

Citibank Singapore Limited
GCB Best Execution Client Notice
February 2022

1. Purpose of This Notice

- 1.1 We recognize the importance of executing client orders in respect of financial instruments on the best available terms. The Best Execution Client Notice ("**Notice**") sets out the steps which the Global Consumer Bank ("**GCB**") business operating through Citibank Singapore Limited will provide best execution.
- 1.2 GCB may update this Notice from time to time. For the most up-to-date version of this Notice, you should speak with your Relationship Manager or refer to GCB's website.

2. Scope of This Notice

2.1 Which products are in scope?

The Best Execution requirements would apply to all capital markets products and in GCB's context, the following products:

- Exchange-traded - Equity & Exchange Traded Fund (ETF)
- Exchange-traded Derivatives
- Fixed Income Securities
- Structured Notes
- OTC Derivatives (FX only)
- Spot Foreign Exchange (FX) contracts for the purposes of leveraged FX Trading
- Distribution of Collective Investment Scheme (CIS)

Product specific procedures are set out in the Appendix to this Notice.

2.2 Best Execution Objectives

The 3 GCB units covered by these Procedures are:

- GCB Singapore
- IPB Singapore
- APCB Regional Dealing Desks for Fixed Income, Structured Products, FX and FX Options

Collectively, the above-mentioned GCB units will be referred to as "GCB" for the purposes of this Notice.

Best execution will apply when GCB is receiving, transmitting and/or executing orders on behalf of GCB Singapore and IPB Singapore ("GCB Business Units") clients in respect of financial instruments that fall within the asset classes covered by this Notice.

2.3 Which customers are in scope?

In the context of a capital markets intermediary which is a Bank carrying on business in dealing in Capital Markets Products, "customer" means a person, other than an institutional investor (including their affiliates which are Institutional Investors), on whose behalf, or with whom, the

capital markets intermediary (either directly or through its agent) deals or will deal in Capital Markets Products.

3. What is Best Execution

3.1 “Best Execution” means:

GCB is required to take all sufficient steps to obtain the best result overall when executing orders on your behalf or when placing your orders with other entities for execution with regard to the execution factors described in this Notice and applicable rules.

GCB will take steps to monitor, review and where appropriate update our best execution arrangements to ensure continuity in achieving the best possible result (taking into account all relevant execution factors described below) across your orders on a consistent basis.

3.2 Execution Factors

Best execution means taking all sufficient steps to obtain, when executing your orders or placing your orders with (or transmitting your orders to) other entities to execute, the best possible result on a consistent basis for you, taking into account the following execution factors.

- Price – offered by the market, limit price of the order
- Costs – costs associated with the transaction and brokerage fees
- Speed – speed of the execution, the type of market place and location
- Liquidity / Likelihood of Execution – of the market, measuring the capability of additional transactions with little impact on the current price level.
- Size – size of the order
- Nature – scope and type of order

For different products and order types, the factors taken in account will be different.

In determining the relative importance and/or the applicability of the factors, GCB takes into account that the customers that it serves are predominantly retail customers, as well as the following considerations:

- a) the types of capital markets products;
- b) the characteristics of the execution venues or brokers to which your order can be directed;
and
- c) the characteristics of your orders.

4. When does Best Execution apply?

4.1 Best Execution would apply where GCB owes contractual obligations to a customer, or where dealing in Capital Markets Products is conducted by GCB, regardless of customers’ nationality and residency; or whether customers’ orders are executed on or off-exchange (such as cross trades).

5. Monitoring

- 5.1 Where the duty of Best Execution applies, GCB will monitor the effectiveness of our execution arrangements to provide the best available terms for your orders on a consistent basis (taking into account all relevant Execution Factors described in section 3.2). The way in which we conduct monitoring will vary depending on asset class.

6. Contact Details

Should you have any queries in relation to this Procedure, please contact your Relationship Manager, or call our CitiPhone Officers at +65 6225 5225 (GCB) or +65 6224 5757 (International Personal Bank Singapore).

Appendix: Best Execution Factors for Different Products

Equities, Exchange Traded Funds, Exchange Traded Derivatives

- GCB/IPB currently hands off all client trades to Citi Global Markets. The use of one execution broker across the 3 markets which we offer US/ HK/ SG to our brokerage clients offers consistency in execution.
- Orders may be taken from customers who deal on their own via online channels, and/or from customers who communicate their instructions to an Equity Specialist on a manned offline channel.
- Authorized orders placed in the booking system will be transmitted to Citi Global Markets.
- Citi Global Markets determines the methods used to execute orders depending on prevailing market conditions like liquidity and order size.
- For market orders, the key factor to be considered is speed of execution.
- For limit orders, the key factor to be considered is to ensure the order is executed with the limit price.

Fixed Income Securities

- Orders are taken from customers who communicate their instructions through online channels or to their Relationship Managers on a manned offline channel.
- The key factor for best execution for Fixed Income Securities orders will be Price, with Speed and Likelihood of execution also taken into consideration, where applicable.
- The Fixed Income Securities (FIS) Dealing Desk obtains 2 market quotes (of which one may be a “pass”). Where there are 2 market quotes, the FIS Desk will choose the better quote for each order execution. Exceptions may apply and it is the transactor’s (i.e. FIS Dealing Desk dealer’s) responsibility to maintain an audit trail in such scenarios).
- Client orders filled from inventory / desk positions will be subject to bank wide controls for all Citi dealing desks including independent product control group review.
- Client orders for same ISIN within the same order type (buy vs sell), will be filled / lapsed (with consideration to the execution factors) by FIS Dealing Desk dealers, in accordance with date / time stamp of receipt within each workspace under the responsibility of a designated FIS Dealing Desk dealer (for automated orders via Memphis-OMS) or the date / time stamp of receipt of emails received by the FIS Dealing Desk (for manual orders).

- For overnight orders, Sales shall inform client and obtain client's consent to work the order with a single counterparty instead of obtaining 2 market quotes.

Structured Notes

- Structured Notes are bespoke products and pricing is sought from issuers. Different issuers have different specifications. Best execution is taken into account during the structuring process, based on your objectives and preferences that may include consideration on concentration, leverage facility available or other factors.
- Where the Structured Product (SP) Dealing Desk provides 2 (inclusive of executed price) quotes (of which one can be a "pass") to GCB Business, such pricing / mandate / execution will consider GCB Business objectives and preferences.
- The SP Dealing Desk will fill/lapse same ISIN / same order type with consideration to the execution factors and date / time of receipt.
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OTC Derivatives (FX only) and Spot Foreign Exchange (FX) contracts for the purposes of leveraged FX Trading

- GCB Business Units client orders are priced / placed with / executed with Regional FX/FXO Desk.
- Regional FX/FXO Desk system is currently integrated with internal affiliate's FX system for pricing and executions, and only trade with internal affiliates.
- Regional FX/FXO Desk has only one Execution Venue - ICG Markets (via Citi-Velocity) and follows market practice in filling customer's orders.
- The following factors are considered for order execution:
 - Prices tradable
 - Liquid or Illiquid
 - Likelihood of execution
 - Nature of the order (Market or Limit order, Stop loss One-Cancels-Other (OCO) if-done order etc.)
 - Bump quotes/prices (invalid prices that are traded out of market)
- The Desk handles all orders it receives on an aggregate basis and all the orders placed at the same price level (if reached) will be filled.

Distribution of Collective Investment Scheme (CIS)

Upon receipt of instruction to purchase or otherwise subscribe to, or sell or redeem or otherwise deal in the shares / units in a fund, and upon acceptance of instruction, GCB will execute your instruction by

considering various factors including: Speed, Likelihood of execution, size, Price, Cost, and other factors specified in the fund documentation.

- **Speed:** Instructions received and accepted will be processed before any relevant cut-off time in accordance with the terms applicable to subscriptions or redemptions for the relevant fund under the fund documentation and submitted in a timely fashion to the respective fund houses. If the date of instruction is a non-dealing day in the relevant market, we will execute instructions in the relevant market on the next available Trading Day thereafter.
- **Likelihood of execution / size:** This refers to the likelihood of processing subscriptions or redemptions in accordance with the received and accepted instructions. Accordingly, upon placement of a subscription/redemption instruction for the fund, client's full order may not be fulfilled as specified in the instructions. The execution of any instruction is subject to all applicable laws and regulations of governments, agencies and statutory bodies of competent jurisdiction and the rules, constitutions, regulations, by-laws, customs, practices and directions of any stock exchange, clearing house, market or settlement system. The fund administrator may consider various factors, such as the fund capacity limits, the client concentration limits and may decide in its sole discretion to place a cumulative trading limit on fund orders in order to manage the overall capacity limits.
- **Price:** With respect to each fund, there is only one subscription or redemption price per class of shares / units for the relevant period as set out in the fund documentation and it is determined in accordance with the relevant terms under the fund documentation. We will execute received and accepted instructions based on this price.
- **Cost:** Upfront commission are charged upfront on the relevant subscription orders. When client places an order with GCB Business Units to subscribe for units in a fund, GCB Business Units do not charge client any additional transaction cost from the subscription price where client's order will be executed on.
- **Other factors:** The fund documentation usually specifies the procedures that have to be followed in order for an investor to subscribe for, or redeem, shares / units in the relevant fund, and this could limit the applicability of the factors (e.g. choice of execution venue) that can be considered during order execution.