Enterprise of the Future
Science and ESG Accelerating our Transformation

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Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are uncertainties related to the following: the impact of competition from illicit trade; the impact of adverse domestic or international legislation and regulation; the inability to develop, commercialise and deliver the Group's New Categories strategy; the impact of market size reduction and consumer down-trading; adverse litigation and dispute outcomes and the effect of such outcomes on the Group's financial condition; the impact of significant increases or structural changes in tobacco, nicotine and New Categories related taxes; translational and transactional foreign exchange rate exposure; changes or differences in domestic or international economic or political conditions; the ability to maintain credit ratings and to fund the business under the current capital structure; the impact of serious injury, illness or death in the workplace; adverse decisions by domestic or international regulatory bodies; and changes in the market position, businesses, financial condition, results of operations or prospects of the Group.

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Important information

Forward-looking Statements (continued)
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Additional information
Our vapour product Vuse (including Alto and Vibe), and certain products including Grizzly, Granit, Camel Snus, Velo and Kodiak, which are sold in the U.S., are subject to FDA regulation and no reduced-risk claims will be made as to these products without agency clearance.

Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without regulatory clearance.

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Committed to Building A Better Tomorrow™

Our Purpose

To reduce the health impact of our business

Our Commitment

To provide adult consumers with a wide range of enjoyable and less risky products

To encourage smokers to switch completely to scientifically-substantiated reduced-risk alternatives*

* Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
Delivering Our Purpose is Transforming BAT

From

Cigarettes

& Declining Volume

Growing Value

To

Multi-category CPG

Nicotine & Beyond*

& Growing Volume

& Value

Building A Better Tomorrow™

*Beyond refers to Wellbeing & Stimulation Beyond Nicotine. Target market for consumer acquisition is existing adult smokers/nicotine/beyond nicotine users.
Most of the Harm from Tobacco is caused by Combustion Not Nicotine

"It's the other chemical compounds in tobacco, and in the smoke created by setting tobacco on fire, that directly and primarily cause the illness and death, not the nicotine."

DR. SCOTT GOTTLIEB
US FDA COMMISSIONER (JULY 2017)

"Nicotine is not...a highly hazardous drug. The main culprit is smoke and, if nicotine could be delivered effectively and acceptably...without smoke, most, if not all, of the harm of smoking could probably be avoided"

UK ROYAL COLLEGE OF PHYSICIANS
Nicotine without smoke: Tobacco harm reduction (2016)
Tobacco Harm Reduction recognised in Policy and Regulation in a number of countries

“The closer the risks and exposures from the Reduced Risk Products are to cessation …the more confident a regulator can be in the chances for net public health benefit”*

Science is informing Policy and Regulation globally

Food and Drug Administration
Public Health England
National institute for Public Health & the Environment
& others

2001  2007  2012

Key enablers of Tobacco Harm Reduction

- Consumer choice
- World-class science
- Standards & regulation

Tobacco Harm reduction is at the heart of our ESG strategy
Our Strategy Starts with the Consumer

A Unique Consumer-Centric Multi-Category model
A Large, Growing Harm Reduction Opportunity

Non-Combustibles***

13.5mn Consumers***

17% Revenue & Consumers Share^

Working for A Better Tomorrow™ for 1.1bn Smokers

2025 estimate based on company data. Industry Incidence Study & BAT internal estimates, excluding India and China. **Total Non-Combustibles Net Consumers excludes Poly users to avoid double-counting. Poly-usage across non-combustible products. *** Non-Combustible consumer definition. See Appendix A2. * BAT share of revenue and consumers as a % of 2020 industry estimates.
Strong, Global, Scientifically-Substantiated Brands in All Three Categories

**VAPOUR**

1. Vuse
   - #1
   - Canada, UK, France, Italy, Germany

2. #2
   - USA

**THP**

2. Glo
   - #2
   - Japan, Russia, Italy, Belgium

**MODERN ORAL**

1. Velo
   - #1
   - Sweden, Norway, Denmark, Germany

3. #3
   - Switzerland, China, Italy, Belgium

Share positions based on value share of vapour and volume share of THP and Modern oral. Vuse brand represents c. 80% of FY20 vapour revenue. Continue to migrate remaining Vype brands during 2021. Velo brand represents over 50% of FY20 Modern Oral markets. Continue to migrate remaining EPOK, LYFT brands during 2021.
Underpinned by World-Class Capabilities in Science and Innovation

60+ Years of R&D

1500 R&D specialists

2x R&D spend since 2017

114 Peer-reviewed articles and manuscripts published in New Categories

12 BTVentures investments adding new capabilities

Accelerating our transformation through attracting new talent from a wide range of industries

* Representative 2017 basis with a full 12 months of US acquisition, Reynolds
Evaluated Using a Multi-Disciplinary Risk Assessment Framework

- **Emissions**: What is in the vapour/aerosol?
- **Exposure**: What happens when exposed to these emissions?
- **Risk**: What is the long-term health risk?

**Domains**:
- Behavioural Sciences
- Chemistry
- Biological Sciences
- Clinical Studies
- Population Studies
Our Non-Combustible Products are proven to produce far less toxicants\(^1\)

1 Relates to standard reference cigarette. *As stated by: Dr. Scott Gottlieb
US FDA Commissioner (July 2017), and UK Royal College of Physicians, Nicotine without smoke: Tobacco harm reduction (2016)
Building an Evidence Based approach to Tobacco Harm Reduction led by Vaping

- First international tobacco company to launch an e-cigarette
- Largest published dataset on a single vapour product (ePen)
- First and most comprehensive analysis\(^1\) of e-cigarette aerosol
- Our scientific data is published in 71 peer-reviewed manuscripts
- Evolved design with enhanced device, battery and nicotine salts supporting consumer safety and satisfaction
- Pilot launches of age verification technology in H1 ‘21

\(^1\) From Margham et al, Chem Res Tox 2016, 29, 1662-1678
Growing Consensus on Harm Reduction Potential of Vaping Products

ASH (Action on Smoking & Health)¹
Public health charity

“Compared to tobacco products, electronic cigarettes are significantly safer”

PUBLIC HEALTH ENGLAND²

“Our new review reinforces the finding that Vaping is at least 95% less harmful...and of negligible risk to bystanders”

UK HOUSE OF COMMONS SCIENCE & TECHNOLOGY COMMITTEE³

“E-cigarettes present an opportunity to significantly accelerate already declining smoking rates”

“They are substantially less harmful - by around 95% - than conventional cigarettes. They lack the tar and carbon monoxide of conventional cigarettes - the most dangerous components”

GOVERNMENT OF CANADA⁴

“Switching from tobacco cigarettes to vaping products will reduce a person’s exposure to many toxic and cancer-causing chemicals”

NEW ZEALAND MINISTRY OF HEALTH⁵

“Smokers switching to vaping products are highly likely to reduce their health risks and for those around them”

Reduction in Toxicant Exposure Similar to Cessation

Carbon Monoxide

Mean CO (ppm)

Baseline Day 2-3 Day 3-4 Day 4-5 Day 5-6 Day 6-7

Cigarette Vuse Cessation

Benzene

Mean SPMA (ng/24hrs)

Baseline Day 2-3 Day 4-5 Day 6-7

Cigarette Vuse Cessation
Growing Consensus on Harm Reduction Potential of THP products

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>UK Committee on Toxicology: It is likely there is a reduction in risk, though not to zero, for health for smokers who switch completely to heat-not-burn tobacco products.</td>
</tr>
<tr>
<td>2018</td>
<td>Federal Institute for Risk Assessment: The herein confirmed reductions of relevant toxicants by about 80-99% are substantial.</td>
</tr>
<tr>
<td>2019</td>
<td>National institute for Public Health &amp; the Environment: The use of Heated Tobacco Products is harmful to health, but probably less harmful than smoking tobacco cigarettes.</td>
</tr>
<tr>
<td>2020</td>
<td>Food and Drug Administration: These particular products could help addicted adult smokers transition away from combusted cigarettes and reduce their exposure to harmful chemicals.</td>
</tr>
</tbody>
</table>

- **Public Health England**: Compared to cigarette smoke, heated tobacco products are likely to expose users and bystanders to lower levels of particulate matter and harmful and potentially harmful compounds.
- **Food and Drug Administration**: These particular products could help addicted adult smokers transition away from combusted cigarettes and reduce their exposure to harmful chemicals.
Biomarker of Potential Harm Responses Similar to Cessation

Magnitude of change relative to cessation

-100%  -75%  -50%  -25%  0%

Biologically Significant

Inflammation  Oxidative Stress  Cardio Function 1  Cardio Function 2  Cardio Function 3  Lung Function 1  Lung Function 2  Lung Function 3  Carcinogenesis

Target zone

100% = Equivalent To Cessation

Nathan Gale, BSc, Michael McEwan, PhD, Oscar M Camacho, MSc, George Hardie, MSc, James Murphy, PhD, Christopher J Proctor, PhD. Changes in Biomarkers of Exposure on Switching From a Conventional Cigarette to the glo Tobacco Heating Product: A Randomized, Controlled Ambulatory Study. Nicotine & Tobacco Research, Volume 23, Issue 3, March 2021, Pages 584–59.
Snus is much lower risk than smoking*

Lung Cancer Deaths in Men Aged >35**

* Use of Swedish Snus is not a risk factor for oral cancer and no association has been established with neck, oesophagus and gastric cancer.

**WHO-International Agency for Research on Cancer’s World Cancer Mortality Database, Age standardised mortality rate per 100,000, extracted 2013.
Velo has Much Lower Toxicant Levels than Snus

-99% Toxicants vs. Cigarettes

-76% Toxicants vs. Snus

Assessment of 9 chemicals the WHO recommends to reduce in cigarette smoke\(^1\) vs. cigarette and Snus
As measured by independent lab

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Extensive Scientific Substantiation support our products as Reduced Risk*

<table>
<thead>
<tr>
<th>Product</th>
<th>Emissions</th>
<th>Toxicology</th>
<th>Clinical studies</th>
<th>Scientific Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vuse</td>
<td>-99%(^1)</td>
<td>-99%(^1)</td>
<td>show significant reductions in biomarkers of exposure</td>
<td>published in 71 peer-reviewed manuscripts</td>
</tr>
<tr>
<td>Glo</td>
<td>-90% to -95%(^2)</td>
<td>-95%(^2)</td>
<td>show significant reductions in biomarkers of exposure, similar to cessation</td>
<td>published in 65 peer-reviewed manuscripts</td>
</tr>
<tr>
<td>Velo</td>
<td>(&gt;30) years of studies have shown snus is much less risky than smoking</td>
<td>Toxicology even less harmful than snus</td>
<td>Clinical studies show Velo usage &amp; behaviour is very similar to snus</td>
<td>We believe Modern Oral products are reduced risk as toxicant levels are lower than in snus*</td>
</tr>
</tbody>
</table>

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1. ePod and ePen3 compared to a reference cigarette. 2. Compared to a reference cigarette. *Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive. Our products as sold in the US, including Vuse, Velo, Grizzly, Kodiak, and Camel Snus, are subject to FDA regulation and no reduced-risk claims will be made as to these products without regulatory clearance.
How New Category Products should be Regulated

- An evidence-based approach
- Proportionate regulation
- Freedom to innovate
- Engagement, dialogue & communication
- Responsible marketing freedoms

Consumer Choice & Freedom
Harm Reduction is the Cornerstone of our Comprehensive ESG Strategy

Reducing the **HEALTH** impact of our business

- **CONSUMER CHOICE**
- **WORLD-CLASS SCIENCE**
- **STANDARDS & REGULATION**

Excellence in **ENVIRONMENTAL** management
- Climate change
- Water
- Biodiversity & Afforestation
- Waste

Delivering a positive **SOCIAL** impact
- Human rights
- Farmer livelihoods
- Health and safety
- People and culture

Robust corporate **GOVERNANCE**
- Business ethics
- Responsible marketing
- Regulation and policy engagement

Creating value for all our stakeholders

- 50 million consumers of non-combustible* products by 2030
- £5bn New Category Revenue in 2025
- Carbon neutral by 2030**
- Eliminate unnecessary single-use plastic & all plastic packaging recyclable^ by 2025**

*Non-combustible consumer definition. See Appendix A2. ** Environmental targets, carbon neutral is scope 1 & 2. See Appendix A1. ^ Reusable, recyclable or compostable
Building on Strong ESG Foundations

2000-2005 ESTABLISHING

SRTP Social Responsibility in Tobacco Production

BRITISH AMERICAN TOBACCO SOCIAL REPORT 2001/2002

50% CO₂e by 2030

External Scientific Panel

Diversity & Inclusion strategy

Supply chain sustainability strategy

- STP SUSTAINABLE TOBACCO PROGRAMME
- Thrive SUSTAINABLE AGRICULTURE AND FARMER LIVELIHOOD

Named in Dow Jones Sustainability Indices for 19 consecutive years
In 2020 was once again the only tobacco company in prestigious DJSI World Index

2006-2010 DEVELOPING

2011-2015 EMBEDDING

2016-2019 GROWING

2020+ ACCELERATING

- External Scientific Panel
- Diversity & Inclusion strategy
- Supply chain sustainability strategy

Stretching new Targets

- Reducing the HEALTH impact of our business
- Encouraging ENVIRONMENTAL management
- Delivering a positive SOCIAL impact
- Robust corporate GOVERNANCE

In 2020 was once again the only tobacco company in prestigious DJSI World Index
Focused on Delivering Value for all our Stakeholders

Shared Value

**SHAREHOLDERS**
Consistently delivering against our financial commitments for shareholders

**CONSUMERS**
Offering consumers a choice of enjoyable, less risky products

**SOCIETY**
Reducing the overall health and environmental impact of our business for society

**EMPLOYEES**
Creating a dynamic and purposeful place to work for our employees

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1. Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
Our Shared Value Strategy in Action

<table>
<thead>
<tr>
<th>SHAREHOLDERS</th>
<th>CONSUMERS</th>
<th>SOCIETY</th>
<th>EMPLOYEES</th>
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<tbody>
<tr>
<td>Sustainable returns and unique investment case</td>
<td>A diverse range of less risky products to choose from</td>
<td>Reducing the health impact of our business</td>
<td>A career with a clear purpose</td>
</tr>
</tbody>
</table>

**Reducing the HEALTH impact of our business**

**Excellence in ENVIRONMENTAL management**

- Efficient use of natural resources
- Products with lower environmental impact
- Protecting resources and acting on climate
- Proud to work for a green company

**Delivering a positive SOCIAL impact**

- Supporting stronger communities
- Brands that enhance livelihoods and communities
- Partnering for impact
- Inclusive work culture

**Robust corporate GOVERNANCE**

- A reputable investment
- Transparent marketing
- Ethical conduct
- Clear standards to empower all

Based on the weight of evidence and assuming a complete switch from cigarette smoking. These products are not risk free and are addictive.
<table>
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<tr>
<th>MARKETING</th>
<th>LEX*</th>
<th>OPERATIONS</th>
<th>R&amp;D</th>
<th>HR</th>
<th>FINANCE</th>
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</table>

**Reducing the health impact of our business**

- Climate change
- Water and waste
- Sustainable agriculture
- Leaf R&D
- Circular economy

**Human rights**
- Farmer livelihoods
- Health & safety

**KBP vaccines development**

**People & culture**
- Diversity & inclusion
- Gender pay

**Responsibility marketing**
- Regulation
- Data privacy

**Stakeholder engagement**

**Executive remuneration**

**Tax transparency**

**IR/Shareholder/Insurer engagement**

**Cyber security**

*Legal and External Affairs*
# With Clearly Defined Targets

<table>
<thead>
<tr>
<th>Health Impact of Business</th>
<th>Environment Management</th>
<th>Social Impact</th>
<th>Governance</th>
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<tbody>
<tr>
<td><strong>Reducing the HEALTH impact of our business</strong></td>
<td><strong>Excellence in ENVIRONMENTAL management</strong></td>
<td><strong>Delivering a positive SOCIAL impact</strong></td>
<td><strong>Robust corporate GOVERNANCE</strong></td>
</tr>
<tr>
<td>• 50m non-combustible product consumers by 2030</td>
<td>• Carbon neutral: Scope 1 &amp; 2 by 2030; Scope 3 by 2050</td>
<td>• Zero child labour and forced labour by 2025</td>
<td>• 100% Standards of Business Conduct adherence</td>
</tr>
<tr>
<td>• £5 billion New Category revenue by 2025</td>
<td>• 35% reduction in water withdrawn by 2025; 30% increase in water recycled by 2025</td>
<td>• 100% suppliers subject to human rights due diligence</td>
<td>• 100% Youth Action Prevention Guidelines adherence</td>
</tr>
<tr>
<td></td>
<td>• 100% sustainable wood for tobacco curing; 100% renewable electricity by 2030</td>
<td>• Enhance farmer livelihoods through good agricultural practices and higher productivity</td>
<td>• SoBC Lobbying and Engagement Policy adherence</td>
</tr>
<tr>
<td></td>
<td>• 100% of plastic packaging reusable, recyclable or compostable by 2025</td>
<td>• Zero accidents group-wide</td>
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</table>
### Accelerating our Transformation: Excellence in Environmental Management

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
<th>2017</th>
<th>2020</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CLIMATE CHANGE</strong></td>
<td>Carbon neutral - Scope 1 &amp; 2 by 2030</td>
<td>864 ('000 tonnes)</td>
<td>541</td>
<td>(-37.4%)</td>
</tr>
<tr>
<td><strong>WATER</strong></td>
<td>35% reduction in water withdrawn by 2025</td>
<td>5.19 (mn cubic metres)</td>
<td>4.03</td>
<td>(-22.5%)</td>
</tr>
<tr>
<td><strong>BIODIVERSITY &amp; AFFORESTATION</strong></td>
<td>100% sustainable wood for tobacco curing</td>
<td>99%</td>
<td>99%</td>
<td></td>
</tr>
<tr>
<td><strong>WASTE</strong></td>
<td>100% of plastic packaging reusable, recyclable or compostable by 2025</td>
<td>Data not available</td>
<td>82%</td>
<td></td>
</tr>
</tbody>
</table>

See Appendix A1 for further details on ESG targets. 1. From 2017 baseline. 2. By our contracted farmers.
Comprehensive Carbon Strategy working throughout the value chain

For our operations

- Enter into longer-term power-purchase agreements
- Invest in on-site energy generation projects
- Roll out electric vehicles in our fleet
- Life cycle assessments for our product categories
- Implement global internal carbon pricing
- Apply TCFD-based climate risk approach

For our value chain

- Increase purchase of green energy
- Purchase renewable energy certificates
- Build a climate-resilient supply chain
- Help farmers deploy innovative, low-carbon curing technologies and farming techniques
- Climate scenario analysis for key tobacco-growing areas
- Comprehensive Carbon Strategy working throughout the value chain
**Good progress on Scope 1 & 2 Emissions**

- **Reduce emissions**: 37% reduction in Scope 1 & 2 emissions v 2017
- **On-site renewables**: Solar energy generation at factories in 8 countries*
- **Renewable energy certificates & Long term power agreements**: All sites incorporate green power purchases
- **Carbon offset credits**: Only used once all other options utilised

**Carbon Neutral Scope 1 & 2 by 2030**

*See Appendix A1 for further details on ESG targets. *On-site solar energy generation added in 2020*
Working Closely with Our Partners to Reduce Scope 3 Emissions

% carbon emissions in supply chain

32%  Leaf Purchased  >30% reduction in fuel use with upgraded curing barns**

27%  Non-leaf Purchased Goods & Services  Engaging with suppliers to reduce carbon emissions

41%  Other Scope 3*  Life-cycle analysis such as optimising freight and designing products for recyclability

Carbon Neutral Scope 3 by 2050

See Appendix A1 for further details on ESG targets. *Other Scope 3 includes capital goods, use and disposal of sold products, end of life treatment, and other categories including transportation, business travel and commuting.

**Upgrading curing barns to automated ‘loose leaf’ models can enable at least a 30% reduction in fuel use. These innovative curing technologies have now been introduced to our contracted farmers in five countries.
# Accelerating our Transformation: Delivering a Positive Social Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
<th>2017</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HUMAN RIGHTS</strong></td>
<td>Zero child labour by 2025¹</td>
<td>Data not available</td>
<td>0.5%² (98.5% resolved)</td>
</tr>
<tr>
<td><strong>HUMAN RIGHTS</strong></td>
<td>100% of suppliers subject to human rights due diligence³</td>
<td>46%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>HEALTH &amp; SAFETY</strong></td>
<td>Zero accidents group-wide</td>
<td>284</td>
<td>142</td>
</tr>
<tr>
<td><strong>PEOPLE &amp; CULTURE</strong></td>
<td>Increase women to 45% of management roles by 2025</td>
<td>34%</td>
<td>38%</td>
</tr>
</tbody>
</table>

¹ In our tobacco supply chain ² % of farms with incidents of child labour identified ³ All our product materials and high-risk indirect service suppliers (non-agricultural suppliers) to have undergone at least one independent labour audit within a three-year cycle by 2025

See Appendix A1 for further details on ESG targets.
Human Rights Strategy aligned with UN Guiding Principles

- Global Minimum Standards
- Focusing on Salient Issues
- Due Diligence
- Remedy
- Policy
- Stakeholder Engagement
- Speak Up Channels
- Corrective Action Plans
- Ongoing Monitoring
- Thorough Risk Assessments
- Prioritisation of Highest Risk
- Embedded in Business Procedures
Comprehensive Approach to Eliminate Child Labour in Leaf

**ROBUST MONITORING AND REMEDIATION PROCESS**

1. **Strong Policies**
   - Contracted farms visited monthly\(^1\)

2. **Risk Mapping**
   - 0.5% incidence of child labour\(^2\)

3. **Farm Visits**
   - 98.5% incidents resolved\(^3\)

4. **Identification**

5. **Remediation**

6. **Follow-up**

**LONGER-TERM FOCUSED ON ROOT CAUSES**

- **Human rights assessments**
  - Aligned with UN Guiding Principles

- **Training and awareness raising**
  - 390,000+ attendances at human rights farmer training

- **Enhancing livelihoods**
  - Up to 20% yield increase with new seed varieties

- **Partnerships and communities**
  - Community projects tackling root causes of child labour

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\(^1\) Our field technicians visit our contracted farmers approximately once a month during the growing season.  
\(^2\) % of farms with incidents of child labour  
\(^3\) Based on number of child labour incidents identified (proportion reported as resolved). Reported via our Thrive assessments covering BAT-contracted farmers and farmers contracted to our strategic third-party suppliers, representing more than 80% of our total tobacco leaf purchases in 2020.
Protecting Human Rights in our Non-Leaf Supply Chain

NEW SUPPLIER: INDEPENDENT AUDIT
Workplace Conditions assessed by Intertek

ONBOARDING
Supplier Code of Conduct incorporated in contracts

EXISTING SUPPLIER: ANNUAL RISK ASSESSMENT
against independent human rights indices

INDEPENDENT AUDIT
Workplace Conditions assessed by Intertek

CORRECTIVE ACTION PLANS
for all issues identified, verified by Intertek

- New supplier approved
- High-risk supplier

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### Accelerating our Transformation: Robust Corporate Governance

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BUSINESS ETHICS</strong></td>
<td>100% Standards of Business Conduct (SoBC) adherence</td>
<td>100% (employee training)</td>
</tr>
<tr>
<td><strong>RESPONSIBLE MARKETING</strong></td>
<td>100% Youth Action Prevention Guidelines adherence</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>REGULATION &amp; POLICY ENGAGEMENT</strong></td>
<td>SoBC Lobbying and Engagement Policy adherence</td>
<td>Principles for Engagement incorporated into a new Lobbying and Engagement Policy in our SoBC</td>
</tr>
<tr>
<td><strong>DISCLOSURE FRAMEWORKS</strong></td>
<td>Fully align our disclosures with key frameworks; with TCFD by 2022</td>
<td>GRI ✓ SASB ✓ GRI ✓ WEF ✓</td>
</tr>
</tbody>
</table>

See Appendix A1 for further details on ESG targets.
Continuously Strengthening Our Business Conduct & Compliance

**2016**
- RENEWED BOARD COMMITMENT
  - Policies & Procedures
  - Top mgmt. focus

**2017**
- BUSINESS CONDUCT & COMPLIANCE TEAM FORMED
  - Oversight, autonomy & resources
  - Whistleblowing hotline

**2018**
- STRENGTHENED COMPLIANCE PROGRAMME
  - Risk management
  - Anti-Bribery & Corruption focus
  - Training & Comms

**2019**
- EMBED IN ORGANISATION
  - Commitment from middle mgmt.
  - 3rd Parties focus
  - Global Integrity Pledge

**2020**
- DIGITAL, AUTOMATION, 3RD PARTY RISKS
  - Investigations & case mgmt.
  - Incentives, discipline & enforcement
  - M&A

**2021/22**
- AUDIT, ASSURANCE & HARNESING DATA
  - Data analytics
  - Automation & Integration
  - 3rd Party life-cycle mgmt.
Ensuring Responsible Marketing Directed at Adult Smokers

### International Marketing Principles (IMP)
- Responsible
- Accurate
- Targeted at adults
- Transparent
- Compliant with law

- Introduced in 2001
- Refreshed again in 2020
- Applied globally, even when **stricter** than local laws
- **All marketing materials** subject to **review** and approval by **internal legal**

### Youth Access Prevention (YAP)
- **Strengthened** YAP approach
- Mandatory provision of **point-of-sale materials**
- Monitored through **internal audit**, and overseen by **Audit Committee**
- Only partner with **3rd parties** where vast majority of **audience** is **adult**

**H1 ‘21 Vuse Age-Verification Pilots**

*Unless a government ban is in place*
Our Integrated Approach to ESG Contributes Directly to the UN Sustainable Development Goals

**STRATEGIC GOALS**

- 3 Good Health and Well-being
- 13 Climate Action

**PRIORITY GOALS**

- 8 Decent Work and Economic Growth
- 9 Industry, Innovation and Infrastructure
- 12 Responsible Consumption and Production
- 16 Peace, Justice and Strong Institutions

**LOCALISED GOALS**

- 15 Life on Land
- 10 Reduced Inequalities
Creating Value for all Stakeholders

Our ESG Agenda

- **H**: Reducing the **HEALTH** impact of our business
- **E**: Excellence in **ENVIRONMENTAL** management
- **S**: Delivering a positive **SOCIAL** impact
- **G**: Robust corporate **GOVERNANCE**

"CREATING **SHARED VALUE** FOR OUR STAKEHOLDERS ISN’T JUST THE RIGHT THING TO DO, IT MAKES **SOUND BUSINESS SENSE** AND IS **CENTRAL** TO OUR STRATEGY TO DELIVER **A BETTER TOMORROW**"  

Jack Bowles, CEO
Delivering Our Purpose is Transforming BAT

From

Cigarettes And Declining Volume Growing Value

To

Multi-category CPG Nicotine & Beyond

And Growing Volume & Value

Building A Better Tomorrow™

*Beyond refers to Wellbeing & Stimulation Beyond Nicotine. Target market for consumer acquisition is existing adult smokers/nicotine/beyond nicotine users.
Appendix

A1: Environmental Targets

A2: Non-Combustible consumers
The number of consumers of Non-Combustible products is defined as the estimated number of Legal Age (minimum 18 years, US: 21 years) consumers of the Group's Non-Combustible products. In markets where regular consumer tracking is in place, this estimate is obtained from adult consumer tracking studies conducted by third parties (including Kantar). In markets where regular consumer tracking is not in place, the number of consumers of Non-Combustible products is derived from volume sales of consumables and devices in such markets, using consumption patterns obtained from other similar markets with consumer tracking (utilising studies conducted by third parties including Kantar).

The number of Non-Combustible products consumers is used by management to assess the number of consumers regularly using the Group's New Category products as the increase in Non-Combustible products is a key pillar of the Group's ESG Ambition and is integral to the sustainability of our business.

The Group's management believes that this measure is useful to investors given the Group's ESG ambition and alignment to the sustainability of the business with respect to the Non-Combustibles portfolio.