



Confederation of European Paper Industries (CEPI)

Auditor's report on the limited review performed on a selection of core indicators published in the document "2016 Annual Statistics", "2015 Environment Statistics" and the most important figures summarized in the "Key Statistics" of the Confederation of European Paper Industries (Hereafter "CEPI")

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To the board of directors,

We have been engaged by the Confederation of European Paper Industries ("CEPI") to issue a limited assurance statement on the data quality rating method CEPI applies on a selection of core indicators published in the "2016 CEPI annual statistics report", "2015 Environment statistics report" and the "Key Statistics Report", being a summarizing public report in which the most relevant indicators are published. The core indicators covered by our assurance statement and the detailed data quality rating made by CEPI can be retrieved in Appendix 1 and 2 to our Assurance Statement. The data quality rating method applied by CEPI is based on Product Footprint Category Rules (PFCR) for paper, developed by the European Commission's DG Environment (see Appendix 2 to our Assurance Statement).

Limitations in our scope

The scope of our assurance engagement as described above does not include an assessment of the selected indicators nor the reliability of the underlying data provided to CEPI by the CEPI member associations, from individual companies or based on estimates provided by paper industry consultants.

Management's Responsibility

The management of CEPI is responsible for the preparation of the indicators and their data quality assessment based on the information received directly from the CEPI member associations, from individual companies or based on estimates provided by paper industry consultants.

The Auditor's Responsibility

As defined by the International Federation of Accountants ("IFAC"), our review was designed to obtain a limited level of assurance. Procedures to obtain limited level of assurance are less extensive in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks, than those for a reasonable level of assurance and therefore less assurance is provided.

Our responsibility is, based on our limited assurance review procedures, to express an independent conclusion on the data quality rating method applied by CEPI. Our assurance report has been made in accordance with the terms of our engagement letter and the international standard as defined in ISAE 3000 (International Standard for Assurance Engagements, December 2003). With respect to independence rules, these are defined by the respective legal and regulatory texts as well as by the professional code of ethics, issued by the IFAC.

Nature and scope of our engagement

We planned and performed the procedures deemed necessary for expressing a limited assurance on the fact that the data quality rating method applied by CEPI is not materially misstated. A limited assurance engagement provides less assurance than an audit.

We performed the following procedures to support our conclusion:

- Obtaining an understanding of the data quality rating formula and assessment of the suitability of the applied methodology by CEPI. CEPI considers separately the Data Delivery Quality Rating (DDQR) to assess the quality of data delivery by the National Associations towards CEPI, as well as the Data Quality Rating (DQR) to assess the quality of the statistical data itself. Both rating methods have been explained in further detail in Appendix 2 to this Assurance Statement.
- Challenging the data quality rating made by CEPI at consolidated level. Both DDQR and DQR methods have been challenged throughout our procedures.

The DDQR ratings are based on four criteria:

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- Completeness (C), has been checked by verifying if all the figures have been sent by the National Associations and whether the appropriate action has been taken in case of a lack of figures from a National Association.
- Time-related representativeness (TiR), has been checked by verifying if the received figures related to the appropriate reporting year and if, in case of extrapolation, the correct quality assumption has been systematically performed.
- Geographical representativeness (GR), has been checked by reviewing the weighing factor used for the various members according to the CEPI assumption.
- Parameter uncertainty (P2), has been checked by verifying the consolidation of the figures sent by the National Associations in the CEPI reporting and, in case of difference or assessment by CEPI, by checking the impact on the data delivery quality rating performed by CEPI.

The DQR ratings are based on the following criteria as they are defined :

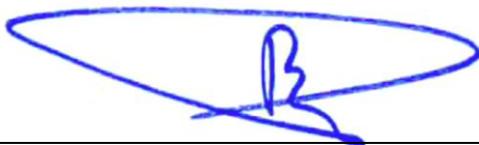
- Parameter uncertainty (P1), has been checked by verifying the consolidation of the figures sent by the National Associations in the CEPI reporting and, in case of modification by CEPI, by checking the impact on the data quality rating performed by CEPI.
- Assessing the adequacy of the documentation and "audit trail".
- Conducting interviews with 4 selected CEPI National Associations, mainly for the purpose of assessing their Data Quality Rating Method applied and verifying whether the CEPI methodology was properly followed.
- Conducting interviews with CEPI responsible company staff, mainly for the purpose of assessing the understanding of the data quality rating methodology and assumptions made by CEPI.

Conclusion

Based on our limited review for the core indicators in scope as detailed in Appendix 1, nothing has come to our attention that causes us to believe that the data quality rating method performed by CEPI, based on the European methodology for the calculation of environmental footprints of products, has not been done in line with the defined CEPI procedures.

Zaventem, 7 July 2017

The auditor,



Deloitte Bedrijfsrevisoren/Réviseurs d'Enterprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Pierre-Hugues Bonnefoy

Luchthaven Nationaal 1J, 1930 Zaventem, Belgium

Appendix 1: Overview core indicators in scope with their DDQR and DQR rating

Appendix 2: CEPI data quality rating methodology