

CITIGROUP GLOBAL MARKETS LIMITED

SUMMARY OF EMEA ECM and DCM BOOK-BUILDING & ALLOCATIONS POLICIES

Citigroup Global Markets Limited (“CGML”) is committed to maintaining the highest professional standards in providing services to its clients. UK and European regulators are particularly focused on how firms manage potential conflicts of interest between clients as well as standards of conduct within the capital markets. The following is a summary of the EMEA policies that CGML would expect to apply to the process of book-building offerings by issuer and seller clients and allocation of such securities. CGML is committed to conducting its marketing and allocation processes with transparency and to maintain market integrity through effective systems and controls.

Book-building process

Prior to books open, CGML will discuss with the issuer and/or seller transaction objectives for marketing, distribution and the commercial terms of the transaction. In considering expressions of interest and building a book of demand, the following will normally be taken into account:

- The extent to which the investor’s expressed interest and the size of the allocation requested appears consistent with the investor’s expressed investment strategy, previous investments and capacity or any other indication that the investor’s true level of interest is less than stated;
- Whether the investor specifies a price limit, and the level thereof;
- The experience of the investor in participating in similar securities offerings; and
- The geographic location of the investor and the need to comply with applicable selling restrictions or other relevant regulatory or legal restrictions.

Allocation Process

With regard to allocation recommendations, the issuer and/or seller will have the opportunity to approve the final pricing and allocations of their offering, and should provide such confirmation prior to the final release of allocations.

Allocation recommendations to an issuer and/or seller will normally take into account, in addition to the above factors, some or all of the following factors:

- The size of an investor’s expressed interest – (both absolutely and relative to the investor’s portfolio or assets under management), including minimum allocation constraints;
- The investor type e.g., hedge fund, long-only, tracker or retail fund, geographically or industry specialised fund, etc.;
- The geographic location of the investor;
- The timeliness of the investor’s indication of interest, i.e., how early in the offering process the investor expressed interest;
- The nature and level of interest shown by a particular investor in the issuer and the offering, for example its involvement in issuer road shows and the quality and timeliness of feedback;
- The trading patterns of the investor in comparable offerings;
- The investor’s interest, and past dealings, in, other securities of the issuer or other comparable securities – as evidenced by, e.g., indicated demand and participation in comparable offerings both on an absolute basis and relative to the size of the offering;
- The investor’s expected holding period for the securities and trading patterns in previous offerings; and
- The issuer’s and/or seller’s stated goals for the distribution of the securities in terms of geographic distribution, investor type, liquidity in the aftermarket, likely length of investment etc.

Allocation recommendations should not take into account:

- the business (e.g., secondary market trading) that CGML does with an investor or any other client, except to the extent that such business informs CGML about the client's trading patterns and investment strategies;
- the amount of trading commission received from an investor;
- the provision of any unrelated services in relation to past or future awards of corporate finance business; or
- any express or implicit aftermarket orders.

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