

# Independent Assurance Statement

## Introduction and Engagement

C.P. Intertrade Company Limited (hereafter 'CPI') commissioned TÜV NORD (Thailand) Ltd. (hereafter 'TUVT') for Sustainability Assurance Engagement. TÜV NORD (Thailand) Ltd. conducted the independent assurance of CPI's sustainability report (hereinafter 'the Report'), which includes "limited assurance" of CPI's sustainability information for the applied reporting period. This assurance engagement was conducted against the Global Reporting Initiative Standards and AA1000AS (2008) Protocol (Type 2, Moderate Level). TUVT also performed Assurance, based on AccountAbility Principles Standard AA1000AP (2018) and AccountAbility Stakeholder Engagement Standard AA1000SES (2015) and ISO 14064 Part 3: Greenhouse Gases: Specification with guidance for the validation and verification of greenhouse gas assertions (ISO, 2006). The onsite verification was conducted in March 2019 at CPI (Bangkok, Thailand). In addition desk review was carried out for other sites which are parts of report boundary. CPI opted for external assurance for the calendar year 2018. The Report covers CPI's sustainability information for the period 1<sup>st</sup> January 2018 to 31<sup>st</sup> December 2018.

## Scope, Boundary and Limitations of Assurance

The scope of the assurance includes the economic, environmental and social indicators in the report as per the Core disclosures required by GRI Standards. In particular, the assurance engagement includes the following:

- Verification of the application of the Report content, principles as mentioned in the GRI Standards, and the quality of information presented in the Report over the reporting period;
- Review of the policies, initiatives, practices and performance described in the Report;
- Review of the disclosures made in the Report against the requirements of the GRI Standards and AA1000AS (2008), with a Type 2, moderate level of assurance;
- Verification of the reliability of the GRI Standards Disclosure on economic, environmental and social (disclosures are tabulated below)
- Specified information was selected based on the materiality determination and needs to be meaningful to the intended users;
- Confirmation of the fulfilment of the GRI Standards; 'in accordance' with the Core criteria, as declared by the management of CPI.

The reporting boundary is based on the internal and external materiality assessment. The reporting aspect boundaries are set out in the Report covering the sustainability performance of six (6) main factories; five located in Thailand and one located in Cambodia. In additional (1) one river port (in line with Company's Annual Report 2018), comprising

- 1) Khao C.P. Co.,Ltd.  
135 Moo 5, Tambon Mae-la, Amphur Nakhonluang, Ayutthaya 13260 Thailand
- 2) Khao C.P. Co.,Ltd.  
3/2-4 Moo 1, Tambon Wangdaeng, Tharua, Phranakornsriayutthaya 13130 Thailand
- 3) Khao C.P. Co.,Ltd.  
279 Moo 9, Tambon Salaengphan Amphur Lamplimat , Buriram 31130 Thailand
- 4) Khao C.P. Co.,Ltd.  
222 Moo 1, Tambon Dermbang Amphur Dermbangnangbuat , Supanburi 72120 Thailand
- 5) Khao C.P. Co.,Ltd.  
99/1 Moo 5, Tambon Wangbua, Amphur Khlongklung, Kamphaengphet 62120 Thailand
- 6) Ayutthaya Port & ICD Co., Ltd.  
111 Moo 3, Tambon Phra-non, Amphur Nakhonluang, Ayutthaya 13260 Thailand
- 7) Apsara Rice (Cambodia) Co.,Ltd.  
Road No.51, Chamkar Loung village, Veangchas commune, Udong district, Kampong Speu province, Cambodia.

Our engagement did not include an assessment of the adequacy or the effectiveness of CPI's strategy or management of sustainability related issues. During the assurance process, TUVT did not come across

the limitations to the scope of the agreed assurance engagement. No external stakeholders were interviewed as a part of the sustainability engagement for the reporting period.

## **Verification Methodology**

This assurance engagement was planned and carried out in accordance with the GRI Standards and AA1000AS (2008). The Report was evaluated against the following criteria:

- Adherence to the principles of Stakeholder inclusiveness, Materiality, Responsiveness, Completeness, Neutrality, Relevance, Sustainability context, Accuracy, Reliability, Comparability, Clarity and Timeliness; as prescribed in the GRI Standards and AA1000AS (2008);
- Application of the principles and requirements of the GRI Standards for its “in accordance Core” criteria.

During the assurance engagement, TUVT adopted a risk-based approach, concentrating on verification efforts on the issues of high material relevance to CPI’s business and its stakeholders. TUVT has verified the statements and claims made in the Report and assessed the robustness of the underlying data management system, information flows and controls. In doing so:

- TUVT reviewed the approach adopted by CPI for the stakeholder engagement and materiality determination process. TUVT performed limited internal stakeholder engagement to verify the qualitative statements made in the Report;
- TUVT verified the sustainability-related statements and claims made in the Report and assessed the robustness of the data management system, information flow and controls;
- TUVT examined and reviewed the documents, data and other information made available by CPI for the reported disclosures including the Disclosure on Management Approach and performance indicators;
- TUVT conducted interviews with key representatives including data owners and decision-makers from different functions of the Company during the site visit;
- TUVT performed sample-based reviews of the mechanisms for implementing the sustainability related policies, as described in CPI’s Sustainability Report;
- TUVT verified sample-based checks of the processes for generating, gathering and managing the quantitative data and qualitative information included in the Report for the reporting period.

## **Opportunities for Improvement**

The following is an extract from the observations and opportunities for improvement reported to the management of CPI and are considered in drawing our conclusions on the Report; however, they are generally consistent with the Management’s objectives.

Opportunities are as follows:

- The stakeholder engagement should systematically seek to understand each stakeholder’s; level of influence and existing relationship with the organization.
- Identified material issues in the SD report can be made in line with GRI Standards disclosure. GRI’s sector guidance – Food Processing Sector Specific Indicator can be reported by Organization.
- Biodiversity as per GRI 304 can be implemented.
- The monitoring of consumed, discharged, and impacted of water could be considered.
- The processes used to identify work-related hazards and assess risks on a routine and non-routine basis, and to apply the hierarchy of controls in order to eliminate hazards and minimize risks.

## Conclusions

The Report was prepared based on the GRI Standards Reporting Principles and Standard Disclosures ‘in accordance’ with the GRI Standards Core option. In our opinion, based on the scope of this assurance engagement, the disclosures on sustainability performance reported in the Report along with the referenced information provides a fair representation of the material aspects, related strategies, and performance indicators, and meets the general content and quality requirements of the GRI Standards Core option.

- Disclosures: TUVT is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements for ‘in accordance’- Core reporting criteria. Organization refers to general disclosure to report contextual information about an organization while the Management Approach is discussed to report the management approach for each material topic.
- Topic Specific Standard: TUVT is of the opinion that the reported specific disclosures for each material topic generally meet the GRI Standards reporting requirements for ‘in accordance’- Core reporting criteria.

The requirements below material aspect were verified by the assurance team:

Material Issues	GRI Disclosure Number
Energy consumption within the organization	GRI 302 - 1
Energy direct greenhouse gas (GHG) emission scope 1	GRI 305 - 1
Type of injury and rates of injury occupational diseases, lost days and absenteeism and number of work related fatalities	GRI 403 - 2

On the basis of the procedures we have performed, nothing has come to our attention that causes us to believe that the information subject to the Type 2 moderate level assurance engagement was not prepared, in all material aspects, in accordance with the GRI Standards “Core option” sustainability reporting guidelines, or that the sustainability information is not reliable in all material respects, with regards to the reporting criteria.

TUVT did perform any assurance of procedures on the prospective information, such as targets, expectations and ambitions, disclosed in the sustainability information. Consequently, TUVT draws conclusion on the prospective information. This assurance statement has been prepared in accordance with the terms of our engagement. Type 2 moderate level assurance engagement with respect to sustainability related data involves performing procedures to obtain evidence about the sustainability information. It does include detailed testing of source data or the operating effectiveness of processes, internal controls and consequently they do enable us to obtain the assurance necessary to become aware of all significant matters that might be identified in a Type 2 moderate level assurance engagement.

TUVT has evaluated the Report’s adherence to the following principles with respect to the requirements of the GRI Standards.

**Stakeholder Inclusiveness:** Stakeholder identification and engagement is carried out by CPI on a periodic basis to bring out key stakeholder concerns as material aspects of significant stakeholders. In our view, the Report meets the requirements.

**Materiality:** The materiality assessment process has been carried out, based on the requirements of the GRI Standards, considering aspects that are internal and external to the Company’s range of businesses. The Report fairly brings out the aspects and topics and its respective boundaries of the diverse operations of CPI. In our view, the Report meets the requirements.

**Responsiveness:** TUVT believes that the responses to the material aspects are fairly articulated in the report, i.e. disclosures on CPI’s policies and management systems including governance. In our view, the Report meets the requirements.

**Impact:** CPI has adequately captured the impact of its business on the community and environment and has taken several measures to reduce the impact.

**Completeness:** The Report has fairly disclosed the General and Specific Standard Disclosures, including the Disclosure on Management Approach, covering the sustainability strategy, management approach, monitoring systems and sustainability performance indicators against the GRI Standards, ‘in accordance’ with the Core option. In our view, the Report meets the requirements.

**Reliability:** The majority of the data and information was verified by TUVT’s assurance team at CPI’s office on the factory’s premises and found to be accurate. Further desk review of web-based data was carried

out for all other sites mentioned above. Therefore, in accordance with the GRI Standards and AA1000AS (2008) for a Type 2, moderate level assurance engagement, TUVT concludes that the sustainability data and information presented in the Report is reliable and acceptable. In our view, the Report meets the requirements.

Neutrality: The disclosures related to sustainability issues and performances are reported in a neutral tone, in terms of content and presentation. In our view, the Report meets the requirements.

TUVT expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement. The intended users of this assurance statement are the management of CPI. The management of the Company is responsible for the information provided in the Report as well as the process of collecting, analyzing and reporting the information presented in web-based and printed Reports, including website maintenance and its integrity. TUVT's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information (Sustainability Performance – environmental and social indicators) disclosed by CPI in the Report. This assurance engagement is based on the assumption that the data and the information provided to TUVT by CPI are complete and reliable.

### **TUV's Competence and Independence**

TUVT is an independent, neutral, third-party providing sustainability services, with qualified environmental and social assurance specialists. TUVT states its independence and impartiality with regard to this assurance engagement. In the reporting year, TUVT did not work with CPI on any engagement that could compromise the independence or impartiality of our findings, conclusions and recommendations. TUVT was not involved in the preparation of any content or data included in the Report, with the exception of this Assurance Statement. TUVT maintains complete impartiality toward any people interviewed during the assurance engagement.



Mr. Nattapon Vasasmith  
Verifier  
TÜV NORD (Thailand) Ltd.  
Bangkok 10260 Thailand



**AA1000**  
Licensed Assurance Provider  
000-286

Date: 18 April 2019  
Place: Bangkok, Thailand  
Project Reference No: THAA1000-001-19