



# Citadel Securities GCS (Ireland) Limited

**Pillar 3 Disclosures**

31 December 2022

## Introduction

### *Firm overview*

Citadel Securities GCS (Ireland) Limited ('CSGI' or the 'firm') is a full scope MiFID investment firm regulated by the Central Bank of Ireland ('CBI'). The principal activity of the firm is technology-enabled market making and liquidity provision in equities, financial derivatives and government securities across various European exchanges. The firm trades on a proprietary basis for its own account. Additionally, the firm provides trade agency services and support, portfolio management, trading algorithm and software development, relationship management and other support services to affiliated Citadel Securities Group ('Citadel Securities') entities.

CSGI is a wholly-owned subsidiary of CSHC Ireland Ltd, a Cayman Islands company. The firm is part of Citadel Securities, a global market maker that provides liquidity across a broad array of fixed income and equity products. The firm's LEI is 549300J11TNGTWCC3R56.

### *Disclosure overview*

The Investment Firm Directive (EU) 2019/2034 ('IFD'), and the Investment Firm Regulation (EU) 2019/2033 ('IFR')<sup>1</sup> requires firms to maintain adequate financial resources to ensure there is no significant risk that liabilities cannot be met as they fall due. IFR comprises three 'pillars' of prudential supervision:

- Pillar 1 sets out the minimum capital requirements firms are required to maintain;
- Pillar 2 deals with the Internal Capital Adequacy Assessment Process ('ICAAP') through which the firm and the regulator satisfy themselves regarding the adequacy of capital relative to the risks the firm faces or could cause and controls it has in place; and
- Pillar 3 aims to encourage market discipline by developing a set of disclosure requirements which will allow market participants to assess key pieces of information on a firm's capital resources, risk exposures and risk assessment process.

CSGI's Pillar 3 disclosures have been prepared solely to comply with regulatory requirements to provide public information on the firm's risk management objectives and policies; capital position; capital requirements under Pillar 1; and approach to assessing the adequacy of capital and remuneration policies. The data presented in this report refers to the CSGI regulatory position as at 31 December 2022 and should be read in conjunction with the firm's annual report and financial statements. This report is based on the operating and governance structures in place as at 31 December 2022.

### *Frequency and means of disclosure*

In accordance with IFR Article 46, the Pillar 3 disclosures are issued at a minimum on an annual basis at the same time as the annual financial statements are published. The disclosures are

---

<sup>1</sup> The IFD was transposed into Irish law by the European Union (Investment Firms) Regulations 2021 [S.I. No. 355 of 2021] (the "Irish IFD Regulations.")

reviewed and approved by the firm's senior management and Board of Directors. CSGI is not part of a Group for the purposes of IFR disclosure requirements and is regulated by the CBI on a 'solo' basis. The firm's accounts are prepared under IFRS.

## **Risk management objectives and policies**

### ***Risk management framework***

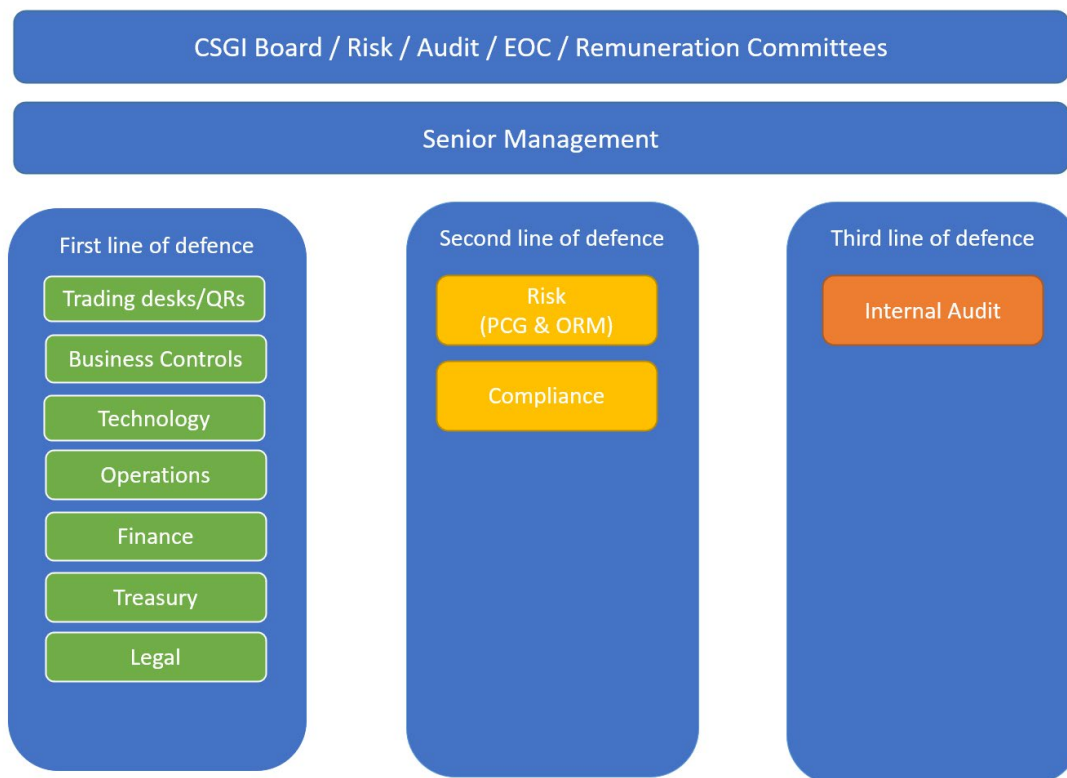
Risk management is an integral part of the business and is a focus for risk managers as well as the trading desks and support functions. At the highest level, the CSGI Board of Directors has overall responsibility for the establishment and oversight of the firm's risk management framework. The framework includes:

- identifying the principal risks faced by the firm in achieving its strategic objectives;
- establishing appropriate risk appetites and tolerances, along with limits and controls to manage the risks;
- ensuring that appropriate monitoring and reporting systems are in place such that controls remain robust and evolve with the changing risk profile of the firm; and
- providing clear accountability for risk management.

The CSGI Board of Directors has developed the firm's Risk Appetite Statement ('RAS'), which sets out the amount and type of risk that CSGI is willing to take to meet its strategic objectives. Monitoring of risks against the RAS is via the Level 1 Key Risk Indicators ('KRIs') that are presented monthly to the CSGI's Executive and Operating Committee ('EOC'), where any risk that breaches the amber threshold is discussed together with any required remedial action. Level 1 KRIs, along with lower level KRIs, are also monitored by the Risk Committee of the Board at each of its meetings, and threshold breaches and remedial actions are escalated for discussion at the Risk Committee. The Risk Committee meets at least quarterly. The risk appetite and risk guidelines are reviewed regularly to reflect changes in market conditions and the firm's activities.

### ***Three lines of Defence:***

Risk management is set within the firm's overall risk framework, which is based upon a three-lines-of-defence model. Roles and responsibilities within the firm for the management of Risk operate within this framework. The organisational structure is designed to facilitate risk management through three lines of defence as illustrated below as at 31 December 2022:



### **First line of defence**

The first line of defence has responsibility for the identification and assessment of inherent risks and the development of first line controls, which manage and mitigate those risks. Each risk owner is responsible for owning and managing the risks and controls applicable to their areas to comply with the firm's risk appetite and policies. Within CSGI this refers to the Trading desks, Business Controls Technology, Treasury, Quantitative Research ('QR'), Operations, Finance and all other Enterprise functions.

### **Second line of defence**

CSGI has independent Risk and Compliance functions that set, monitor and report on risk policy and methodology and challenge the risk management approach undertaken by the first line of defence, which includes independently assessing the robustness of the first line's risk identification and mitigation processes. Risk oversight is performed by the Portfolio Construction and Risk Group ('PCG') and Operational Risk Management ('ORM').

The Risk and Compliance functions each have direct reporting lines to the Risk Committee and the Board of Directors.

Reporting to the Risk Committee includes monitoring of performance against the RAS and reporting on risk taking and tolerances across the firm.

### **Third line of defence**

The third line of defence is the firm’s internal audit function, which provides an independent review of the organisation and reports to the CSGI Audit Committee. The Internal Audit function provides independent risk assurance of the adequacy and effectiveness of risk management, control and governance processes, as designed, represented and operated by management across the business. A risk-based Audit Plan is established annually to agree which areas of the business will be reviewed in detail. The Audit Committee approves the Annual Audit Plan and receives regular reports on the results of audit work.

### **Governance arrangements**

Members of the Board of Directors of CSGI are selected, and the appointments to management committees for CSGI are made, on the basis of merit, experience and, where applicable, actual responsibilities within the firm, taking into account judgement, character, expertise, skills and knowledge useful to the oversight of the firms’ businesses.

The firm will also take into consideration the balance and interplay of knowledge, skills, diversity of viewpoints and experience of the members of the Board of Directors and management committees as a whole when looking to make appointments to build effective, collegial and functioning governance arrangements which can be responsive to the needs of the firm.

We have set out below the members of the board of directors of CSGI as of 31 December 2022:

	<b>Number of directorships</b>
S. Atkinson	1
A. Bothwell	1
A. Hsu	1
V. Parry (independent)	19
R. Pike (independent)	2

### ***Board Declaration – Adequacy of Risk Management Arrangements***

The Board of Directors of CSGI is satisfied that CSGI management has taken reasonable care to establish and maintain risk systems and controls as appropriate to the business.

### ***Diversity and Inclusion***

CSGI is an equal opportunity employer, whose aim is to have a diverse workforce and for it to be representative of the make-up of society. All individuals are considered for employment and advancement opportunities without regard to race, creed, colour, religion or belief, political opinion, gender, sex, sexual orientation, gender re-assignment, pregnancy or maternity, marital status, civil partnership ethnic or national origin, age or disability. The same objectives apply to the Board of Directors. Whilst appointments to the Board of Directors are made on the basis of merit, experience and actual responsibilities, when considering appointments to the Board,

the Board of Directors also takes into consideration the balance of its knowledge, skills, diversity and experience collectively as a whole and aims, if possible, for a gender balanced board composition. The CSGI Board of Directors currently has a gender balanced composition.

### **Risk exposure overview**

The firm has built out a Risk Register to identify and assess the material risks to which the firm is exposed. This register is a list of key risks across all Principal risk categories. On an annual basis, business managers and support managers conduct a comprehensive risk identification exercise, where all identified risks in the Risk Registers are reviewed, updated or added to, as required, by an appropriate owner. Each item is assessed for its level of inherent risk, the effectiveness of the controls that are mapped to the risk, and the level of residual risk after control effectiveness is considered. If the residual risk is greater than a set threshold on the firm's Risk Severity Matrix, a KRI is required to ensure the appropriate level of monitoring of the risk. Any breaches against agreed risk tolerances are escalated through the governance process.

The register is updated to consider new risks that CSGI may be exposed to and should be evaluated for completeness when there is a change to the firm's activities through the Material Business Change (the 'MBC') process.

A high-level summary of CSGI's Risk taxonomy is provided below.

#### ***Market risk***

Market risk is the risk of loss in the value of financial instruments due to changes in market prices. Market risk is directly impacted by the volatility and liquidity in the markets in which the related underlying financial instruments are traded. Categories of market risk include equity position risk, commodity position risk, interest rate risk, foreign exchange risk and model risk.

- Equity position risk is the risk of loss due to changes in prices and implied volatilities of individual equities, baskets of equities and equity indices.
- Interest rate risk is the risk of loss due to changes in the level, slope and curvature of yield curves.
- Foreign exchange risk is the risk of loss due to the fluctuation in exchange rates compared against the base currency of the entity.
- Model risk is the risk that occurs when a financial model is used to measure quantitative information, such as a firm's Market risks or value transactions, and the model fails or performs inadequately and leads to adverse outcomes for the firm.
- Commodity risk is the risk of loss due to changes in commodity prices and other key commodity risk parameters.

Risk tolerances are set for both intra-day and end of day positions and are monitored by the independent risk control function.

### ***Credit risk***

Credit risk is the risk of losses due to the failure of a counterparty to perform according to the terms of a contract. The firm is exposed to credit risk in its role as a trading counterparty to clients. The firm's credit exposure to clients is partially mitigated by the use of delivery versus payment contractual settlement. The firm is also exposed to credit risk with financial institutions that clear its securities transactions. The firm's credit exposure to financial institutions is partially mitigated by the obligation of these financial institutions to maintain minimum capital requirements and to segregate customers' funds and financial instruments from the financial institution's own holdings. In addition, the firm actively reviews and manages its exposures to various clients and financial institutions to manage these residual risks.

### ***Liquidity and Capital Adequacy risk***

Liquidity and capital adequacy risk is the risk that the firm's resources (cash or capital) will be insufficient to meet business or regulatory requirements during business as usual or under a stress event. This consists of:

- (i) **Financing Risk**  
Contractual risk of short-term Financing, which may be more expensive to roll or replace.
- (ii) **Margin/Contractual Risk**  
Risk that margin terms are unfavourable to the firm and the impact of counterparties behaving in ways that disadvantage Citadel in a stress i.e. widening haircuts, not rolling loans.
- (iii) **Liquidity Reserves**  
Risk that Liquidity reserves are insufficient during a stressed environment, either market-wide or specific stress to the firm.
- (iv) **Capital Adequacy Risk**  
The risk of insufficient capital to ensure the Firm's viability, or meet internal, regulatory, or contractual obligations, specifically the Firm's ability to maintain its capital above required thresholds.

The Treasury function, in coordination with Operations, manages CSGI's day-to-day liquidity, provides a diversified range of funding sources and secures favorable terms with its counterparties. Treasury is structured as an independent function to avoid any conflict of interest (for example, by removing any profit incentive to fund long-term assets with short-term liabilities). A fundamental aim is to achieve lockup provisions on margin terms to allow for certainty of cash flows over a given period of time.

Intraday liquidity and the firm's Liquid Asset Buffer ("LAB") are monitored on a real time basis to ensure there is sufficient cash or cash equivalent assets to meet ongoing and stressed liquidity demands of the firm.

The Capital Management team in Treasury manages capital at the Firm and legal entity levels to ensure the Firm is positioned with appropriate capital resources on an ongoing basis. The

team, in partnership with Finance & Accounting and Office of the COO, coordinates the evaluation of ongoing capital actions.

### ***Operational risk***

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and technology or from external events. Given the firm's business model, both financial and non-financial potential impacts are considered in the assessment of risks.

The firm is exposed to a range of operational risks including risks associated with the high volume of trading that is undertaken on an automated basis. These risks are regularly assessed, monitored, and managed. On a monthly basis the status of important risks is formally reported via key risk indicators to ensure they are within agreed risk tolerances. Breaches are escalated to local management and ultimately the Board of Directors to ensure the operational risk control framework remains appropriate, new risks are identified and assessed and that any necessary incremental controls are implemented.

Management of operational risks is a prime consideration for the firm in how it conducts its business as a market maker across a range of asset classes in financial markets around the world. Given the nature of the business, the firm takes a technology-centric approach to risk management, with a host of automated pre and post trade controls across the firm's trading systems, monitored by experienced financial professionals. These controls are supplemented by policies, procedures, and risk assessments as well as a robust incident management and response process with appropriate escalation.

A dedicated Operational Risk team monitors and checks the business' risk management practices, advising on developing frameworks, processes, and controls to manage and mitigate risks, while independently reviewing and escalating risk and control issues to senior management. As part of its oversight of operational risk, senior management also monitors key conduct risk metrics relating to employee conduct.

### ***Compliance and Legal Risk***

Compliance and Legal risk is defined as the risk of impairment to the firm's business model, reputation and financial condition from failure to meet laws and regulations, internal standards and policies and expectations of key stakeholders such as regulators, customers, employees and society as a whole. Legal risk is the risk of financial or reputational loss resulting from any type of legal issue. Compliance risk relates to the potential of the business violating a law or regulation. Regulatory risk is the effect of a change in laws and regulations that could potentially cause losses to the business, sector, or market. Financial crime risk is not only confined to monetary loss and regulatory fine but also loss of reputation.

Conduct risk is a sub-type of compliance and Legal risk and is broadly defined as any action of a financial institution or individual that leads to customer detriment or has an adverse effect on market stability or effective competition.



### ***Business Risk***

Business risk means any risk to the firm arising from changes in its business, including: the acute risk to earnings posed by falling or volatile income; availability of adequate capital and the broader risk to the firm's business model or strategy proving inappropriate due to macro-economic, geopolitical, environmental, industry, tax, regulatory or other factors affecting its strategic operating environment; and the risk that a firm may not be able to carry out its business plan and desired strategy due to poor management and planning.

The firm also considers concentration and ESG risks:

### ***Concentration risk***

Concentration risk is the risk arising from the strength or extent of a firm's relationships with, or direct exposure to, a single client or group of connected clients. This is typically assessed from a credit exposure perspective, which is monitored by the Treasury function. Market risk concentration risk by single name and portfolio is also monitored by the Risk team.

### ***Environmental, Social and Governance Risk (ESG)***

ESG risks are environmental, social and governance risks that could negatively impact the business strategy, financial performance or solvency of the firm. CSGI considers the following ESG risks to its business:

- Physical risks, which relate to the impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation such as air, water and land pollution. This can lead to events that directly impact the firm through disruption in business activity or indirectly through the disruption of supply chains
- Transition risk, which refers to the direct or indirect impact of the process of adjustment to a lower carbon and more environmentally sustainable economy. For example, this could be triggered by a relatively abrupt adoption of climate and environmental policies, technological progress or changes in market sentiment and preferences

## Capital resources

CSGI maintains a capital base that is appropriate to support the development of the business and ensures regulatory capital requirements are met at all times.

The firm's capital resources are entirely made up of Common Equity Tier 1 permanent capital, with a deduction for a prudent valuation adjustment. CSGI has no long-term debt and no intangible assets to deduct. There are no current or foreseen material practical or legal impediments to the prompt transfer of capital resources or repayment of liabilities.

As at 31 December 2022, CSGI held CET1 capital of EUR 254,532,000. See appendices for details.

## Pillar 1 Capital Requirement

In accordance with Article 11 of IFR, the own funds requirement for CSGI is the higher of the:

- (a) fixed overheads requirement
- (b) permanent minimum capital requirement
- (c) K-factor requirement

As at 31<sup>st</sup> December 2022, CSGI's capital requirement was EUR 74.4m, detailed below:

	<b>EUR 000s</b>
<b>Permanent Minimum Requirement</b>	<b>750</b>
<b>Fixed Overhead Requirement</b>	<b>18,943</b>
Risk to Client	36
Risk to Market	67,288
Risk to Firm	7,089
<b>Total K-Factor Requirement</b>	<b>74,413</b>

The fixed overhead requirement was calculated in accordance with Article 13 of IFR.

Risk-to-Client (RtC) K-factors are calculated in accordance with Chapter 2, Title 2 of IFR.

Risk-to-Market (RtM) K-factors calculated in accordance with Chapter 3, Title 2 of IFR.

Risk-to-Firm (RtF) K-factors calculated in accordance with Chapter 4, Title 2 of IFR.

## **Pillar 2**

Under Pillar 2, firms are required to undertake a regular assessment of the amounts, types and distribution of capital that they consider adequate to cover the level and nature of risks to which they are, or might be, exposed. Firms identify risks which are inadequately covered under Pillar 1 and set aside additional Pillar 2 capital against these risks.

As part of the Internal Capital Adequacy Assessment Process ('ICAAP'), CSGI documents the firm's internal systems and controls that identify and manage potential material harms that may arise from the operation of its business, and ensure that its operations can be wound down in an orderly manner. The ICAAP forms an integral part of the firm's risk management processes and capital management strategy. It is updated at least annually and is reviewed and approved by the Board of Directors.

CSGI has conducted a comprehensive risk identification exercise by risk category across the business to ensure that all significant risks have been identified and captured by the risk management framework. All significant risks are assessed and documented along with any risk mitigants and associated controls. The resulting risk exposure level is estimated using a matrix of parameters.

Each risk is assigned an owner who is responsible for assessing that risk with respect to risk score (High/Medium/Low) and risk mitigant strength (Vulnerable/Moderate/Strong) to determine the risk exposure level (Critical/Material/Moderate/Low). Risk owners together with the Risk and Finance team assess each identified risk to determine if any additional Pillar 2 capital should be held. In addition, Pillar 2 capital will be held against any risks not included in Pillar 1. Where applicable, risk owners will make reference to internal and external loss data when assessing risks.

The firm's ICAAP includes stress testing and reverse stress testing to supplement its risk management framework and assesses the capital adequacy of the business. These stress tests play an important role in providing a forward-looking assessment of risk and factoring this into capital and liquidity planning procedures.

### **Investment Policy Disclosure**

CSGI does not hold any positions in any company that is admitted to trading on a regulated market that accounts for 5% or more of the total voting rights of that company.

## Remuneration

The Board Directors of CSGI has adopted a remuneration policy (the ‘Remuneration Policy’), which ensures CSGI’s adherence to the relevant remuneration rules of IFD, IFR and relevant aspects of the European Banking Authority Guidelines on remuneration policies for investment firms, and the remuneration rules under the Markets in Financial Instruments Directive 2014/65 EU (‘MiFID II’), and EU Delegated Regulation 2017/565 as implemented into Irish law.<sup>2</sup> This section provides an overview of the firm’s remuneration practices in accordance with the Remuneration Policy.

The Remuneration Policy also reflects the Citadel Securities Group’s compensation philosophy, which provides guiding principles that drive compensation-related decisions for all Citadel Securities’ employees. Citadel Securities’ compensation philosophy has been designed to:

- (i) support achievement of Citadel Securities’ strategy;
- (ii) uphold Citadel Securities’ values by encouraging responsible business conduct;
- (iii) promote sound and effective risk management by aligning risk and reward;
- (iv) avoid conflicts of interest; and,
- (v) achieve the above while also attracting and retaining the top performing and high potential talent necessary to deliver results to all stakeholders.

The Remuneration Policy and CSGI’s remuneration practices are consistent with Citadel Securities’ commitment in relation to equal pay and non-discrimination and do not discriminate on the grounds of gender or on any other basis. In addition, CSGI has sought to establish remuneration arrangements that are gender neutral.

## Governance

The Board of Directors has delegated certain responsibilities related to oversight of the firm’s remuneration policies and practices to a remuneration committee of the Board (the “Remuneration Committee”), comprised of the three non-executive directors. The primary and overarching objectives of the Remuneration Committee are to (i) ensure that the firm’s remuneration policies and practices are appropriately implemented and aligned with its overall corporate governance framework, corporate and risk culture, risk appetite and related governance processes; (ii) satisfy itself on an ongoing basis that the firm’s remuneration policies and practices achieve the aim of promoting effective risk management for the firm and thereby enabling the firm to be compliant with all applicable remuneration provisions in IFD and IFR, as well as the MiFID II remuneration rules; and (iii) create and maintain a system of appropriate, balanced incentives which promote a risk culture in line with the firm’s risk appetite.

---

<sup>2</sup> Implemented into Irish law by the Markets in Financial Instruments Regulations 2017 (S.I. 375/2017) (the “MiFID Regulations”), (together “MiFID II”).

In accordance with its terms of reference, the Remuneration Committee meets at least twice per year and reports to the Board. The Remuneration Committee met twice in 2022.

### ***Compensation Structure***

CSGI's compensation structure is composed of base salary and, where applicable, role-based pay (fixed remuneration), incentive awards which determine the amount of staff discretionary bonuses (variable remuneration) and benefits. Further information is included in Appendix A to this report.

Fixed pay may include salary, role-based allowances, cash in lieu of pension and other cash allowances. Elements of fixed pay reflect an individual's position, role, skills, competencies, capabilities, and experience. Levels of fixed pay are determined at a level that ensures the firm can operate a fully flexible approach to variable remuneration. Incentive awards comprise in part a cash component and in part an unvested notional award, in the form of unvested interests in the Citadel Securities Notional Equity Program.

Incentive awards are awarded in respect of any calendar year during which employees are employed by the group on a discretionary basis based on:

- (i) Firm and overall Group performance,
- (ii) Business unit performance; and
- (iii) Individual performance including adherence to applicable policies, including the Code of Ethics, reflecting the Citadel Securities performance appraisal processes.

Individual variable remuneration awards for staff within control functions are remunerated according to objectives linked to their functions and are determined independently from the business unit those members of staff oversee.

### ***Material Risk Taker Identification***

CSGI has classified certain staff members as material risk takers ('MRTs') to the extent they have a material impact on the risk profile of the firm or of the assets that the firm manages or otherwise meet the criteria set out in IFD/IFR. Citadel Securities' Human Resources function, with input from Compliance and other control functions as necessary, is responsible for the process by which CSGI identifies MRTs and notifies them of their status as such. This MRT identification process is carried out at least annually.

For MRTs, at least 50% of variable remuneration is paid out in instruments.

### ***Deferral and Vesting***

Citadel Securities' deferral approach is applicable to all staff. A portion of variable remuneration awards above a specified total compensation threshold is deferred. The percentage of variable remuneration deferred is higher for more highly compensated staff and is at least 40% for all material risk takers and is 60% for those earning above certain amounts. Deferred awards vest over a multi-year period of at least three years thus aligning individual compensation with long-term considerations. Citadel Securities operates a policy pursuant to which deferred amounts will be automatically forfeited in the event of termination for cause.

For material risk takers, all variable remuneration is subject to clawback, and all deferred variable remuneration is subject to the potential application of malus.

### *Performance Appraisal*

Citadel Securities sets annual goals for its employees. This process is administered by Human Resources, in partnership with the employee's manager and team leadership. At the mid-year point and at year-end, employees' managers provide feedback on the employee's performance against their goals. To ensure Citadel Securities' employees perform their job to the best of their abilities and in accordance with expectations, managers will provide appropriate suggestions for improvement on an ongoing and informal basis. Periodically, managers may provide written evaluations of employee performance against their goals. Written performance evaluations are based on the manager's view of the employees' overall performance in relation to their job responsibilities, achievement of goals, and alignment with Citadel Securities' values.

## Appendices

### Template EU IF CC1.01 - Composition of regulatory own funds

		(a)	(a)	(b)
		Amounts EUR 000s	Amounts USD 000s	Source based on the balance sheet in the audited financial statements USD 000s
	<b>Common Equity Tier 1 (CET1) capital: instruments and reserves</b>			
<b>1</b>	<b>OWN FUNDS</b>	254,855	271,827	
<b>2</b>	<b>TIER 1 CAPITAL</b>	254,855	271,827	
<b>3</b>	<b>COMMON EQUITY TIER 1 CAPITAL</b>	254,855	271,827	
4	Fully paid-up capital instruments	28,127	30,000	CET1 share capital
5	Share premium			
6	Retained earnings	16,506	17,606	CET1 retained earnings
7	Accumulated other comprehensive income			
8	Other reserves	210,951	225,000	CET1 capital contribution
9	Minority interest given recognition in CET1 capital			
10	Adjustments to CET1 due to prudential filters	(729)	(779)	
11	Other funds			
12	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	-	-	
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	-	-	
28	<b>ADDITIONAL TIER 1 CAPITAL</b>	-	-	
40	<b>TIER 2 CAPITAL</b>	-	-	

**Template EU IFCC2: Own funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements**

		USD 000s	USD 000s	USD 000s
		Balance sheet as in audited financial statements	Under regulatory scope of consolidation	Cross reference to EU IF CC1
		As at year end	As at year end	
<b>Assets</b> - Breakdown by asset classes according to the balance sheet in the published/audited financial statements				
1	Cash and cash equivalents	43,817		
2	Financial assets at fair value through profit or loss	229,634		
3	Due from brokers and dealers	531,939		
4	Securities purchased under agreements to resell	55,105		
5	Due from affiliates	114,130		
6	Other receivables and prepayments	2,359		
7	Securities borrowed	49,862		
8	Due from customers	3,241		
	<b>Total Assets</b>	<b>1,030,087</b>		
<b>Liabilities</b> - Breakdown by liability classes according to the balance sheet in the published/audited financial statements				
1	Financial liabilities at fair value through profit or loss	548,094		
2	Due to brokers and dealers	140,566		
3	Securities sold under agreements to repurchase	1,176		
4	Due to affiliates	5,550		
5	Accrued expenses	11,152		
6	Due to customers	3,753		
	<b>Total Liabilities</b>	<b>710,921</b>		
Shareholders' Equity				
1	Called Up Share Capital	30,000		CET1 share capital
2	Retained Earnings	64,796		CET1 retained earnings
3	Capital Contribution Reserve	225,000		CET1 capital contribution
	<b>Total Shareholders' equity</b>	<b>319,796</b>		

CSGI meets the obligations laid down in Part Six of IFR on an individual basis.



**Template EU IF CCA: Own funds: main features of own instruments issued by the firm**

		a
		CET1
1	Issuer	Citadel Securities GCS (Ireland) Limited
2	Unique identifier	N/A
3	Public or private placement	Private
4	Governing law(s) of the instrument	Ireland
5	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
6	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	30
7	Nominal amount of instrument	30,000,000
8	Issue price	\$1
9	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	04/07/17
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	N/A
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	N/A
20	Fully discretionary, partially discretionary or mandatory (in terms of timing)	
21	Fully discretionary, partially discretionary or mandatory (in terms of amount)	
22	Existence of step up or other incentive to redeem	
23	Noncumulative or cumulative	
24	Convertible or non-convertible	N/A
31	Write-down features	N/A
36	Non-compliant transitioned features	N/A
37	If yes, specify non-compliant features	
38	Link to the full term and conditions of the instrument (signposting)	N/A