

# INDEPENDENT ASSURANCE OPINION STATEMENT

## 2014 Kwong Lung Enterprise Co., Ltd. Corporate Social Responsibility Report

The British Standards Institution is independent to Kwong Lung Enterprise Co., Ltd. (hereafter referred to as Kwong Lung in this statement) and has no financial interest in the operation of Kwong Lung other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Kwong Lung only for the purposes of verifying its statements relating to its sustainability, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by Kwong Lung. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to Kwong Lung only.

### Scope

The scope of engagement agreed upon with Kwong Lung includes the followings:

1. The assurance covers the whole report focused on systems and activities during the 2014 calendar year on the Kwong Lung headquarter and relevant operations in Taiwan, Vietnam and China.
2. The evaluation of the nature and extent of the Kwong Lung's adherence to all three AA1000 Account Ability Principles in this report as conducted in accordance with type 1 of AA1000AS (2008) assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

### Opinion Statement

We conclude that the 2014 Kwong Lung CSR Report Review provides a fair view of the Kwong Lung programmes and performances during 2014. We believe that the 2014 economic, social and environmental performance indicators are fairly represented.

Our work was carried out by a team of (CSR) report assurors in accordance with the AA1000 Assurance Standard (2008). We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that Kwong Lung's description of their approach to AA1000 Assurance Standard and their self-declaration of 'in accordance' with the G4 sustainability reporting guidelines: the Core option were fairly stated.

### Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- review of issues raised by external parties that could be relevant to Kwong Lung's policies to provide a check on the appropriateness of statements made in the report
- discussion with managers on Kwong Lung's approach to stakeholder engagement. However, we had no direct contact with external stakeholders
- 5 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out
- review of key organizational developments
- review of the findings of internal audits
- review of supporting evidence for claims made in the reports
- an assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, materiality and responsiveness as described in the AA1000 Account Ability Principles Standard (2008)

### Conclusions

A detailed review against the AA1000 Account Ability Principles of Inclusivity, Materiality and Responsiveness as well as the G4 sustainability reporting guidelines is set out below:

## **Inclusivity**

In this report, it reflects that Kwong Lung has made a commitment to its stakeholders, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for economic, social and environmental information in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the Kwong Lung's inclusivity issues.

## **Materiality**

Kwong Lung has established relative procedure in company level, as the issues which were identified by all departments have been prioritized according to the extent of impact and applicable criterion for sustainable development of company. Therefore, material issues were completely analyzed and the relative information of sustainable development was disclosed to enable its stakeholders to make informed judgments about the company's management and performance. In our professional opinion the report covers the Kwong Lung's material issues.

## **Responsiveness**

Kwong Lung has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the Kwong Lung is developed and provides the opportunity to further enhance the Kwong Lung's responsiveness to stakeholder concerns. In our professional opinion the report covers the Kwong Lung's responsiveness issues.

## **GRI-reporting**

Kwong Lung provided us with their self declaration of 'in accordance' with the G4 sustainability reporting guidelines: the Core option (at least one Indicator related to each identified material Aspect). Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index are reported, partially reported or omitted. In our professional opinion the self declaration covers the Kwong Lung's social and sustainability issues.

## **Assurance level**

The moderate level assurance provided is in accordance with AA1000 Assurance Standard (2008) in our review, as defined by the scope and methodology described in this statement.

## **Responsibility**

This CSR report is the responsibility of the Kwong Lung's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

## **Competency and Independence**

The assurance team was composed of Lead auditors and Carbon Footprint Verifiers experienced in Engineering sector, and trained in a range of sustainability, environmental and social standards including AA1000 AS, ISO14001, OHSAS18001, ISO14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

*For and on behalf of BSI:*



*Peter Pu*

*Managing Director BSI Taiwan*

*08 September, 2015*

**bsi.**



**AA1000**

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