



LRQA Independent Assurance Statement

Relating to Charoen Pokphand Foods Public Company Limited's Sustainability Report for the calendar year 2024

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

Terms of engagement

LRQA was commissioned by Charoen Pokphand Foods Public Company Limited (CPF) to provide independent assurance on its Sustainability Report 2024 (“the report”) against the assurance criteria below to a limited level of assurance and at materiality of the professional judgement of the verifier using LRQA’s verification procedure. LRQA’s verification procedure is based on current best practice, is in accordance with ISAE 3000 and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered CPF’s and their subsidiaries’ operations and activities in Thailand and overseas in Laos, Malaysia, Philippines, India, Cambodia, Vietnam and Türkiye, UK, US, Belgium, Republic of China (Taiwan) and Sri Lanka and specifically the following requirements :¹

- Confirming that the report is in accordance with: ^{ab}
 - GRI Standard 2021
 - GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022
- Evaluating the reliability of data and information for only the selected indicators listed below:
 - GRI 302-1 Energy consumption within the organization (2016)
 - GRI 302-3 Energy intensity (2016)
 - GRI 303-3 Water withdrawal (2018)
 - GRI 303-4 Water discharge (2018)
 - GRI 303-5 Water consumption (2018)
 - GRI 305-1 Direct (Scope 1) GHG emissions ⁽²⁾ (2016)
 - GRI 305-2 Energy indirect (Scope 2) GHG emissions (2016)
 - GRI 306- 3 Waste generated (2020)
 - GRI 306-4 Waste diverted from disposal (2020)
 - GRI 306-5 Waste directed to disposal (2020)
 - GRI 403-9 Work-related injuries (2018)
 - GRI 403-10 Work-related ill health (2018)
 - GRI 405-2 Ratio of basic salary and remuneration of women to men (2016) ⁽³⁾and non-GRI indicators listed below:
 - Non-hazardous and Hazardous wastes from process to landfill and incineration
 - Lost Time Injury Frequency Rate (LTIFR)
 - Food Loss and Food Waste ^{(4), (5)}
 - Total GHG emissions reduction from low-carbon products⁽⁶⁾
 - Proportion of renewable energy in operation (Unit% compare with total energy consumption from all type of energy in the calendar year)⁽⁷⁾
 - Corporate Compliance System.

Notes:

⁽¹⁾ It's worth noting that the reporting boundary of CPF's Sustainability Report 2024 mainly cover its Thailand operations only, except data and information which is reported under the selected indicators related to Energy consumption within organization, Proportion of renewable energy in operation, Energy intensity, Scope 1 & Scope 2 GHG emissions, Water withdrawal, Water discharged, Water consumption, Waste generated, Waste diverted from disposal, Waste directed to disposal, Non-hazardous and Hazardous wastes from process to landfill & incineration, Work-related injuries, LTIFR and Work related ill health, and Ratio of basic salary and remuneration of women to men which also cover its overseas operations.

⁽²⁾ Reporting scope of Direct GHG emission includes emission from mobile and stationary combustion for energy only but excludes flaring, fugitive emissions and other sources of direct GHG emissions.

^a <https://www.globalreporting.org/>

^b GHG quantification is subject to inherent uncertainty.



- ⁽³⁾ Reporting scope of Ratio of basic salary and remuneration of women to men includes ratio of basic salary of non-management level employees in Thailand and its overseas' operations i.e. Vietnam, Laos, Cambodia, Malaysia, Philippines, India and Türkiye only.
- ⁽⁴⁾ Reporting scope of Food loss covers Broiler, Layer, Duck, Shrimp, Swine, Ready-to-eat and Egg & Bakery businesses in Thailand only.
- ⁽⁵⁾ Reporting scope of Food Waste is limited to Chester's restaurants, Food World business and Distribution Centres in Thailand only.
- ⁽⁶⁾ Reporting scope of Total GHG emissions reduction from low carbon products is limited to performance of CPF (Thailand) Public Company Limited only.
- ⁽⁷⁾ Reporting scope of proportion of renewable energy in operation (unit: % compare with total energy consumption from all type of energy in the calendar year) covers CPF and its subsidiaries' operations in Thailand. In addition, this performance specifically for CPF (Thailand) Public Company Limited is also covered by the reporting scope and our assurance engagement.

Our assurance engagement excluded:

- data and information of CPF's associated and jointly controlled entities both in Thailand and overseas.
- safety, occupational health and environmental (SHE) indicators for the head office, offices and all other business units except for feed, farm, food processing, wholesale and retail food products and restaurants in Thailand.
- SHE performance data and information in CPF's following business units: swine transferring stations, raw milk transferring stations; R&D facilities in pilot operation (i.e. dairy farms, milk goat farm, cheese processing plant, and cattle feed).
- SHE indicators for restaurants in Thailand associated with CP Kitchen, CP Food World, CP-Hilai Harbour and Dak Galbi, except food wastes data which included CP Food World.

LRQA's responsibility is only to CPF. LRQA disclaims any liability or responsibility to others as explained in the end footnote. CPF'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 CPF.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that CPF has not, in all material respects:

- Met the requirements above
- Disclosed reliable performance data and information as no errors or omissions were detected
- 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. 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.

LRQA's approach

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

- Assessing CPF's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through interviewing representatives of some CPF's business units that have engaged with stakeholders and reviewing associated records.
- Reviewing CPF's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by researching the global focus of sustainability issues within CPF's relevant business sector, considering likely material topics listed in GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022, as well as CPF's peers reports to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether CPF makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing CPF's data management systems to confirm that there were no significant errors, omissions, or misstatements in the report. We did this by reviewing the effectiveness of data handling procedures, reporting manual and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Visiting a sample of operational CPF sites in Thailand (see list below), to verify data and information:
 1. Khonkaen Swine Farm
 2. Khonkaen Distribution Center
 3. Mahachai Food Processing Factory



4. Petchburi 5 Shrimp Farm
 5. Ratchaburi Feed Mill
- Verifying data and information remotely via ICT platforms at the selected CPF overseas' sites, (see list below):
 - Four operational sites in Vietnam
 - Quang Binh Shrimp Farm
 - Quang Tri Swine Farm
 - Dong Nai Agro Feed Mill
 - Dong Nai Probiotic plant
 - Three operational sites in India
 - Chennai Feed Mill
 - Chittoor Slaughterhouse
 - KA01 Breeder Farm
 - Two operational sites in Malaysia
 - Senawang Food Processing Plant
 - Port Klang Feed Mill
 - One operational site in Philippines which is Florida Swine Farm
 - One operational site in Laos which is Don Dou Slaughter and Processing Plant
 - One operational site in Cambodia which is Chumkiri Swine Farm
 - One operational site in Türkiye which is CITLI Layer Hatchery.
 - One operational site in UK which is Newmarket Factory
 - One operational site in US which is Bellisio Foods
 - One operational site in Belgium which is Tops Foods NV
 - One operational site in Taiwan which is Nan-Tou Slaughter and Further Processing Plant, and
 - One operational site in Sri Lanka which is Chilaw Feed Retail
 - Reviewed CPF's Sustainability Report 2024 based on the agreed criteria and terms of engagement.

Observations

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

- Stakeholder inclusivity:

We are not aware of any key stakeholder groups that have been excluded from CPF's stakeholder engagement process. CPF carried out a stakeholder engagement survey to determine its material issues and CPF's sustainability strategy, and the content of this Sustainability Report, have been informed by the outcome of this survey. However, CPF has other methods for receiving and responding to stakeholder interests in their day-to-day business operations. We believe that these interests, raised from the other communication channels, should also be an input to determining material issues.
- Materiality:

We are not aware of any material issues concerning CPF's sustainability performance that have been excluded from the report. CPF has identified its relevant sustainability issues by considering its context, activities, business relationships, stakeholders' concerns, sector specific issues, and the relevant ESG global trends. The resulting issues are then prioritized by impact assessment. These identified material issues influence CPF's sustainable strategy, management approaches and performance disclosures.
- Responsiveness:

CPF has established and implemented processes for responding to the concerns of various stakeholder groups, as well as management approaches for addressing its material issues. We believe that these communication processes are effective in explaining CPF's aim in contributing towards sustainable development. However, CPF should extend its reporting scope of:

 - Direct Greenhouse Gas emissions (Scope 1 GHG emissions) to cover all its emission sources. Currently, the reported data is limited to GHG emissions from combustion sources for energy purposes only. Several emission sources are excluded, such as emission from flaring, CH₄ emission from wastewater treatment facilities, CH₄ emission from manure management, fugitive emission from refrigerants, and fire extinguishing equipment. Therefore, the emission baseline is incomplete which may in turn mislead CPF's emission reduction performance.
- Impact:

CPF has implemented processes to measure, evaluate and manage impact(s) relevant to its material issues.
- Reliability:

Data management systems are established and centralised for the collection and calculation of data associated with the selected specific standard disclosures listed above. However, it was noted that:



- Renewable energy consumption from biomass and biogenic GHG emissions maybe over-reported due to some feed mills using a biomass with a high moisture content to generate steam. CPF should review whether these feed mills should continue to report in this 'wet state'.
- Quantification of Biogas consumed for electricity generators currently applies a default value to convert kWh of electricity produced to cubic meter of biogas. CPF should consider updating this value or applying site specific values to improve the reliability of this data.
- Comparison of CPF's contractors' work-related injury performance to other companies' Sustainability Reports' performance data is challenging as CPF's does not include worked hours of some contractors into this calculation. For example: logistic service teams, who carry out feed delivery, swine transfer etc. and do this work under CPF's workplace controls.
- Potential errors may be in the source data associated with food loss and one of CPF's own KPIs related to Non-hazardous and Hazardous wastes from process to landfill and incineration as waste management might not be implemented consistently across all CPF's sites. For example: some overseas slaughterhouse do not segregate food loss and general garbage and other sites do not collect separately the weight of wastes from process and total weight of waste from non-process.

LRQA's standards, 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.

LRQA has reviewed CPF's SHE & EN Standard to ensure that it is in accordance with the relevant ISO standards and based on risk management principles. This, together with the verification and certification assessments, is the only work undertaken by LRQA for CPF and as such does not compromise our independence or impartiality.

A handwritten signature in black ink, appearing to read 'P. Hengsriratwat'.

Paveena Hengsriratwat
LRQA Lead Verifier

5 March 2025

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