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We are one of the world’s leading multinational companies. We are proud of our heritage and of our continuing success today – and we are excited about our future.

We have produced this brochure because we would like to tell you more about us and how we operate. We are proud to share it with you.

We are BAT
We lead the way

Founded in 1902, we have grown into a global business that continues to go from strength to strength. We have world-class tobacco brands and we are committed to leading in Next Generation Products.

**DELIVERING TODAY**

We are one of the world’s most international companies – we sell more than 200 tobacco brands in over 200 markets.

We are also one of the world’s most successful businesses. We are consistently among the top 10 companies on the London Stock Exchange. We make the cigarettes chosen by around one in eight of the world’s one billion smokers and we are market leaders in more than 55 countries.

Our world-famous Global Drive Brands – Dunhill, Kent, Lucky Strike, Pall Mall and Rothmans – drive our year-on-year share growth in our major markets worldwide. We are also investing in developing a range of high-quality Next Generation Products.

We employ around 50,000 people worldwide, working with farmers, in our factories, in city offices and out on the road supporting retailers. This total involvement in the whole tobacco supply chain – from seed to smoke – and the passion for what we do set us apart.
LEADER IN SUSTAINABILITY

Sustainability has long been at the heart of our business because it secures our future. To be sustainable, we believe it’s crucial that we create value not just for our shareholders but for all our stakeholders, including the farmers, suppliers and retailers we work with.

We are proud of our track record in this area. We were the first tobacco company to be included in the Dow Jones Sustainability Index in 2002 – and we have been included every year since. In 2015, we maintained our position as industry leader.

INVESTING IN TOMORROW

We deliver value to shareholders today while investing in our markets, our brands, our new product categories and our people to ensure a sustainable future for our business.

Traditional tobacco products are our core business. However, because of the health risks of smoking, we are also committed to developing potentially less risky alternatives to regular cigarettes. These Next Generation Products include Vapour Products like e-cigarettes, Tobacco Heating Products and nicotine products that are licensed as medicines.

More online www.bat.com/whoweare
We are developing safer choices

We are devoting significant time, funds and resources to developing products that offer consumers a choice of potentially less risky alternatives to regular cigarettes.

PRODUCT LEADER

Hundreds of millions of people around the world choose to smoke, despite the well-known health risks. We are passionate about our tobacco business and pride ourselves on offering consumers a choice of high-quality products and market-leading innovations that meet their needs.

We are also extending that choice by developing innovative tobacco and nicotine products that provide consumers with a choice of potentially less risky alternatives to smoking regular cigarettes. We call them Next Generation Products (NGPs) and they include Vapour Products like e-cigarettes, Tobacco Heating Products and nicotine products that are licensed as medicines.

We have invested more than £500 million over five years in developing a world-leading portfolio of products in the NGP category – not just because they are an exciting new opportunity for us, but also because there are clear benefits for society in helping reduce smoking-related disease.

We believe we are best placed to do this because we understand consumer needs, we have world-class R&D capabilities and robust product and quality standards. We also have global reach and a clear commitment to market our products responsibly.
The strength of our commitment to Next Generation Products can best be demonstrated through the progress we are making.

In 2013, we were the first international tobacco company to launch an e-cigarette brand – Vype – in the UK. Since then, we have used our experience and insights to develop the range and to launch in other markets, including Germany, France, Colombia, Italy and Poland.

We brought out our first Tobacco Heating Product, iFuse, in Romania in 2015. This product heats tobacco to vaporise the nicotine into an inhalable aerosol that delivers a real tobacco taste and flavour.

We were the first ever tobacco company to have a nicotine inhalation product – Voke – licensed as a medicine. We are now working on the large-scale manufacturing and commercialisation of this new product.

Discover more about NGPs at [www.bat.com/NGP](http://www.bat.com/NGP)

“The hazard to health arising from long-term vapour inhalation from the e-cigarettes available today is unlikely to exceed 5% of the harm from smoking tobacco.”

We work as partners

While we grow as a business we want to help others do the same – from supporting farmer livelihoods to working closely with our retailers.

TO SUPPORT RETAILERS

Building lasting and successful partnerships with the retailers who sell our products is key to our success.

We have around 20,000 employees supporting millions of retailers worldwide, many of them independent, family-run shops. We bring all our knowledge and experience to bear to help them build successful retail businesses.

We also help our retailers prevent underage smoking. This includes helping them comply with minimum age laws, supporting proof-of-age schemes and training for shop staff.

400,000+

tonnes of tobacco bought each year from contracted farmers and third parties
TO RAISE STANDARDS

Our 70,000+ non-leaf suppliers worldwide are also valued business partners. They include suppliers of cigarette packaging, filter materials and machinery, and services such as IT consultancy.

We set out the minimum standards we expect of our suppliers through our Supplier Code of Conduct and work with them to achieve continuous improvement within their own operations and supply chains.

We believe that by working together we can raise standards, drive sustainable practices and create shared value for all.

TO HELP FARMERS THRIVE

We have been working with farmers for more than 100 years – agriculture is in our DNA. Farmers are crucial to our business and we have always said that if they thrive, we thrive – because we benefit from a secure supply of high-quality tobacco leaf.

We don’t own farms or employ farmers. Instead, we work as partners with some 90,000 contracted farmers worldwide.

We are committed to ensuring that all farmers who supply our tobacco leaf have prosperous livelihoods. Our specialist leaf technicians work in the field with farmers to help them improve crop yields, preserve soil and water while also providing access to new farming technologies.

We work with farmers to address the environmental impacts of tobacco growing. For example, our afforestation initiatives provide sustainable sources of wood for tobacco curing. We also work to source locally available alternative fuels.

We are often involved in community projects, too – such as providing clean water and sanitation for farming communities in Bangladesh, or training and development for rural youth in Brazil.

We play a key role in addressing exploitative child labour in tobacco growing. We co-founded and are active members of the Eliminating Child Labour in Tobacco Growing Foundation, which runs community projects to address the root causes of child labour.

Watch our farmer livelihoods video at www.bat.com/farmervideo
We are a top employer

Talented people, inspiring leaders and diverse teams make BAT a winning business – and a great place to work.

**EXCITING CAREERS**

We are proud that we are frequently rated as a top employer in countries around the world. In 2016, for example, we have been ranked as one of the top five employers in Western Europe and the number one employer in Mexico.

This type of recognition reflects our ambition to create a culture in which engaged, passionate and committed people can thrive and enjoy exciting careers in our company.

We value strong leadership – it’s essential in a challenging business like ours – and we do all we can to help our high performing people become our leaders of the future. In 2015, more than 80% of our senior appointments were people who have grown and developed within our business.

We complement this by attracting talented people from outside our business. We challenge mid-career recruits to ‘Bring your difference’ and strengthen our teams with their skills, capabilities and experience.

We also offer a challenging and dynamic programme for high-potential and motivated graduates to begin their careers in a world-class business. A truly inspiring journey awaits graduates on our one-year Global Graduate Programme.
A DIVERSE BUSINESS

Few companies can match the diverse nature of the working environment at our company. In our head office in London, for example, nearly 70 nationalities were represented among our people in 2015.

It makes for a fascinating work environment and one that is truly international – a career here means collaborating with people from different cultures and backgrounds on a daily basis.

Our commitment to diversity also includes a focus on supporting career progression for women, through training, mentoring and development programmes that help them fulfil their potential.

We value diversity because it makes us a stronger business – one that’s better able to understand and respond to the diverse needs of our consumers in more than 200 markets. It also provides different ways of looking at challenges, encouraging creativity and innovation.
We operate responsibly

We are committed to the highest standards of corporate behaviour and transparency.

**HIGH STANDARDS**

We are committed to conducting our affairs with honesty, integrity and transparency and we have clear policies and principles in place that set the standard for the way we do business. They cover everything we do, including employment, marketing, health and safety and human rights – and all our employees are required to comply with them.

These policies are constantly reviewed and refined. In 2016, for example, we launched a new Supplier Code of Conduct, partly to help all our suppliers meet our commitment to safeguarding human rights in our supply chain.

Our key policies are available to download at [www.bat.com/principles](http://www.bat.com/principles)

**RESPONSIBLE MARKETING**

Tobacco products pose serious health risks, so it’s right that their marketing is regulated. But we also believe we should be able to communicate responsibly with adult consumers.

Our International Marketing Principles govern how we market our tobacco products, providing a consistent and responsible approach across the world. They are our minimum standard and we apply them even when they are stricter than local laws.

Central to these principles is our long-held commitment that our marketing is aimed only at adult smokers and is not designed to appeal to youth.
OPEN AND TRANSPARENT

Our commitment to transparency is demonstrated through our long track record of openly reporting on our business.

We are clear about the health risks of our products and transparent about our R&D. We publish details of our scientific research programmes on our dedicated website, www.bat-science.com, submit the results of studies to peer-reviewed journals, and present at leading international conferences and events.

We are open about the fact that we seek to engage with regulators when it comes to developing policies around tobacco. Our global Principles for Engagement set out how we should do this and are available on our website.

As of 2015, we had achieved a...

- **48%** reduction in CO$_2$e emissions from our 2000 baseline
- **17.5%** reduction in energy use from our 2007 baseline

150+ papers on our research published in peer-reviewed journals since 2008
MINIMISING OUR ENVIRONMENTAL IMPACT

We recognise our responsibility to minimise our impact on the environment. This is vital to ensuring our business, local communities and ecosystems have access to the natural resources needed for a sustainable future.

It also makes good economic sense for us to use raw materials, energy and water in a sustainable way. We are constantly monitoring and seeking to reduce our direct environmental impacts, and developing new processes and procedures to make our operations more efficient.

FIGHTING ILICIT TRADE

Every year, around 600 billion cigarettes are traded on the black market – that’s up to 12% of global tobacco sales. This robs governments of around £30 billion in taxes annually.

That’s why we invest nearly £40 million each year to fight illicit trade. We work with governments, law enforcement agencies, the industry and international organisations to stop the criminal gangs behind this business.

As part of a 20-year cooperation agreement with the European Commission, we are providing funding of €134 million to combat illicit trade. In addition, as part of an industry group, we have signed an agreement with the United Nations to implement anti-illicit trade solutions that work across national borders.

Watch our Corporate Behaviour video
www.bat.com/corporatebehaviour
Find out more

**GLOBAL**
Find a complete list of our country and area websites, as well as links to our other corporate websites.
www.bat.com/global

**REPORTING**
Download our latest Annual Report and view and download our latest Sustainability Summary and Focus Reports.
www.bat.com/reporting

**SCIENCE**
About science, for scientists, by scientists, our specialist science website offers an insight into the work of our R&D teams and their research into Next Generation Products.
www.bat-science.com

**CAREERS**
Visit our careers website to find out what it’s like to work for BAT and how to join us.
www.bat-careers.com

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