

# Assurance



## Greenhouse Gas Verification Opinion Number UK.PRS.VOL.INV.0100.2021/2022/04/07

The inventory of Greenhouse Gas emissions and environmental data in the period  
1<sup>st</sup> January 2021 – 31<sup>st</sup> December 2021 for

### Citigroup, Inc.

388 Greenwich Street  
New York, NY, 10013

has been verified in accordance with ISO 14064-3:2019 and the principles of  
completeness, transparency, accuracy, consistency and relevance

### To represent a total amount of:

- 44,683 tCO<sub>2</sub>e of GHG emissions Scope 1
- 463,311 tCO<sub>2</sub>e of GHG emissions Scope 2 (location based)
- 60,979 tCO<sub>2</sub>e of GHG emissions Scope 2 (market based)
- 507,994 tCO<sub>2</sub>e of total GHG emissions Scopes 1 and 2, based on Scope 2 location-based emissions
- 10,586 tCO<sub>2</sub>e of GHG emissions Scope 3

- 1,110.83 GWh of electricity consumption
- 26.35 GWh of district heating and cooling
- 178.00 GWh of natural gas
- 0.74 GWh of LPG
- 0.02 GWh of fuel oil
- 31.59 GWh of diesel
- 5,824 metric tonnes of waste diverted from landfill
- 25,595 metric tonnes of total waste
- 3,366,620 cubic meters of potable water consumed
- 253,010 cubic meters of non-potable water consumed
- 10,554 tCO<sub>2</sub>e from business travel by air
- 32 tCO<sub>2</sub>e from business travel by rail

The inventory of Greenhouse Gas emissions has been verified as meeting the requirements  
of the **WRI/WBCSD GHG Protocol – A Corporate Accounting and Reporting Standard**  
and the **GHG Protocol – Scope 2 Guidance – Amendment to the GHG Protocol**  
**Corporate Standard.**

**For the following activities**  
Banking and Finance

Lead Assessor: Clare Robertson  
Technical Reviewer: Paulomi Raythatha

Authorised by:

Pamela Chadwick  
SGS United Kingdom Ltd

**Verification Opinion Date: 6<sup>th</sup> April 2022**

This Opinion is not valid without the full verification scope, objectives, criteria and conclusion available on  
pages 2 to 5 of this Opinion.

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## Schedule Accompanying Greenhouse Gas Verification Opinion Number UK.PRS.VOL.INV.0100.2021/2022/04/07

### Brief Description of Verification Process

SGS has been contracted by Citigroup, Inc. for the verification of direct and indirect carbon dioxide (CO<sub>2</sub>) equivalent emissions and environmental data as provided by Citigroup, Inc., 388 Greenwich Street, New York, NY, 10013 in their GHG Statement in the form of a Management Assertion covering CO<sub>2</sub> equivalent emissions and environmental data.

### Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing; sustainability report assurance and greenhouse gases verification. SGS affirms our independence from Citigroup, Inc. being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised Lead Verifiers in Greenhouse Gases and Environmental Data Reporting

### Roles and responsibilities

The management of Citigroup, Inc. is responsible for the organization's GHG and environmental data information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination and reporting of GHG emissions and environmental data.

It is SGS' responsibility to express an independent GHG verification opinion on the GHG emissions and environmental data as provided in the Citigroup, Inc. GHG Statement for the period 1<sup>st</sup> January 2021 – 31<sup>st</sup> December 2021. As independent auditors to Citigroup Inc. our work was conducted based on current best practice in independent verification and in accordance with SGS policies regarding impartiality and independence. SGS has no conflict of interest in relation to providing these services to Citigroup Inc.

SGS conducted a third-party verification following the requirements of ISO 14064-3: 2019 of the provided CO<sub>2</sub> equivalent and environmental data Statement in the period December 2021 to April 2022.

The assessment included a desk review with remote verification. The verification was based on the verification scope, objectives and criteria as agreed between Citigroup, Inc. and SGS on 1/12/2021

### Level of Assurance

The level of assurance agreed is limited.

### Scope

Citigroup, Inc. has commissioned an independent verification by SGS of reported CO<sub>2</sub> equivalent emissions and environmental data arising from their activities, to establish conformance with the requirements of WRI/WBCSD GHG Protocol and its amendments for CO<sub>2</sub> equivalent emissions and the principles of completeness, transparency, accuracy, consistency and relevance for environmental data, within the scope of the verification as outlined below. Data and information supporting the CO<sub>2</sub> equivalent and environmental data statement were historical and estimated in nature and proven by evidence.

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This engagement covers verification of emissions from anthropogenic sources of greenhouse gases and other environmental data included within the organisation's boundary and meets the requirements of WRI/WBCSD GHG Protocol and its amendments.

- The organizational boundary was established following the operational control approach
- Title or description of activities: Banking and Finance
- Location/boundary of the activities: Global
- Physical infrastructure, activities, technologies and processes of the organization: Data Centres, Offices, Operation Centres, Retail Services, and Retail non-serviced facilities.
- GHG sources, sinks and/or reservoirs included:
  - Scope 1: Direct GHG emissions and removals – stationary combustion in owned, leased and sub-leased locations. Transportation fleet, fugitive and refrigerant emissions are excluded from the inventory;
  - Category 2: Indirect GHG emissions from imported energy – purchased electricity and district heating and cooling;
  - Scope 3: Other indirect GHG emissions – Business Travel (air and rail (rail travel is to trips which are booked through Citi's primary Travel Management Company only)).
- Types of GHGs included: CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>
- GHG Reduction Initiatives: None.
- GHG information for the following period was verified: 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021
- Types of environmental data included: electricity consumption, district heating (steam & chilled water), natural gas consumption, fuel oil consumption, waste diverted from landfill, total waste and water (potable and non-potable) consumed
- Intended user of the verification Opinion: Internal and external stakeholders.

**Objective**

The purpose of this verification exercise were, by review of objective evidence, to independently review:

- Whether the CO<sub>2</sub> equivalent emissions and environmental data are as declared by the organisation's statement
- That the data reported are accurate, complete, consistent, transparent and free of material error or omission
- The implementation of Citigroup, Inc systems & procedures for the management and reporting of environmental data and the calculation of greenhouse gas emissions

**Criteria**

Criteria against which the verification assessment is undertaken are the requirements of the WRI/WBCSD GHG Protocol (for CO<sub>2</sub> equivalent emissions only) and its amendments, the GHG Inventory and environmental data methodology as defined by Citigroup, Inc., and the principles of completeness, transparency, accuracy, consistency and relevance.

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**Materiality**

The materiality required of the verification was considered by SGS to be below 10%, based on the needs of the intended user of the GHG and environmental data Statement

**Conclusion**

Citigroup, Inc. provided the GHG and environmental Statement based on the requirements of the WRI/WBCSD GHG Protocol and its amendments, the Citigroup, Inc. methodology and the principles of completeness, transparency, accuracy, consistency and relevance. The following GHG emissions and environmental data for the period 1<sup>st</sup> January 2021 – 31<sup>st</sup> December 2021 are verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

- 44,683 tCO<sub>2</sub>e of GHG emissions Scope 1
- 463,311 tCO<sub>2</sub>e of GHG emissions Scope 2 (location based)
- 60,979 tCO<sub>2</sub>e of GHG emissions Scope 2 (market based)
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SGS' approach is risk-based, drawing on an understanding of the risks associated with modeling GHG emission information and the controls in place to mitigate these risks. Our examination included assessment, on a sample basis, of evidence relevant to the voluntary reporting of emission and environmental data.

SGS concludes with limited assurance that there is no evidence to suggest that the reported CO<sub>2</sub> equivalent and environmental data assertion is not materially correct and is not a fair representation of GHG and environmental data and information based on the calculation methodologies utilised.

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We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a limited level of assurance that the CO<sub>2</sub> equivalent emissions and environmental data for the period 1<sup>st</sup> January – 31<sup>st</sup> December 2021 are fairly stated.

This Opinion shall be interpreted with the CO<sub>2</sub> equivalent and environmental data statement of Citigroup, Inc. as a whole.

Note: This Opinion is issued, on behalf of Client, by SGS United Kingdom Ltd, Rossmore Business Park, Inward Way, Ellesmere Port, Cheshire, CH65 3EN ("SGS") under its General Conditions for GHG Validation and Verification Services. The findings recorded hereon are based upon an audit performed by SGS. A full copy of this Opinion and the supporting GHG Statement may be consulted at **Citigroup, Inc., 388 Greenwich Street, New York, NY 10013**. This Opinion does not relieve Client from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.

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## ASSURANCE STATEMENT

### SGS REPORT ON CITIGROUP INC.'s "CITI'S 2021 ESG REPORT", SECTION "2021 PROJECTS COVERED BY THE EQUATOR PRINCIPLES"

#### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS was commissioned by Citigroup Inc. to conduct an independent assurance of the "Citi's 2021 ESG Report", section "2021 Projects Covered by the Equator Principles". The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the data in accompanying tables, contained in this report.

The information in the "Citi's 2021 ESG Report" of Citigroup Inc. and its presentation are the responsibility of the directors and the management of Citigroup Inc. SGS has not been involved in the preparation of any of the material included in the "Citi's 2021 ESG Report". Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Citigroup Inc.' stakeholders.

The SGS protocols are based upon the internationally recognized Assurance Standard ISAE 3000. This standard follows differing options for Assurance depending on the context and capabilities of the Reporting Organization. This report has been assured at a limited level of scrutiny using our protocols for evaluation of content veracity and the alignment to the Equator Principles and the internal policies and procedures of Citigroup Inc.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees; documentation and record review and the evaluation of the report for the alignment to the Equator Principles.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing; sustainability report assurance and greenhouse gases verification. SGS affirms our independence from Citigroup Inc., being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised a Lead Assuror for Sustainability Reporting and Equator Principles, Lead Verifier in Greenhouse Gases, and Principal Auditor registered with IRCA (International Register of Certificated Auditors) in Environmental, Quality, Occupational Health & Safety, and Social Systems.

#### ASSURANCE OPINION

Based on the methodology described and the verification work performed on the "Citi's 2021 ESG Report", section "2021 Projects Covered by the Equator Principles", we did not observe any circumstance that made us believe that the information and data contained within is inaccurate, unreliable, or does not provide a fair and balanced representation of Citigroup Inc.' activities in 2021. The assurance team is of the opinion that the Report can be used by the Citigroup Inc.' Stakeholders. We believe that Citigroup Inc. has chosen an appropriate level of assurance.

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## CONCLUSIONS WITH REGARDS TO EQUATOR PRINCIPLES REPORTING DATA FOR 2021

In our opinion the "Citi's 2021 ESG Report" reported information of the Equator Principles, as detailed at the section "2021 Projects Covered by Equator Principles" and is presented in accordance with the Equator Principles IV (EP4), Annex B "Minimum Reporting Requirements".

SGS based this opinion in the review of Citi's internal documents and a sample of EP-covered financial products and their respective EP checklists and Independent Reviews.

Citigroup Inc. reported information is aligned to the EP Reporting Criteria requirements as follows:

- Public Reporting of the EP-covered financial products separately: Project Finance Advisory Services, Project Finance Loans, Project-Related Corporate Loans, Bridge Loans and Project-Related Refinance and Project-Related Acquisition Finance. There were only Project Finance Loans and PRCL in 2021.
- The loans were categorized as A, B or C, dependent on the environmental and social risks posed.
- Total number of Project Finance Loans and Project-Related Corporate Loans that reached Financial Close during the reporting period (2021)
- The Project Finance Loans and Project-Related Corporate Loans were broken down by: Sector, Region, Country Designation, and whether an Independent Review has been carried out.
- Independent review is required for A projects and, for B projects when needed. Both Project Finance transactions were category B, and both had an Independent Review.
- The EP transactions were over the threshold of:
  - 10 million USD for Project Capital Cost required in the Equator Principles IV for project finance loans, and
  - Over 50 million USD for Project-Related Corporate Loans (total aggregate loan amount and the EPFI's individual commitment) in the Equator Principles IV
- It was identified the transactions which their combined Scope 1 and Scope 2 Emissions are expected to be more than 100,000 tonnes of CO<sub>2</sub> equivalent annually. In these cases, an annual GHG emissions report and a climate change risk assessment is requested for the transaction.

Lead Assessor : Ursula Antunez



Pamela Chadwick  
Business Manager  
SGS UK Ltd

Lead Sustainability Report Assuror: Ursula Antunez de Mayolo Corzo  
Date: 21<sup>st</sup> March of 2022

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