-4	T-5	T-6	T-7	T-8	T-9	Average
Using HKD200,000 threshold												
1	Total amount of operational losses net of recoveries (no exclusions)	2,278	3,650	4,509	2,503	7,824	10,224	6,310	7,781	2,626	15,290	6,300
2	Total number of operational risk losses	5	8	12	8	8	10	15	12	7	27	11
3	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
4	Total number of exclusions	-	-	-	-	-	-	-	-	-	-	-
5	Total amount of operational losses net of recoveries and net of excluded losses	2,278	3,650	4,509	2,503	7,824	10,224	6,310	7,781	2,626	15,290	6,300
Using HKD1 million threshold												
6	Total amount of operational losses net of recoveries (no exclusions)	-	-	-	-	-	-	-	-	-	-	-
7	Total number of operational risk losses	-	-	-	-	-	-	-	-	-	-	-
8	Total amount of excluded operational risk losses	-	-	-	-	-	-	-	-	-	-	-
9	Total number of exclusions	-	-	-	-	-	-	-	-	-	-	-
10	Total amount of operational losses net of recoveries and net of excluded losses	-	-	-	-	-	-	-	-	-	-	-
Details of operational risk capital charge calculation												
11	Are losses used to calculate the ILM (yes/no)?	No										
12	If "no" in row 11, is the exclusion of internal loss data due to non-compliance with the minimum loss data standards (yes/no)?	No										
13	Loss event threshold: HKD200,000 or HKD 1 million for the operational risk capital charge calculation if applicable	HKD200,000										

Template OR2: Business indicator and business indicator components breakdown

The following table shows the BI and its components which are used in the calculation of the operational risk capital requirement over the past 3 consecutive financial years as at 31 December 2025.

In thousands of Hong Kong dollar		(a)	(b)	(c)
	BI and its subcomponents	T	T-1	T-2
1	Interest, leases and dividend component	4,187,095		
1a	Interest and leases income	10,778,335	12,555,746	11,536,991
1b	Interest and leases expenses	6,100,281	8,198,972	8,015,545
1c	Interest earning assets	328,746,154	321,593,058	319,345,479
1d	Dividend income	2,119	1,421	1,471
2	Services component	4,444,335		
2a	Fee and commission income	3,732,149	3,516,391	2,912,453
2b	Fee and commission expenses	144,907	80,722	72,561
2c	Other operating income	534	5,270	23,034
2d	Other operating expenses	1,107,447	1,031,969	1,032,596
3	Financial component	817,957		
3a	Net P&L on trading book	44,132	22,764	197,696
3b	Net P&L on banking book	958,027	769,983	461,270
4	BI	9,449,387		
5	Business indicator component (BIC)	1,133,926		

Template OR3: Minimum operational risk capital requirement

The following table shows operational risk capital requirement as at 31 December 2025.

In thousands of Hong Kong dollar		(a)
1	Business indicator component (BIC)	1,133,926
2	Internal loss multiplier (ILM)	1
3	Minimum operational risk capital requirement	1,133,926
4	Total RWA for operational risk	14,174,075

Template ENC: Asset encumbrance

The following table provides the amount of encumbered and unencumbered assets on the balance sheet under regulatory scope of consolidation as at December 31, 2025.

In thousands of Hong Kong dollar	(a)	(c)	(d)
	Encumbered assets	Unencumbered assets	Total
Cash and balances with banks and other financial institutions	-	4,214,342	4,214,342
Placements with banks and other financial institutions	-	51,038,963	51,038,963
Loans and advances to customers	-	120,691,500	120,691,500
Investment securities	500,316	154,332,415	154,832,731
Other assets	-	2,027,978	2,027,978
Total Assets	500,316	332,305,198	332,805,514