



**Building a better
working world**

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Independent Limited Assurance Statement in connection with the subject matters included in the Visa Worldwide Pte. Limited (“Visa”) Sustainability Index

To the Management and Directors of Visa,

Scope

Ernst & Young has been engaged by Visa to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements (the Engagement). The Engagement was undertaken in order to state whether anything has come to our attention to suggest that Visa’s whitepaper titled “Data Driven Capabilities for Sustainability” and published in August 2022 (hereinafter the “Report”) has not been prepared, in all material respects, in accordance with the Criteria detailed below and our Work Statement #CW2329789 dated 20 November 2021.

Subject Matter

The Subject Matter for our limited assurance engagement is Visa’s whitepaper titled “Data Driven Capabilities for Sustainability” and published in August 2022 including:

- ▶ Methodology used to derive the Visa Sustainability Index
- ▶ Methodology used to derive the Green Merchant Scorecard

Criteria applied by Visa

The Criteria used by Visa in preparing the Subject Matter are the following principles that were applied to the key methodologies and assumptions supporting Visa’s Sustainability Index and Green Merchant Scorecard set out in the Report:

- ▶ Reasonableness, including:
 - Transparency: that Visa has disclosed the details of the assumptions and approach undertaken to measure the carbon per spend;
 - Neutrality: that Visa’s approach to measuring carbon per spend neither overstates, nor understates the footprint;
 - Relevance: that Visa’s approach and assumptions appropriately considers geographic location and commodity implications;
- ▶ Completeness: that the approach considers all material commodities and merchants
- ▶ Replicability: that the approach allows for consistent assessment and evaluation of the carbon per spend

Visa’s responsibility

Visa’s management is responsible for selecting Criteria, and for presenting the Subject Matter in accordance with the Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate policies; and making estimates that are reasonable in the circumstances.

EY's responsibility

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') and the terms of reference for this engagement as agreed with Visa in the Work Statement dated 20 November 2021. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions. Our review was limited to the Subject Matter and our responsibility does not include:

- ▶ Any work in respect of the Subject Matter published elsewhere in Visa's website and other publications,
- ▶ Any forward-looking statements such as targets, plans, and intentions
- ▶ Accuracy of the underlying information (CO2e emissions factors)

EY's Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter Information and related information, and applying analytical and other appropriate procedures.

Our procedures included:

1. Inquiries with Visa's Consulting and Analytics team on the Visa Sustainability Index to:

- a. Understand the approach to calculate the Visa Sustainability Index and assumptions supporting the calculation through virtual interviews and clarifications
 - b. Map out information flow for the calculation and the controls on information collation
 - c. Verify assumptions, estimations and computations made by Visa Consulting and Analytics team
 - d. Check the suitability of the Criteria and that the Criteria have been applied appropriately to the Subject Matter
 - e. Conduct desktop research to evaluate the reasonableness of approach taken, including a peer review of carbon intensity scoring approaches to identify the carbon intensity scores for the merchant categories from Visa/financial sector providers keeping a global outlook country agnostic assurance approach, though Visa's initial needs will require a deeper focus on Singapore in this specific exercise.
 - f. Conduct walk-through of transactional information to understand the quality of checks and control mechanisms, and assess and test the controls in relation to the concerned Subject Matters
2. Inquiries with Visa's Consulting and Analytics team on the Visa Merchant Scorecard to:
- a. Understand the approach to the scoring methodology for the Visa Merchant Scorecard and assumptions supporting the scorecard through virtual interviews and clarifications
 - b. Map out information flow for the calculation and the controls on information collation
 - c. Verify assumptions, estimations and computations made by Visa Consulting and Analytics team
 - d. Check the suitability of the Criteria and that the Criteria have been applied appropriately to the Subject Matter
 - e. Conduct desktop research to evaluate the reasonableness of approach taken, including a review of available sustainability information for the merchants scored from the period of 1 January 2021 to 31 December 2021

We also performed such other procedures as we considered necessary in the circumstances.

Emphasis of matter – Limitations in the methodology

We draw attention to the Limitation to the Approach section in the Report. As detailed in this section, the emissions factors used for each of the categories of spend are based on DEFRA - a UK's carbon footprint database; hence, they were established based on emissions associated with product categories in the UK, rather than specifically for Singapore. While the method normalizes for country currencies and emissions using the CO2 emission per capita GDP indicator, it does not account for the differences in the supply chain for each product category. The Report is prepared for end users' information only. As a result, the Report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention to suggest that the Subject Matter as at 12 August 2022, has not been presented, in all material respect, in accordance with the Criteria.



Restricted use

This report is intended solely for the information and use of Visa and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in blue ink, appearing to read 'Ernst & Young LLP', is written over a light blue horizontal line.

Ernst & Young LLP

Signed for Ernst & Young LLP by

Partner, Climate Change and Sustainability Services

Singapore

12 August 2022