

**PREFERENCE SHARE ISSUE TERMS**

**Dated 21 May 2021**

**Citigroup Global Markets Funding Luxembourg S.C.A. (the Company)**

Issue of Class 274 Share (the **Preference Share**)

**No prospectus is required in accordance with the Prospectus Regulation (as defined below) for the issue of Preference Shares which are the subject of these Issue Terms.**

The Preference Share Offering Memorandum referred to below (as completed by these Issue Terms) has been prepared on the basis that any offer of Preference Shares in any Member State of the European Economic Area or the United Kingdom (each, a **Relevant State**) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Preference Shares. Accordingly any person making or intending to make an offer in that Relevant State of the Preference Shares may only do so in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. The Company has not authorised, and does not authorise, the making of any offer of Preference Shares in any other circumstances. The expression **Prospectus Regulation** means Regulation (EU) 2017/1129 (as amended).

In relation to the UK, this document has been approved for the purposes of Section 21 of the UK Financial Services and Markets Act 2000 (as amended from time to time), by Citigroup Global Markets Limited, Citigroup Centre, 33 Canada Square, London E14 5LB, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS, in the conduct of its investment business.

The Preference Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) or any state securities law. The Preference Shares are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**) and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S). Each purchaser of the Preference Shares or any beneficial interest therein will be deemed to have represented and agreed that it is outside the United States and is not a U.S. person and will not sell, pledge or otherwise transfer the Preference Shares or any beneficial interest therein at any time within the United States or to, or for the account or benefit of, a U.S. person, other than the Company or any affiliate thereof. For a description of certain restrictions on offers and sales of the Preference Shares, see "*Selling Restrictions*" of the Preference Share Offering Memorandum, and any selling restrictions as set out in these Issue Terms.

The Preference Shares do not constitute, and have not been marketed as, contracts of sale of a commodity for future delivery (or options thereon) subject to the United States Commodity Exchange Act, as amended, and trading in the Preference Shares has not been approved by the United States Commodity Futures Trading Commission under the United States Commodity Exchange Act, as amended.

This document constitutes the Issue Terms for the Preference Shares described herein and must be read in conjunction with the Preference Share Offering Memorandum. Full information on the Company and the offer of the Preference Shares is only available on the basis of the combination of these Issue Terms and the Preference Share Offering Memorandum.

The Preference Share Offering Memorandum (including all documents incorporated by reference therein) is available for viewing at the offices of the Company.

For the purposes hereof, **Preference Share Offering Memorandum** means the Preference Share Offering Memorandum dated 26 October 2015 including all documents incorporated by reference therein.

## **PART A – CONTRACTUAL TERMS**

Terms used in this Part A (including the Schedule(s) attached hereto) shall be deemed to be defined as such for the purposes of the General Conditions set forth under the section entitled "*Conditions of the Preference Shares*" and the Underlying Schedule(s) applicable to the Underlying(s) in the Preference Share Offering Memorandum. Terms defined in the General Conditions and the Underlying Schedule(s) applicable to the Underlying(s) shall bear the same meaning in this document unless the context otherwise requires or as otherwise provided in this document.

This Part A of the Issue Terms incorporate by reference the General Conditions and each applicable Underlying Schedule set out in the Preference Share Offering Memorandum unless otherwise specified and to the extent amended, varied and/or supplemented in these Issue Terms.

### **GENERAL**

- |                                 |  |
|---------------------------------|--|
| 1. Issuer of Preference Shares: | Citigroup Global Markets Funding Luxembourg S.C.A.   |
| 2. Class Number:                | Class 274  |
| 3. Preference Shares:           | The redeemable Preference Share issued by the Company designated by the Directors of the Company pursuant to the Articles as Class 274 |
| 4. Specified Currency:          | GBP  |
| 5. Issue Price:                 | GBP 100.00 per Preference Share  |
| 6. Capital Amount:              | GBP 100.00 per Preference Share  |
| 7. Issue Date:                  | The day falling 9 Business Days after the Strike Date (expected to be 29 July 2021)  |

### **PROVISIONS RELATED TO UNDERLYINGS**

- |                                  |  |
|----------------------------------|--|
| 8. (i) Underlying                |  |
| (A) Description of Underlying(s) | The FTSE® Custom 100 Synthetic 3.5% Fixed Dividend Index |
| (B) Classification:              | Security Index   |
| (C) Electronic Page:             | Bloomberg Page: SUKX35FD <Index>                         |

- (ii) Particulars in respect of each Underlying

Security Index/Indices:

- |     |                        |  |
|-----|------------------------|--|
| (A) | Type of Index:         | Multiple Exchange Index  |
| (B) | Exchange(s):           | As specified in the definition of Exchange in Security Index Condition 1 in respect of a Multiple Exchange Index |
| (C) | Related Exchange(s):   | All Exchanges  |
| (D) | Single Valuation Time: | Not Applicable   |
| (E) | Same Day Publication:  | Applicable   |

- (iii) Elections in respect of each Underlying:

Security Index/Indices:

- |      |   |  |
|------|---|--|
| (A)  | Additional Disruption Event(s):             | Increased Cost of Stock Borrow<br>Loss of Stock Borrow |
| (iv) | Trade Date:                                 | 16 July 2021   |
| (v)  | Hedging Disruption Early Termination Event: | Not Applicable   |

## **PROVISIONS RELATING TO REDEMPTION**

- |      |  |   |
|------|--|---|
| 9.   | Early Redemption:                                    | General Condition 4 applies                   |
| (i)  | Early Redemption Event:                              | The definition in General Condition 4 applies |
| (ii) | Other terms relating to early Redemption:            | Not Applicable                                |
| 10.  | Associated Costs – Deduction of related hedge costs: | Not Applicable                                |
| 11.  | Company Call:  | Applicable                                    |
| 12.  | Shareholder Put:                                     | Applicable                                    |
| 13.  | Call and Put Redemption Amount:                      | GBP 100.00 per Preference Share               |
| 14.  | <b>Final Redemption Provisions</b>                   |   |

(i)	Share Redemption Amount:	See the Schedule attached hereto
(ii)	Share Redemption Date:	The day falling 12 Business Days after the Final Fixing Date (expected to be 1 August 2031)
(iv)	Initial Valuation Date:	16 July 2021
(v)	Final Fixing Date:	As defined in General Condition 2(b)
(vi)	Specified Valuation Date(s):	In respect of the Underlying, the Initial Valuation Date (as adjusted in accordance with General Condition 5, the <b>Strike Date</b> in respect of the Underlying) and 16 July 2031 (as adjusted in accordance with General Condition 5, the <b>Final Valuation Date</b> in respect of the Underlying)
(vii)	Valuation Disruption (Scheduled Trading Days):	General Condition 5(c)(i) applies
(viii)	Valuation Disruption (Disrupted Days):	General Condition 5(d)(i) applies
(ix)	Valuation Roll:	Eight
15.	<b>Mandatory Early Redemption Provisions</b>	Applicable
(i)	Mandatory Early Redemption Event:	See the Schedule attached hereto
(ii)	Mandatory Early Redemption Amount(s):	See the Schedule attached hereto
(iii)	Mandatory Early Redemption Date(s):	See the Schedule attached hereto
(iv)	Specified Valuation Date(s):	See the Schedule attached hereto
(v)	Valuation Disruption (Scheduled Trading Days):	General Condition 5(c)(i) applies
(vi)	Valuation Disruption (Disrupted Days):	General Condition 5(d)(i) applies
(vii)	Valuation Roll:	Eight

**GENERAL PROVISIONS APPLICABLE TO THE PREFERENCE SHARES**

16.	Business Centre(s):	London and New York City
17.	Determination Agent:	Citigroup Global Markets Limited at Citigroup Centre, Canada Square, Canary

Wharf, London, E14 5LB, United Kingdom, acting through its EMEA Equity Index Exotic Trading Desk in London (or any successor department/group)

18. Determinations:

Sole and Absolute Determination

## **RESPONSIBILITY**

The Company accepts responsibility for the information contained in these Issue Terms. Information set out in Part B hereto relating to the Underlying(s) has been extracted from Bloomberg. The Company confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from such source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## SCHEDULE

### 1. SHARE REDEMPTION AMOUNT

For the purposes of item 14 of Part A above, the Share Redemption Amount in respect of each Preference Share shall be an amount in GBP determined by the Determination Agent in accordance with (i), (ii) or (iii) below (as applicable):

- (i) if the Final Level of the Underlying is equal to or greater than its Final Barrier Level (and regardless of whether a Barrier Event has occurred), the Share Redemption Amount in respect of each Preference Share will be determined by the Determination Agent in accordance with the following formula:

$$\text{Capital Amount} \times 170.00\%; \text{ or}$$

- (ii) if a Barrier Event has not occurred and the Final Level of the Underlying is less than its Final Barrier Level, the Share Redemption Amount in respect of each Preference Share shall be an amount equal to the Capital Amount; or
- (iii) if a Barrier Event has occurred and the Final Level of the Underlying is less than its Final Barrier Level, the Share Redemption Amount in respect of each Preference Share will be determined by the Determination Agent in accordance with the following formula:

$$\text{Capital Amount} \times (100.00\% + 100.00\% \times \text{Final Return})$$

For the purposes of this Schedule:

**Barrier Event** means (and a Barrier Event shall be deemed to have occurred if), in the determination of the Determination Agent, the Final Level of the Underlying is less than the Knock-in Barrier Level of the Underlying.

**Final Barrier Level** means 82.50 per cent. of the Strike Level of the Underlying.

**Final Level** means the Underlying Closing Level in respect of the Underlying and the Final Valuation Date for the Underlying.

**Final Return** means, in respect of the Underlying, the percentage calculated by the Determination Agent by *dividing* (a) the Final Level of the Underlying minus the Strike Level of the Underlying, by (b) the Strike Level of the Underlying, and expressing the result as a percentage.

**Knock-in Barrier Level** means 70 per cent. of the Strike Level of the Underlying.

**Strike Level** means the Underlying Closing Level in respect of the Underlying and the Strike Date for the Underlying.

## 2. MANDATORY EARLY REDEMPTION EVENT

For the purposes of item 15 of Part A above, a **Mandatory Early Redemption Event** shall be deemed to have occurred in respect of a MER Valuation Date if in the determination of the Determination Agent, the Underlying Closing Level of the Underlying in respect of such MER Valuation Date is equal to or greater than the Mandatory Early Redemption Barrier in respect of such MER Valuation Date and the Underlying.

For the purposes of this Schedule:

**Mandatory Early Redemption Amount** means, in respect of each Preference Share and a Mandatory Early Redemption Date, an amount in GBP determined by the Determination Agent in accordance with the following formula:

$$\text{Capital Amount} \times \text{Mandatory Early Redemption Percentage}$$

**Mandatory Early Redemption Barrier** means, in respect of the Underlying and a MER Valuation Date, the percentage of the Strike Level of the Underlying specified under the heading "Mandatory Early Redemption Barrier" in the same row as the related Specified Valuation Date in the Mandatory Early Redemption Table set out below.

**Mandatory Early Redemption Date** means, in respect of the occurrence of a Mandatory Early Redemption Event on a MER Valuation Date, the date specified under the heading "Mandatory Early Redemption Date" in the same row as the related Specified Valuation Date in the Mandatory Early Redemption Table set out below.

**Mandatory Early Redemption Percentage** means, in respect of each Preference Share and a Mandatory Early Redemption Date, the amount specified under the heading "Mandatory Early Redemption Percentage (%)" in the same row as such Mandatory Early Redemption Date in the Mandatory Early Redemption Table set out below.

**Specified Valuation Date** means, in respect of the Underlying, each date specified under the heading "Specified Valuation Date" in the Mandatory Early Redemption Table set out below (each such date as adjusted in accordance with General Condition 5, a **MER Valuation Date** in respect of the Underlying).

### MANDATORY EARLY REDEMPTION TABLE

t	Specified Valuation Date	Mandatory Early Redemption Barrier	Mandatory Early Redemption Date	Mandatory Early Redemption Percentage (%)
1	17 July 2023	102.50% of the Strike Level	31 July 2023	114.00%
2	16 July 2024	100.00% of the Strike Level	30 July 2024	121.00%
3	16 July 2025	97.50% of the Strike Level	30 July 2025	128.00%
4	16 July 2026	95.00% of the Strike Level	30 July 2026	135.00%
5	16 July 2027	92.50% of the Strike Level	30 July 2027	142.00%



<b>t</b>	<b>Specified Valuation Date</b>	<b>Mandatory Early Redemption Barrier</b>	<b>Mandatory Early Redemption Date</b>	<b>Mandatory Early Redemption Percentage (%)</b>
6	17 July 2028	90.00% of the Strike Level	31 July 2028	149.00%
7	16 July 2029	87.50% of the Strike Level	30 July 2029	156.00%
8	16 July 2030	85.00% of the Strike Level	30 July 2030	163.00%

## PART B – OTHER INFORMATION

### 1. PERFORMANCE OF THE UNDERLYING(S) AND OTHER INFORMATION CONCERNING THE UNDERLYING(S)

Information on the Underlying(s), including information about past and future performance as well as volatility, is available from <https://www.ftserussell.com/products/indices/synthetic>.

**Investors must do their own independent due diligence in respect of the Underlying(s).**

### 2. UNDERLYING DISCLAIMER

#### **FTSE® CUSTOM 100 SYNTHETIC 3.5% FIXED DIVIDEND INDEX (the SUKX35FD)**

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### 3. OPERATIONAL INFORMATION

ISIN Code:	CGMFLPRE1408
Common Code:	Not Applicable
Electronic page:	Bloomberg Page: BP6946738

### 4. DISTRIBUTION

Additional selling restrictions:	Not Applicable
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