

# 2024 Sustainability Highlights



Launched Omni™, our evidence-based manifesto for change, which captures our commitment and progress towards creating A Better Tomorrow™ by Building a Smokeless World.



Updated our Responsible Marketing Principles (RMP) to reflect regulatory developments, our product portfolio and stakeholder expectations.



Underlined our position on underage access, product safety and regulatory enforcement through the publication of our 'Commitment to Responsible Vaping Products'<sup>1</sup>.



Progressed towards our Scope 1 and 2 emission reduction targets. Energy reduction initiatives and increasing the use of renewable fuels resulted in a 42.6% reduction in these emissions versus our 2020 baseline.



Reduced our total Scope 3 GHG emissions by 11% year-on-year. 23.5% of our suppliers of purchased goods and services by spend have now set Science Based Targets, an 8.5 percentage points increase versus 2023.



Submitted our Net Zero Greenhouse Gas (GHG) emissions targets for validation to the Science Based Targets initiative (SBTi), in line with our climate transition efforts.



Introduced a satellite monitoring system in Brazil to detect potential deforestation or conversion cases by tracking forest cover changes over time.



Developed a regenerative agriculture framework which will be piloted in 2025. The framework includes a methodology for assessing and prioritising local risks and the monitoring of progress on the regeneration of the farmland ecosystem.



Achieved our 2025 target for reduction in water withdrawn in 2023, two years ahead of schedule. We continue to work on maintaining this target, achieving a 47.4% reduction in 2024 (versus our 2017 baseline).



Introduced and began testing a set of ecodesign principles, which will provide insights to support the reduction of our environmental impacts across the product life cycle.



Launched in France, Ireland, Denmark, Sweden and the UK, two variants of Velo cans that were certified by the International Sustainability and Carbon Certification (ISCC), for using bio-plastic or Post-Consumer Resin (PCR) plastic through a mass-balance approach<sup>2</sup>.



Partnered with a waste management company to pilot a collection and recycling programme in Nottinghamshire in the UK for used vapour products.



Revised our living income methodology to better represent living costs in rural areas and are in the process of co-creating action plans with suppliers to target key income drivers for farmers.



In response to our growing electronics supply chain, we continue to work with the Responsible Business Alliance (RBA) as a Supporter Member. This gives us access to the Responsible Mineral Initiative and RBA-approved auditors who conduct on-site labour audits of our suppliers.



Maintained our year-on-year consistency in compensating men and women within 1% of one another, as well as Ethnically Diverse<sup>3</sup> and Non-ethnically Diverse<sup>3</sup> groups within 1% of one another for performing the same work or work of equal value.

## Notes:

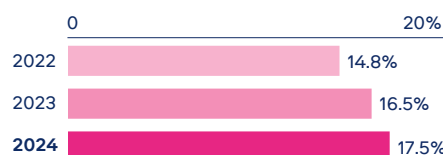
1. [bat.com/commitment-to-responsible-vaping-products](https://bat.com/commitment-to-responsible-vaping-products)
2. 'Mass-balance' is a principle that matches inputs (such as plastic waste) with outputs from a recycling or production process, to determine the recycled content (source: [zerowasteeurope.eu/wp-content/uploads/2021/05/rpa\\_2021\\_mass\\_balance\\_booklet-2.pdf](https://zerowasteeurope.eu/wp-content/uploads/2021/05/rpa_2021_mass_balance_booklet-2.pdf)).
3. See note 3 on p.111 of the Annual Report and Form 20-F 2024 for the definitions of Ethnically Diverse and Non-ethnically Diverse for the purposes of our International Pay Equity Analysis.

# Tracking Progress

**+** Find out more: Refer to the BAT 'Reporting Criteria' for an overview of our sustainability performance data at [bat.com/reporting](https://bat.com/reporting)

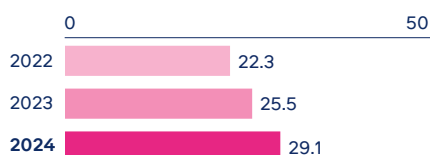
## 50% of our revenue from Smokeless products by 2035

% of revenue from Smokeless products



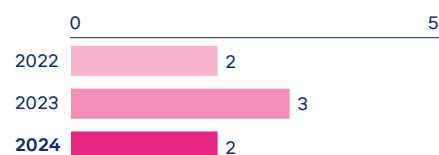
## 50 million Smokeless product consumers by 2030<sup>1</sup>

Number of consumers<sup>†</sup> (millions) excluding Russia and Belarus



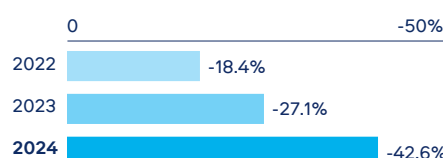
## Full compliance with marketing regulations

Number of incidents of non-compliance with marketing regulations resulting in a fine or penalty



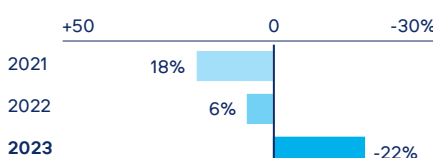
## 50% absolute reduction in Scope 1 and 2 GHG emissions by 2030 versus 2020 baseline<sup>2</sup>

% change in emissions relative to baseline



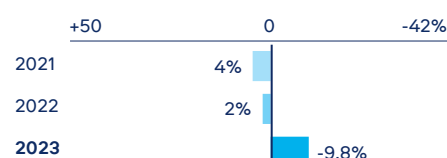
## 30.3% absolute reduction in Scope 3 Forest, Land and Agriculture (FLAG) GHG emissions by 2030 versus 2020 baseline<sup>2</sup>

% change in emissions relative to baseline



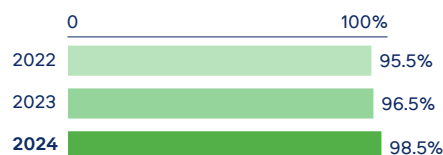
## 42% absolute reduction in Scope 3 Industrial (non-FLAG) GHG emissions by 2030 versus 2020 baseline<sup>2</sup>

% change in emissions relative to baseline



## Deforestation and Conversion Free tobacco supply chain by 2025

% wood used in our Thrive Supply Chain<sup>3</sup> with Deforestation and Conversion Free (DCF) Status



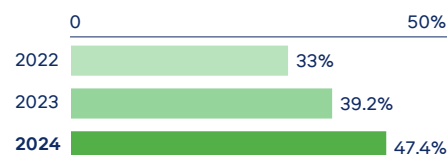
## Deforestation Free pulp and paper supply chain by 2025

% of pulp and paper materials sourced with low risk of deforestation



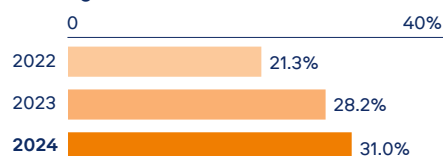
## 35% reduction in water withdrawn by 2025 versus 2017 baseline

% reduction in water withdrawal relative to base year



## 25% reduction in waste generated in own operations by 2025 versus 2017 baseline

% reduction in operational waste generated



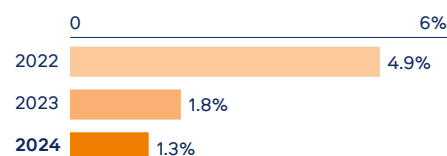
## 100% packaging to be reusable, recyclable or compostable where facilities exist by 2025

% of packaging reusable, recyclable or compostable



## Less than 1% of our operational waste going to landfill by 2025

% of operational waste going to landfill



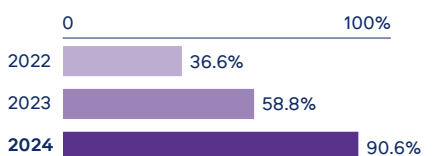
## Aiming for zero child labour incidents in our tobacco supply chain by 2025

% of incidents of child labour identified and reported as resolved by end of the growing season



## 100% of product materials and higher-risk indirect suppliers having an independent labour audit within a three-year cycle by 2025

% suppliers undergoing labour audits during the last three years



## Increase the proportion of women on Senior Leadership teams<sup>†</sup> to 40% by 2025

% female representation on Senior Leadership teams



**Notes:** 1. In 2024, we enhanced our reporting methodology by increasing the use of data obtained from consumer panels compared to estimations. In the prior year (2023) we reported 23.9 million consumers. The restated value is 25.5 million consumers. Refer to the BAT 'Reporting Criteria' for our full methodology: [bat.com/reporting](https://bat.com/reporting). 2. Compared to a 2020 baseline. Our near-term 2030 science-based targets comprise a 50% reduction in Scope 1 and 2 GHG emissions. The Scope 3 Industrial (non-FLAG) GHG emissions target includes purchased goods and services, upstream transportation and distribution, use of sold products, and end-of-life treatment of sold products. The Scope 3 FLAG GHG emissions target includes FLAG emissions and removals. Combined, these targets comprised 77% of Scope 3 emissions in 2020. Due to the complexity of consolidating Scope 3 data from our suppliers and value chain, we report Scope 3 data one year behind other metrics. Refer to the BAT 'Reporting Criteria' for our full methodology: [bat.com/reporting](https://bat.com/reporting). 3. Our ambitions cover all tobacco we purchase for our products (tobacco supply chain); which is used in our combustibles, Traditional Oral and Heated Products. Our metrics, however, derive data from our annual Thrive assessment, which includes our directly contracted farmers and those of our third-party suppliers, which represented over 93% of the tobacco we purchased by volume in 2024 ('Thrive Supply Chain').