

PREFERENCE SHARE ISSUE TERMS

Dated 7 May 2021

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

Issue of Class 266 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 266 |
| 3. Preference Shares: | The redeemable Preference Share issued by the Company designated by the Directors of the Company pursuant to the Articles as Class 266 |
| 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 1 July 2021) |

PROVISIONS RELATED TO UNDERLYINGS

- | | |
|-----------------------------------|---|
| 8. (i) Underlying: | |
| (A) Description of Underlying(s): | Each Underlying specified under the heading "Underlying" in the table set out in Schedule 2 attached hereto |
| (B) Classification: | Each Underlying is a Share |
| (C) Electronic Page: | In respect of an Underlying, the Bloomberg Page specified under the heading "Electronic Page" in the same row |

as such Underlying in the table set out in Schedule 2 attached hereto

(ii) Particulars in respect of each Underlying:

Share:

(A) Share Company: In respect of an Underlying, the company specified under the heading "Share Company" in the same row as such Underlying in the table set out in Schedule 2 attached hereto

(B) Exchange(s): In respect of an Underlying, the Exchange specified under the heading "Exchange" in the same row as such Underlying in the table set out in Schedule 2 attached hereto

(C) Related Exchange(s): In respect of each Underlying, All Exchanges

(iii) Elections in respect of each Underlying:

Share:

(A) Additional Disruption Event(s): In respect of each Underlying:

Increased Cost of Stock Borrow

Loss of Stock Borrow

(B) Share Substitution Criteria: Reference Index

(iv) Trade Date: In respect of each Underlying, 18 June 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.	Final Redemption Provisions	
(i)	Share Redemption Amount:	See Schedule 1 attached hereto
(ii)	Share Redemption Date:	The day falling 14 Business Days after the Final Fixing Date (expected to be 10 July 2028)
(iv)	Initial Valuation Date:	In respect of each Underlying, 18 June 2021
(v)	Final Fixing Date:	As defined in General Condition 2(b)
(vi)	Specified Valuation Date(s):	In respect of an Underlying, the Initial Valuation Date (as adjusted in accordance with General Condition 5, the Strike Date in respect of such Underlying) and 19 June 2028 (as adjusted in accordance with General Condition 5, the Final Valuation Date in respect of such Underlying)
(vii)	Valuation Disruption (Scheduled Trading Days):	Move in Block
(viii)	Valuation Disruption (Disrupted Days):	Value What You Can
(ix)	Valuation Roll:	Eight
15.	Mandatory Early Redemption Provisions	Applicable
(i)	Mandatory Early Redemption Event:	See Schedule 1 attached hereto
(ii)	Mandatory Early Redemption Amount(s):	See Schedule 1 attached hereto
(iii)	Mandatory Early Redemption Date(s):	See Schedule 1 attached hereto
(iv)	Specified Valuation Date(s):	See Schedule 1 attached hereto
(v)	Valuation Disruption (Scheduled Trading Days):	Move in Block
(vi)	Valuation Disruption (Disrupted Days):	Value What You Can

(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 Stocks Exotic Trading Desk (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 each Share 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.

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SCHEDULE 1

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) or (ii) below (as applicable):

- (i) if the Final Level of the Worst Performing Underlying is equal to or greater than its Final Barrier Level:

Capital Amount \times 205.00%; or

- (ii) if the Final Level of the Worst Performing Underlying is less than its Final Barrier Level and:

(a) a Barrier Event has not occurred, the Share Redemption Amount in respect of each Preference Share shall be the Capital Amount; or

(b) 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:

Capital Amount \times [100.00% + 100.00% \times Final Return (Worst)]

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 any Underlying is less than the Knock-In Barrier Level of such Underlying.

Final Barrier Level means in respect of an Underlying, 70 per cent. of the Initial Level of such Underlying.

Final Level means, in respect of an Underlying, the Underlying Closing Level in respect of such Underlying and the Final Valuation Date for such Underlying.

Final Performance means, in respect of an Underlying, the percentage calculated by the Determination Agent by *dividing* (a) the Final Level of such Underlying by (b) the Initial Level of such Underlying and expressing the result as a percentage.

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

Final Return (Worst) means the Final Return of the Worst Performing Underlying.

Initial Level means, in respect of an Underlying, the Underlying Closing Level in respect of such Underlying and the Strike Date for such Underlying.

Knock-In Barrier Level means in respect of an Underlying, 50 per cent. of the Initial Level of such Underlying.

Strike Level means, in respect of an Underlying, 100 per cent. of the Initial Level of such Underlying.

Worst Performing Underlying means the Underlying with the lowest Final Performance provided that if two or more Underlyings have the same Final Performance, such Underlying as is determined in the discretion of the Determination Agent shall be the Worst Performing 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 Interim Worst Performing 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 such Underlying.

For the purposes of this Schedule 1:

Interim Performance means, in respect of an Underlying and a MER Valuation Date, the percentage calculated by the Determination Agent by *dividing* (a) the Underlying Closing Level of such Underlying in respect of the relevant MER Valuation Date by (b) the Initial Level of such Underlying and expressing the result as a percentage.

Interim Worst Performing Underlying means, in respect of a MER Valuation Date, the Underlying with the lowest Interim Performance in respect of such MER Valuation Date provided that if two or more Underlyings have the same Interim Performance in respect of such MER Valuation Date, such Underlying as is determined in the discretion of the Determination Agent shall be the Interim Worst Performing Underlying in respect of such MER Valuation Date.

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 an Underlying and a MER Valuation Date, the percentage of the Initial Level of such 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 an 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 such Underlying).

MANDATORY EARLY REDEMPTION TABLE

t	Specified Valuation Date	Mandatory Early Redemption Barrier	Mandatory Early Redemption Date	Mandatory Early Redemption Percentage (%)
1	20 June 2022	100.00% of the Initial Level	6 July 2022	115.00%
2	19 December 2022	95.00% of the Initial Level	6 January 2023	122.50%
3	19 June 2023	95.00% of the Initial Level	6 July 2023	130.00%
4	18 December 2023	90.00% of the Initial Level	8 January 2024	137.50%
5	18 June 2024	90.00% of the Initial Level	8 July 2024	145.00%
6	18 December 2024	85.00% of the Initial Level	6 January 2025	152.50%
7	18 June 2025	85.00% of the Initial Level	7 July 2025	160.00%
8	18 December 2025	80.00% of the Initial Level	6 January 2026	167.50%
9	18 June 2026	80.00% of the Initial Level	6 July 2026	175.00%
10	18 December 2026	75.00% of the Initial Level	6 January 2027	182.50%
11	18 June 2027	75.00% of the Initial Level	6 July 2027	190.00%
12	20 December 2027	70.00% of the Initial Level	6 January 2028	197.50%

SCHEDULE 2

Underlying	Share Company	Electronic Page	Exchange
The ordinary shares of BP PLC	BP PLC	BP/ LN <Equity>	London Stock Exchange
The ordinary shares of British American Tobacco PLC	British American Tobacco PLC	BATS LN <Equity>	London Stock Exchange
The ordinary shares of Legal & General Group PLC	Legal & General Group PLC	LGEN LN <Equity>	London Stock Exchange

PART B – OTHER INFORMATION

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

Information on each of the Underlyings, including information about past and future performance as well as volatility is available from Bloomberg.

Investors must do their own independent due diligence in respect of each of the Underlyings.

2. UNDERLYING DISCLAIMER

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Certain information contained in these Issue Terms consists of extracts from or summaries of information that is publicly-available from Bloomberg L.P. (**Bloomberg®**). The Company accepts responsibility for accurately reproducing such extracts or summaries and, as far as the Company is aware and is able to ascertain from such publicly-available information, no facts have been omitted which would render the reproduced information inaccurate or misleading. Bloomberg® makes no representation, warranty or undertaking, express or implied, as to the accuracy of the reproduction of such information, and accepts no responsibility for the reproduction of such information or for the merits of an investment in the Preference Shares. Bloomberg® does not arrange, sponsor, endorse, sell or promote the issue of the Preference Shares.

3. OPERATIONAL INFORMATION

ISIN Code:	CGMFLPRE1192
Common Code:	Not Applicable
Electronic page:	Bloomberg Page: 5CO1PY9C1

4. DISTRIBUTION

Additional selling restrictions:	Not Applicable
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