



# ASSURANCE STATEMENT

## **SGS TAIWAN LTD.'S INDEPENDENT ASSURANCE STATEMENT ON SUSTAINABILITY ACTIVITIES IN THE TAIWAN CEMENT CO., LTD.'S CORPORATE SUSTAINABILITY REPORT OF 2015**

### **NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION**

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by TAIWAN CEMENT CO., LTD. (hereinafter referred to as TCC) to conduct an independent assurance of the Corporate Sustainability Report (hereinafter referred to as CSR Report) of 2015. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables contained in this report.

The information in the TCC's CSR Report of 2015 and its presentation are the responsibility of the superintendents, CSR committee and the management of TCC. SGS has not been involved in the preparation of any of the material included in the TCC's CSR Report of 2015. Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance set out below with the intention to inform all TCC's stakeholders.

The SGS Group has developed a set of protocols for the Assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative (hereinafter referred to as GRI) Sustainability Reporting Guidelines and the AA1000 Assurance Standard (2008). These protocols follow differing options for Assurance depending the reporting history and capabilities of the Reporting Organization.

This report has been assured using our protocols for:

- evaluation of content veracity at a high level of scrutiny for TCC and moderate level of scrutiny for subsidiaries, joint ventures, and applicable aspect boundaries outside of the organization covered by this report ;
- evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008);
- evaluation of the report against the GRI Sustainability Reporting Guidelines (G4 2013).
- evaluation of the report against the GRI G4 Mining and Metals Sector Disclosures

The assurance comprised a combination of pre-assurance research; interviews with relevant superintendents, CSR committee members and the management; documentation and record review and validation with external bodies and/or stakeholders where relevant. Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

### **STATEMENT OF INDEPENDENCE AND COMPETENCE**

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirms our independence from TCC, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders. The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, EICC, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

## **VERIFICATION/ ASSURANCE OPINION**

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within TCC's CSR Report of 2015 verified is accurate, reliable and provides a fair and balanced representation of TCC sustainability activities in 01/01/2015 to 12/31/2015.

The assurance team is of the opinion that the report can be used by the Reporting Organization's Stakeholders. We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting. The report is the second to be assured by an independent assurance team and TCC has taken a bold step by offering the report to evaluation against both GRI G4 guidelines and the AA1000 Assurance standard. This shows a deserved confidence in their reporting process. In our opinion, the contents of the report meet the requirements of GRI G4 Core Option and AA1000 Assurance Standard (2008) Type 1, Moderate level assurance.

## **AA1000 ACCOUNTABILITY PRINCIPLES CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

### **Inclusivity**

TCC is committed to being accountable to its stakeholders and to integrating inclusivity into its strategic and management approach. A variety of engagement efforts such as survey and communication to employees, consumers, investors, local communities, suppliers and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, TCC may proactively consider having more direct two-ways involvement of stakeholders for future engagement.

### **Materiality**

TCC has established processes for determining issues that are material to the business. A review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders. It is recommended that the process and criteria applied to assess materiality to be systematic formalized and documented to ensure better consistent result in future reporting.

### **Responsiveness**

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Future reporting would benefit from more reporting on the results of stakeholder feedback from this report.

## **GLOBAL REPORTING INITIATIVE REPORTING GUIDELINES CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

The report, TCC's CSR Report of 2015, is adequately in line with the GRI G4 Core Option. The material aspects and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material aspects and boundaries, and stakeholder engagement, G4-17 to G4-27, are correctly located in content index and report. More Disclosure on Management Approach within the organization entities, supply chain management and material aspects having boundaries outside of the organization are encouraged; furthermore, Disclosures on Management Approach components, such as goals and targets, specific actions taken to achieve the expected results, may be further enhanced in the next report.

**Signed:**

**For and on behalf of SGS Taiwan Ltd.**



**Dennis Yang, Chief Operating Officer**  
**Taipei, Taiwan**  
**22 June, 2016**  
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