



LRQA

LRQA Independent Assurance Statement

Relating to CP Axtra Public Company Limited's Sustainability Report for the calendar year 2023

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

Terms of Engagement

LRQA (Thailand) Limited (LRQA) was commissioned by CP Axtra Public Company Limited (CP Axtra) to provide independent assurance on its Sustainability Report 2023 "the report" against the assurance criteria below to a moderate level of assurance and at the materiality of the professional judgement of the verifier, using AccountAbility's AA1000AS v3, where the scope was a Type 2 engagement.

Our assurance engagement covered CP Axtra's subsidiaries in Thailand, and specifically the following requirements:

- Evaluating CP Axtra's adherence to AA1000 AccountAbility Principles (2018) of Inclusivity, Materiality, Responsiveness and Impact.
- Confirming that the report is in accordance with GRI Standards¹(2021).
- Reviewing the double materiality assessment process, Codes of conduct and compliance system and breach reporting and integrity of CP Axtra's supplier ESG screening and assessment process.
- Evaluating the reliability of data and information for only the selected indicators listed below:
 - Environmental:*
 - GRI 302-1 Energy consumption within the organization, GRI 302-3 Energy intensity, GRI 303-3 to 5 Water withdrawal, discharge and consumption, GRI 305-1 Direct (scope 1) GHG emissions, GRI 305-2 Energy indirect (scope 2) GHG emissions, GRI 305-3 Other indirect (Scope 3) GHG emissions (Purchasing Goods & services, Upstream, Downstream transportation and distribution, Business travel, Employee commuting, and Downstream leased only), GRI 305-4 GHG emissions intensity, (GRI 306- 3 to 5) Waste generated/diverted from disposal and direct to disposal and food loss & waste.
 - Social:*
 - GRI 2-6 Activities, value chain and other business relationships, GRI 308-2 Negative environmental impacts in the supply chain and actions taken, GRI 403-9 to 10 Work-related injuries and ill health, GRI 405-2 Ratio of basic salary and remuneration of women to men and GRI 414-2 Negative social impacts in the supply chain and actions taken.

Our assurance engagement excluded the data and information of CP Axtra's subsidiaries within Thailand where it has no operational control, all operations and activities outside of Thailand and suppliers and any third-parties mentioned in the report.

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

LRQA's Opinion

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

- Met the requirements above.
- Disclosed reliable performance data and information for the selected indicators 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 moderate level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a moderate level of assurance engagement is less than for a high level of assurance engagement. Moderate assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a moderate assurance engagement is substantially lower than the assurance that would have been obtained had a high assurance engagement been performed.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with AA1000AS v3. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Assessing CP Axtra's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this by interviewing CP Axtra's management who engage directly with stakeholder groups as well as reviewing documents and associated records.
- Reviewing CP Axtra's process for identifying and determining material issues to confirm that the right issues were included in their report. We did this by benchmarking reports written by CP Axtra and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether CP Axtra makes informed business decisions that may create opportunities which contribute towards sustainable development.
- Auditing CP Axtra'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, including those for internal verification. We also spoke with key people in various departments responsible for compiling the data and drafting the report.
- Visiting CP Axtra's operations as business representative (Makro Srinakarindra (1) store and Mahachai distribution centre; Lotus Phanomsarakham and Suphanburi stores and Bang Bua Tong distribution centre) to sample performance data and information for only the selected indicators to confirm its reliability.

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 CP Axtra's stakeholder engagement process. Stakeholders have the opportunity to express their concerns about how CP Axtra's operations may impact on them.
- Materiality:**
 - We are not aware of any material issues concerning CP Axtra's sustainability performance that have been excluded from the report. CP Axtra has processes for identifying and determining material issues from either ESG impact or financial materiality accordingly.
- Responsiveness:**
 - CP Axtra has addressed and response the concerns of stakeholders in relation to GHG emissions and OH&S.
- Impact:**
 - CP Axtra has processes to evaluate negative impacts from its operations included packaging and food loss/waste.
- Reliability:**
 - Data management systems are considered to be well defined, but the implementation of these systems varies across CP Axtra's business unit. CP Axtra should consider interim verification to further improve the reliability and of its disclosed data and information.

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.

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

Dated: 20 February 2024

Opatt Charuratana
LRQA Lead Verifier

On behalf of LRQA (Thailand) Limited

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¹ <https://www.globalreporting.org>