

Independent Assurance Statement



Lloyd's Register
LRQA

LRQA Assurance Statement

Relating to Thai Beverage Public Company Limited's Sustainability Report for the financial year 2017 (1 October 2016 – 30 September 2017)

This Assurance Statement has been prepared for Thai Beverage Public Company Limited in accordance with our contract but is intended for the readers of this Report.

Terms of Engagement

Lloyd's Register Quality Assurance Ltd. (LRQA) was commissioned by Thai Beverage Public Company Limited (ThaiBev) to provide independent assurance on its Sustainability Report for the financial year 2017 ("the Report") against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using LRQA's verification approach. LRQA's verification approach is based on current best practice and uses the principles of AA1000AS (2008) - Inclusivity, Materiality, Responsiveness and Reliability of performance data and processes defined in ISAE3000.

Our assurance engagement covered ThaiBev's operations and activities in Thailand, including its subsidiary companies and specifically the following requirements:

- Looking at how ThaiBev has used the GRI Sustainability Reporting Standards, 2016 to prepare this Report; especially whether they have followed the Universal standard for:
 - Stakeholder Inclusiveness and Materiality reporting principles
 - GRI 102-18 Governance Structure.
- Evaluating the reliability of data and information for the following topic specific standards:
 - Economic:
 - GRI 201-1 Direct economic value generated and distributed (Revenues, operating costs and community investment only)
 - Environmental:
 - GRI 302-1 Energy consumption within the organization
 - GRI 305-1 Direct (scope 1) GHG emissions
 - GRI 305-2 Energy indirect (scope 2) GHG emissions
 - GRI 303-1 Total water withdrawal by source
 - GRI 303-3 Water recycled and reused
 - GRI 306-1 Water discharge by quality and destination
 - Social:
 - GRI 403-2 Types of injury and rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities
 - GRI 404-1 Average hours of training per year per employee
 - GRI 404-3 Percentage of employees receiving regular performance and career development reviews
 - GRI 413-1 Operations with local community engagement, impact assessments, and development programs.

Our assurance engagement excluded the data and information of ThaiBev's operations and activities outside of Thailand.

LRQA's responsibility is only to ThaiBev. LRQA disclaims any liability or responsibility to others as explained in the end footnote. ThaiBev's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of ThaiBev.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that ThaiBev has not:

- Met the requirements above
- Disclosed reliable performance data and information for the selected topic specific standards
- Covered all the issues that are important to the stakeholders and readers of this Report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the Verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites.

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with LRQA's Report Verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewing ThaiBev's approach to stakeholder engagement and determining material issues to confirm that this information had been used to prepare their Report. We did this by comparing reports written by ThaiBev's peers to establish whether the majority of sector issues were included in this Report.



- Checking whether ThaiBev had followed GRI's Universal Standard for disclosing their Governance Structure. We did this by confirming that the duty for sustainable development was part of ThaiBev's senior management's responsibility.
- Auditing ThaiBev's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling process, and systems. We also spoke with key people in various facilities responsible for compiling the data and drafting the Report.
- Sampling of evidence presented at the:
 - Non-alcoholic beverage plant (Oishi Trading Co., Ltd. (Navanakorn), Pathum Thani)
 - Spirits plant (Sura Bangyikhan Co., Ltd., Pathum Thani) and
 - Beer plant (Beer Thip Brewery (1991) Co., Ltd., Phra Nakhon Si Ayuttaya)

to confirm the reliability of the topic specific standards.

Note: LRQA did not verify the data back to its original sources, nor did it assess the accuracy and completeness of the data reported by individual locations.

Observations

Further observations and findings, made during the assurance engagement, are:

- **Inclusivity:**
We are not aware of any key stakeholder groups that have been excluded from ThaiBev's stakeholder engagement process.
- **Materiality:**
ThaiBev has processes for identifying and determining material issues; the evaluation process considers factors such as stakeholder concerns, business risks and legal compliance and we are not aware of any major material issue having been excluded. However, we believe that future reports should also address other evolving issues such as circular economy, food waste, natural resource stewardship, Occupational & Health and Safety.
- **Responsiveness:**
ThaiBev and its subsidiaries have processes for responding to various stakeholder groups. We believe that ThaiBev should consider expanding its campaigns with stakeholders to further the public's awareness about the effects of alcohol.
- **Reliability:**
ThaiBev uses spreadsheets and a manual system to collect and calculate the data and information associated with the selected specific standard disclosures. ThaiBev should internally verify its own data management systems to improve data reliability and ensure consistent reporting methodologies across all of its operations; for example, water discharge.

LRQA's competence and independence

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only work undertaken by LRQA for ThaiBev and as such does not compromise our independence or impartiality.

Signed

Dated: 10 November 2017

Opart Charuratana
LRQA Lead Verifier

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