



# ASSURANCE STATEMENT

## NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS United Kingdom Limited was commissioned by Reynolds American Inc. (RAI) to provide independent assurance of its Environmental Performance Indicators Report for the calendar year 2015. The scope of the engagement included assessment of the following Environmental Performance Indicators expressed on an absolute basis and also relative to production:

- Direct and Indirect energy consumption by primary source
- Total water withdrawal by source
- Total direct and indirect greenhouse gas emissions by weight
- NOx, SOx, and other significant air emissions by type and weight
- Total water discharge by quality and destination
- Total weight of waste by type and disposal method

The management of RAI is responsible for the selection, preparation and reporting of information included in its 2015 Environmental Performance Indicators Report. It is SGS' responsibility to express an independent opinion to stakeholders on the reported data within the scope of verification.

The objective of the engagement was to provide a limited level of assurance to RAI stakeholders that the reported indicators are:

- Accurate and free from material misstatement
- Reported in accordance with the Principles of the GRI Sustainability Reporting Guidelines (G3) for ensuring the quality and appropriate presentation of reported information and Indicator Protocols

The assurance and verification methodology employed by SGS are based upon internationally recognized standards and guidance, including ISO 14064-3: Specification with guidance for the validation and verification of greenhouse gas assertions, the Principles contained within the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers. The assurance comprised a combination of site visits and interviews with relevant employees at Tobaccoville and Winston-Salem, North Carolina, documentation, evidence and record review.

## 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 United Kingdom Limited affirm our independence from RAI being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders. The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, including experience in greenhouse gas inventory verification and assurance of environmental data.

## VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and work performed, SGS concludes that no evidence has been brought to our attention to suggest that the reported data is not materially correct and is not a fair and balanced representation of RAI's environmental performance during 2015.

Signed:

For and on behalf of SGS United Kingdom Limited

Jonathan Hall, Business Manager

Camberley, 6th April 2016

SGS United Kingdom Limited

Inward Way, Rossmore Business Park

Ellesmere Port

Cheshire

United Kingdom

CH65 3EN