Citibank Europe plc,
Pobočka zahraničnej banky
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Citi® Payment Outlier Detection Launches in 90 Countries including Slovakia

New Solution uses Artificial Intelligence and Machine Learning to Identify Outlier Payments

BRATISLAVA – Citi®'s Payment Outlier Detection solution has launched in 90 countries, including Slovakia. Created by Citi's Treasury and Trade Solutions business, it uses advanced analytics, Artificial Intelligence (AI) and Machine Learning (ML) to help proactively identify outlier payments -- payments that do not conform to clients' past patterns of payment activity – and allows clients to review and approve or reject such outlier payments via Citi's institutional electronic banking platforms, CitiDirect BE® and CitiConnect®.

Key client benefits of the new service include:

- Enhanced control and monitoring of payments
- Potential to reduce risk associated with outlier payments and subsequent losses
- Advanced statistical machine learning algorithms instead of legacy rules-based logic to analyze payment patterns
- Unique tailored customer profiles that identify individual payment patterns
- AI-driven constant learning based on client usage
- Real time alerts before outlier payments are sent to the beneficiary

Cyber-attacks have become increasingly frequent and sophisticated, and banks need to be more vigilant than ever, especially given increasing transaction volumes due to automation and digitization. Client's corporate treasury functions are also being challenged with these changes, and together with the rapid growth of instant payments, their expectations for speed in processing payments continue to rise.

Citi's strategy is to create integrated, smart and efficient solutions powering the Treasury of the Future. Citi®' Payment Outlier Detection's machine learning technology automatically adjusts controls to monitor discrepancies and changes in client payment behavior, allowing for the analysis and identification of potential anomalies in affected payments before they are sent for clearing. It does this while helping to ensure that payments are processed quickly and efficiently.

"Citi is committed to providing clients with solutions that deliver enhanced control, transparency and efficiency for their global payments", said Manish Kohli, Global Head of Payments and Receivables, with Citi's Treasury and Trade Solutions. *"Citi® Payment Outlier Detection is yet another example of our execution against this goal and providing clients with tools that leverage innovation and new technologies for unique value."* he added.

This launch follows an extensive global pilot with 20 clients and is built on design principles that require minimum integration effort for clients. A key differentiator for Citi® Payment Outlier Detection is its usage of advanced statistical machine learning algorithms instead of legacy rules-based logic to analyze payment patterns. This enables the system to automatically adjust in response to changing payment patterns as businesses evolve, expand and globalize. The enhanced solution also has client configurable product features such as the ability to synchronize payment release with the cut-off times, enhanced analytics and an increased choice of entitlement options.

"Achieving real time visibility and fraud control over our payment processing is a major goal for Xerox. During our pilot we were very impressed with the power of Citi Payment Outlier Detection as it is very intuitive and easy to use and supports our ability to have payment fraud reviews that provide added transparency and control to Corporate Treasury, along with our internal partners such as Audit, Finance, Accounts Payable and Cash Operations." said Gerry Maguire, Assistant Treasurer, Global Cash & Banking at Xerox Corporation, who was one of Citi's early pilot clients.

"I have been very impressed with the ability of the Citi Payment Outlier Detection service to identify payment anomalies before payments are processed and then utilize machine learning to train itself and improve the chances of identifying true anomalies for future payments. Citi Payment Outlier Detection helps identify potential fraud attempts as well as operational errors in payment instructions, and I believe this type of control will play an integral role in having a more secure and efficient payments process for all companies in the future." said David Thilthorpe, Treasurer, Tetra Laval International, another early pilot client.

Citi® Payment Outlier Detection was developed in the Citi Innovation Lab in Dublin, Ireland with direct client collaboration. Leveraging its partnership with Feedzai, a leader in Artificial Intelligence for real-time risk management, Citi is in the process of integrating Feedzai's transaction monitoring platform to provide clients with enhanced service capabilities. Citi® Payment Outlier Detection was recognized by the 2018 TMI Awards for Innovation and Excellence.

Citi Treasury and Trade Solutions (TTS) enables our clients' success by providing an integrated suite of innovative and tailored cash management and trade finance services to multinational corporations, financial institutions and public sector organizations across the globe. Based on the foundation of the industry's largest proprietary network with banking licenses in over 90 countries and globally integrated technology platforms, TTS continues to lead the way in offering the

industry's most comprehensive range of digitally enabled treasury, trade and liquidity management solutions.

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Media Contact:

Lucie Polívková
Public Affairs officer for Czech Republic and Slovakia
Bucharova 2641/14, 158 02 Praha 5, Czech Republic
Tel.: + 420 233 062 947
Mobil: + 420 602 871 611
lucie.polivkova@citi.com