



# ASSURANCE STATEMENT

## NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS United Kingdom Limited was commissioned by Reynolds American Inc. (RAI), (401 N.Main, Winston-Salem, NC 27101, USA) to provide independent assurance of its OSHA data and KPI's for the calendar year 2016. The scope of the engagement included assessment of the following Health and Safety Performance Indicators and underlying data:

- Lost Time Injury Frequency Rate (LTIFR)
- Total Injury Rate (TIR)
- Hours worked

The management of RAI is responsible for the selection, preparation and reporting of information included in its 2016 OSHA KPI report. It is SGS' responsibility to express an independent opinion 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 transparency accuracy, consistency, relevance and completeness and in accordance with the OSHA Recordkeeping regulation (29 CFR 1904).

The engagement was combined with the verification of environmental and greenhouse gas emissions and the verification and assurance methodology employed by SGS was 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 desk based review and interviews with relevant employees and review of evidence during site visits to Tobaccoville, NC, Winston-Salem, NC and Oxford, NC.

## STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is a 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 the assurance of environmental and health and safety 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 OSHA performance during 2016.

Signed:

For and on behalf of SGS United Kingdom Limited

Jonathan Hall,  
Business Manager  
Camberley 02 May 2017

SGS United Kingdom Limited  
Inward Way, Rossmore Business Park  
Ellesmere Port  
Cheshire  
United Kingdom  
CH65 3EN