

# Climate Transition Plan

## Elements Index - July 2022



**BAT is committed to playing its part in tackling climate change, aligned with the latest and most ambitious climate science recommendations, by:**

- **halving our value chain (Scope 1, 2 & 3) CO<sub>2</sub>e emissions by 2030, vs. a 2020 baseline**
- **whilst, achieving carbon neutrality for our direct operations (Scope 1 & 2) by 2030**
- **and, achieving net zero value chain emissions (Scope 1, 2 & 3) by 2050.**

This includes our Science Based Targets initiative (SBTi)-approved commitment to a 1.5°C emissions reduction trajectory, the most ambitious designation available.

In 2021, BAT signed-up to the [UN-backed Race to Zero campaign](#), which mobilises a coalition of leading net zero initiatives in the largest ever alliance committed to halving carbon emissions by 2030 and achieving net zero emissions by 2050.

BAT has a clear climate transition plan of action (“the Transition Plan”) in place, key elements of which were included in our TCFD (Task Force on Climate-related Financial Disclosures) Report in our 2021 Annual Report & Accounts.

CDP<sup>1</sup> defines climate transition as “taking actions that:

- align a business model with a world in which the global average temperature is allowed to rise by no more than 1.5°C above pre-industrial levels.
- enable a thriving economy that works for people and planet in the long term.

A corporate climate transition plan sets out how an organization will achieve this.”

*Using CDP’s guidance on the elements of a credible climate transition plan<sup>1</sup> – which is based on current thought leadership in this area – here we provide an index that sets out where each CDP-defined key element of the Transition Plan can be found.*

In line with CDP’s guidance<sup>1</sup>, the Transition Plan has been integrated into our statutory filings (our 2021 Annual Report & Accounts and Form-20F) and 2021 ESG Report. This results in the Transition Plan containing clearly defined and externally assured key performance indicators, which form part of our annual reporting, resulting in the Transition Plan having a strong accountability mechanism.

We are consolidating these CDP-defined elements together into a single document over the course of 2022.

### **SBTi Verification**

In July 2022, BAT’s 2030 emissions reduction targets across scope 1, 2 and 3 were formally approved by the SBTi as being consistent with the reduction required to keep global warming to 1.5°C, the most ambitious goal of the Paris Agreement, and the most ambitious designation available through the SBTi process.

BAT’s full near-term, 2030 targets, as approved by the SBTi, are to:

- Reduce absolute scope 1 and 2 GHG emissions 50% by 2030, from a 2020 base year.
- Reduce scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, use of sold products, and end of life treatment of sold products 50% by 2030, from a 2020 base year.
- Have 20% of its suppliers by spend covering purchased goods and services with science-based targets by 2025.

Our 2030 near-term target is a key step on our pathway to achieve net zero across our value chain (scope 1, 2 & 3) by 2050. Near-term targets verified as applying SBTi criteria are a prerequisite for a credible long-term net zero target

### **Index of elements of the Transition Plan aligned to CDP's Technical Guidance Note<sup>1</sup>**

Transition Plan Element	BAT Plc Statutory Filings / Public Reports			
	Filing	Section	Page	Link
Governance	Annual Report & Accounts and Form 20-F 2021	TCFD Report	58 - 59, 60	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Strategy	Annual Report & Accounts and Form 20-F 2021	TCFD Report	61 - 67	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Scenario Analysis	Annual Report & Accounts and Form 20-F 2021	TCFD Report	62 - 64, 66	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Financial Planning	Annual Report & Accounts and Form 20-F 2021	TCFD Report	61	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Value Chain Engagement & Low Carbon Initiatives	BAT ESG Report 2021	Tackling Climate Change	41 - 45	<a href="#">BAT ESG Report 2021.pdf</a>
Policy Engagement	Annual Report & Accounts and Form 20-F 2021	Engaging with stakeholders	20 – 21	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Targets	Annual Report & Accounts and Form 20-F 2021	TCFD Report	47, 61	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Risks and Opportunities	Annual Report & Accounts and Form 20-F 2021	TCFD Report	62 - 66	<a href="#">BAT Annual Report and Form 20-F 2021.pdf</a>
Scope 1, 2 and 3 Accounting with Verification	ESG Report 2021	Targets and Metrics	117 - 120	<a href="#">BAT ESG Report 2021.pdf</a>

1 - [CDP Technical Note: Reporting on Transition Plans, February 2022.](#)